

JKP/SH/2023

5th August 2023

Electronic Filing

Department of Corporate Services/Listing
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001

Scrip Code No. 532162

National Stock Exchange of India Ltd.
“Exchange Plaza” Bandra-Kurla Complex,
Bandra (E),
Mumbai – 400 051

Symbol: JKPAPER
Series : EQ

Dear Sir/Madam,


Re: **Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Annual Report for the financial year 2022-23**

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report of the Company for the Financial Year 2022-23, along with the Notice of 62nd Annual General Meeting scheduled to be held on Friday, 1st September 2023 at 12:30 P.M. IST at Registered Office of the Company at P.O. Central Pulp Mills - 394660, Fort Songadh, Distt. Tapi, Gujarat, which are being despatched/sent to the members by the permitted modes. The Annual Report is also uploaded on the website of the Company at www.jkpaper.com.

Submitted for your kind reference and records.

Thanking you.

Yours faithfully,
For JK Paper Limited

 (Deepak Gupta)
Company Secretary

Encl: a/a

ANNUAL REPORT 2022-23

WIDENING OUR HORIZON



JK PAPER LTD.
Creating lasting impressions

Contents

Corporate overview

- 02** Board Profile
- 04** Chairman's statement
- 06** Vice Chairman & Managing Director's statement
- 10** Corporate snapshot
- 12** How we have grown across the years
- 14** How we have grown financial value decisively and sustainably in the last few years
- 15** Enhancing sustainability
- 20** At JK Paper, we are engaged in enhancing value for all our stakeholders
- 24** ESG: The foundation of our sustainability
- 31** How we achieved financial hygiene
- 34** How a successful procurement function resides at the core of our sustainability
- 37** How we sustained our manufacturing excellence in 2022-23
- 40** How we strengthened our market-driven leadership
- 43** How we enhanced talent productivity in a challenging year
- 45** Community engagement at JK Paper
- 54** Management discussion and analysis

Statutory section

- 64** Board's Report
- 84** Corporate governance report
- 98** Business responsibility & sustainability report

Financial section

- 131** Standalone financial statements
- 197** Consolidated financial statements

Forward-looking statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



Corporate information

Board of Directors

Bharat Hari Singhania
Chairman

Harsh Pati Singhania
Vice Chairman & Managing Director

Anoop Seth
Bharat Anand
Deepa Gopalan Wadhwa
Dhirendra Kumar
Harshavardhan Neotia
R.V. Kanoria
Sandip Somany
Shailendra Swarup
S.K. Roongta
Vinita Singhania

A.S. Mehta
President & Director

Plants

JK Paper Mills (Unit JKPM)
Jaykaypur - 765 017
Rayagada (Odisha)

Central Pulp Mills (Unit CPM)
P. O. Central Pulp Mills - 394 660
Fort Songadh
District - Tapi (Gujarat)

Step Down Subsidiary
The Sirpur Paper Mills Limited
(SPML)
Sirpur, Kaghaznagar, Komarambheem,
Asifabad - 504296, Telangana

Investor Relation

sharesjkpaper@jkmail.com

Offices

Registered Office
P.O. Central Pulp Mills - 394 660
Fort Songadh
District - Tapi (Gujarat)

Administrative Office
Nehru House,
4, Bahadur Shah Zafar Marg
New Delhi - 110 002

Bankers

State Bank of India
Axis Bank
IDBI Bank
ICICI Bank

Company Website

www.jkpaper.com

Auditors

Lodha & Co.
Chartered Accountants

Chief Finance Officer

KR. Veerappan

Company Secretary

Deepak Gupta

CIN

L21010GJ1960PLC018099

Board Profile

Shri Bharat Hari Singhania, Chairman, is an Industrialist with more than six decades of industry experience comprising Cement, Automotive Tyres, Paper, Jute, Synthetics, Paints, Hybrid Seeds, Audio Magnetic Tapes and Sugar, etc. He is also Chairman of Bengal & Assam

Company Ltd., JK Lakshmi Cement Ltd., and JK Agri-Genetics Ltd. and on the Board of JK Tyre & Industries Ltd. and other companies. He is President of J K Organisation and heads the philanthropic institution of the Group, namely JK Lakshmipat University, Lakshmipat Singhania

Education Foundation, Lakshmipat Singhania Medical Foundation and Pushpawati Singhania Hospital & Research Institute. He is former President of Indian Chamber of Commerce and Chairman of Indian Jute Mills Association.

Shri Harsh Pati Singhania, Vice Chairman & Managing Director, is an MBA from the University of Massachusetts, USA and an alumnus of the Harvard Business School, USA.

He is associated with various Industry bodies and forums. He is currently Vice-Chair and a Member of Executive Board of International

Chamber of Commerce (ICC), Paris, Member of the B20 India Steering Committee, Founding Member of Centre for Social and Economic Progress (CSEP), formerly known as Brookings India, Member of Board of Governors of International Management Institute (IMI) and other accredited institutions and CEO's forum.

In the past, he was President of Federation of Indian Chambers of Commerce & Industry (FICCI), All India Management Association (AIMA), Indian Paper Manufacturers Association (IPMA) and on the Board of several Business/CEOs forums. He was conferred Honorary Doctoral Degree by Xavier Institute of Management, Bhubaneswar.

Shri Anoop Seth, Independent Director, holds a Master's degree in Management Studies with a major in Finance from The Birla Institute of Technology and Science, Pilani,

and has completed Executive International Management Programme from INSEAD, France.

Shri Seth has an overall experience of around 35 years, both domestic and international, in the Finance, Corporate Banking and Infrastructure sectors.

Shri Dharendra Kumar, Non-executive Director, is B.E (Mech) from New York University and has a vast experience in the tea industry

and is an eminent personality in the industry. Shri Dharendra Kumar is associated with various Chambers/Organisations, including

Tea Association of India, Indian Tea Association, Calcutta Tea Traders Association, Bharat Chamber of Commerce etc.

Smt. Deepa Gopalan Wadhwa, Independent Director, has been a distinguished career diplomat in Indian Foreign Service (IFS). She is an undergraduate in Chemistry and a post graduate in English Literature.

She has served as Ambassador of India to Japan, Qatar and Sweden. She was concurrently accredited as Ambassador to Latvia (from Stockholm), and Republic of the Marshall

Island (from Tokyo). She also held significant assignments in Geneva, Hongkong, China, Netherlands, International Labour Organisation (ILO) and the Ministry of External Affairs. She handled a wide swathe of issues related to India's relations with key countries; participated in international conferences and negotiations relating to climate change, sustainable development, disarmament and human rights and was instrumental in the active promotion

of India's economic interests in the areas of trade, technology, investments and energy security during postings in Europe, the GCC and Japan.

She is Chairperson of the India- Japan Friendship Forum, Member of the Governing Council of the Institute of Chinese Studies and is on the Governing Council of the Asian Confluence based in Shillong.

Shri Harshavardhan Neotia, Independent Director, has done an Owner President Management Programme (OPM) from Harvard Business School, USA. He is Chairman of Ambuja Neotia Group, having business verticals in Real Estate, Hospitality, Healthcare and Education.

He is a former President of FICCI and AIMA and presently a member of Indira Gandhi National Centre for the Arts, Chairman of National Institute of Technical Teachers' Training & Research, Council Member of the National Culture Fund, Govt. of India, one of the trustees

of Shree Somnath Trust and Honorary Consul of Israel in West Bengal.

He was conferred Padma Shri in 1999 for his work in social housing, YPO Legacy of Honour Award and D.Litt. (Honoris Causa) by the Vidyasagar University, West Bengal.

Shri R. V. Kanoria, Independent Director, is an MBA (Hons.) from IMD, Switzerland, and has done Advanced Management Programme from Wharton, USA. He has over four decades of experience in the chemicals, textiles and jute industries and is Chairman & Managing Director of Kanoria Chemicals & Industries Ltd.

He is associated with various Industry bodies and has been President of FICCI, headed ICC (India), Chairman of Confederation of Indian Textile Industry, and Indian Jute Mills Association. He is presently Vice Chairman of Population Foundation of India.

He is recipient of the Swiss Ambassador's Award for Leadership and Business Ethics, 2013, bestowed with the Distinction of Commander of the Order of Leopold II by the King of Belgium for his contribution to the development of business ties between India and Belgium.

Shri Sandip Somany, Independent Director, is a Commerce graduate from Delhi University and studied Ceramic Manufacturing Technology from the University of California,

USA. He is Chairman & Managing Director of AGI Greenpac Limited (formerly HSIL Limited). He has been Past President of FICCI and PHD Chamber of Commerce and Industry

and member of various organisations viz. Committees of the Bureau of Indian Standards and Governing Body of All India Organization of Employers.

Shri Shailendra Swarup, Independent Director, holds a Bachelor's degree in arts and is a law graduate. He is an eminent corporate lawyer with over five decades of professional experience in legal and litigation matters,

practicing in Delhi High Court and Supreme Court. He has been a Member of the Task Force on corporate governance constituted by the Confederation of Indian Industry and Ganguly Committee constituted by the Reserve Bank of

India on Corporate Governance of Public sector banks and financial institutions. He shall cease to be Director of the Company from August 23, 2023 on completion of his second term as an Independent Director of the Company.

Shri S. K. Roongta, Non-executive Director, is an Electrical Engineering Graduate from BITS, Pilani and PG Diploma in Management (International Trade) from IIFT, New Delhi - Gold Medalist. He is regarded as an expert on

Strategy and Turnaround in the manufacturing sector in the country. He is Chairman of Bharat Aluminium Company Ltd.. In past, he had been Executive Chairman of Steel Authority of India Ltd. (SAIL). Under his leadership, SAIL

was adjudged as the 2nd Best Steel Company in the world (next to POSCO) by the World Steel Dynamics, USA.

Smt. Vinita Singhania, Non-executive Director, is a businesswoman with extensive diversified experience. She is Vice Chairman & Managing Director of JK Lakshmi Cement Ltd.

She has the distinction of being the first woman President of Cement Manufacturers Association (CMA) of India as well as National Council for Cement and Building Materials (NCBM). She was a recipient of Awards of Excellence by FICCI

Ladies Organisation & Best Family Business Award Lead by Woman by Money Control Pro (Network 18) and included in the list of BW Business World Most Influential Women 2023.

Shri A.S. Mehta, President & Director, is a Fellow Chartered Accountant with all India merit and alumni of Wharton Business School, USA. He has been with JK Organisation for around four decades and held several senior positions in JK Tyre & Industries Ltd. in Finance, Accounts, Taxation, Internal Audit and

Corporate Laws before taking over as Marketing Director. He was President of Indian Paper Manufacturers Association for four years. He was also Chairman of Development Council for Pulp, Paper and Allied Industries and Central Pulp & Paper Research Institute, an autonomous organisation

under the administrative control of Ministry of Commerce & Industry, Government of India, and is recognised as one of the key spokespersons for the Indian paper industry. He works closely with government bodies towards policy intervention and improvement of the industry.

Shri Bharat Anand, Independent Director, is a B.A. (Law) from Jesus College, Cambridge University and B.A. (Hons.) Economics from Hans Raj College, Delhi University. Shri Anand is a dual qualified lawyer (India and England Wales). He is ranked as Band 1 Lawyer for M&A work in Delhi, by Chambers Asia Pacific and UK.

He is Partner in Khaitan & Co., a leading corporate law firm and has an overall professional experience of 25 years, with a specialisation in mergers & acquisitions, joint ventures, private equity transactions and strategy.

He is a part of the National Executive Committee of FICCI and Co-Chair of FICCI's Committee on Stressed Assets.

The Board recommended his appointment as Independent Director of the Company for a term of five consecutive years from July 1, 2023, to the shareholders of the Company.



Chairman's statement

The post-COVID pandemic rebound in the global economy was halted abruptly by the Russian invasion of Ukraine, leading to renewed disruption in supply chains and trade. The sharp rise in food and energy costs that followed culminated in multi-decade high global inflation of 8.8% in 2022. This cost-of-living crisis kept consumer demand subdued, pushing down global GDP growth to 3.4% in 2022, almost half compared to 6.3% in 2021.

With heightened recessionary concerns, global growth is likely to grow at 2.8% in 2023, one of the lowest growth rates in recent decades. While it is forecasted to marginally improve to 3% in 2024, it will be significantly short of the growth trend. Although inflation is gradually coming down, it remains elevated and along with the financial tightening from continued rate hikes is expected to weigh on economic activity.

Against this cautious backdrop, the Indian economy is seen as a beacon of hope where growth is expected to be 6.5% this year, the highest among the major economies. This would be further bolstered by the Government's continued thrust on strong capex-led growth with spending to expand to around ₹10 Lac crores in current fiscal. This would take the 5-year average capex spending to over 31% during 2020-24 vis-a-vis only 7% during the previous 5 years (2016-20). This would boost India's overall economic growth and consequently the paper industry.

The global shift to responsible eco-friendly packaging has led to a conscious decision to reconfigure our product mix in favour of packaging materials. In fact, we have accelerated this transition in this space, with expansion to 2,91,000 TPA or 38% of our capacity from smaller presence, in just a year. The company expects to generate over ₹2000 crores in turnover from this business in the current financial year, validating its entry into the space.

As the world is progressively becoming more digitalised, it was apparent that your company needed a reset. We created a digital culture within the organisation across all levels with a resolve to build a digital mindset and infuse a digitalised

work culture approach into every aspect of its business. We are ensuring that our existing talents are trained on these new competencies.

This transition also required different capabilities for which we are recruiting a new generation of professionals, coming from various sectors as well as hiring younger people with a digital competence. In addition to this, we are also making our distribution network

Goals (SDGs), reflecting the company's holistic approach towards CSR. The Company incurred ₹14.26 crores on CSR activities in 2022-23 directly benefitting almost 7 Lac people across 846 villages in Gujarat, Uttar Pradesh, Telangana and Odisha, a 5-fold jump in the last 4 years (2020-23). Amongst the notable achievements is the launch of a green campus program with Climate Reality Project (across air, water, biodiversity, energy and waste management). 27

The global shift to responsible eco-friendly packaging has led to a conscious decision to reconfigure our product mix in favour of packaging materials. In fact, we have accelerated this transition in this space, with expansion to 2,91,000 TPA or 38% of our capacity from smaller presence, in just a year.

digital friendly. To make further inroads, the company intends to commission Digital centre of Excellence to drive the place, scale and complexity of digital projects.

Our manufacturing excellence was sustained, supported by the strategic presence of Company's three units that are located in areas with abundant raw material, energy and water, ensuring cost-effectiveness coupled with deployment eco-friendly manufacturing processes.

The Company has continued with its rich heritage of community engagement and support by undertaking several initiatives extended to farmers, youth and women in the villages around its plants. These initiatives align with 14 out of the 17 United Nations Sustainable Development

schools were registered in Rayagada under the program.

JK paper is well placed to sustain its growth with enhanced profitability. As we aim to raise the bar even higher, promising future beckons our economy. I look forward to your support and cooperation as we will gear ourselves to make the most of the opportunities on offer and make it a rewarding journey for all of us.

Bharat Hari Singhania

The resilience of Indian economy is in sharp contrast with sharp downturn in most of the other world, particularly the developed world, where 9 out of 10 advanced economies are staring at a lower growth this year. India is projected to contribute almost 15% of global growth this year vis-a-vis only 10% by the US and Euro area combined.



Vice Chairman & Managing Director's statement

Despite a slowdown in overall merchandise exports in second half of the year, aligned with global trends, sectoral exports are holding up as concerted efforts to diversify product-mix and markets are gradually bearing fruit. However, the surge witnessed in the previous year may not be sustained.

The 3-fold jump in average per capita income over the last decade, reaching almost ₹2 Lac, alongside growing consumerism is providing a big boost to consumption demand. Government's efforts to control inflation is now bearing fruit, which has provided RBI the cushion to pause on further rate hikes at a time when other central Banks, particularly in the advanced economies, continue with their tight monetary policies.

The global paper industry witnessed an upsurge in paper and pulp prices due to increase in demand and rise in input costs. This along with the continuous improvement made by your Company in product mix, lowering energy costs, enhancing people productivity and a wider-deeper distribution network resulted in the record performance in the last financial year, with highest ever Sales, EBIDTA and PAT. JK Paper, which leads the office paper vertical, witnessed robust growth in sales by 46% in 2022-23 over 2021-22, which was primarily contributed by the rising popularity of co-working space and the opening of offices in new locations. The expanding education sector and the emphasis on literacy are also positively impacting the market for writing paper. With demand for environment friendly and sustainable alternatives, including office paper, expected to rise in the foreseeable future, we are continuing to widen and deepen the distribution footprint while increasing our market presence in this business.

JK Paper is well-positioned to benefit from the shift from plastic to paper in the food packaging industry, with new product launches that offer oil and water resistance, moisture and oxygen barrier and heat

We have been able to successfully turnaround the operations of Sirpur Paper Mills during the year under review through our focus on quality, which enabled the Company to gain customer's confidence, resulting in good order book along with equipment uptime through a structured preventive maintenance schedule and improving customer service levels

sealable capabilities. In response to the growing need for sustainable packaging, the company has developed plastic-free alternatives.

The Company also doubled the sales of packaging boards (including exports) during the year under review due to ramp of volumes from the new Packaging Board plant.

Now the challenge before us is to make this performance sustainable, especially when the prices of some product categories have begun to moderate while input costs remain volatile.

As part of the strategic initiative the Company entered into Corrugated Packaging business to take advantage of the growing industrialisation and e-commerce markets which is expected to grow at a healthy rate. To this end, a greenfield state of the art plant has been set up at Ludhiana.

Furthermore, the Company had acquired 85% stake in Horizon Packs Pvt. Ltd and Securipax Packaging Ltd, which are engaged in Corrugated Packaging business and are collectively number one in the Country. These acquisitions are in synergy with the growing packaging sector enabling substantial expansion of the corrugated packaging business, making it the largest organised player.

We have been able to successfully turnaround the operations of Sirpur Paper Mills during the year under review through our focus on quality, which enabled the Company to gain customer's

confidence, resulting in good order book along with equipment uptime through a structured preventive maintenance schedule and improving customer service levels. This resulted in the production to grow from 97,401 MT to 1,21,898 MT, a jump of 25% y-o-y.

On the financial front, the company continues to be comfortable, with healthy net cash position by the close of 2022-23, while interest cover increased from 8.5 to 9.82, the Long-term debt has also declined noticeably last year, which would empower the company to capitalise on new opportunities, by funding much of its growth from its earnings. This strengthened the company's credit rating from AA (-) to AA (India's first pure play paper company to be rated as highly).

The Company extended into direct marketing, enhancing its value chain and graduating the consumer relationship to a different level. To establish direct engagement with customers through a D2C platform, we came up with JIA (JK Paper Intelligent Assistant), an AI-based chatbot, which is currently active at pan-India level.

The Company continued to play an industry-leading role in encouraging social forestry in the hinterlands of its manufacturing facilities. During the year 2023, the Company had planted trees covering 55,700 acres in Odisha, Andhra Pradesh, West Bengal, Telangana, Maharashtra, Gujarat and Chhattisgarh. This has not only increased resource

access and moderated delivered wood cost, but also greening environment and enabling the Company to be wood and carbon positive. It has enhanced livelihoods of over 84,000 farmers who have benefited through the Company's farm forestry over the last 10 years. The Company has sharpened the focus on FSC-FM certification during the year and the Certified coverage as % of total plantation coverage increased from 27% to 63% at JKPM unit and from Nil to 57% at CPM unit over the period of last five years.

Your company's quality leadership and the growth initiatives taken to promote value addition have allowed JK Paper to stay ahead of its peers and we remain committed to enhancing our competitiveness through widening our perspectives, which would help the company to achieve greater heights, translating into enhanced value for all our stakeholders.

Harsh Pati Singhania



Widening our
horizon

At JK Paper, 'Widening our horizon' is more than a tagline; it represents the way we wish to run our business.

By reimagining processes and products.

By widening our products portfolio.

By transforming processes from the manual to the digital.

By moderating our environment footprint.

By using the same resource to make different products.

By investing in communities to enhance prosperity.

In doing so, we are engaged in building a responsible, sustainable and profitable company.

JK Paper Limited is among the leading Paper and Packaging Board companies in India.

The company has graduated to become a distinctive brand within its sector.

A brand for a company that responds to the present but is driven by the future.

A brand for a company that puts responsibility above profitability.

A brand for a company that has demonstrated that capital-intensive businesses can grow through market cycles.

A brand for a company that has transformed with speed to delight institutional and retail consumers.

A brand for a company that is the most valuable (by market capitalisation) in India's paper sector.

A brand for a company that generates the following recall: 'If it is JK Paper, then it must be superior.'



Ethical foundation

Vision

To be a dynamic benchmark and leader in the Indian paper industry

Mission

To be a world-class company, digitally-enabled company creating stakeholders value by achieving growth and leadership through:

- JK brand equity
- Customer centricity
- Technological innovation
- Cost-competitiveness
- Environmental and social care



Background

JK Paper belongs to the multi-business industrial conglomerate of JK Organisation. This Indian conglomerate has been in operation for more than a century. It enjoys a strong presence across industries like paper, automotive tyres, cement, V-belts, oil seals and textiles and known for innovation and superior products quality.



Certifications

The Company's ISO 9001, ISO 14001, ISO 45001, BIS Certification, and FSC certification validate its commitment to health, safety and sustainable engagement.



Management

JK Paper is an integral part of JK Organisation. The business was started in 1938, engaged in the production of straw boards and establishment of its first paper manufacturing unit (JKPM) in Odisha in 1962. The company is stewarded by Chairman Shri Bharat Hari Singhania, Vice-Chairman and Managing Director Shri Harsh Pati Singhania and managed by President and Director Shri A.S. Mehta complemented by experienced professionals and subject matter experts.



Respect

JK Paper is one of the largest wood-based paper companies in India. The company possessed an installed capacity of 6,25,000 TPA at the close of 2022-23 (7,61,000 TPA including its subsidiary SPM). The company is present in the following segments: office paper, writing & printing paper, packaging board, coated paper and specialty paper.



Manufacturing competence

The Company's state-of-the-art manufacturing units in three locations enjoyed a proximity to plantation wood and consumption markets. The manufacturing units comprised the following:

- Unit JKPM in Rayagada, Odisha (installed capacity 315000 TPA)
- Unit CPM in Songadh, Gujarat (installed capacity 310000 TPA)
- Sirpur Paper Mills company's subsidiary in Kagaznagar, Telangana (installed capacity 136000 TPA)



Brands

The company's products are marketed under premier brands like JK Copier, JK Easy Copier, JK Copier Plus, JK Excel Bond, JK SS Maplitho (SHB), JK Cote, JK Ultima, JK Endure and others. The JK Paper brand is respected for best-in-class features and services, inspiring the recall that 'If it is JK Paper, then we are safe.'



Employees

JK Paper is one of the largest employers in India's paper industry. The average employee age of 38.9 represents a balance of youth and experience. Its people policies are guided by the core value of 'Caring for People'.



Presence

JK Paper is present across 60 countries. These countries include US, UK, Bangladesh, Singapore, Malaysia, African and the Middle East. The brand is internationally respected for superior product quality and a price-value proposition. The company generated 7% revenues from exports in 2022-23.



Awards and recognition

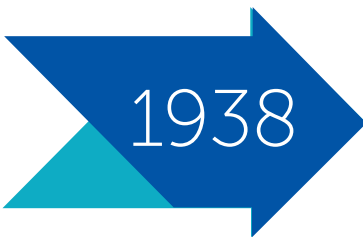
- Unit JKPM is ranked number one in the first green rating of the Pulp & Paper Sector by Centre for Science and Environment.
- Unit CPM won the Energy Efficient Award by CII – 23rd National Award for Excellence in Energy Management.
- Unit JKPM bagged the 23rd National Award for Excellence in Energy Management 2022 by CII and CII

National Award for excellence in Water Management -2022.

- Unit CPM was awarded Excellent position under the paper Industry category -SCALE (Supply Chain and Logistics Excellence Awards) 2022, organised by CII.
- Unit JKPM was awarded IPMA Paper Mill of the Year Award 2021-22 by Indian Paper Manufacturers Association (IPMA).

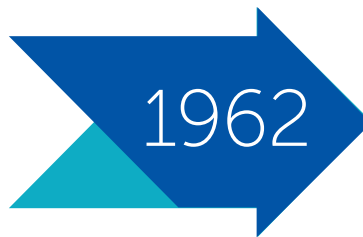
- Unit JKPM received Odisha CSR Excellence Award-2022 from Odisha CSR Forum.
- Unit JKPM has received Odisha State Energy Conservation Award-2022 from Principal Chief Electrical Inspector & State Designated Agency.
- Unit JKPM has won National Energy Leader Award by CII.
- Unit JKPM received FICCI'S Sustainable Agriculture Award-2022

How we have **grown** across the years



1938

Commenced the manufacture of straw boards



1962

Installed the first paper machine at Unit JKPM (Odisha)



1992

Acquired the Unit CPM (Gujarat)



2018

Acquired Sirpur Paper Mills in Telangana (1,36,000 metric tonnes per annum)



2019

Certified and ranked amongst 100 Great Place to Work companies in India



20-21

Commenced construction and erection of a new packaging board line and pulp mill at Unit CPM



2005

Installed a coating plant at Unit JKPM

2007

Established a superior packaging board plant at Unit CPM (Gujarat)

2013

Set up a state-of-the-art fibre line and paper manufacturing machine at Unit JKPM (Odisha)

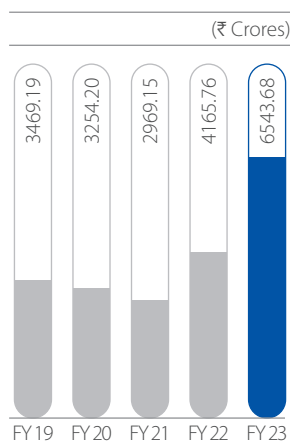
2022

Commenced the commercial production of a new integrated packaging line at Unit CPM.

2023

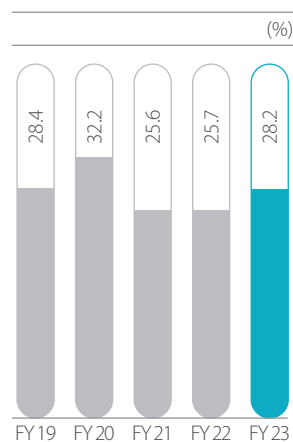
Acquisition of 85% equity of Horizon Packs Pvt Ltd. (HPPL) and Securipax Packaging Pvt. Ltd.(SPPL)

How we have grown **financial value** decisively and sustainably in the last few years



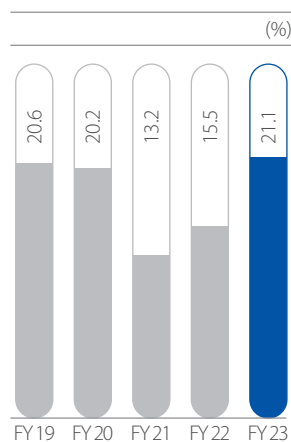
Revenues

Aggregate sales increased 57% to ₹ 6543.68 crores in 2022-23 on account of larger volumes and superior per unit realisations



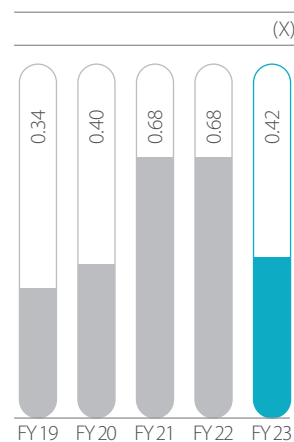
EBITDA margin

The Company reported a 25 bps growth in EBITDA margin in 2022-23 on account of higher realisations and cost management



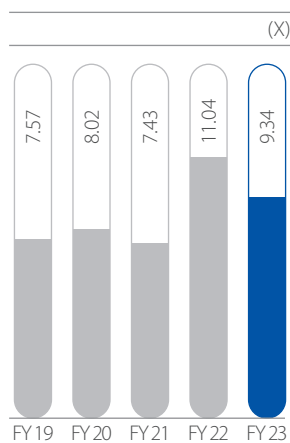
ROCE

The Company reported a 56 bps growth in RoCE margin in 2022-23, arising out of superior amortisation over fixed costs and higher realisations



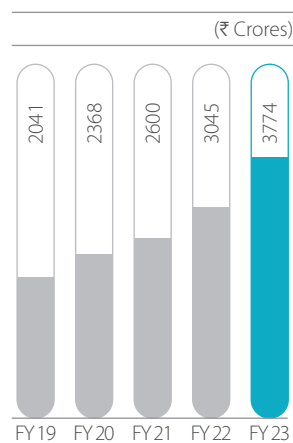
Net debt-equity ratio

The Company reported an improved net debt-equity ratio in 2022-23 following sizable debt repayment



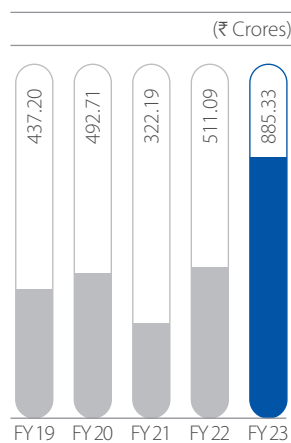
Interest cover

The Company continued to have a strong interest cover in 2022-23 on account of higher EBITDA despite an increase in interest cost for funding the new packaging board plant



Net worth

The Company reported a 24% increase in net worth in 2022-23 following superior performance



Profit after tax

The Company reported a 73% increase in PAT in 2022-23 following record revenues and cost management

Enhancing sustainability

Overview

At JK Paper, we have always put a priority on the word 'sustainability'.

The word implies that what is good should be made better across functions, layers and facilities.

This brings into focus the performance of the last financial year when the company reported a record performance and also the highest priority to sustainability. This distinctive performance was the result of our commitment to a multi-year continuous improvement on a strong foundation of caring for environment and sustainability. This improvement was manifested in superior paper realisations, better product mix, lower energy costs, enhanced people productivity and a wider-deeper distribution network.

Sustaining past performance

The challenge before our company is to make this performance sustainable. We are aware that the sharp improvement may not be sustained immediately; the record sale realisation of the previous year have begun to moderate; this is likely to translate into lower profits for our company during the current financial year.

We believe that the best way to ensure that we recover ground in terms of revenues and profits will be widening our horizon. At JK Paper, widening our horizon is a reference to improving, enhancing and broad basing our vision, mindset and performance. The better we achieve, the stronger will be our financial performance.

Widening our horizon

At JK Paper, the word 'widening' stands for a refreshing interpretation of realities. The one interpretation that is challenging existing mindsets within our company is digitalisation. This intervention is not referring only to the automation of some manual systems; it is provoking us to rethink our way of doing business.

Digitalisation: Digitalisation is empowering us to build an entirely new company – not a better version of the paper company that existed but a digital company that is also engaged in the manufacture of paper and packaging board. By referring to ourselves as a digital enterprise, we are inspiring a new way of seeing old things right down to every single person who works for us or with us. In doing so, we are convinced that we are writing a new DNA of our company with limitless possibilities.

Products: In the past, the majority of our revenues were derived from the writing & printing segment; that proportion has begun to decline in favour of packaging board. During the last financial year, we took this portfolio broad basing a decisive step ahead: we not only commissioned a greenfield corrugation facility but also acquired two companies – one of the most decisive initiatives seen in our company in a long time. These initiatives – organic and inorganic – underline our seriousness in growing our presence in the second packaging segment (brown and corrugated).

People: If we are to be a modern, nimble and customer-facing company, we will need a complement of new skills. The

result is that we have been recruiting a new generation of professionals. A number of these professionals have no prior experience of having worked in the paper sector; we are also hiring younger people with a digitalisation competence.

Distribution: We will be making our distribution network digital friendly, so that transactions can be accepted, processed and actioned without manual interventions. We believe that a superior outcome at this moment of truth could set the platform for an enhanced customer experience. The company generated 30% of its branded product revenues from digital engagement and the priority will be to enhance this in the future. A related challenge will be to extend our digitalisation to thousands of plantation farmers, ensuring that we are no more distant from them. This will be trust-enhancing and seamless.

Conclusion

During the last few years, we grew by widening our installed capacity. As we enter the next phase of our growth, the focus will be on widening our mindset and generating more from less. We are widening the ambit of various projects that will only make us nimbler, enhancing our capital efficiency.

The result is that even as the performances of 2022-23 may not be replicated during the current financial year, the widening of our perspectives will ensure that we enhance our competitiveness and graduate to another performance milestone in terms of profits and profitability – that translates into enhanced value for all our stakeholders.

How JK Paper widened its horizons to enhance long-term **sustainability**



Context: JK Paper was traditionally strong in addressing government as well as corporate orders with a relatively low presence among jobbers and retail outlets. The company recognised that with increased consumerisation, there would be disproportionate retail demand growth, which would create a larger need for market data and corresponding initiatives. In line with this, the company recognised the need to build alternative trade channels that would empower the company to address retail demand directly. Besides, a more visible and nimbler retail presence would have a catalytic impact on the recall of the company's copier paper. In view of this, a larger retail presence was not merely considered advisable; it was considered necessary.

Initiatives: The company embarked on growing its retail presence some years ago. During the last financial year, the realisation was complemented by digitalisation and formalised under the Leap200 campaign. The company recruited employees to specifically visit retail partners to understand consumer needs, collect orders and ensure that these were serviced with speed. The proprietary ownership of this activity resulted in a more intensive and periodic coverage of a larger sales footprint. The result is that the JK Paper representative became a timed fixture, enhancing familiarity. The company also launched a Chat BOT to service retail enquiries in real time.

Outcome: The company's demand sensing algorithm picked up on the daily visit data being fed into the system to generate demand predictability.

Big picture: The retail initiative of the company has had a disproportionate influence on the JK Paper brand recall. Even though retail offtake accounted for no more than a nominal proportion of revenues, the brand influence was considerably higher, transforming the company's recall as 'nimble' and 'consumer-centric'. Besides, the direct engagement with retail partners or consumers made it possible for the company to enter into direct relationships that can be progressively scaled across the country. This is expected to transform the brand of the company from manufacturing-driven to a service-driven enterprise.



How we are transforming our marketing orientation

How we are marching towards Digital Sales Enablement

Context: The company encountered a large number of its consumers seeking to buy paper through a digital interface. Besides, the widening influence of digital systems puts a premium on the need to replace the manual and graduate to cutting-edge technologies.

Initiatives: The company recruited digital professionals and data scientists. It identified manual processes that could be digitalised – across the manufacturing, administrative and sales processes. In doing so, the company resolved to build a digitalised mindset – not just from the perspective of transforming select functions but in transforming the way the company would rethink its business – infusing a digitalised approach into every aspect of its business. The company seeded digital teams in different aspects of its operations with the objective to understand interventions from the inside and recommend business-strengthening improvements. This vision was complemented by a methodical approach where the outcomes were

compared against targets (outcome and deadlines), checked for deviations and appraised for improvements. By the close of 2022-23, the company had 60 digital projects running, directed at better ways to procure resources, manufacture efficiently, moderate logistics costs and distribute with clarity.

Outcome: The company reported an attractive payback from its digitalised investments, marked by increased process stability cum throughput as well as a decline in costs. The ability to generate more from less has encouraged the company to graduate to larger experiments. The company created a digitally-driven tendering model, making it possible to procure cost-efficiently.

Big picture: The company intends to commission Digital Centre of Excellence to drive the pace, scale and complexity of digital projects. In doing so, the company intends to transform its personality into a digital company engaged in the manufacture of paper and packaging board.

Our digitilisation progress

Our digitalised reverse auction process made it possible to generate 40% higher realisation on the sale of waste scrap.

Our digitalisation manufacturing process enhanced the recovery and reuse of in-process chemicals;

it strengthened a balance of throughput, efficiency and quality

Our digitalised inventory management is expected to reduce inventory

Our digitalised logistics management enhanced fleet productivity of our vendors, optimising our cost

Context: The world is transitioning from plastic to responsible eco-friendly packaging. This is not just true for small products; even relatively large consumer products are being packed in brown recyclable cartons. This makes the brown or corrugated packaging segment the fastest growing within the paper universe, a trend that is likely to sustain. The company was not present in this segment until a couple of years ago, putting a premium on entry and scalability.

Initiatives: The company resolved to correct its under-penetration by building a greenfield corrugated packaging plant from scratch and acquiring two corrugated companies (one of them being India's largest) with pan-India operations (seven locations).

Outcome: The combination (organic and inorganic) of initiatives has graduated the company from no presence in this space to 320,000 TPA. By the virtue of a dispersed national presence, the company is close to industrial demand-intensive hubs, marked by a lower logistical incidence.

Big picture: The company is now positioned to build on customer proximity and enter into multi-year relationships. Besides, the presence in the brown segment is expected to broadbase revenues on the one hand and enhance the company's respect as environment-friendly on the other. The company expects to generate over ₹1,000 crores turnover from this business in the current financial year, validating its entry in the space.

How we are capitalising on the Paper packaging revolution

Context: One of the biggest priorities in the paper industry the world over is a need to draw wood from organised plantations. The responsible access to wood ensures that felling or logging is calibrated and in line with statutory guidelines. Besides, the creation of organised plantations is seen a carbon-positive greening initiative.

Initiatives: The company entered the area of organised wood plantation in 1990. The company engaged and encouraged farmers to convert a part of their land to plantation coverage that would ensure a buyback and attractive cash income across the long-term. The company engaged with over 80,000 farmers covering 55,700 acres during the year, providing clonal saplings on the one

hand and entering into remunerative wood buyback on the other.

Outcome: The company generated 70% of its wood resource from these plantations; the low distance plantation-based procurement was from 50 to 350 kms, moderating logistic costs. The aggregate plantation area is expected to provide the company with adequate wood resource to build its business in a sustainable manner.

Big picture: By being able to procure in large volumes at a relatively low logistic cost, the company enjoys a scalable business foundation. The company may consider a synergic diversification that broadbases its portfolio and accelerates its extension from commodity to speciality.

How we are responding with speed to other business opportunities

The company had cumulatively covered more than 610 Lac acres of plantation and planted 116 Crores saplings till March 2023

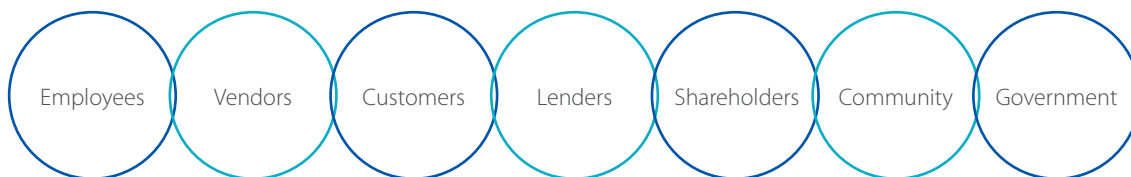
At JK Paper, we are engaged in **enhancing value** for all our stakeholders

The company is focused on the creation of 'integrated value'

Overview

The Integrated Value Report enhances an understanding of value enhanced across diverse stakeholders (employees, customers, suppliers, business partners, shareholders, local communities, regulators and policy makers), underlining the need for an organisation to be sustainable in every manner. The report draws on diverse strands (financial, management commentary, governance, remuneration and sustainability reporting) in explaining an organisation's ability to create, enhance and sustain value.

Our stakeholders



Our scorecard: How we enhanced value for stakeholders

Shareholder value

6463.55

₹ crores, market valuation, March 31, 2023

5153.22

₹ crores, market valuation, March 31, 2022

Community - CSR spend

14.26

₹ crores, spending, 2022-23

11.49

₹ crores, spending, 2021-22

Employees

40

Training hours imparted per employee, 2022-23

35

Training hours imparted per employee, 2021-22

Government

1269.32

₹ crores, Contribution to exchequer, 2022-23

803.78

₹ crores, Contribution to exchequer, 2021-22

Relative outperformance

How JK Paper's equity price (CAGR) performed vis-a-vis the BSE Sensitive Index

	1 year	3 year	5 year	10 year
Stock price	25.4%	28.6%	26.3%	23.9%
Sensex	18.3%	14.8%	14.6%	12.9%

Dividend payout

JK Paper has announced consistent dividends in the last five years and paid an aggregate ₹506.63 crores dividend so far till 2022-23.

Dividend payout excluding taxes (₹ Crores)

2018-19	2019-20	2020-21	2021-22	2022-23
62.39	71.30	67.76	93.17	135.52

Dividend payout ratio (%)

2018-19	2019-20	2020-21	2021-22	2022-23
17.33	17.61	20.62	18.19	15.22

Our sustainability framework

Strategy

- Digitalise the business; optimise costs; enhance customer convenience
- Graduate the business towards the packaging
- Enhance the environment responsibility of our operations

Procurement economies

- Procure abundant wood resource through proximate sources
- Procure superior wood quality
- Provide farmers with a superior return on their investment plus buyback

Products basket

- Manufacture two principal products (with sub-grades)
- Grow the traction for these products despite digitalisation
- Evolve products towards the packaging and copier paper ends

Manufacturing excellence

- Maximise asset utilisation
- Invest in cutting-edge digital technologies
- Optimise manufacturing costs; establish cost leadership

Financial structure

- Repay or prepay long-term debt
- Optimise working capital outlay
- Mobilise long-term debt (with moratorium) at one of the lowest rates

Environment integrity

- Optimise resource consumption per unit of production
- Protect the region's environment balance
- Comply extensively; establish sectorial thought-leadership

People competence

- Enhance talent productivity
- Invest in knowledge, experience and passion
- Deepen outperformance

Community support

- Provide community support
- Focus on integrated development
- Engage in a sustainable way for extended impact

Our strategy

Strategic focus	Procurement relationships	Manufacturing excellence	Talent competence	Distribution breadth	Brand and customer experience	Environment commitment	Community engagement
Key facilitators	<p>The Company prioritised enhancing its ability to acquire quality raw materials at the most appealing price-value combination from nearby sources.</p> <p>The company took a pioneering position in promoting social forestry in the surrounding areas of its manufacturing plants.</p> <p>The Company procured 70% of its wood resource from within a 350km radius of its three manufacturing plants in 2022-23</p> <p>The company optimised logistics expenses, obtained superior raw materials, and improved the quality cum consistency of its end products.</p>	<p>The company made investments in state-of-the-art equipment and technologies, supported by focused research and development efforts.</p> <p>The company successfully managed manufacturing costs, increased operational efficiencies, and achieved improved product quality.</p> <p>The company achieved superior asset utilisation, strengthened its cost leadership position, and experienced a favorable return on gross block.</p>	<p>The Company recruited specialists in various fields of expertise</p> <p>The company focused on intensifying training and empowering employees with projects to enhance their competence.</p> <p>The Company reported an attrition of 10% against a higher industry average in 2022-23</p> <p>The Company reported higher per person productivity in 2022-23</p>	<p>The Company widened its pan-India presence</p> <p>The company ensures that its products are readily available, accessible, and affordable to customers.</p> <p>This availability allows customers to manage their inventory for extended periods, enhancing working capital efficiency.</p> <p>The company achieved a faster inventory liquidation through deeper trade engagements</p> <p>The Company's distribution network comprised 450 trade partners at the close of 2022-23</p>	<p>The company's brand has become synonymous with providing customers with a peace of mind.</p> <p>The Company provides a single-stop product solution - writing & printing, coated, office paper and packaging board</p> <p>The company significantly enhanced its reputation for dependability by consistently delivering orders on-time and in full</p> <p>The company expanded its value chain and elevated the consumer relationship to a higher level by venturing into direct marketing</p>	<p>The Company enhanced its environment integrity</p> <p>The company's operations were benchmarked against the most stringent environmental compliance standards.</p> <p>The company's operations have never been criticised or penalised for non-compliance or transgressions.</p> <p>The company established itself as wood- and carbon-positive, demonstrating its commitment to sustainable practices. It also made proactive investments in effluent and sewage treatment systems, showcasing its forward-thinking approach.</p> <p>The company achieved remarkable milestones in terms of water and power conservation, setting industry benchmarks with some of the lowest consumption rates in India's wood-based paper sector.</p>	<p>The company embarked on various community-supporting initiatives, extending its engagement to farmers, youth, and women residing in the villages surrounding its plants. These engagements encompassed areas such as education, healthcare, and the development of rural infrastructure.</p> <p>The Company incurred ₹14.26 crores in CSR activities in 2022-23 directly benefitting more than 7 Lac people</p>
Material issues resolved	Ensuring that a predictable quantum and high quality of resource availability contributes to enhanced corporate stability.	Implementing state-of-the-art technology leading to superior operating efficiency.	Improved engagement with employees has enhanced productivity levels.	Cultivating deeper engagement with trade partners to expedite the process of inventory liquidation.	Evolution of brand into a trust mark, providing customers with increased assurance and confidence in their interactions with the company.	Greater environment sustainability across the Company's operations, enhancing stakeholder confidence	Improvement in the livelihood of communities and increased prosperity.
Capitals effected	Financial, manufactured and social	Manufactured, intellectual and financial	Intellectual and human	Intellectual, manufactured and social	Intellectual, manufactured and social	Social, natural and manufactured	Social and natural



Value we created in 2022-23

Financial capital	Turnover: ₹ 6543.68 crores	EBITDA: ₹ 1759.38 crores	Earnings per share: ₹ 52.26	PAT: ₹ 885.33 crores
Manufacturing capital	Writing and printing paper manufactured (uncoated): 3.43 Lac tonnes	Packaging board manufactured: 2.48 Lac tonnes	Coated paper manufactured: 0.59 Lac tonnes	Average capacity utilisation: 104%
Human capital	Employees: 2788	Training imparted: 40 hours per employee	Average age (years): 38.9	
Natural capital	Trees (Lacs) planted in 2022-23: 832	Decline in power consumption per unit of output: 8.23%	Decline in water consumption per unit of output: 17.6%	Decline in coal consumption per unit of output: 22.4%
Social and Relationship capital	Number of trade partners in 2022-23: 450	Number of vendors in 2022-23: ~1000	Number of beneficiaries under CSR projects: 6,91,358	Number of farmers benefitted through farm forestry programmes since inception: 83000+

ESG: The foundation of our sustainability



Overview

The paper industry is environmentally sensitive on account of wood consumption, and the use of significant water, coal and finite resources. This makes environment-social-governance (ESG) critical with any reduction in resource consumption proving beneficial for the environment and communities.

JK Paper has demonstrated industry leadership by making proactive investments in technologies and equipment that moderate the consumption of finite resources. This approach has had a dual impact: moderated resource consumption per unit of production and corresponding costs.

#1: Our environment commitment

An effective Environmental Management System can help reduce a company's impact on the environment while enhancing employee health and safety. At JK Paper, we believe in doing more with less, the foundation of our environment responsibility. The company's plan-mitigate-adapt-resilience approach comprises the reduction of energy use, moderation of greenhouse gas emissions, adopting cleaner processes and fuels and minimising landfillable waste. The

company is committed to use resources efficiently, eliminate landfilling and reducing water consumption.

At JK Paper, we recognise the importance of separating economic growth from carbon emissions. Our commitment is to be a responsible corporate citizen that does not pose any threat to the environment, in terms of our products and practices. We strive to use resources efficiently and minimise impact on the environment in every way possible. We

made significant investments in advanced technologies and practices; they allow us to produce without harming the environment; they generate waste within regulatory guidelines.

The Company follows United Nations' principles for responsible manufacturing and environmental sustainability, which includes taking care of human rights, labor rights, environmental responsibility and anti-corruption efforts in its operations.

Strengths

Respect: The Company has been moderating the use of natural resources, reducing environment impact and the corresponding cost to sustain the business. The company consumes among the lowest per unit quantum of water, coal, steam and energy in India's integrated pulp and paper sector. The company's digitalisation has enhanced operational efficiency. The company's

operations achieved wood and carbon positive status some years ago.

Positioning: The Company is committed to environment responsibility and sustainability. It produces increased paper quantum while moderating environment impact and enhancing farmer livelihoods (through social and farm forestry). During the year under review, the Company had planted trees covering 55,700 acres in Odisha, Andhra Pradesh, West Bengal,

Telangana, Maharashtra, Gujarat and Chhattisgarh.

Safer: The Company's investments in state-of-the-art equipment and infrastructure has helped moderate waste and emissions, enhancing operational safety for workers, environment and communities. The result is that the company's operations have been largely incident-free.

Initiatives

CPM unit, Songadh

- The Government of Gujarat increased water cost by 10% a year. The company reduced water consumption by over 30%.
- Upgraded the wastewater treatment plant by separating coloured and non-coloured effluents and implementing tertiary treatment; it replaced chlorine-based pulp mill with an elemental chlorine free process; it upgraded old digesters with modern RDH cooking technology.
- Replaced a legacy recovery boiler with a high-pressure and efficient alternative; it is making the mill self-reliant on chemical pulp for board/paper making. The company generated more energy from biofuel (black liquor solids) and installed a

state-of-the-art multi-layer coated board machine with improved energy efficiency.

- Installed a high-pressure, high-efficiency fluidised bed combustion boiler for improved power co-generation; it upgraded to higher efficiency turbo generators with lower specific steam consumption per kilowatt-hour; it implemented a high-efficiency electrostatic precipitator for the coal-fired boiler, recovery boiler and lime kiln to address stringent particulate matter emission standards; it implemented a non-condensable system to collect and incinerate non-condensable gas in the lime kiln.
- Prioritised water conservation and efficient water management by

implementing water conservation across operations, recycling approximately 7000 cubic meters per day.

- Installed four on-line continuous ambient air quality monitoring stations and displayed data at the main gate for public awareness.
- Implemented high-efficiency electrostatic precipitators in the coal-fired boiler, recovery boiler and lime kiln to address stringent particulate matter emission standards; its non-condensable gas collection system aggregated and incinerated these gases in the lime kiln.



JKPM unit, Rayagada

- Implemented measures to reduce effluents generation and minimise the presence of colour in the final treated outcome.
- Firing ETP secondary sludge in the coal-fired boiler for efficient disposal and utilisation.
- Implemented water-saving schemes across operations, resulting in the lowest freshwater consumption per tonne of produced paper among all integrated pulp and paper companies in India.
- Received the renewal of consent from the State Pollution Control Board for our air and water operations well before their expiration.
- Submitted all reports and compliance statements to statutory authorities on schedule; conducted third-party environment audits with NIT Rourkela.
- Created different teams to address environmental aspects like energy conservation, water moderation, fiber loss reduction and solid waste management.

Certifications

- Received National Award for Excellence in Water Management 2022
- Received award for Excellence in Environment Management 2022
- Received National award for Excellence in Energy Management 2022

SPM unit, Sirpur

- Generated more biofuel-based energy; used high pressure, high efficiency fluidised bed combustion boiler for improved power generation through co-generation and implemented a high efficiency electrostatic precipitator for the coal-fired boiler, ESP at the recovery boiler and lime kiln to address stringent particulate matter norms.
- Collected and incinerated non-condensable gases (NCG) in the lime kiln; used water sprinklers on the coal storage area to reduce fugitive emissions.
- Implemented a log washing system on yard-stacked wood to reduce dust emissions in the chipper area.
- Used chip dust as fuel in the coal-fired boiler; reused knots and shives in the digester; commissioned disc filters in the paper machine to reduce fiber loss and moderate freshwater consumption.
- Put paper machine effluents in a clarifier, utilising clarified effluents in the process (by which we moderated freshwater consumption by 7200M3/day).
- The company reduced water consumption by 40% over three years.
- Installed four online continuous ambient air quality monitoring stations; displayed data at the main gate; installed continuous emission monitoring for all stacks.
- Installed high-efficiency electrostatic precipitators for the coal-fired boiler, recovery boiler and lime kiln; implemented a non-condensable gas collection system to incinerate NCG in the lime kiln.

Certifications

ISO 9001: 2015: It outlines the requirements for a quality management system that organisations must meet to consistently provide products and services that satisfy customers and comply with relevant laws and regulations. It also aims to improve customer satisfaction through the effective application of the system and processes for system improvement and compliance assurance.

ISO 14001: 2015: It lays out the requirements for an environmental management system that an organisation can adopt to improve its environmental performance. It is designed for organisations that want to manage their environmental responsibilities in a structured manner

that contributes to sustainability's environmental dimension.

ISO 45001: 2018: It outlines the requirements for an occupational health and safety (OH&S) management system and provides guidance for its implementation. Its purpose is to help organisations prevent work-related injuries and illnesses and improve their OH&S performance proactively, thus ensuring safe and healthy workplaces for their employees.

FSC COC: The Forest Stewardship Council (FSC) is a non-profit organisation that has created the most well-known sustainable forestry and forest product traceability certification scheme. Organizations can enhance their marketability by obtaining Chain of Custody (CoC) certification, which verifies that FSC-certified material has

been distinguished from non-certified and uncontrolled material throughout the supply chain, from the forest to the market which is accomplished via the CoC procedure

BIS Certification: BIS certification is issued by the Bureau of Indian Standards (BIS) in India. The BIS certification indicates third party, i.e. BIS assurance of any product's quality, reliability, and safety to the customers. The BIS is involved in several activities like certification of products, standards formulation, testing, hallmarking, calibration scheme, etc.

FSC Controlled wood: The Controlled Wood system sets the minimum requirements for wood that can be combined with FSC wood. Items created using this wood can bear the FSC Mix label.

#2: Our social commitment



Overview

At JK Paper, our business continuity has been reinforced from stability derived by dedicated stakeholders (employees, vendors and local community). The company is committed to the highest safety and health standards; it is committed to zero incidents and zero ill health instances. As a validation, JK Paper was honored with the National Safety Award by the Government of India.

Employees: At JK Paper, our excellence culture encompasses job security, training, productivity, talent investments (recruitment, retention and training) and safety.

Customers and vendors: The Company sustained investments in a stable ecosystem of vendors (capital equipment

providers) and trade partners, who have been primary customers for ten years or longer, accounting for significant revenues.

Community: The Company collaborated with local communities on the periphery of its manufacturing facilities, helping improve their prosperity.

Our operational approach

- Conducted shop floor visits to acknowledge good occupational health and safety practices, address unsafe behaviour, identify non-compliance root causes and empower employees to raise health and safety concerns.
- Prioritised regular attendance at health and safety committee meetings, as well

as the inclusion of health and safety representatives in management meetings

- Adopted a holistic approach towards incidents prevention and health promotion.
- Participated in the investigation of accidents, near misses, incidents and instances of ill health.
- Instituted a training calendar for employees and workers, comprising on-the-job and off-the-job training (classroom, external, job-oriented, behavior-based, toolbox talks, mock drills, meetings etc.)
- Provided incentives for safe practices and reporting safety concerns.

Our training initiatives



#3: Our governance commitment

Overview

JK Paper prioritises organisational governance for enhanced predictability and attracting likeminded stakeholders. The governance platform enhances predictability and stability and builds similar expectations from stakeholders. The Board of Directors comprises highly experienced individuals and Board members who bring rich industrial and commercial experience.

Trust: At JK Paper, one word encapsulates all that we do – 'Trust'. Trust is the underlying element why customers buy from us, why employees engage with us, why vendors sell to us, why investors provide us risk capital, why bankers lend and why communities support us.

Discipline: Governance is nothing but the commitment to keep doing things consistently, however challenging or inconvenient it may be at times, convinced that eventually the gains will

be disproportionately higher than all the investments of time, effort and funds that have been made. This discipline has helped the company maintain a delta (margin available to us in lieu of our raw material processing capability) through market cycles. During good markets when returns exceed our desired delta, we pass the upside to our trade partners, strengthening their loyalty.

Doing things the right way: Governance is the commitment to do the right things

(in addition to doing the right things for enhance efficiency). This combination enhances organisational predictability and consistency, taking shocks out of the system and attracting stakeholders who believe in doing business this way.

Long-term: We have selected to build the business around long-term patience, influencing all investments in our assets, technologies, brands, people, locations, products and trade partners. For instance, we invested more in plant infrastructure

and technologies with the perspective that this would not just provide us with a superior product quality but would be future-proofed from technology obsolescence and environment friendly.

Singular focus: We believe that core competence is the biggest insurance against cyclical downturns. In view of this, we have consciously not diluted our corporate attention away from our core business focus: This paper-centric positioning has enhanced our strategic clarity, opened us to sectoral opportunities, attracted knowledge professionals and strengthened our product / process research.

Data-driven: We are an analytics-driven organisation. We invested in digitalisation with the forward-looking objective to accelerate processes, generate rich data (consumers, customers, consumption, markets etc.) resulting in an accurate understanding of ground realities.

Controlled growth: We believe that business sustainability is best derived from controlled growth as opposed to one-off profitability spikes. In line with this

conviction, the company has allocated accruals into incremental investments and moderated debt. This has helped the company grow its business in a sustainable way without stretching its Balance Sheet or managerial bandwidth.

Board of Directors: We believe that our strategic direction is largely influenced by our Board of Directors. Our Board composition comprises professionals and industrialists of standing. These individuals have enriched our values, experience, multi-sectoral business understanding and strategic quality. We believe that our sustainable growth has been the result of the direction provided by our Board, an invaluable asset.

Balanced approach: We have selected to balance caution and aggression (strategic aggression and tactical conservatism), a relatively de-risked approach. As a part of this approach, we focus on capital investments, generating an attractively short-term payback, maximising cash flows over mere paper profits and reinvestment into the business. The measure of our strategic balance is an attractively low gearing and our ability

to largely fund our expansions through accruals.

Process-driven: We believe that growth can be best derived when the promoter charts out a strategic direction and delegates day-to-day management to professionals. To facilitate the reporting of periodic progress, the company deepened its investment in processes and systems, especially information technology. We believe that this framework of processes represents a scalable foundation that will enable the company to grow profitably and without a significant increase in employees required to manage operations.

Audit and compliance-driven: We believe that business predictability and the absence of unforeseen systemic shocks are the result of a review-less system. In view of this, we strengthened an audit-driven and compliance-driven approach, enhancing the credibility of our reported numbers. The result of this high-review culture is that the company has not incurred statutory penalties in its existence.

Our sustainability report card

Manufacturing competence

95

Index of asset utilisation, 2020-21

100

Index of asset utilisation, 2021-22

100

Index of asset utilisation 2022-23

Comprehensive effect

5.6

%, Increased ROCE

Financial robustness

215

bps, reduction in the cost of debt since 2017-18

Distribution network

16

%, enhancement in number of distributors

Brand and customer capital

57

% growth in revenues in 2022-23

Environment integrity

17.6

% decline in water consumption per tonne of paper in 2022-23

22.4

% drop in coal consumption per tonne of paper in 2022-23

How we achieved our financial hygiene

Overview

In a capital-intensive industry, financial stability enhances the effectiveness of all aspects of the business, promoting long-term viability. JK Paper has consistently bolstered its sustainability by making wise investments, securing affordable and long-term debt, increasing the use of accrued funds, adding value to offerings and improving trade terms.

We took a considered long-term view of how paper segments would pan out: as the world progressively digitalised, the growth of this writing & printing segment may taper, moderating the scope for companies like ours. The result is that the company made a decisive portfolio shift by selecting to place a larger bet on a rapidly growing segment.

During the year under review, we accelerated our transition towards packaging, a fair proxy of India's economic growth. We embarked on transforming our personality, the benefits of which were visible during the year under review.

Initiatives

- We facilitated dealer financing schemes at competitive rates that made it possible to provide extended working capital funding at a lower cost to customers
- We digitised our sales process – named Leap 200 – and accelerated our transition from a manufacturing-driven digitally enabled company.
- We brought down our long-term debt. Our net worth strengthened from ₹3,044.66 crores to ₹3,774.57 crores

- We created a sales channel that was complementary to our existing trade partners

- We engaged fleet on street to service the growing needs of jobbers and stationery outlets

Highlights

- We achieved higher realisations per unit across each product segment, transforming into an effective volume-value proposition
- We commissioned a packaging board machine with 1,70,000 TPA capacity.
- We acquired 85% equity shares of Horizon Packs Pvt. Ltd. (HPPL) and Securipax Packaging Pvt. Ltd. (SPPL) - India's largest corrugated packaging manufacturers with seven plants across the country. The acquisition was financed through internal accruals. This was supplemented by a greenfield corrugated plant in Ludhiana. The combination of the two initiatives established the company as the largest in the Indian corrugated packaging industry within a year.
- We had our long-term credit rating upgraded from AA-/Stable to AA/Stable by CRISIL and India Ratings. The long-term credit rating of the Sirpur Paper Mills Ltd. (subsidiary) was upgraded from A/Positive to AA-/Positive.
- We strengthened the robustness of our Balance Sheet, as our Net debt: EBITDA declined to less than 1.0.

Packaging: Our revenue driver

The packaging board capacity was commissioned during the second pandemic wave; the company reported a 95% growth in manufactured volumes during 2022-23; capacity utilisation was 95.4%. We believe that this business is emerging as a potent revenue driver as the world seeks to shift from plastic packaging towards recyclable and compostable alternatives. The company will address the widening needs of the pharmaceuticals, cosmetics and food & beverage sectors, building specialisation in addressing their specific requirements. During the last financial year, the company emphasised the seriousness of its intent in this space through two initiatives – Investing in a greenfield corrugated plant in Ludhiana and the acquisition of Horizon Packs, specialised in corrugated packaging. By building a complementary presence in the area of secondary packaging, the company is competently placed to capture packaging demand upturns more effectively.

The company had made a forward-looking investment in the proposed turnaround of Sirpur Paper Mills in 2017-18. During the year under review, the acquisition reported a turnaround to profits. This turnaround was derived from enhanced capacity utilisation on the expanded capacity of 400 TPD, improved product quality and reduction in operating costs. The turnaround has begun to generate resources to reduce debt.

Outlook

The Company is creating a stronger and broad-based operating platform through enhanced investments in the packaging board (secondary) space, stronger consumer engagement (in the copier paper space) and better economics from Sirpur Paper operations. We also believe

that a progressively digitalised mindset will replace the manual with automation, enhance people productivity, eliminate wasteful process and strengthen capital efficiency.

The Company plans to deleverage its Balance Sheet further and strengthen its liquidity to safeguard against a probable

slowdown caused by the global economic scenario and inflation. The Company intends to fully utilise its manufacturing capacity at its new packaging board plant at Unit CPM and maximise the utilisation of a corrugation box plant in Ludhiana as well as plants in the newly acquired companies- Horizon Packs Pvt. Ltd. and Securipax Pvt. Ltd.





Debt cost: The Company moderated debt cost by negotiating interest rates with lenders based on projected interest rate movements and availed derivative structures such as INR swap to optimise costs in an increasing interest rate scenario.



Forex hedge: The Company possesses the ideal mix of foreign currency and rupee term loans including the conversion of rupee loans to FCNR-B (foreign currency non-resident-B) loans on a fully hedged forex exposure and benefiting from arbitrage.



Receivable cycle:

The Company's receivables cycle was 10 days of turnover equivalent in 2022-23 (20 in 2021-22), indicating comfortable liquidity.



Credit rating:

The superior operating performance and asset-light Balance Sheet can be attested by its long-term credit rating of AA/Stable (Crisil and India Ratings) – a first for any Indian paper company.



Debt prepayment:

The Company prepaid some short duration loans and preponed repayments to off-load its Balance Sheet.



Gearing:

The Company's gearing of 30% as on March 31, 2023 reflected a relatively under-borrowed Balance Sheet in a capital-intensive sector, leaving a headroom for mobilising debt if required.



Treasury:

The Company had a surplus of over ₹800 crores as on March 31, 2023, which generated attractive treasury returns due to rising interest rates. The Company invested in secure liquid treasury funds and got better returns compared to short-term working capital borrowings.

How a successful procurement function resides at the core of our **sustainability**



Overview

India is fibre-deficient despite being the fifth largest paper and packaging market. To address increasing demand, there is a premium on paper companies to ensure ample resource supply. The biggest change in the last couple of decades has been the shift in conventional wood dependence on forest resources to agro-forestry.

Our procurement strategy

JK Paper has been engaged with farmers in the vicinity of its Odisha plant for more

than three decades. It started over two decades ago at Unit CPM as well. The farmers planted fast-growing hardwood species like eucalyptus, subabul and casuarina. The company encouraged planting these species across more than 610,000 acres in Gujarat, Maharashtra, Chhattisgarh, Madhya Pradesh, Andhra Pradesh and Odisha. This initiative increased resource access and reduced delivered wood cost.

Strengths

State-of-art production centres:

The Company invested in state-of-art clonal production centres to ensure the production of quality planting material across the year.

R&D effect: The Company developed short-rotation (two-three year duration) clones of subabul and eucalyptus, which enhanced productivity as well as farmers yearly revenue.

Clonal production: The Company focused on quality clonal production, which enhanced farm yields.

Certification: The prestigious FSC certification across all units enhanced the credibility of natural resources used

Highlights, 2022-23

The JKPM unit practiced the departmental harvesting model, enhancing control on local area material; 13% of total procurement was done through this manner in 2022-23. The Sirpur unit used this method to secure Eucalyptus from the Telangana government

The JKPM unit distributed around 20 million saplings within a 200 km radius

The average JKPL raw material inventory remained at 45-50 days of consumption equivalent, an achievement, considering the uncertainty of monsoonal wood procurement

The Company increased farmer engagement and mobilisation through direct procurement from farmers, providing logistical support against fair payment.

The Company's ability to extract adequate wood around the JKPM and CPM units was challenged due to competition from MDF, particle boards and other wood-based industries along with capacity expansion of other paper mills. Competing industries in Gujarat announced high advance payments to Eucalyptus farmers, compelling the CPM unit to procure Eucalyptus from distant States. To counter these challenges, JKPM and SPM embarked on an extensive plantation drive within 200 kms. The CPM unit plans to grow different species and in different areas to safeguard its supplies.

Our FSC® certification

The Forest Stewardship Council (FSC) is led by a global network of more than 1,000 individuals and member organisations that represent environmental, social and economic perspectives. This international certification is now one of the primary standards for any responsible organisation. JK Paper holds FSC® COC/

CW and FSC®- COC/FM Certificates. The company's products come from forests that are managed in a way that meets the social, economic and ecological needs of the present and future generations. JK Paper obtained forest management and chain-of-custody certificates and is capable of producing FSC® COC certified products, including FSC® 100% and FSC® -mix papers in various types, such as writing, printing, copier, bond, coated and uncoated papers.

In 2022-23, the company procured 100% of its raw material from sustainable sources, which were classified into two categories: FSC® 100% wood from its own well-managed group plantations and verified controlled wood through suppliers from areas such as Odisha, Andhra Pradesh, Chhattisgarh, Gujarat, Maharashtra and Madhya Pradesh, with all necessary documentation.

Tree plantation

The company increased tree planting virtually every year, greening the environment, enhancing farmer livelihoods and enhancing resource security for the company – a win-win proposition.

	FY19	FY20	FY21	FY22	FY23
Saplings (in Lacs)	414	476	450	605	832

Clonal plantation coverage

We looked into the possibility of increasing the availability of wood from nearby areas by establishing clonal plantations. The company strengthened capacity utilisation by increasing

access to subabul wood and clonal pulpwood within a 300 km radius. We invested in state-of-the-art clonal production centers that provide farmers with high-quality planting materials. The company's short-rotation clones significantly increased farm productivity in five years. To emphasise clonal production, the company moderated seedling plantations. While it achieved 93% coverage through clone in 2022-23 in Eucalyptus and Casuarina, it took an exceptional view in case of Subabul where clone is in the research phase, albeit with impressive progress. On the overall, the Company increased planted clone area from 45% to over 66% in eight years.

Outlook, 2023-24

We will focus on plantation development in catchment areas and cover about 70,000 acres.

We will increase the quantum of clonal plantations with superior productivity.

We will develop short rotation clones; we will identify/develop new plant varieties with better farm productivity, enhanced pulp yield, shorter rotation and disease resistance.

Farmers speak

I owe my rise from a seasonal farmer to a successful farm owner to J.K. Paper Mills. The institution played a significant role in enabling me to earn a decent sustainable living. It encouraged me to experiment with agroforestry models. The result: I have been able to earn from multiple sources. My transformation from poverty has inspired neighbours and other villagers to contact J.K. Paper for clones.

Dilip Gomango
Pandrujoli village, Rayagada

I used to work in local villages as a contractor. In 2017, I contacted J.K. Paper Mill's employees for guidance in cultivating eucalyptus/subabul trees and heard about the related profitability. I now earn over ₹150,000 a year and cleared my bank loan after my second harvest.

Mohon Rao Sabar
Chalkamba village, Rayagada

When I learned about prospects associated with plantations in 2014-15, I contacted JK Paper Mill for guidance. I booked clones for planting my 12 acres. I purchased land and a tractor; I constructed a house with the earnings. Since then, I have been continuously involved in plantations and am now one of the company's trusted partners.

Ganga Sahukar
Mukundpur village, Rayagada

I have a 170-hectare land on which I used to farm banana and sugarcane. However, I was not earning sustainably due to production and labour issues. I switched to Subabul clone plantation of 17.4 hectares in 2020 with JK Paper CPM Unit and earned a net income of ₹39,74364/- in 22 months which is approx. ₹2,28,411/- per hectare, much higher compared to the income received from banana and sugarcane. We planted 7 hectares in 2022 and plan to allocate 10-15 hectares to Subabul clonal plantation every year. I am grateful to JK Paper for introducing me to such a sustainable source of livelihood. My journey has inspired my friends and relatives, who have taken a keen interest in Eucalyptus plantations.

Vasant Dattatray Patel
Palaskheda village, Jalgaon district

I switched to eucalyptus clonal plantation from sugarcane farming in 2019, due to production issues and labour costs. In the next three years, I earned a net income of ₹14,99,400/-, which is approx. ₹5,76,692/- per hectare - much higher than sugarcane income. I am truly grateful to JK Paper for introducing me to eucalyptus plantation which has allowed me to build a house in my village.

Umesh Chandra Chaudhary
Ukhalda village, Gujarat

How we sustained our manufacturing excellence in 2022-23



Overview

In a capital-intensive sector, paper manufacturers must adopt new manufacturing processes and technologies to enhance production, efficiency, quality and cost competitiveness.

Besides, there is a premium on the ability to digitise through the adoption of automation, robotics, advanced process control systems, IoT and Industry 4.0.

Besides, there is a growing need to invest in manufacturing technologies and processes that consume fewer natural resources and produce less waste. The sector encountered challenges due to limited raw material access, stringent environment norms and low coal availability for captive power plants. There was also a challenge in people retention on account of their remote location.

JK Paper addressed these challenges and realities. The company is respected for its large production capacity (among the largest in India), high asset utilisation, output quality, quality consistency and cost leadership. The company's operations in Odisha meet World Bank standards for environmental norms and biodiversity and the Company has been acknowledged among the most competitive in Asia. The Company reported an asset utilisation of 103.9% in 2022-23.

Manufacturing strengths

Strategically placed: The Company's three units are located in areas with abundant raw material, energy and water, ensuring cost-effectiveness.

Sustainability: The Company engaged in eco-friendly manufacturing processes; it engaged in power co-generation to moderate the discharge of greenhouse gases; it embraced responsible sourcing practices for sustainable resource consumption.

R&D capabilities: The Company's research and development center concentrated on creating new paper varieties, optimising processes and improving products.

Portfolio: The Company provided a comprehensive products portfolio (printing and writing paper, packaging board, specialty paper and coated paper) making it possible to address various customer segments and moderate dependence on a single category.

Knowledge: The Company's industry knowledge has been marked by

innovation and operational excellence, resulting in industry leadership. The company is driving digital transformation through its initiative of 'lead, empower, accelerate performance' (LEAP).

Quality control: The introduction of statistical quality control helped the team plug pain points and increase the proportion of conforming products. The use of AI-based logic and quality soft sensors helped identify consistent quality parameters.

Highlights, 2022-23

JKPM

- The plant (one of the largest in India's paper sector) manufactured 3,35,757 tonnes (3,03,632 tonnes in the previous year); capacity utilisation was 107%
- The plantation extended to 9543 hectares, 25-30% more than the yearly harvest
- The plant's pollution was below the threshold limit specified by Pollution Control Board and one of the lowest in the industry
- The plant's employees participated in programs like total quality management (TQM) and LEAP 200 with corresponding upsides

CPM

- The plant accounted for 49% of the Company's manufacturing capacity in 2022-23

- The plant manufactured 3,13,854 tonnes (1,87,579 tonnes in the previous year); capacity utilisation was 101%
- The plant's overall equipment effectiveness (OEE) increased, marked by lower waste, enhanced plant availability, capacity debottlenecking, increased speed and reduction in furnish by increasing ash loading and reducing fibre loss

SPM

- The plant manufactured 1,21,898 MT of paper with the highest ever finished production at 10,850 MT/month and 1,00,626 MT of pulp
- The plant's overall capacity utilisation was 90% with nearly 100% revenues earned through insourced products
- The plant received BIS Certification for the copier and maplitho segments.

The plant reported the lowest power consumption of 1,414 kWh/MT with 97.8% of its power needs addressed through captive generation

- The plant implemented an action plan to increase production from 320 TPD to 350 TPD, based on a process audit by Andritz
- The plant is implementing TQM for quality improvement and lower in-line rejection
- The plant introduced one-point lesson at every process stage to enhance quality awareness



Technological advancements

The company plans to integrate TQM and digitisation into processes to enhance competitiveness.

CPM implemented the following digital transformation initiatives:

- Steam economy improvement model in evaporator to improve steam consumption
- LFB steam generation model for pulp recovery
- Lime kiln model for fuel optimisation
- Bleached chemical optimisation in pulp mill
- Advanced scheduling and planning including trim optimisation for enhanced productivity

SPM implemented the following digital transformation initiatives:

- Installed dilution headbox on PM6 bottom layer to improve throughput and quality in formation
- Installed a new multi-fuel burner on the rotary lime kiln to improve fuel efficiency and multiple fuel use
- Replaced MC pumps from Andritz with efficient pumps in the pulp mill
- Installed online kappa analyzer and brightness tester in the pulp mill to improve pulp quality
- Installed reel turn-up systems on all machines to reduce paper loss during tambour roll change, enhancing operational safety
- Upgraded distributed control system in the plant

- Replaced the spiral design in the beer can in the recovery boiler black liquor gun to improve bed formation
- Installed online quality control system on all machines to measure basis weight, moisture and paper ash

Outlook

Paper and board demand are expected to remain high due to cost-effectiveness and renewability. The company is committed to conserve natural resources, utilising modern technologies (big data analytics and artificial intelligence). The company is exploring different chemicals for offline coating. It will expand the product range and upskill workers to enhance machine runnability. It will seek ways to reduce costs and achieve 100% capacity utilisation across plants.

How we strengthened our market-driven leadership



Big number



3
%, percentage of revenues
invested in branding in 2022-23

Overview

JK Paper deepened its position as a one-stop provider of most paper needs. The company offers a range of products like coated and uncoated writing and printing papers, Hi-end packaging board and copier paper, addressing different customers. The Company's marketing strategy is centered around promoting a diverse portfolio of products that benefit customers and reduced the company's dependence on any single category. The company aims to establish its brand as a sustainable paper-based solutions provider.

Initiatives

Relationship: We view our trade partners as our 'eyes and ears'; we hold regular dealer meets to access feedback and brief them about our strategy.

Network: We have a robust distribution network of over 400 trade partners (wholesalers, retail, distributors and direct parties) and over 4000 dealers. We have developed an extensive distribution footprint to cover jobbers and stationery outlets pan-India.

Brand messaging: We are committed to promoting paper as a sustainable product, debunking the illusion of paper being the primary cause of deforestation.

Digital marketing: We promoted brands like JK Copier, JK Easy Copier and the newly introduced JK Copier Plus Anti-Microbial on all digital channels.

Salesforce: We employed Salesforce Automation software to develop a better understanding of secondary sales and team efficiency.

Chatbot: JIA (JK Paper Intelligent Assistant) is an AI-based chatbot that establishes a direct engagement with customers through a D2C platform. JIA is active in 33 cities pan- India, providing product information and lead generation; it resolves customer queries in real time.

Transport management system (TMS): We introduced TMS to enhance the customer experience through applications like vehicle indenting, track&trace and electronic proof of delivery (EPOD); this enables transporters to get paid immediately after goods delivery, reducing their working capital needs.

Retail chain expansion: We expanded our retail footprint, enhancing our customer experience. We accessed photocopier shops (jobbers), stationary outlets, etc., enhancing market share

Branding highlights, 2022-23

Video campaigns: We released videos on World Environment Day, Earth Day and Paper Day to promote paper as a sustainable alternative to plastic-based solutions. The Earth Day video was viewed by over 3 million people with an engagement rate of over 22%; the Paper Day video attracted around 2.3 million views with an engagement rate of ~20% on social platform.

AutHer Awards: We launched the fourth season of AutHer Awards, where we recognise female authors. In the three years since launch, this award has given an opportunity to over 1500 debutante female authors. Smt. Shabana Azmi was our Chief Guest and Sonali Bendre was our Brand Ambassador in 2022-23.

QR code: We introduced QR code on the packaging of all our copier SKUs, where the user can scan the code to be redirected to our WhatsApp helpline.

Loyalty programs: We remodeled our loyalty programs Super Sitare, to include more engagements for trade partners.

Outlook, 2023-24

The company will continue to carry out flagship events like AutHer Awards, Mother's Day, Father's Day. We are planning to launch a 360-degree digital campaign on positioning our brand as a sustainable paper solutions provider with the help of digital campaigns to promote new products like JK Copier Plus (Anti-microbial) and JK Pac Fresh. We will intensify our market research through initiatives under the Leap 200 Project, entailing demand sensing and digital sales enablement. We intend to launch quick service centers for packaging board dealers and a new jobbers program with modifications and a loyalty program for converters in the packaging board segment.

Our market shares, 2022-23

28.7

% for office paper

7.6

% for coated paper

7.1

% for Maplitho and value-added paper

16.5

% for packaging board (virgin)

Big numbers

4000+

Number of JKPL dealers

14

Number of JKPL's pan-India depots

450

Number of JKPL partners (wholesalers, retailers and direct party)

Products segment review

Copier

JK Paper is respected for its superior quality and easy availability of copier paper pan-India. During 2022-23, the domestic demand for copier paper normalised and reached the pre-Covid level.



% contribution of copier segment in total JKPL sales

Writing and printing paper

The writing and printing paper segment witnessed a demand recovery to the pre-Covid level. The demand for coated paper segment was strong during the first half of the year but the market became volatile on account of excessive imports from China and global prices.



% contribution of writing and printing paper segment in total JKPL sales

Packaging paper

There was a traction in this segment, owing to the demand growth from the FMCG and pharma sectors during the first half of 2022-23. However, during the second half, the market was weak due to lower demand from the rural market and the pharma sector.



% contribution of packaging paper segment in total JKPL sales

How we enhanced talent productivity in a challenging year



Big numbers

90

%, Overall retention rate, 2022-23

38.9

Years, average age, 2022-23

Overview

JK Paper believes that employees are our best asset; their skills and capabilities are our biggest strength.

JK Paper focuses on prudent hiring. Given the recent acquisitions of new businesses and portfolio diversification, the company is committed to create a robust talent pool, up-skilling employees, providing career advancement opportunities succession planning and Talent management.

Challenges and counter-initiatives

Following the pandemic, most manufacturing companies stepped up recruitment, making it a challenge to find the right talent.

JK Paper is leveraging its industry leadership position to attract and retain talent. The company recruits from prominent educational campuses; it screens candidates, assesses aspirations, facilitates onboarding, trains intensively, appraises fairly and provides a comfortable workplace.

Initiatives

The company holds regular capability building programs. It provides team members the opportunity to participate in seminars and conferences. It engages plant visits and shop floor operations for new recruits.


During the year under review, the company upskilled employees at each level. It held coaching and mentorship

programmes for leaders and management level employees and training on managerial effectiveness for mid-level employees. It trained junior employees through learning initiatives (digital awareness, analytical tools, behavioral trainings, sales training, business excellence, customer orientation, safety, values and code of conduct).

Outlook


Going ahead, the company will increase gender diversity, onboard young talent (Graduate Engineer Trainee, Management Trainee etc.), build capabilities through new age learning practices, promote digital transformation and plan succession at critical places diligently.

How JK Paper has supported partners throughout its growth journey



"In 2016, my previous paper principal stopped supplying maplitho paper. I switched to JK Paper, starting with the distribution of copier paper. My business has not only grown; the brand has also earned the respect of clients and customers. This is what I like about JK Paper: the company is open to feedback and provides dealers with growth room. What I will never forget is that when my business was on the verge of closing, JK Paper encouraged me to grow."

Prabhu Alagappan,
PRP Papers, Chennai




"We have been associated with JK Paper since 1960. Prabhu ke ashirwaad se aage bhi aisa hi chalta rahega! We deal in all JK Paper products. We are happy with the company's pricing and product quality. These helped protect our margins during periods of product dumping from other cities and countries. Best of all, the mill is just 400 km from our office, which helps us get deliveries at a short notice."

Gopal Bhoot,
Shri Raghunath Trading
Centre, Odisha



JK Papers has consistently demonstrated its commitment to providing excellent service and going beyond expectations to meet our customers' needs. One noteworthy example is when we had a pharmaceutical client with a large and recurring order for Folding Boxboard (FBU). However, these boards needed to be customised according to the client's specific criteria, considering the pharmaceutical industry's stringent compliance requirements for packaging. We collaborated closely with JK Papers' quality control and production teams to develop a customised solution that precisely met our client's requirements. Thanks to this collaborative effort, we were able to retain the client's business, and they continue to rely on us for their customisation needs. Without the support from JK Papers, we would have lost that valuable business opportunity.



"We have grown alongside JK Paper, making us partners more than dealers. What makes JK Paper unique is that it offers a complete basket of quality products. The company's professionalism and scientific market analyses has helped us widen our market presence. The company's one-stop solution enhances the cross-sale of a range of paper products."

Vineet Bhadrhuka,
Bhadrhuka Exim, Hyderabad



"As a distributor in Bihar, we take pride in representing JK Paper. Despite competition, the company stands out as the best due to its loyal customers and quality products. Although we offer a range of brands, our customers prefer JK Paper and JK Excel Bond, in particular, is our best-selling product with a monthly sales volume of 50 tonnes."

Abhiraj Saha,
Maa Bhawani Agency, Patna

Bharat Papermart,
A dealer of JK Papers

Community engagement at JK Paper



Big numbers

846
Number of villages covered

691,358
People benefited through the company's CSR initiatives

Overview

JK Paper is committed to corporate social responsibility (CSR) with the goal of creating socially harmonious and financially sustainable communities. The company aims at inclusive growth for marginalised communities. JK Paper's CSR initiatives extend to 846 villages, covering around 6,91,358 people in Gujarat, Uttar Pradesh, Telangana and Odisha.

The CSR has been to create sustainable livelihoods and enhance incomes across beneficiary groups. Income has increased 2–4 times for 11,945 farmers. Additionally, 9,000 youth have been empowered

through various skill development training and 519 youth entrepreneurs have been created through a unique 'grampreneurs' program that aims to create job givers rather than job seekers. In the year under review, a total of 53 Producer Groups, comprising 1223 women, were formed in Odisha and Gujarat, and 7,700 women were mobilised in Uttar Pradesh, of which more than 4,500 women are self-employed and having a regular income. The company has specifically focused on land and water resource development in 20 villages of Tapi district in Gujarat, that face acute water scarcity. The integrated water and soil development project has

brought 550 acres of land into agriculture and created a water resource of 5.38 crores litres, which has created livelihood for 2348 farmers. The digital learning centres have engaged 2063 youth, out of which 952 are enrolled in six Anytime Anywhere School (ASS) Vidyalayas. Our healthcare project has touched a total of 19,234 lives through integrated community health interventions. These initiatives align with 14 out of the 17 United Nations Sustainable Development Goals (SDGs), reflecting the company's holistic approach towards CSR.

Sustainable development goals (SDGs)



Year	2019-20	2020-21	2021-22	2022-23
Villages	240	600	819	846
Households	32,000	52,000	60,000	83,560
Population	1,37,000	4,00,000	4,67,089	6,91,358

Our CSR collaborators

JK Paper's CSR activities have been implemented in partnership with not-for-profit organisations specialising in last mile community engagement: Sparsh Social Foundation; Bharatiya Yuva Shakti Trust; Art & Photography Foundation; Foundation for Promotion of Sports and Games; NABARD and JK LakshmiPat University.

1# Women's empowerment



Overview

JK Paper has undertaken women empowerment initiatives that encompass training and capacity building, financial linkages and infrastructure cum market support. These initiatives have helped create a comprehensive ecosystem that not only trains women but also empowers them through self-help group linkages and access to bank loans. The company's CSR initiatives resulted in the formation of 1300 active SHGs comprising, 14,000 women.

Highlights, 2022-23

- JK Paper formed 539 self-help groups that enlisted 5,612 tribal women as members in 180 villages,

22 Gram Panchayats and 3 blocks of Rayagada district

- Total savings generated through SHGs were ₹3.22 crores. Total banks loan linked to SHGs for livelihood promotion activities were ₹9.63 crores. Total inter loaning of SHGs were ₹12.43 crores.
- Social security coverage of SHG members under PMJJY & PMJBY schemes was ₹173.88 crores (@ ₹2 Lac/ natural death and @ ₹4 Lac for accidental death) where the total insured members were 4322.
- Till now, 53 Producer Groups (PG) has been formed in Odisha and Gujarat
- The Rural Mart in Odisha generated business of ₹49.28 Lac.

- JK Paper were formed 770 active SHGs, comprising 7,700 women in five blocks of Amroha district, Uttar Pradesh.
- Total savings generated through SHGs was ₹3.22 crores.
- Total bank loans linked to SHGs for livelihood promotion activities was ₹9.63 crores.
- Total inter loaning of SHGs was ₹12.43 crores.
- JK Paper's CSR initiatives led to the establishment of a rural mart project in Allipur Khadar village of Amroha district, which aims to provide a platform for SHG women to market products. In 2022-23, the rural mart generated business worth ₹2.22 Lac.

2# Enhancing farmer incomes



Overview

JK Paper partnered government agencies, research organisations and agricultural professionals to promote scientific farming techniques and raise farmer awareness in doubling incomes. Through farm-based livelihood interventions, JK Paper provided farmers with improved seeds, modern agricultural methods and irrigation facilities to increase crop yields and ensure year-round production.

Initiatives

- Facilitated the formation of 10 farmer producer organisations (FPOs), 98 farmer clubs and 186 farmer interest groups, benefiting over 12,845 farmers in Odisha, Gujarat and Uttar Pradesh.

- Distributed turmeric seeds among 100 farmers of 23 villages and mushroom seed among 148 farmers of 32 villages.
- Initiated mushroom farming with 148 farmers from 32 villages
- Introduced 783 small and marginal farmers in animal husbandry from 11 villages to sustainable dairy practices with Navsari Agriculture University, RSETI and KVK, Vyara.
- Formed four farmer producer organisations with 1470 shareholders in Moradabad and Amroha districts

Highlights, 2022-23

- 231 meetings were organised across 11 Farmer Resource Centers, attended by 4,615 farmers from 188 villages.
- 12 group-based solar irrigation facilities are lifting 7.2 Lac liter water per day, irrigating 228.87 acres of land collectively pooled by 306 farmers in Rayagada.
- Total harvest was 3181.85 Quintals of seasonal vegetables and sales of ₹68.17 Lacs.
- Drip irrigation irrigated 136.25 acres of land in Rayagada for 211 farmers across 14 villages, for the cultivation of high-yielding crops like vegetables, pointed gourd, and banana.

3# Environment conservation



Overview

JK Paper is dedicated to responsible citizenship, ensuring that products and practices do not pose environment harm. The company encourages the efficient use of resources.

Initiatives

- Installed dustbins in ten villages; the daily cleaning and lifting of solid waste in Sana Chandili panchayat covered 10 to 12 km per day, benefiting over 8000 households.
- Conducted a drawing competition involving 87 school students, focusing on the theme of environment conservation and plastic pollution.
- Organised an orientation meeting with Town Level Federation, National Urban

Livelihoods Mission, Mandal Mahila Samkhya, National Rural Livelihoods Mission and self help groups where over 100 women were empowered with knowledge in solid and plastic waste management.

- Conducted a capacity building training session for 15 sanitary staff members of the municipal council.
- Conducted plantation drives in 11 Gujarat villages, where 12,219 saplings were planted, covering 231 households across 12.30 acres.

Highlights

- Implemented a single-use plastic management project in 11 villages and one municipality in Kagaznagar, covering 18,715 households and a population

of 81,358; two orientation workshops involved more than 110 college students.

- Organised multiple training workshops for 26 NSS volunteers to support community mobilisation; conducted a cleanliness drive with NSS and SPM team
- Organised a rally, involving 800 students, to raise awareness about the harmful effects of single-use plastics; more than 2000 people were sensitised
- Targeted 47 Odisha villages for sanitation drives
- Carried out a plantation drive in Gajraula, where 500 trees were planted

4# Water conservation



Under the Soil and Water Conservation Program, land improvement and other activities were implemented in five villages. These measures helped check soil erosion and augment groundwater recharge.

Highlights

- Erected 31 boribandhs in eight villages, helping farmers irrigate 161 acres
- Installed three solar-based lifts irrigation in Bhimpura, Serula and Amlipada villages, which helped farmers irrigate five acres
- Harvested 5.38 crores litres of water, which created livelihood for 2348 farmers.
- Enrolled 203 farmers from 12 villages for PM Kusum Yojana worth ₹11 Crores
- Undertook farm bunding on 41 acres, benefiting 49 farmers
- Undertook land leveling on 11 acres, benefitting 26 farmers of Songadh taluka

Overview

The Company took proactive measures to focus on water resource development in irrigated areas. The Company aims to help increase farmer productivity, income and resilience.

Multiple interventions (well renovation, installation of solar-based mini-lift irrigation, bori bunds) were initiated. Farmers irrigated 550 acres of land through water resource development projects.

5# Youth engagement and entrepreneurship development



Overview

JKPL empowers the youth in Odisha and Gujarat through skill development programs and entrepreneurship initiatives. The Company is engaged in youth development projects with organisations like Bharatiya Yuva Shakti Trust, youth for SDGs with youth clubs and balika mandals, youth volunteerism with Nehru Yuva Kendra Sangathan, digital education through digital centres, career counselling and youth producer groups.

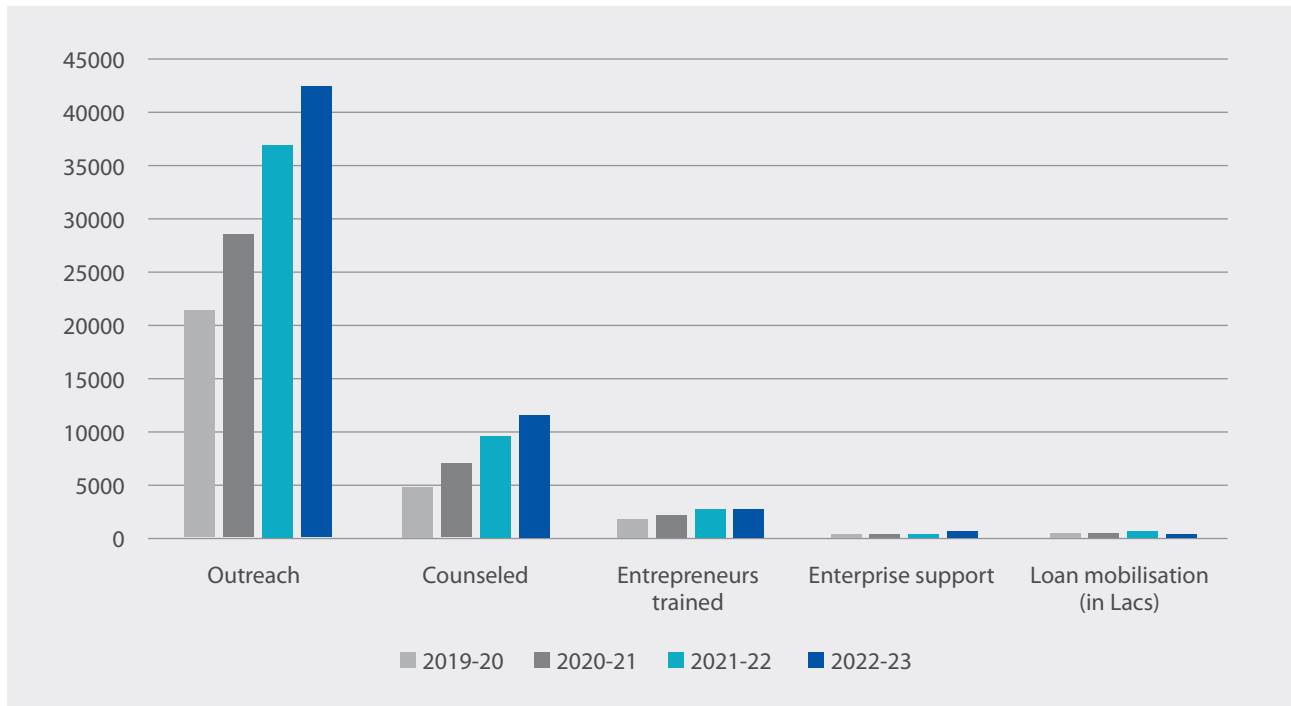
Highlights

- Counselling 11,541 youth through awareness programmes.
- Trained 2847 youth through various training programmes.
- Created 514 entrepreneurs through interventions
- Facilitated loans worth ₹11.93 Crores to the youth for livelihood generation
- Created 1799 direct jobs and 7196 indirect jobs
- Counselling 2063 youth for placement-linked skill training (257 youths were tagged for skill training and placement).
- Identified five engineering colleges and one pharmacy college; 12 students got a one-time scholarship of ₹8000
- Established 10 digital literacy centers, solar-powered, benefiting 785 students

	Youth Club and Balika Mandal	Youth Producer Group	Youth entrepreneurship
Groups	71	1	484
Youths	1587	25	1593

Year	Outreach	Counselled	Entrepreneurs trained	Enterprise support	Loan mobilisation (in Lacs)
2022-23	42,223	11,541	2847	514	11.93
2021-22	36795	9667	2909	363	700
2020-21	28425	6948	2191	236	453
2019-20	21310	4804	1691	156	261

Cumulative overview of Youth Entrepreneurship Development Program through Bharatiya Yuva Shakti Trust



6# Holistic education



Overview

JKPL promotes higher education through JK LakshmiPat University, which focuses on overall student development. Under

JKLU, three institutes are supported (Engineering and Technology Institute, Management Institute and Design Institute). For the academic session 2022-23, scholarships worth ₹190.75 Lacs were

provided to 213 students in ETI, ₹38.74 Lacs to 84 students in MI and ₹59.53 Lacs to 71 students. The company developed a specialised curriculum for children with special needs.

Highlights

- Launched a green campus program with Climate Reality Project, USA (across air, water, biodiversity, energy and waste management).
- Registered 27 schools in Rayagada under the green campus program
- Trained 386 teachers on climate change and SDGs
- Enrolled 50 students for the academic session 2022-23 for Nutan Gyan Vardhini (NGV), a school for specially abled children.
- Provided vocational training to enrolled students.
- Provided physiotherapy sessions to 84 senior citizens through NGV.

7# Rural infrastructure



Overview

The company believes that inclusive and innovative development can catalyse employment opportunities.

Highlights

- Supported four villages in Tapi with drinking water, benefiting 2666 households and a population of 10357 (a pipeline was extended to a new village in Tapi).
- Constructed a community toilet

8# Community healthcare



through umbrella care genetic counseling. Some 52 awareness programs were conducted with 1879 participants.

- Project Suposhan aims to provide support to the government’s efforts in promoting nutritional supplements, healthy food practices and improved hygiene, with a focus on children under five years of age.
- Provided clean and safe drinking water to four villages, benefiting over 10,000 individuals.

Highlights

- 2300 patients were diagnosed and received free medicines at 16 health camps in Rayagada.
- 25 health camps were organised in Rayagada villages
- 825 patients across 15 villages underwent cataract testing and screening
- 3057 citizens were linked with social security and subsidy schemes
- Benefited 16,411 patients through 258 rural health clinics/camps. By April 2023, 170,966 patients (cumulative) had been covered through rural health clinics.
- Distributed nutrition kits to 59 malnourished children at 11 anganwadis and kitchen garden kits to 755 beneficiaries at 67 anganwadis.

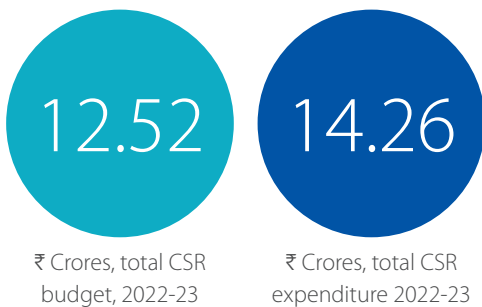
Overview

The Company provides quality primary healthcare services to the marginalised in remote Odisha and Gujarat villages. The company’s coverage comprises healthcare capacity building within local communities, improving government infrastructure and training health workers. The healthcare initiatives prioritise preventive and curative services, addressing malnutrition and infant mortality.

Initiatives

- In Gujarat, a Jan Seva Kendra was established to provide a one-stop solution to citizens seeking support for essential public utility services, social welfare schemes, healthcare, financial, education and agriculture services.
- 269 patients underwent regular treatment through a continuum care program, which covered approximately 1800 sickle cell patients every month

Big number



JKPL’s CSR spending for 5 years (₹ crores)

2018-19	2019-20	2020-21	2021-22	2022-23
3.35	7.63	10.35	11.49	14.26

Case studies

How bamboo jewellery transformed Amina's life

Amina Bidika, a young girl from Odisha, was trained in bamboo jewellery making by JK Paper Ltd. With 25 girls, she learned modern techniques to create eco-friendly and sustainable bamboo jewellery (head clips, bangles, earrings, neck pieces and others). Amina from Rayagada has been making jewellery since the pandemic lockdown to support her family. She sees this as a means to earn a livelihood and contribute to the environment using innovative and eco-friendly materials (instead of plastic).

Empowering rural women

Kamla, a resident of Uttar Pradesh, turned her life around with the help of JK Paper Ltd. In 2021, she joined the Mahima Self Help Group and attended workshops, gaining confidence to expand her grocery business. With a loan of ₹70,000 from the group, she widened her grocery spread. Kamla now earns ₹20,000 per month. Her success showcases the positive impact of self-help groups and credit linkages facilitated by JK Paper Ltd., in transforming rural lives.

Transforming lives through digital learning

Pritam Tandi, a school dropout, lacked basic education and computer skills. He enrolled in JK Paper Ltd's Digital Learning program. He secured a job in a general store, supporting his family. Pritam is beginning to value the importance of education and is grateful for the opportunity provided by JK Paper Ltd.'s free digital learning center.

Artisan resource centre

JK Paper supports the Artisan Centre in introducing and training tribal women in livelihood supporting crafts. Through this initiative, the company imparts marketable skills, enabling women to create a line of products.

The company established Artisan Resource Centre and raw material bank, followed by product development and market exploration in Gujarat. The company collaborated with Gujarat Rural Self Employment

Training Institutes to train tribal artisans.

ARC's training programs on block printing improved the livelihood of women. At JK Paper's Artisan Centre, 34 tribal women from Songadh block underwent advanced block printing training where they prepared quality products like block printed dupattas and bed covers. Several workshops were conducted on handmade paper and embroidery embellishments on block printed products.

From local to global

Janvi Sakhi Mandal, a self-help group in Gunsada village (Gujarat), sells a variety of spices and pickle products. With an annual average sale of around ₹3,00,000, the group faced challenges in marketing products beyond the village. However, with the training program and support of JKPL, the group has been empowered to expand the spice business. JKPL's initiatives have helped Janvi Sakhi Mandal overcome marketing challenges.

Sports development

JK Paper supported over 200 athletes, out of which 64 represented India in international competitions and won medals (25 international medals and 26 national medals). The company supported seven para-athletes who collectively won 25 international medals and 2 national medals. The company supported a range of disciplines (shooting, archery, badminton, boxing, wrestling, athletics and weightlifting).

Management discussion and analysis report



Global economy

Overview: The global economic growth was estimated at a slower 3.4% in 2022, compared to 6.3% in 2021 (which was on a smaller base of 2020 on account of the pandemic effect). The relatively slow global growth of 2022 was marked by the Russian invasion of Ukraine, unprecedented inflation, pandemic-induced slowdown in China, higher interest rates, global liquidity squeeze and quantitative tightening by the US Federal Reserve.

The challenges of 2022 translated into moderated spending, disrupted trade and increased energy costs. Global inflation was 8.7% in 2022, among the highest in decades. US consumer prices decreased about 6.5% in 2022, the highest in four

decades. This prompted the Federal Reserve to raise its benchmark interest rate to its highest in 15 years. The result is that the world ended in 2022 concerned that the following year would be slower. The global equities, bonds, and crypto assets reported an aggregated value drawdown of US\$ 26 trillion from peak, equivalent to 26% of the global gross domestic product (GDP). In 2022, there was a concurrently unique decline in bond and equity markets; 2022 was the only year when the S&P 500 and 10-year US treasuries delivered negative returns of more than 10%.

Gross FDI inflows – equity, reinvested earnings and other capital – declined 8.4% to \$55.3 billion in April-December.

The decline was even sharper in the case of FDI inflows as equity: these fell 15% to \$36.75 billion between April and December 2022. Global trade expanded by 2.7% in 2022 (expected to slow to 1.7% in 2023).

The S&P GSCI TR (Global benchmark for commodity performance) fell from a peak of 4,319.55 in June 2022 to 3495.76 in December 2022. There was a decline in crude oil, natural gas, coal, lithium, lumber, cobalt, nickel and urea realisations. Brent crude oil dropped from a peak of around US\$ 120 per barrel in June 2022 to US\$ 80 per barrel at the end of the calendar year following the enhanced availability of low-cost Russian oil.

Regional growth (%)	2022	2021
World output	3.4	6.3
Advanced economies	2.5	5
Emerging and developing economies	3.8	6.3

Outlook: The global economy is expected to grow 2.8% in 2023, influenced by the ongoing Russia-Ukraine conflict. Concurrently, global inflation is projected to fall marginally to 7%. Despite these challenges, there are positive elements within the global economic landscape. The largest economies like China, the

US, India, Japan and South Korea are not in a recession. Approximately 70% of the global economy demonstrates resilience, with no major financial distress observed in large emerging economies. Despite high inflation, the US economy demonstrated robust consumer demand in 2022. Driven by these positive factors,

global inflation is likely to be still relatively high at 4.9% in 2024. Interestingly, even as the global economy is projected to grow less than 3% for the next five years, India and China are projected to account for half the global growth.

Indian economy

Overview: Even as the global conflict remained geographically distant from India, ripples comprised increased oil import bills, inflation which is gradually coming down. India's economic growth is estimated at 7.2% in 2022-23. India overtook UK to become the fifth-largest global economy. India surpassed China to become the world's most populous nation.

Growth of the Indian economy

	FY 20	FY 21	FY 22	FY23
Real GDP growth(%)	3.7	-6.6%	9.1	7.2

Growth of the Indian economy quarter by quarter, 2022-23

	Q1FY23	Q2FY23	Q3FY23	Q4FY23
Real GDP growth (%)	13.1	6.2	4.5	6.1

(Source: Budget 2023-24; Economy Projections, RBI projections)

Despite global headwinds, consumer sentiments in India remain upbeat. India's auto industry grew 21% in 2022-23; passenger vehicle (UVs, cars and vans) retail sales touched a record 3.9 million units in 2022-23, surpassing 3.2 million units in 2018-19. The commercial vehicles segment grew 33%. Two-wheeler sales fell to a seven-year low reflecting the subdued demand in the rural economy.

Till the end of Q3FY23, total gross non-performing assets (NPAs) of the banking system fell to 4.5% from 6.5% a year ago. Gross NPA for 2022-23 was expected to be 4.2% and a further drop is predicted to 3.8% in 2023-24.

As India's domestic demand remained steady amidst a global slowdown, import growth in 2022-23 was estimated at 16.5% to \$714 billion as against \$613 billion in 2021-22. India's merchandise exports were up 6% to \$447 billion in 2022-23. India's total exports (merchandise and

services) in 2022-23 grew 14% to a record of \$775 billion in 2022-23 and is expected to touch \$900 billion in 2023-24. Till Q3 2022-23, India's current account deficit, a crucial indicator of the country's balance of payments position, decreased to \$18.2 billion, or 2.2% of GDP. India's fiscal deficit was estimated in nominal terms at ~ ₹17.55 Lac crores and 6.4% of GDP for the year ending March 31, 2023.

India's headline foreign direct investment (FDI) numbers rose to a record \$84.8 billion in 2021-22. However, during the fiscal year 2022-23, the country experienced a 16% decrease in foreign direct investment (FDI) inflows, amounting to \$71 billion on a gross basis. This decline can be attributed to the unfavourable global economic conditions and stands as the first contraction in FDI in the past ten years. In 2022-23, the government was estimated to have addressed 77% of

its disinvestment target (₹50,000 crores against a target of ₹65,000 crores).

India's foreign exchange reserves, which had witnessed three consecutive years of growth, experienced a decline of approximately \$70 billion in 2022, primarily influenced by rising inflation and interest rates. Starting from \$606.47 billion on April 1, 2022, reserves decreased to \$578.44 billion by March 31, 2023. The Indian currency also weakened during this period, with the exchange rate weakening from ₹75.91 to a US dollar to ₹82.34 by March 31, 2023, driven by a stronger dollar and increasing current account deficit. Despite these factors, India continued to attract investable capital.

The country's CPI inflation eased to 5.66% in March 2023. WPI (calculates the overall price of goods before retail) eased to 1.3% during the period.

In 2022-23, total receipts (other than borrowings) were estimated at 6.5% higher than the Budget estimates. Tax-GDP ratio was estimated to have improved by 11.1% Y-o-Y in RE 2022-23.

The total gross collection for 2022-23 was ₹18.10 Lac crores, an average of ₹1.51 Lac a month and up 22% from 2021-22, India's monthly goods and services tax (GST) collections hit the second highest ever in March 2023 to ₹1.6 Lac crores. For 2022-23, the government collected ₹16.61 Lac crores in direct taxes, according to data from the Finance Ministry. This amount was 17.6% more than what was collected in the previous fiscal.

Per capita income almost doubled in nine years to ₹1,72,000 during the year under review, a rise of 15.8% over the previous year. India's GDP per capita was US\$ 2,320 (March 2023), close to the magic figure of \$2500 when consumption spikes across countries. Despite headline inflation, private consumption in India witnessed continued momentum and was estimated to have grown 7.3% in 2022-23.

Outlook: There are green shoots of economic revival, marked by an increase in rural growth during the last quarter

and appreciable decline in consumer price index inflation to less than 5% in April 2023. India is expected to grow around 6-6.5% (as per various sources) in 2023-24, catalysed in no small measure by Government's 35% capital expenditure growth. The growth could also be driven by broad-based credit expansion, better capacity utilisation and improving trade deficit. Headline and core inflation could trend down. Private sector investments could revive. What provides optimism is that even as the global structural shifts are creating opportunities for India it is complimented by Government's emphasis on large infrastructure investment. This unprecedented investment is expected to translate into a robust building block that, going ahead, moderates logistics costs, facilitates a quicker transfer of products and empowers the country to become increasingly competitive. This can benefit India's exports in general, benefiting several sectors. The construction of national highways in 2022-23 was 10,993 km with awarded highway contracts of 12,375 km in the last financial year.

Union Budget 2023-24 provisions

The Budget 2022-23 sought to lay the foundation for the future of the Indian

economy by raising capital investment outlay by 33% to ₹10 Lac crores, equivalent to 3.3% of GDP and almost three times the 2019-20 outlay, through various projects like PM GatiShakti, Inclusive Development, Productivity Enhancement & Investment, Sunrise Opportunities, Energy Transition and Climate Action, as well as Financing of Investments. An outlay of ₹5.94 Lac crores was made to the Ministry of Defence (13.18% of the total Budget outlay). An announcement of nearly ₹20,000 crores was made for the PM Gati Shakti National Master Plan to catalyse the infrastructure sector. An outlay of ₹1.97 Lac crores was announced for Production Linked Incentive schemes across 13 sectors. The Indian government intends to accelerate road construction in 2023-24 by 16-21% to 12,000-12,500 km. The overall road construction project pipeline remains robust at 55,000 km across various execution stages. These realities indicate that a structural shift is underway that could strengthen India's positioning as a long-term provider of manufactured products and its emergence as a credible global supplier of goods and services

Global paper and packaging industry overview

The global paper and packaging board market size was estimated at US\$ 195 billion in 2022 and is forecasted to reach US\$ 232.8 Billion by 2028, growing at 3% CAGR.

In volume terms, the global paper and paper board packaging market is expected to have contracted by about 0.5% in 2022 compared to a growth of 4.5% in 2021. The printing and writing paper segment is expected to have declined by 2% in 2022 compared to a growth of 3% in 2021. The packaging paper segment is expected to have

declined by 1% in 2022 compared to 8% growth in 2021. Decline in packaging paper segment was mainly due to normalisation in consumption patterns (particularly in e-commerce), inflation pressure of household budgets and zero COVID tolerance policy in China. The tissue paper segment is expected to have grown by 3% in 2022 compared to 1-2% growth in 2021.

Packaging products play a vital role in every sector. The growing environmental consciousness among consumers, coupled with stringent regulations

imposed against plastic use by various environmental regulations is expected to catalyse the paper packaging market. The growth in the paper and packaging industry is largely driven by the demand of the end-user industries it serves. The food and beverage industry is a major end-user of paper packaging.

The global food and beverages market grew from \$6,729.54 billion in 2022 to \$7,221.73 billion in 2023 at a CAGR of 7.3%. Due to its convenience and environment-friendliness, there is growing demand for paper packaging in the food

and beverage market as various kinds of packaging products like wrapping paper, bags, pouches, cups, trays, cartons and boxes are used in this industry. The growth of the online delivery vertical has played a major role in the overall rise of the food and beverages industry.

A number of developed and emerging economies are adopting paper-based products as an alternative to plastic. Food manufacturing organisations are using food-grade paper packaging products to preserve nutrient content and food quality. Other factors, such as

product innovation to improve product functionality and produce visually appealing variants is further expected to drive paper-based packaging growth.

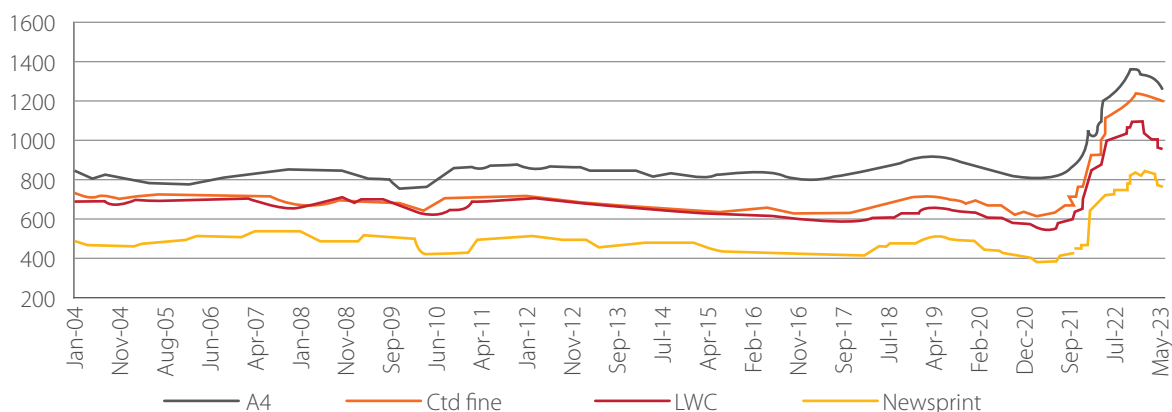
Paper and pulp prices

Global pulp prices reached a record high level in 2022-23 as the demand increased sharply post Covid period. This was further aggravated by higher energy cost in Europe triggered by Russia-Ukraine war. The low inventory of pulp led to panic buying which also pushed the prices further higher. Consequent

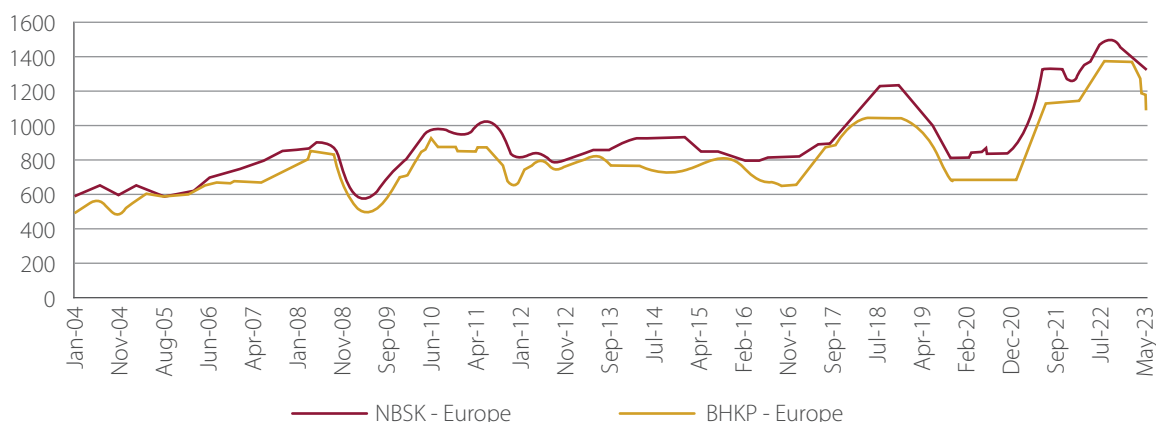
to this paper prices also moved up significantly. Opening up of China post Covid restrictions was expected to keep demand buoyant. However, Q4 of 2022-23 witnessed demand slowdown as China buying did not pick up as expected resulting in inventory of pulp producers shooting up from normal level of 30

days to 60 days. This triggered a price correction in pulp prices and may hit their lowest level in coming months.

Paper Prices (\$/tonne)



Pulp Prices (\$/tonne)



Indian paper and packaging industry overview

The Indian paper and paperboard packaging market was pegged at US\$ 10.77 Billion (₹88,314 crores) in 2022 and is expected to reach US\$ 15.69 Billion (₹1,25,520 crores) by 2027, growing at a CAGR of 6.63%. Packaging-grade paper makes up for 55% of the major kinds of paper produced.

The printing and writing paper market is expected to grow at a CAGR of 1.8% during 2022-2026. This segment is expected to witness a demand growth due to factors such as rising population,

re-opening of offices, growing traction in the pharmaceutical and e-commerce industry among others.

Packaging is a fast-growing industry catalysed by rising disposable income, growing consumer awareness and rise in processed food offtake. There are surplus capacities in China and Indonesia, may cause dumping at cheaper rates. This may result into negative sentiments.

The Indian packaging industry is largely fragmented, with a large number of small and medium-sized enterprises present

with few large-scale dominant players. The industry is heavily reliant on imports for high-end packaging machinery and technology.

The Indian government has launched several initiatives to promote the growth of the packaging industry, including the Make in India campaign and the establishment of packaging parks. These initiatives are expected to boost domestic production, create employment opportunities and drive innovation and technological development in the sector.

SWOT analysis of the Indian paper and packaging industry

Strengths	Weaknesses	Threats	Opportunities
<ul style="list-style-type: none"> ▪ Growing traction of the packaging board segment ▪ Different kinds of paper produced ▪ Rising income of plantation farmers ▪ State-of-the-art manufacturing plants ▪ Writing & Printing segment is still growing 	<ul style="list-style-type: none"> ▪ A number of economically unviable plants ▪ Use of large debt to fund a number of plants ▪ There is a growing requirement of scale to survive 	<ul style="list-style-type: none"> ▪ Inflationary pressure on raw material costs ▪ Increasing competition from cheaper imports creating pricing pressure ▪ Hampering of paper demand by digitalisation and digitisation ▪ Increase in energy cost cannibalising competitiveness 	<ul style="list-style-type: none"> ▪ Considerable demand headroom due to lower per capita consumption ▪ Rising demand of packaging paper/board in food and pharma sector ▪ Greater hygiene awareness due to the pandemic ▪ Increasing demand from downstream sectors (kraft, corrugation, duplex) ▪ Innovative product creation possibilities ▪ Ban on single-use plastic to generate demand

Demand drivers

Growing literacy: In 2021, India's literacy rate was pegged at 77.7%, catalyzing the demand for writing and printing paper as well as packaging paper owing to product offtake.

Re-opening of offices: Companies are gradually opening their offices full-time and expanding into newer cities, fostering a demand for corporate activity and paper consumption.

Population growth: In the year 2023, India is set to overtake China as the world's most populous country, creating a wide market base.

Demographic shift: In 2022, the average age of an Indian was 28.7 years. More than half of India's population is under 25 years of age. The consumer market is largely driven by the millennial (15-34 years) population, who are either students or young professionals.

Growing middle class income: India is expected to form 23% of the global middle class, leading to an increase

in households earning between US\$ 10,000 and US\$ 50,000 per year till 2028, widening their wallet share for discretionary spending.

Urbanisation: By 2030, India will have more than 70 cities compared to only 55 cities in the USA, fostering demand for sectors such as health, education, retail, e-commerce among others.

E-commerce growth: Indian e-commerce market is expected to reach 350 billion by 2050, on account of greater internet penetration, rising incomes and growing population.

Company review

The company is engaged in the manufacture of the following products

Uncoated writing-printing and specialty papers:

JK Paper leads the office paper vertical due to its quality and superior brand presence. The Company has a wide-ranging portfolio in the uncoated writing and printing segments of specialty paper, catering to the demand of publishers, print houses and corporates.

Highlights, 2022-23

Uncoated W&P and Speciality paper (including exports) sale grew by 46% in 2022-23 over 2021-22. It widened and deepened its distribution footprint while increasing its market presence.

Packaging boards: There is a growing demand for packaging board due to the traction in end-user industries such as FMCG, food and beverage, pharmaceutical

and textile sectors. JK Paper provides a variety of high-end coated packaging boards, producing packaging board at its Unit CPM in Gujarat, near vital consumption markets. The Company developed varieties following R&D outlay and investments in advanced technologies. There was pricing pressure in second half and coming year is going to be challenging year on apprehension of cheaper import of Packaging board from Indonesia and China.

Highlights, 2022-23

The Company doubled the sale of packaging boards (including exports) in 2022-23 over 2021-22.

Coated paper:

The coated paper industry is a specialised market where more than 60% of the demand is met by international players. Only two companies in India produce coated paper, with JK Paper being one of

them. JK Paper offers tailor-made products that are used in a variety of applications such as magazines, books, brochures, posters, wedding invitations and more. It is anticipated that the worldwide market for poly coated kraft paper will experience growth from \$4.04 billion in 2022 to \$4.25 billion in 2023, with a compound annual growth rate (CAGR) of 5.3%.

Highlights, 2022-23

Coated paper sale grew by 23% in 2022-23 over 2021-22.

Corrugated Boxes

During the year under review, the company's first Greenfield project in Ludhiana started trial production. The Company also acquired 85% stake in Horizon Packs Pvt. Ltd. and Securipax Packaging Ltd. By acquiring these two companies your company has become the market leader in Corrugated Boxes.

Demand for the Company's products and market prices

The demand for writing & printing paper segment (18% of the Company's 2022-23 revenues) was high.

There is higher sales realisation in livewith global trends. This increase can be attributed to several factors. The prices of pulp in the global market had gone up to a record high and also the demand for printing and writing papers, both domestically and for export has been good.

The office paper segment (48% of the Company's 2022-23 revenues) comprised value-added products. The re-opening of private and Government offices, popularity of co-working space and the opening of offices in new locations have primarily contributed to the demand growth in this segment. Additionally, the increasing adoption of products such as computers, printers and photocopying machines in the evolving global corporate

sector is also contributing to the rise in demand for office paper. Moreover, the need for high-quality yet affordable paper for making documents, magazines, letters and other printed items is fueling the demand for office paper. The expanding education sector and the growing number of students enrolling in schools and tuition centers are also positively impacting the market for office paper worldwide. Furthermore, the rising

demand for environmentally friendly and sustainable alternatives, including office paper, is expected to further boost the growth of the global office paper market in the foreseeable future.

The coated paper segment (15% of the Company's 2022-23 revenues) was largely dependent on commercial printing. The Russia-Ukraine war has resulted in economic sanctions on several nations,

an upsurge in commodity prices and disruptions in the supply chain, leading to inflation across goods and services and impacting various markets globally.

Developments at Sirpur Paper Mills Ltd

Production: During the year under review, production grew from 97,401 MT to 1,21,898 MT. This was possible due to the focus on (i) quality (which helped the Company gain customer's confidence and, as a result, good order book), (ii) equipment uptime through a structured preventive maintenance schedule and (iii) improving customer service levels.

Raw materials: Integrated pulp and paper mills rely heavily on wood as a primary raw material. Sirpur, recognising the importance of sustainable fiber supply, has implemented large-scale farm forestry plantation activities in its catchment areas. To achieve this, the company established a state-of-the-art clonal production nursery capable of producing 100 Lac clones per annum. In order to ensure a stable supply of quality raw materials, the Sirpur

unit provides farmers with high-quality planting materials at cost, as free technical expertise.

During 2022-23, the Sirpur unit covered more than 12000 acres under farm forestry plantations with 2035 farmers within 200 Km radius of the mill. A sustained plantation thrust will provide the Company with secured raw material and strengthen the ecological balance.

Functional review

Raw material management - JK paper Ltd has a designated plan of action to address various challenges in procurement of Wood. Company has started specifically focusing on developing a core region within a radius of 200 Kms of manufacturing units to ensure a sustainable supply of wood from local farmers. JK paper is actively engaging with local farmers under its extension program to create awareness about the cultivation of Pulp wood species (Eucalyptus, Subabul and Casuarina). Under this program, farmers are encouraged for a guided visit to our manufacturing facilities, Clonal production centers, Test plots and get briefed about the economic viability and crop economics when compared to other commercial crops. This overall program helps to invoke interest in farmers to shift to Pulpwood cultivation.

Cumulatively, the plantation done by the company on around 6 Lac acres across Gujarat, Maharashtra, Chhattisgarh, Odisha, Andhra Pradesh and Madhya Pradesh. Plantation during the year was done on over 55000 Acres (including

SPML). JK paper farm forestry initiatives not only increased sustainable livelihoods across rural areas, provided farmers an assured income and developed the prospect of equitable realisation, but also it created a sustainable source of raw material for the Company.

Over the last 10 years, around 84,000 farmers benefited through the Company's farm forestry. Besides these, it improved green cover in the area and made the Company wood and carbon positive.

The Company increased its infrastructural facilities to produce more genetically advanced short-rotation clones by focusing on R&D, to increase yield and overall farm productivity. The Company developed high yielding site specific clones of Subabul, Casuarina & Eucalyptus which can grow significantly faster and yield much higher yield under 3 years of rotational cycle. However, sourcing of raw material from our area by other wood based industry put pressure on pricing.

Human resources: JK Paper believes that its people are the best assets and

their skills and capabilities are our biggest strength. Therefore, a lot of emphasis is given to hiring the right talent. At JK Paper, employees are encouraged to discover their true potential. With new business acquisition and diversification in portfolio, a lot of emphasis is given to building a strong talent pipeline, upskilling them, providing career development & progression opportunities to employees and retaining them. There is also a lot of focus on Digitisation and HR supports the Digitisation journey of the organisation by training the employees on the required skills and by hiring the people with right skillset. Employee wellness and Health is also of utmost importance for the company and JK Paper ensures that there are plenty of opportunities for employee connects and engagement for the employees.

Procurement: 2022-23 witnessed the spurt in the demand for Paper & Board globally in the post Covid growth scenario. The disruptions in one or other part of the world supported the high international price of Paper & Board and Russia &

Ukraine war fueled the energy prices which further pushed all commodity prices including Paper to the ever-highest level. The JK Paper being integrated Paper mill got the pricing advantage over the others and maintained its cost leadership position. The higher input cost was absorbed without impacting the profit margins.

Product development: JK Paper has a diverse portfolio which includes premium office paper, packaging board, security paper and functional grades speciality paper & Board. In response to the growing sentiment against plastic-based food packaging solutions, the company has developed plastic-free alternatives such as JK EcoGreen Purefil Cupstock Board for

paper cups and JK EcoGreen Tuff Freeze boards to replace PE coated Board. With the rise in food delivery and e-commerce, JK Paper is focusing on optimising its portfolio by providing more options such as JK Pac Fresh food wrapping in various sizes. The company also offers sustainable packaging solutions for the pharma and FMCG sector and works closely with customers to customise products to their needs.

JK Paper is committed to responsible procurement, social responsibility, environmental sustainability and manufacturing eco-friendly products. With the FSSAI mandates on food grade and food safety packaging, there has been a major shift from plastic to paper in the

food packaging industry. JK Paper is well-positioned to benefit from this shift with new product launches that offer oil and water resistance, moisture and oxygen barrier and heat sealable capabilities.

During the year under review, the Company has developed & introduced following new products -

- JK Eco green Purefil (Aqueous barrier coated Cupstock)
- JK Eco green Tuff freeze (Aqueous barrier coated OGR Board)
- JK Purefil P2P (2 PE Coated Cupstock Board)
- Cigarette Board

Financial overview

Analysis of the profit and loss statement

Revenues: Revenue increased by 57% from ₹4165.76 crores in 2021-22 to ₹6,543.68 crores in 2022-23.

Expenses: Total expenses increased by 51% from 3299.30 crores in 2021-22 to ₹4,995.60 crores in 2022-23, which includes 40% depreciation increase due to enhanced asset capitalisation. The substantial increase in input costs, coupled with additional volumes impacted an increase.

Analysis of the Balance Sheet

Sources of funds: The capital employed by the Company increased by 33% from ₹3,375 crores as on March 31, 2022

to ₹4,480 crores as on March 31, 2023 due to enhanced asset base for new packaging board plant. Return on capital employed stood at 21.1% in 2022-23 compared to 15.5% in 2021-22 due to better performance. The net worth of the Company increased by 24% from ₹3,045 crores as on March 31, 2022 to ₹3,774 crores as on March 31, 2023. Total debt decreased 11.4% to ₹307.69 crores as on March 31, 2023 mainly due to scheduled repayment of debt and ₹72.69 crores of prepayment. The Company's interest cover stood at a comfortable 9.34x in 2022-23 (11.04x in 2021-22).

Applications of funds

Property, Plant and Equipment (PPE)

PPE (gross) decreased 3% from ₹4,429 crores as on March 31, 2022 to ₹4,310 crores as on March 31, 2023

Working capital management

Current assets of the Company increased by 15.3% from ₹1,808.94 crores as on March 31, 2022 to ₹2,085.53 crores as on March 31, 2023 due to increase in cash and Inventory. The current and quick ratios of the Company stood at 1.47 and 0.99 respectively in 2022-23 compared to 1.50 and 1.11 respectively in 2021-22. The finished goods inventory days stood at 9 in 2022-23 compared to 10 in 2021-22. Gross cash and cash equivalents of the Company stood at ₹809.38 crores as on March 31, 2023.

Regional growth (%)	2022-23	2021-22
Gross sales	6543.68	4165.76
Net sales	6208.32	3889.99
Profit before interest and depreciation and Tax (EBITDA)	1759.38	1023.09
Profit before depreciation and tax (PBDT)	1548.37	930.44
Profit before tax (PBT)	1311.53	761.40
Profit after tax (PAT)	885.53	511.09

Details of significant changes

(i.e. change of 25% or more compared to the immediate previous financial year) Financial Ratios

Regional growth (%)	UOM	2022-23	2021-22	% Change	Definition	Remark for variation
Debt Equity Ratio	Times	0.63	0.89	28.52%	Total debt/ shareholder's equity	1) Decrease in debts 2) Increase in Retained earnings i.e., part of Equity
Trade Payable Turnover Ratio	Times	6.72	5.09	32.12%	Purchases/ Average Trade Payables	Primarily on account of decrease in Trade Payables in comparison to increase in purchase
Return On investment - quoted equity shares	%	64.74	17.34	47.39%		Impact of market dynamics

Risk management

Demand risk

Preferential shift of consumers towards digitisation could hinder demand.

Mitigation

The Company has ventured into Packaging Boards and Corrugated packaging that helps in deleveraging its dependence on writing & printing paper. The proportion of revenues from packaging paper and board could increase from 38% in 2022-23 to an estimated 40% when the expansion is fully on stream.

Regulatory risk

Non-compliance with statutory norms could attract penalties and impact the Company's credit rating.

Mitigation

The company has implemented a robust compliance assurance system and mechanism to monitor various compliances. Its certifications, including ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018, demonstrate its adherence to modern standards of quality, environmental responsibility and safety.

Resource risk

Overuse of water along with a substandard water discharge can harm resource security and respect.

Mitigation

The company has taken steps to reduce water consumption and has invested in improved technologies for more efficient effluent recycling and treatment.

Raw material risk

Scarcity in essential raw materials like wood, pulp, coal and chemicals could bring down output with profitability

Mitigation

The company has implemented robust farm forestry measures in the vicinity of its manufacturing units, thereby improving local wood sourcing and reducing logistics costs. Its strong R&D function has enabled it to develop high-yielding clones (saplings) with shorter gestation periods. The company provides these high-yielding saplings to farmers with secure buyback options, thereby contributing to both their prosperity and raw material security.

Internal control systems and their adequacy

JK Paper has a robust internal control framework, which has been instituted considering the nature, size and risks in the business. The Company's internal control environment ensures efficient conduct of operations, security of assets, prevention and detection of frauds/ errors, accuracy and completeness of accounting records and the timely preparation of reliable financial

information. The Company uses SAP—an Enterprise Resource Planning (ERP) software—as its core IT system. The Company has a well-established independent internal audit function is responsible for providing assurance on compliance with operating systems, internal policies and legal requirements, as well as suggesting improvements to systems and processes. The Company's

operating management closely monitors the internal control environment and ensures that the recommendations from audits are effectively implemented. The Audit Committee of the Board monitors performance of the Internal.

Audit Function, reviews key findings and provides strategic guidance.

Cautionary statement

This statement made in this section describes the Company's objectives, projections, expectation and estimations which may be 'forward-looking statements' within the meaning of applicable securities laws and regulations.

Actual results could differ materially from those either expressed or implied. Important factors that could make a difference to the Company's operation include among others, economic conditions affecting demand/ supply

and price conditions, variation in prices of raw materials, changes in Government regulations, tax regimes, economic developments and other incidental factors.

Board's Report

To the Members,

The Directors have pleasure in presenting the 62nd Annual Report along with Audited Financial Statements of the Company for the financial year ended 31st March 2023.

FINANCIAL RESULTS

Rs. in crore (10 Million)

Particulars	Standalone		Consolidated	
	2022-23	2021-22	2022-23	2021-22
Revenue from Operations	6543.68	4165.76	6745.02	4153.47
Profit before Finance Costs and Depreciation & Tax (EBITDA)	1759.38	1023.09	2184.45	1121.63
Profit before Depreciation and Tax (PBDT)	1548.37	930.44	1928.33	989.75
Profit After Tax (PAT)	885.33	511.09	1208.22	543.82

DIVIDEND

The Board is pleased to recommend final dividend of Rs. 4/- per equity share (40%) for the financial year ended 31st March 2023, subject to approval of members at the forthcoming Annual General Meeting and deduction of tax at source, as may be applicable. This is in addition to interim dividend of Rs. 4/- (40%) per equity share declared and paid by the Board of Directors during the year. The total dividend outgo will be Rs. 135.52 crore. Dividend payout is in accordance with the Dividend Distribution Policy of the Company.

RESERVES AND APPROPRIATIONS

The amount available for appropriation, including surplus from the year, stood at Rs 2133.08 crore. The Directors propose this to be appropriated as under:

Item	Rs. in crore (10 Million)	
	2022-23	2021-22
General Reserve	300.00	200.00
Dividend for 2021-22/2022-23	160.93	67.76
Surplus carried to Balance Sheet	1672.15	1247.75

PERFORMANCE REVIEW

The Company achieved its highest ever Sales, EBIDTA and PAT during the financial year 2022-23 despite higher input costs. Ramp up of volumes from the new Packaging Board plant at Unit CPM coupled with overall better realization have contributed in increasing overall revenues of the Company. The Gross Revenue, EBIDTA and PAT increased by 57%, 72% and 73%, respectively, compared to FY 2021-22.

The Company's inherent strengths of its people, brand loyalty, customer centricity, high operating efficiencies and the continued focus on plantation activities in nearby areas have combined to make this performance possible. Your Company continues to maintain its leadership position.

Healthy demand of writing & printing paper and packaging board resulted in higher price realizations and higher volume growth. However, coated paper and packaging board segment witnessed price pressure in the second half of the year. Outbreak of Ukraine-Russia war has led to sharp increase in prices of key inputs like coal, imported pulp and other commodities, during the year, although there has been some softening towards end of the financial year. The coming year has to be viewed with some caution given volatility in input and output prices arising from global economic and political situation.

NEW PROJECTS AND SUBSIDIARIES

(i) Investments in JKPL Packaging Products Ltd. (JKPPPL)

As reported last year, the Company had embarked upon a greenfield Corrugated Packaging Plant at Ludhiana to take advantage of the growing industrialization and e-commerce markets which is expected to grow at a healthy rate. Your Company had formed a subsidiary – JKPL Packaging Products Limited (JKPPPL) for this project which has acquired a green field site in Ludhiana. Board had approved an investment of upto Rs. 150 crore for this project which is funded by equity from the Company and Loans from Domestic banks. There were some delays due to the late delivery of some equipments from suppliers. Trial run of the plant is underway and commercial production is expected to commence this year.

(ii) Acquisition of Horizon Packs Pvt. Ltd. (HPPL) and Securipax Packaging Pvt. Ltd.(SPPL)

During the year, the Company had acquired 85% equity shares of each of HPPL and SPPL, for cash consideration funded through internal accruals. Accordingly, HPPL and SPPL have become subsidiaries of the Company. HPPL and SPPL are engaged in Corrugated Packaging business and are

collectively number one in the Country. The said acquisitions are in synergy with the growing packaging sector and corrugated packaging business of the Company's subsidiary. This will enable substantial expansion of Company's foot print in corrugated packaging business in terms of volume and market, making it the largest organized player.

CAPITAL STRUCTURE AND CREDIT RATING

During the year under review, there has been no change in the Authorised and Paid-up share capital of the Company. As on 31st March 2023, the Authorised Share Capital of the Company was Rs. 500 crore and Paid-up Share Capital was Rs. 169.40 crore.

The Company improved the working capital management by use of its surplus funds instead of using short-term borrowings from banks in an increasing interest rate scenario.

The Company has prepaid Rs. 72.69 crore of its loan outstanding while meeting its financial obligations.

Your Company closely monitors domestic & global economic scenario and moved timely and swiftly to use various forex and interest rate derivative structure to optimize the overall finance cost in an increasing interest rate scenario.

Long-term credit rating of JK Paper has been upgraded from AA-/Stable to AA/Stable by CRISIL and India Ratings and it continues to enjoy the highest A1+ credit rating for its short-term debt.

The long-term Credit Rating of The Sirpur Paper Mills Ltd., subsidiary of the Company, has also upgraded two notches from A/Positive to AA-/Positive.

COMPLIANCE WITH SECRETARIAL STANDARDS

The applicable Secretarial Standards issued under Section 118 of the Companies Act, 2013 ('the Act') have been complied with.

AWARDS AND RECOGNITION

Our commitment towards Safety & Environment, Quality & Operational Excellence, Sustainability and Corporate Social Responsibility initiatives continue to garner appreciation from various industry chambers and social bodies. Some of the prominent accolades and awards received during the year are as follows:

- Unit JKPM is ranked no. 1 in first green rating of Pulp & Paper Sector by Centre for Science and Environment.
- Unit CPM has won Energy Efficient Award by CII – 23rd National Award for Excellence in Energy Management.
- Unit JKPM bagged the "23rd National Award for Excellence in Energy Management 2022" by CII and "CII National Award for excellence in Water Management -2022".

- Unit CPM was awarded with "Excellent position" under Paper Industry category -SCALE (Supply Chain and Logistics Excellence Awards) 2022, organized by CII.
- Unit JKPM was awarded "IPMA Paper Mill of the Year Award" 2021-22 by Indian Paper Manufacturers Association (IPMA).
- Unit JKPM has received "Odisha CSR Excellence Award"-2022 from Odisha CSR Forum.
- Unit JKPM has received "Odisha State Energy Conservation Award"-2022 from Principal Chief Electrical Inspector & State Designated Agency.
- Unit JKPM has won "National Energy leader Award" by CII.
- Unit JKPM has received "FICCI'S Sustainable Agriculture Award-2022"

INDUSTRIAL RELATIONS

Industrial Relations at units of the Company continued to remain peaceful and cordial throughout the year. We value the long association of our employees including contractors and their workmen to sustain industrial harmony and create a positive work environment. By introducing various new work practices along with automation, we have succeeded in enhancing manpower productivity. We encourage continuous interaction, dialogues and participation of local villagers and other stakeholders in collaborating various social interventions.

ANNUAL RETURN

Pursuant to the provisions of the Act, the Annual Return of the Company is available on the website of the Company and can be accessed at https://jkpaper.com/wp-content/uploads/2023/07/Annual_Return_2022-23.pdf

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of loans, guarantees or securities and investments in terms of the provisions of Section 186 of the Act are given in the financial statements.

RELATED PARTY TRANSACTIONS

During the financial year ended 31st March 2023, all the contracts or arrangements or transactions entered into by the Company with the Related Parties were in the ordinary course of business and on arm's length basis and were in compliance with the applicable provisions of the Act and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

Form AOC-2 containing details of the material Related Party Transactions entered during the financial year 2022-23 as per

Policy, is attached as Annexure-1 to this Report and forms part of it.

Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions is available on the website of the Company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, Shri Harshavardhan Neotia (DIN: 00047466) was appointed as Non-Executive Independent Director of the Company w.e.f. 29th July, 2022 for a period of five consecutive years and the requisite resolution in this regard was passed by the Shareholders at the Annual General Meeting (AGM) held on 6th September, 2022.

Shri Anoop Seth (DIN:00239653) was appointed as Non-Executive Independent Director of the Company w.e.f. 27th September, 2022 for a period of three consecutive years and the requisite resolution in this regard was passed by the Shareholders on 17th November, 2022 through Postal Ballot (through remote e-voting only).

The Board is of the opinion that Shri Harshavardhan Neotia and Shri Anoop Seth have high integrity and relevant experience.

During the year under review, Shri Arun Bharat Ram (DIN: 00694766) and Shri M.H. Dalmia (DIN: 00009529) had ceased to be Directors of the Company w.e.f. 23rd August 2022 on completion of their second term as Independent Directors of the Company. The Board wishes to place on record its sincere appreciation of the valuable contributions and guidance received from them during their tenure.

Smt. Vinita Singhanian (DIN: 00042983), retires by rotation and being eligible offers herself for re-appointment at the forthcoming AGM of the Company.

Shri Bharat Anand (DIN: 02806475) was appointed as Additional Director on the Board of the Company in the category of Independent Director w.e.f. 1st July 2023 for a period of five consecutive years, subject to approval of Shareholders at the forthcoming AGM of the Company.

All the Independent Directors of the Company have given requisite declarations that they meet the criteria of independence as provided under the Act and Listing Regulations.

Except as stated above, there was no other change in Directors and Key Managerial Personnel of the Company.

INTERNAL CONTROL SYSTEM

The Company remains committed to have a robust and effective internal control mechanism across all offices, plants and key functions that provides assurance of existence of a structured system for: business planning and review of goals achieved ,

evaluating & managing risks, policies and procedures adopted for ensuring orderly financial reporting, timely preparation of reliable Financial Information, accuracy and completeness of the accounting records, ensuring legal and regulatory compliance, protecting company's assets, prevention and detection of fraud and error and validation of IT Security Controls. Corporate Internal Audit team consisting of qualified professionals and supported by external independent audit firms and other specialized agencies, regularly conducts internal audits to review the internal control systems and compliance thereof as per the annual audit plan approved by Audit Committee of the Board. The findings of the Audit team are reviewed by the Audit Committee and corrective actions are initiated, where necessary. In addition, the Company also follows a Compliance monitoring software tool to capture status of all applicable statutory compliances online.

The Company has also developed a set of documented Risk Control Matrix for all major functions and no material reportable weakness was observed during the year.

The Company also has a comprehensive budgetary control system in sync with its Strategic Business Plan. Key performance targets are set for each Plant and product lines. The actual performance against these targets is periodically monitored and corrective actions as needed are initiated.

CORPORATE SOCIAL RESPONSIBILITY

The core of your Company's CSR activities is centered around the creation of sustainable livelihood opportunities and restoration & preservation of natural resources within the parameters of SDG's and the national developmental priorities- farmers, women, soil, water and youth. The projects have made a significant impact in enhancing the local economy, the beneficiary groups have through savings, bank loans and credit linkages invested over Rs.60 crores in small & micro enterprises which have resulted in income generation. The CSR footprint of the Company has extended to 846 villages in states of Odisha, Gujarat, Telangana and Uttar Pradesh, touching a population of more than 690 thousand individuals. The diversity of the interventions ranges from Farmer Producer Organization, Women Self- Help Groups, Water Harvesting, Solar irrigation, Soil Conservation, Youth Enterprises, Community Health, Disaster relief, Digital Literacy, artisan development resource center amongst others. Company's CSR interventions have been co-opted by the local authorities and integrated with the overall development programs. The programs have been widely reported as model programs in the media and have been visited by important dignitaries from the government and development sector.

The Company has a Corporate Social Responsibility (CSR) Policy in accordance with the provisions of the Act. CSR Policy of the Company is displayed on the website of the Company. During the year, pursuant to amendment in the Companies (Corporate

Social Responsibility Policy) Rules, 2014, inter alia, pertaining to criteria of Implementing Agencies, CSR Policy of the Company was amended.

Annual Report on the CSR activities undertaken by the Company during the financial year ended 31st March 2023, in the prescribed format, along with summary of Impact Assessment Report is annexed to this Report as Annexure-2 and forms part of it.

AUDITORS & THEIR REPORTS

(a) Statutory Auditors

In accordance with the provisions of the Act and the Rules made thereunder, M/s Lodha & Co., Chartered Accountants, were reappointed as Statutory Auditors of the Company for their second term of five consecutive years from the conclusion of the 61st AGM till the conclusion of the 66th AGM to be held in the year 2027.

The observations of the Auditors in their report on Accounts and the Financial Statements, read with the relevant notes are self-explanatory. The Auditor's Report does not contain any qualification, reservation, adverse remark or disclaimer. During the year under review, the Auditors have not reported any matter under Section 143(12) of the Act, therefore no detail is required to be disclosed.

(b) Secretarial Auditor

The Board of Directors had appointed Shri Namo Narain Agarwal, Company Secretary in Practice, as Secretarial Auditor to carry out Secretarial Audit of the Company for the financial year 2022-23. The Report given by him for the said financial year in the prescribed format, pursuant to the provisions of Section 204 of the Act and Regulation 24A of the Listing Regulations, is annexed to this Report as Annexure-3 and forms part of it. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

Pursuant to provisions of Regulation 24A of the Listing Regulations, during the year under review, the Company has two material unlisted subsidiaries incorporated in India-(i) The Sirpur Paper Mills Limited (SPML) and (ii) Horizon Packs Private Limited (HPPL). Secretarial Audit Reports for FY 2022-23 of (i) Shri Namo Narain Agarwal, Secretarial Auditor of SPML and (ii) M/s Somani & Associates, Secretarial Auditor of HPPL, in the prescribed format are annexed to this Report as Annexure – 3(i) & 3(ii) respectively.

(c) Cost Auditors

In accordance with the provisions of Section 148(1) of the Act, the Company has maintained cost accounts and records. The Cost Audit for the financial year ended 31st March 2022 was

conducted by M/s R.J. Goel & Co., Cost Accountants, Delhi and the Cost Audit Report was duly filed with the Ministry of Corporate Affairs, Government of India. The Audit of the Cost Records for the financial year ended 31st March 2023 is being conducted by the said firm and the Report will also be filed with the Ministry of Corporate Affairs, Government of India.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

During the year under review, there were no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations. Further, during the year under review, no applications were made or no proceedings were pending as at the end of the year under the Insolvency and Bankruptcy Code, 2016.

MATERIAL CHANGES AND COMMITMENTS

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company and the date of this report.

CHANGE IN THE NATURE OF BUSINESS

During the year under review, there was no material change in the nature of business of the Company.

CONSERVATION OF ENERGY ETC.

The details as required under Section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014 is annexed to this Report as Annexure-4 and forms part of it.

PARTICULARS OF REMUNERATION

Disclosure of the ratio of the remuneration of each Director to the median employee's remuneration and other requisite details pursuant to Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed to this Report as Annexure-5 and forms part of it. Further, Particulars of Employees pursuant to Rule 5(2) & (3) of the above Rules, also form part of this Board Report. However, in terms of provisions of Section 136 of the Act, the Annual Report for the financial year 2022-23 is being sent to all the members of the Company and others entitled thereto, excluding the said particulars of employees. Any member interested in obtaining such particulars may write to the Company Secretary. The said information is also available for inspection at the Registered Office of the Company on working days during working hours.

CORPORATE GOVERNANCE

Your Company reaffirms its commitment to the highest standards of corporate governance practices. Pursuant to Regulation 34 read with Schedule V of the Listing Regulations, Management Discussion and Analysis, Corporate Governance Report and Auditors' Certificate regarding compliance of conditions of Corporate Governance are made part of this Annual Report.

The Corporate Governance Report which forms part of this Annual Report also covers the following:

- a) Particulars of Five Board Meetings held during the financial year under review.
- b) Policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management including, inter alia, the criteria for performance evaluation of Directors.
- c) Manner in which formal annual evaluation has been made by the Board of its own performance and that of its Committees and individual Directors.
- d) Details with respect to composition of Audit Committee and establishment of Vigil Mechanism.
- e) Details regarding Risk Management.
- f) Dividend Distribution Policy.
- g) Disclosures under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Business Responsibility and Sustainability Report

Pursuant to Regulation 34(2)(f) of the Listing Regulations, the Business Responsibility and Sustainability Report of the Company for the financial year ended 31st March 2023 in the prescribed format, is given in a separate section and forms part of the Annual Report.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of your Company for the financial year 2022-23 have been prepared in accordance with the Act and applicable Indian Accounting Standards. The Audited Consolidated Financial Statements together with Auditors' Report form part of the Annual Report.

A report on the performance and financial position of each of the subsidiaries and joint ventures included in the Consolidated Financial Statements is presented in a separate section in this Annual Report, refer Form AOC-1 annexed to the Financial Statements forming part of the Annual Report.

Pursuant to the provisions of Section 136 of the Act, Standalone audited financial statements, Consolidated audited financial statements along with relevant documents and separate audited financial statements of each of the subsidiaries are available on the website of the Company.

During the financial year under review, Horizon Packs Private Limited and Securipax Packaging Private Limited have become subsidiaries of the Company and no other company has become or ceased to be subsidiary, joint venture or associate of the Company.

DEPOSITS

Pursuant to the approval of members by means of a Special Resolution at the AGM held on 27th September 2014, the Company is accepting deposits from the public and its members, in accordance with the provisions of the Act and Rules made thereunder.

The particulars in respect of the deposits covered under Chapter V of the said Act, for the financial year ended 31st March 2023 is annexed to this Report as Annexure-6 and forms part of it.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134(3)(c) of the Act, your Directors state that:

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

(f) the proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

The Board wishes to record its highest appreciation of the total commitment, dedication and hard work, put in by every employee and member of the Team JK Paper.

ACKNOWLEDGEMENT

Your Directors acknowledge the unstinted support and cooperation received from the Central Government, State Governments, participating Financial Institutions and Banks and above all the Customers, Dealers, Suppliers and other Stakeholders.

On behalf of the Board of Directors

Place: New Delhi
Date: 16th May, 2023

Bharat Hari Singhania
Chairman

Annexure-1

FORM NO. AOC -2

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

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

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

Sl. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	The Sirpur Paper Mills Limited, subsidiary
b)	Nature of contracts/arrangements/ transactions	Sale/Purchase of goods, rendering/availing of services, receipt/reimbursement of expenses, interest on ICD and other functional support services.
c)	Duration of the contracts/arrangements/ transactions	Ongoing
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	On arm's length basis and in the ordinary course of business: Rs. 981.80 crore (FY 2022-23).
e)	Date(s) of approval by the Board, if any	Since above Related Party Transactions (RPTs) are in the ordinary course of business and on arm's length basis, approval of the Board is not required. However, it was approved and periodically reviewed by the Audit Committee. Further, in terms of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the said RPTs, being Material RPTs, approval of Members of the Company was obtained at the Annual General Meeting held on 6th September, 2022.
f)	Amount paid as advances, if any	NIL

On behalf of the Board of Directors

Place: New Delhi
Date: 16th May 2023

Bharat Hari Singhania
Chairman

Annexure-2

ANNUAL REPORT ON CSR ACTIVITIES UNDERTAKEN BY THE COMPANY DURING THE FINANCIAL YEAR ENDED 31st MARCH 2023

1. Brief outline on CSR Policy of the Company:

The Company has been one of the foremost proponents of inclusive growth and has been undertaking projects for overall development and welfare of the society through its CSR initiatives in areas pertaining to promoting preventive healthcare, education, livelihood intervention, rural development, environmental sustainability and conservation of natural resources, etc.

The Company has framed a CSR Policy as required under Section 135 of the Companies Act 2013 and the Rules made thereunder. The CSR Policy has been posted on the website of the Company.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Shri Harsh Pati Singhania	Chairman of the Committee, Executive Director	2	2
2.	Smt. Deepa Gopalan Wadhwa*	Member, Independent Director	2	1
3.	Shri Shailendra Swarup	Member, Independent Director	2	2
4.	Shri A. S. Mehta	Member, Executive Director	2	2

* Smt. Deepa Gopalan Wadhwa nominated as Member of the Committee w.e.f. 2nd November 2022.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company: <https://jkpaper.com/companys-policy/>
4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. The Company has carried out impact assessment through independent third-party, summary of which are attached herewith. Web-link of Reports on Impact Assessment of CSR projects is https://jkpaper.com/wp-content/uploads/2023/07/Impact_Assessment_of_CSR_Projects_FY_2022-23__1_.pdf.
5.
 - (a) Average Net Profit of the Company as per sub section (5) of section 135: Rs. 626.03 crore
 - (b) Two percent of average net profit of the company as per sub section (5) of section 135: Rs. 12.52 crore
 - (c) Surplus arising out of the CSR projects or programs: or activities of the previous financial years: Nil
 - (d) Amount required to be set off for the financial year, if any: Nil
 - (e) Total CSR obligation for the financial year [(b)+(c)-(d)]: Rs. 12.52 crore
6.
 - (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Projects): Rs. 12.31 crore
 - (b) Amount spent in Administrative Overheads: Rs. 0.36 crore
 - (c) Amount spent on Impact Assessment, if applicable: Not Applicable
 - (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: Rs. 12.67 crore

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (Rs. in crore)	Amount Unspent (Rs. in crore)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
12.67	-	-	-	-	-

(f) Excess amount for set off, if any;

Sl. No.	Particular	Amount (Rs. in crore)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	12.52
(ii)	Total amount spent for the Financial Year	12.67
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	0.15
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	-
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	0.15

7. Details of Unspent CSR amount for the preceding three financial years:

S. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under sub section (6) of section 135 (Rs. in crore)	Balance Amount in Unspent CSR Account under sub section (6) of section 135 (Rs. in crore)	Amount spent in the Financial Year (Rs. in crore)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years. (Rs. in crore)	Deficiency, if any
					Amount (Rs in crore)	Date of Transfer		
1	2021-22	1.57	1.57	1.57	-	-	-	-
2	2020-21	1.05	0.02	0.02	-	-	-	-
3	2019-20	-	-	-	-	-	-	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

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

Place: New Delhi
Date: 16th May 2023

(A.S. Mehta)
President & Director

(Harsh Pati Singhania)
Chairman, CSR Committee

Summary of the Impact Assessment Report of CSR Project -

(a) Promoting Education through JK Lakshmiipat University (JKLU)

Study was conducted to assess the impact of the CSR contribution made by the JK Paper Ltd. on students and academic facilities and its overall impact created through CSR interventions at JKLU, Jaipur.

A total of 306 students benefited from scholarships and fee waivers during the academic year 2021-22, with scholarships worth Rs.198.40 lac disbursed.

Simple Random Sampling and PPS were used to derive statistically valid tentative numbers, based on Probability Proportional to Size (PPS). The assessment covered males and females in equal proportion. In addition to the students, interviews were conducted with the Vice Chancellor of the University, the Directors and Professors of all three Institutes, and HR and administrative personnel.

Outcome and Impact

- The Scholarship program at JKLU is in line with SDG Goal 4: Quality Education and its critical elements of equity, excellence, and inclusiveness, as well as with the Government Central sector scheme of scholarships for college and university students.
- The intervention strengthens the objective outlined by National Education Policy that aims to create an educated, socially responsible, and employable workforce for the growth of the country.
- Setting of higher quality educational standard through academic & infrastructure facility upgradation, installation of elevators for persons with disabilities, MOUs with other institutions, NAAC accreditation for JKLU, which contribute towards its mission of Center of Excellence and emerge as a premier institute of repute in higher education.
- At the level of students, it is not only helping them in realizing their educational aspirations, but is also helping them to focus on their education, without worrying about finances, additional opportunities for the knowledge exchange, participation in national and international educational events, better access to future scholarships and a high-quality education at JKLU, thereby contribute towards their education & career.

(b) Promoting Health Care facilities to Economically Weaker Section through Pushpawati Singhanian Hospital & Research Institute (PSRI):

Impact assessment was made of Health Care facilities provided to Economically Weaker Section (EWS) under CSR program of JK Paper Ltd. through PSRI in Delhi during the financial year 2020-21. The study findings indicate that PSRI has admitted EWS patients based on specific documents, scrutinized by their team. The hospital offers a range of medical services to the EWS patients, including consultation by senior doctors, medical procedures, investigations, surgeries, and medicine. PSRI has dedicated 20 beds (16 for non-critical care and 4 for critical care patients) to EWS patients, with a reservation of 10% in the in-patient department and 25% in the out-patient department. The average annual income of EWS patients is determined by minimum wages, which is currently INR 16,940 per month.

Outcome and Impact

During the financial year 2020-21, PSRI treated 8,888 EWS patients in the out-patient department and 230 in-patient department. The patients received comprehensive end-to-end services, including consultation, investigation, procedures, medical care, surgery, and food facility. The services have led to improved access to quality medical care, reduced financial expenses, and overall improvement in the health of EWS patients. Patients were satisfied with the quality of services offered, and no complaints were reported.

The CSR program has contributed to the accessibility and quality of healthcare services offered to EWS patients. One of the niche areas that PSRI created is non-discrimination between cash patients and EWS patients, irrespective of their economic background. Helped in reducing financial burden of EWS patients and their families and instilled a positive motivation among them. CSR program aligns with SDG Goal 3: Good Health and holds significant potential to create sustainable impact in the long run.

(c) Project- Availability of water:

As part of its Corporate Social Responsibility (CSR) initiatives, JK Paper extended support to Tapi District in Gujarat to ensure the supply of water to the villages and farms in the area. The project, titled "CSR Contribution of JK Paper Ltd for Water Supply Programme at Songadh Block, Tapi District (Gujarat)," aimed to address the water supply needs of the local communities.

The study covered several villages in the Songadh block, including Bhurivel, Bhimpura, Teen Rasta, Kantol Faliya, Kantol Vagda, and River Faliya. Data was collected through interviews with beneficiaries and stakeholders.

CSR contribution of JK Paper Ltd for the Water Supply Programme at Songadh Block, Tapi District (Gujarat) has had a significant impact on the lives of the villagers and their communities bringing positive changes and contributed to the overall development and well-being of the beneficiaries.

Outcome and Impact

1. **Improved Access to Water:** It has addressed the immediate need for water supply, including drinking water, in the villages. It has resulted in a significant improvement in the availability of water, ensuring a regular and uninterrupted supply to the beneficiaries. This has saved time and resources that were previously spent on securing water for their households.
2. **Enhanced Quality of Life:** The water supply programme has had positive impact on the lives of the respondents. It has relieved them from burden of water scarcity and enabled them to focus on other priorities leading to improvement in overall quality of life.
3. **Empowerment and Development:** Reliable source of water supply has empowered them to engage in farming and other productive activities, leading to their personal and economic development by enabling them to allocate their time and resources to areas that can enhance their livelihoods and uplift their communities.
4. **Communication and Engagement:** JK Paper has maintained regular communication with the beneficiaries regarding the water supply programme. This two-way communication has ensured that the information reaches the beneficiaries effectively and that their feedback and suggestions are incorporated to improve the quality of services. It has fostered a sense of engagement and partnership between JK Paper and the local communities.
5. **Sustainable Development Goals:** The water supply programme aligns with the Ministry of Water Resources and the Government of India's mission to ensure access to clean water and sanitation. It contributes to Sustainable Development Goal 6, which aims to provide clean water and sanitation for all. By fulfilling this goal, the programme contributes to the broader agenda of sustainable development and environmental conservation.

Annexure-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

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

To,
The Members,
JK Paper Limited,
P.O. Central Pulp Mills - 394660
Fort Songadh, Dist. Tapi,
Gujarat

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by JK Paper Limited (CIN:L21010GJ1960PLC18099) (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023 ("Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign

Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not applicable to the Company during the Audit Period);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021 (Not applicable to the Company during the Audit Period);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable to the Company during the Audit Period);
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the Audit Period); and

- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015.
- (vi) Management has identified and confirmed that Indian Forest Act, 1927, as being specifically applicable to the Company, has been complied with.

I have also examined compliance with applicable provisions of the Secretarial Standards I and II issued by the Institute of Company Secretaries of India and the Listing Agreements entered into by the Company with the Stock Exchanges.

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

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes that took place in composition of the Board of Directors during the audit period were in accordance with the Act and the SEBI Listing Regulations.

Adequate Notice is given to all directors at least seven days in advance to schedule the Board and Committee Meetings and agenda and detailed notes on agenda are also sent in advance, except when a Board Meeting was held at shorter notice in accordance with provisions of Section 173(3) of the Act. 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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the Minutes of the Meetings of the Board of Directors or Committees of the Board, as the case may be.

I further report that, based on review of compliance mechanism established by the Company and on the basis of compliance certificates issued by the Company's Executives and taken on record by the Board of Directors and Audit Committee at their meetings, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliances with applicable laws, rules, regulations and guidelines.

I further report that, during the audit period, the Company had the following specific event:

- Company had acquired 85% of Equity Shares of Horizon Packs Pvt. Ltd. (CIN:U21014MH2001PTC133116) and Securipax Packaging Pvt. Ltd. (CIN:U74999DL1980PTC122583), and both the company had become subsidiary w.e.f. 12th December, 2022.

This report is to be read alongwith the following:

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

Place: New Delhi
Date: 1.5.2023
UDIN: F000234E000233181

Namo Narain Agarwal
Secretarial Auditor
CP No.3331, FCS No.234

Annexure-3 (i)

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

[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,
The Sirpur Paper Mills Limited,
Sirpur, Kaghaznagar,
Distt. Komarambheem,
Asifabad-504296, Telangana

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by The Sirpur Paper Mills Limited (CIN: U21010TG1938PLC000591) (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that, in my opinion, the Company has, during audit period covering the financial year ended on 31st March, 2023 ("Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliances-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulations) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; and
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.

- (v) Management has identified and confirmed that Indian Forest Act, 1927, as being specifically applicable to the Company, has been complied with.

I have also examined compliance with the applicable clauses of Secretarial Standards on the meetings of the Board of Directors (SS-1) and on General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

During the Audit Period under review, the Company has complied with the provisions of all applicable Acts, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

I further report that -

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

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

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the Minutes of the Meetings of the Board of Directors or Committees of the Board, as the case may be.

I further report that, based on review of compliance mechanism established by the Company and on the basis of compliance certificates issued by Company's Executives and taken on record by the Board of Directors at their meeting(s), there are

adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliances with applicable laws, rules, regulations and guidelines.

I further report that, during the audit period, the Company had no specific event.

This report is to be read alongwith the following:

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

Date: 1.5.2023
Place: New Delhi
UDIN: F000234E000233115

Namo Narain Agarwal
Secretarial Auditor
CP No.3331, FCS No.234

Annexure-3 (ii)

FORM NO. MR-3 SECRETARIALAUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2023

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

To,
The Members,
Horizon Packs Private Limited
(CIN: U21014MH2001PTC133116)
801, A wing, Naman Midtown,
Senapati Bapat Marg, Elphinstone Road (west),
Mumbai-400013.

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also 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 2023 (Audit Period), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

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 2023, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; Not Applicable
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of External Commercial Borrowing (ECB).

- v. 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;
- vi. Further as per the explanation given by the Company, there are no specific Acts applicable to the Company during the Audit Period.
- vii. We have relied on the representation made by the Company and its officers for the systems and mechanisms formed by the company for compliances under the other applicable Acts, Laws and Regulations as mentioned by the Company in its Management Representation letter.

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

- a) Secretarial Standards issued by the Institute of Company Secretaries of India.
- b) The Companies Act, 2013 (the Act) and the Rules made thereunder.

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

We further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate Notice is given to all directors at least seven days in advance to schedule the Board Meetings and Agenda

and detailed notes on agenda are also sent in advance, except when a Board Meeting was held at shorter notice in accordance with provisions of Section 173(3) of the Act. 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.

3. All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the Minutes of the Meetings of the Board of Directors or Committees of the Board, as the case may be.

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

We further report that during the Audit Period, the Company had following specific events:

JK Paper Limited acquired 26,92,40,895 (Approx 85%) equity shares of the Company from its existing promoters/shareholders. Consequently, Horizons Packs Private Limited has become subsidiary company of the JK Paper limited and a deemed public company.

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

For Somani & Associates
(Practising Company Secretaries)

Poonam Somani

FCS No. F9364

C P No. 8642

UDIN:F009364E000276103

Place: Mumbai

Date: 1st May 2023

Annexure A

To,

The Members,

Horizon Packs Private Limited

(CIN: U21014MH2001PTC133116)

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company, our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company. The compliance by the Company of the applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit, since the same have been subject to review by the other designated professionals.

4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Somani & Associates
(Practising Company Secretaries)

Poonam Somani

FCS No. F9364

C P No. 8642

Place: Mumbai

Date: 1st May 2023

Annexure-4

Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo in terms of Section 134(3)(m) of the Companies Act, 2013, read with Companies (Accounts) Rules, 2014.

A) CONSERVATION OF ENERGY

- i. During the year, several initiatives, as outlined below, have been taken towards energy conservation.

JKPM:

1. Optimization of process and installing a VFD to reduce power consumption.
2. Installation of LED bulbs in Old Plant Finishing House (saving achieved 108 KW)
3. VFD provided for 3 cell cooling tower Fan with close loop saved us 30 KW.
4. Condensate recovery improved by 2 percentage points.
5. Installation of new refiners and enzymatic refining.
6. Modified cooling water circulation pumps (6 nos) to the wetted parts of the pumps, thereby savings in power.
7. Installed a venturi-based steam trap in air heaters, process steam line for energy saving.

CPM:

1. Energy saving by use of VFD in various pumps.
2. Energy saving by replacement of old motors with Energy efficient motors.
3. Energy saving by use of LED lights: 1,28,000 KWH
4. Energy saving by Power factor improvement: 3,56,400 KWH.
5. Energy saving by installation of energy efficient pumps & Vacuum pump.
6. Energy saving though process optimization/ innovative measures like
 - a. Using of efficient refiner of PM#2 for PM#1
 - b. Stopping of Mill water pump to PM 1 & 2 by interconnecting lines
 - c. Stopping DM transfer pump by line modification and using gravity flow

- d. Stopping water recovery sump pump by line modification and using gravity flow
- e. Installing Screw press in place of tail screen in Pulp mill

The above measures attributes to an annual saving.

- ii. The steps taken by the company for utilizing alternate sources of energy:

Concentrated black liquor contains carbohydrates (Lignin) extracted from wood and sodium salts bonded with carbohydrates from the cooking chemicals added at the digester. Combustion of the organic portion of Black liquor solids produces heat in the recovery boiler, heat is used to produce high pressure steam, which is used to generate electricity in a turbine. Turbine extraction Medium & low pressure steam is used for process heating. Black liquor solids as a fuel has been confirmed as renewable biomass fuel by Ministry of New & Renewable Energy, Government of India. About 20% of the energy requirement at Unit CPM and 57% at Unit JKPM is being met by this renewable source.

- iii. The capital investment on energy conservation equipments:
The Company has invested Rs.3.86 crore for energy conservation equipments during the year.

B) TECHNOLOGY ABSORPTION

- i. Efforts made towards technology absorption:
1. Installation of new technology Refiners for PM 1 at unit-JKPM.
 2. Installed New advanced centri-cleaners in PM1 at unit-JKPM.
 3. Utilizing advanced Machine Learning Algorithms to improve steam generation.
 4. Utilizing advanced analytics for optimizing Chemical consumption.
 5. Successful installation of PM-2 Headbox rotating shower in Feb 2022 to eliminate fiber/foam spot rejection and

- improved machine runnability at unit-CPM.
6. Commissioning of New Head Box in BM – 4 at unit-CPM resulting in improved quality (GSM and Caliper Profile) and productivity
 7. Modification of travelling squirt trim through inhouse team for improved operating efficiency.
 8. Installation of Recovery System for Coating Color during grade changes, reduction chemical loss.
 9. Commissioning of Roll Grinding Machine, all rubber rolls are grinded in house.
 10. State of Art Integrated Quality evaluation equipment "Auto Lab" in BM – 5 at unit-CPM.

ii. Benefits derived as a result of above efforts:

The initiatives have benefitted the Company in terms of energy saving, environment protection, product & quality improvement, cost reduction, reduced breakdown, product development and enhance customer satisfaction.

iii. Expenditure incurred on Research & Development:

During the year, the Company has spent Rs 6.52 crore on Research & Development. The company performed various Research & Development activities.

1. During the year, the Company performed various Research & Development activities. Various trials were conducted on the shop floor to upgrade the existing quality of products to meet the customer perception and maintain quality and product leadership.

- A. Introduction of the Anti-microbial Office Paper (JK Copier Plus 75 & 80 Gsm) is the First-of –kind step towards the Health Care, which will help counter effects of virus transmission through multiple Paper usage. This Anti-microbial is particularly beneficial where copier papers are handled by multiple people or where there is a risk of microbial propagation in hygiene critical environments such as Education Institute / Hospitals / Healthcare / Offices etc.

- B. Introduction of the innovative & engineered product as JK Carry Bag Paper of 70 to 120 Gsm, mostly used for Textile carry / shopping use.
- C. Introduction of JK Ecostic Paper for Lollipop & Earbud application.
- D. Introduction of Cigarette Board (Validation stage) – engineered product that meets quality parameters required for Gravure printing.

2. R & D activities in Plantation:

- A) We have planted short rotation Subabul clone plantation during 2022-23 having higher wood productivity and short rotation cycle. This clone will help in doubling the income of the farmers as compared to agriculture crop as per Prime Minister's vision.
- B) New revolutionary Subabul clone having higher wood productivity is under trial. This clone will replace various cash crops for higher incomes to the farmers.
- C) Commercially released for massive plantation of new Eucalyptus urophylla clone having improved wood productivity.
- D) Developed Eucalyptus, Subabul and Acacia protocol for mass multiplication through tissue culture technology to produce quality plants.

C) FOREIGN EXCHANGE EARNINGS AND OUTGO

Rs. in Crore (10 Million)

(a)	Foreign Exchange earned	439.59
(b)	Foreign Exchange outgo:	
	- CIF Value of Import	951.39
	- Others	36.41

On behalf of the Board of Directors

Place: New Delhi
Date: 16th May, 2023

Bharat Hari Singhania
Chairman

Annexure-5

Disclosure pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, for FY 2022-23

- A. The ratio of the remuneration of each director to the median remuneration of the employees of the Company - (a) Non-Executive Directors: Shri Bharat Hari Singhania, Chairman, 57.37; Shri Arun Bharat Ram, 2.26 (ceased to be director w.e.f 23rd August 2022 due to completion of his second term as an Independent Director); Shri Anoop Seth, 2.50 (appointed w.e.f. 27th September 2022); Shri Dharendra Kumar, 4.69; Shri Harshavardhan Neotia, 3.27 (appointed w.e.f. 29th July 2022); Smt. Deepa Gopalan Wadhwa, 5.10; Shri M.H. Dalmia, 1.86 (ceased to be director w.e.f 23rd August 2022 due to completion of his second term as an Independent Director); Shri R.V. Kanoria, 5.33; Shri Sandip Somany, 5.03; Shri Shailendra Swarup, 5.20; Shri S. K. Roongta, 4.84 and Smt. Vinita Singhania, 4.69 (b) Executive Directors: Shri Harsh Pati Singhania, VC & MD, 871.09; Shri A.S. Mehta, President & Director, 127.26.
- B. The percentage increase in remuneration of each Director, Chief Finance Officer, Company Secretary - Shri Bharat Hari Singhania, Chairman, 36.60%; Shri Harsh Pati Singhania, VC & MD, 51.75%; Shri A.S. Mehta, President & Director, 18.65%; Shri Anoop Seth, Not Applicable as was appointed as Director during the financial year 2022-23; Shri Dharendra Kumar, 17.05%; Smt. Deepa Gopalan Wadhwa, 22.55%; Shri Harshavardhan Neotia, Not Applicable as was appointed as Director during the financial year 2022-23; Shri R.V. Kanoria, 11.75%, Shri Sandip Somany, 17.10%, Shri Shailendra Swarup, 23.49%, Shri S. K. Roongta, 19.35%, Smt. Vinita Singhania, 18.56%, Shri Arun Bharat Ram and Shri M. H. Dalmia, Not Applicable since ceased to be directors w.e.f. 23rd August 2022; Shri KR. Veerappan, CFO, Not Applicable as was appointed during the financial year 2022-23 and Shri Deepak Gupta, 9.96%.
- C. The percentage increase in the median remuneration of employees-10.40%.
- D. The number of permanent employees on the rolls of Company - 2788.
- E. During the financial year 2022-23, Average percentage increase in the remuneration of employees other than the managerial personnel was 9.74% in case of remuneration of Managerial Personnel it was 46.54%. Increase in Managerial remuneration is based on many factors such as company performance, remuneration policy, market competitiveness, performance linked incentive and profit linked commission as per scheme of the Company.
- F. We affirm that the remuneration paid during the financial year 2022-23 is as per the Remuneration Policy for Directors, Key Managerial Personnel and Senior Management of the Company.

Annexure-6

The particulars in respect of the deposits covered under Chapter V of the Companies Act, 2013 for FY 2022-23

- (a) Accepted during the year - Rs. 26.57 crore;
- (b) Remained unclaimed as at the end of the year - Rs. 2.44 crore;
- (c) Default in repayment of deposits or payment of interest thereon at the beginning of the year and at the end of the year - Nil; and
- (d) Details of deposits which are not in compliance with the requirements of Chapter V of the said Act - Nil.

On behalf of the Board of Directors

Place: New Delhi
Date: 16th May, 2023

Bharat Hari Singhania
Chairman

Corporate Governance Report

1. Company's Philosophy on Code of Governance

Corporate Governance is an integral part of values, ethics and the best business practices followed by the Company. The core values of the Company are:

- Commitment to excellence and customer satisfaction
- Maximizing long term shareholders' value
- Socially valued enterprise and
- Caring for people and environment.

In nutshell, the philosophy can be described as observing of business practices with the ultimate aim of enhancing long-term shareholders' value and remaining committed to high standards of business ethics. The Company has in place a Code of Corporate Ethics and Conduct reiterating its commitment to maintain the highest standards in its interface with stakeholders and clearly laying down the core values and corporate ethics to be practiced by its entire management cadre.

2. Board of Directors

The Board of Directors consists of twelve Directors as on 31st March 2023, out of which two are Executive Directors and ten are Non-Executive Directors including six Independent Directors. Five Board Meetings were held during the financial year 2022-23 i.e., on 13th May 2022, 29th July 2022, 2nd November 2022, 21st November 2022 and 6th February 2023. Attendance and other details of the Directors for the financial year ended 31st March 2023 are given below:

Sl. No. ^a	Name of Directors	Category	No. of Board Meetings attended	Whether attended last AGM (06.09.2022)	No. of other Directorships and Committee Memberships / Chairmanships held in other Companies		
					Other Directorships ^b	Other Committee Memberships ^c	Other Committee Chairmanships ^c
1.	Shri Bharat Hari Singhania, Chairman	Non- Executive Non-Independent	5	No	4	1	-
2.	Shri Harsh Pati Singhania, Vice Chairman & Managing Director	Executive	5	Yes	4	-	-
3.	Shri Anoop Seth (appointed w.e.f. 27th September 2022)	Independent	3	N.A.	1	1	-
4.	Shri Arun Bharat Ram* (ceased w.e.f. 23rd August 2022)	Independent	2	N.A.	N.A.	N.A.	N.A.
5.	Smt. Deepa Gopalan Wadhwa	Independent	5	Yes	8	7	1
6.	Shri Dharendra Kumar	Non- Executive Non-Independent	5	No	4	2	-

Sl. No. ^a	Name of Directors	Category	No. of Board Meetings attended	Whether attended last AGM (06.09.2022)	No. of other Directorships and Committee Memberships / Chairmanships held in other Companies		
					Other Directorships ^b	Other Committee Memberships ^c	Other Committee Chairmanships ^c
7.	Shri Harshavardhan Neotia (appointed w.e.f. 29th July 2022)	Independent	3	No	8	1	-
8.	Shri M.H. Dalmia* (ceased w.e.f. 23rd August 2022)	Independent	2	N.A.	N.A.	N.A.	N.A.
9.	Shri R. V. Kanoria	Independent	4	No	7	4	2
10.	Shri Sandip Somany	Independent	4	No	5	2	-
11.	Shri Shailendra Swarup	Independent	5	No	6	6	2
12.	Shri S.K. Roongta	Non- Executive Non-Independent	5	No	8	9	3
13.	Smt. Vinita Singhania	Non- Executive Non-Independent	5	No	4	-	-
14.	Shri A.S. Mehta, President & Director	Executive	5	Yes	8	3	-

N.A.-Not Applicable

*Shri Arun Bharat Ram and Shri M.H. Dalmia ceased to be Directors of the Company on completion of their second term as Independent Directors of the Company.

The appointment of Independent Directors is in accordance with the provisions of the Companies Act, 2013 ('the Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations'). Independent Directorships held by the Directors are in accordance with the Listing Regulations.

Based on the declarations received from the Independent Directors, the Board confirms that in its opinion, all the Independent Directors of the Company fulfill the conditions specified in the Listing Regulations and are independent of the management of the Company.

- DIN of the above named Directors in seriatim: 1. 00041156, 2. 00086742, 3. 00239653 4. 00694766, 5. 07862942, 6. 00153773, 7. 00047466 8. 00009529, 9. 00003792, 10. 00053597, 11. 00167799, 12. 00309302, 13. 00042983 and 14. 00030694.
- excluding Private Limited Companies, Foreign Companies and Companies under Section 8 of the Act.
- only includes Memberships/Chairmanships of Audit Committee and Stakeholders' Relationship Committee.

Details of Directorships in other listed companies and the category of Directorship:

Name of Director: Name of the Listed Company (Category of Directorship)

Shri Bharat Hari Singhania, Chairman: JK Lakshmi Cement Limited (NED), JK Tyre & Industries Limited (NED), JK Agri Genetics Limited (NED) and Bengal & Assam Company Limited (NED)

Smt. Deepa Gopalan Wadhwa: J.K. Cement Limited (IND), Bengal & Assam Company Limited (IND), Artemis Medicare Services Limited (IND), NDR Auto Components Limited (IND) and Sapphire Foods India Limited (IND)

Shri Dharendra Kumar: The Scottish Assam (India) Limited (NED) and Bengal Tea & Fabrics Limited (IND)

Shri R.V. Kanoria: Kanoria Chemicals & Industries Limited (ED), Nestle India Limited (IND) and Ludlow Jute & Specialities Limited (NED)

Shri Sandip Somany: AGI Greenpac Limited (ED) and Hindware Home Innovation Limited, (NED)

Shri Shailendra Swarup: Gujarat Fluorochemicals Limited (IND), Bengal & Assam Company Limited (IND), Subros Limited (IND), Jagran Prakashan Limited (IND) and Sterling Tools Limited (IND)

Shri S.K. Roongta: Jubilant Pharmova Limited (IND), Jubilant Ingrevia Limited (IND), Titagarh Wagons Limited (IND), Zuari Industries Limited (IND) and Adani Power Limited (IND)

Smt. Vinita Singhania: JK Lakshmi Cement Limited (ED), Bengal & Assam Company Limited (NED), HEG Limited (NED) and Udaipur Cement Works Limited (NED)

Shri A.S. Mehta, President & Director: Umang Dairies Limited (NED)

Note: Other Directors do not hold directorship in any other listed Company.

ED - Executive Director, NED - Non-Executive Non-Independent Director and IND - Independent Director

The Board periodically reviews Compliance Reports of all laws applicable to the Company and has put in place procedure to review steps to be taken by the Company to rectify instances of non-compliances, if any.

The Company already has a Code of Conduct in position for Management Cadre Staff (including Executive Directors). In terms of provisions of Regulation 17(5) of the Listing Regulations and contemporary practices of good corporate governance, the Board has laid down a code of conduct for all Board Members and Senior Management of the Company and the same is available on the website of the Company (www.jkpaper.com). All the Board Members and Senior Management Personnel have affirmed compliance with the said code. This report contains a declaration to this effect signed by the Vice Chairman & Managing Director. The Board is also satisfied that plans are in place for orderly succession for appointments to the Board and to Senior Management. Shri Bharat Hari Singhania, Chairman and Shri Harsh Pati Singhania, Vice Chairman & Managing Director, are related to each other.

Number of Equity Shares of Rs. 10/- each of the Company held by the Non-Executive Directors: Shri Bharat Hari Singhania (2,45,600 Equity Shares) and Smt. Vinita Singhania (7,32,350 Equity Shares). The Company does not have any outstanding convertible instruments.

3. Separate Meeting of the Independent Directors

In accordance with the provisions of Schedule IV of the Act and Regulation 25 of the Listing Regulations, a separate meeting of the Independent Directors of the Company was held on 6th February 2023. Shri R.V. Kanoria was unanimously

elected as Chairman of the meeting and all the Independent Directors of the Company were present at the said Meeting.

4. Familiarisation Programme for Independent Directors

In accordance with the provisions of Regulation 25(7) of the Listing Regulations, the Company has been conducting various familiarisation programmes for Independent Directors. The details of such familiarisation programmes for Independent Directors have been disclosed on the website of the Company, the web link for which is <https://jkpaper.com/wp-content/uploads/2023/04/Familiarisation-Programme-2022-23.pdf>

5. Board Skills, Expertise or Competence

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

The core skills, experience and knowledge of individual Directors are: (a) Shri Bharat Hari Singhania, Shri Harsh Pati Singhania and Smt. Vinita Singhania are business persons and entrepreneurs having requisite skills, experience and knowledge required in the context of the Company's operations; (b) Shri A.S. Mehta, and Shri S.K. Roongta - professionals having operational, marketing, financial & industry experience and corporate governance skills; (c) Other Non-Executive Directors of the Company - Shri Harshavardhan Neotia, Shri Dharendra Kumar, Shri R.V. Kanoria and Shri Sandip Somany are businessmen and entrepreneurs having management, financial and corporate governance skills, experience and knowledge; Smt. Deepa Gopalan Wadhwa, former ambassador, has international experience of education, community service, global political and economic developments; Shri Shailendra Swarup, Advocate, has skills, experience and knowledge of law & regulatory affairs and community service and Shri Anoop Seth is a finance professional having knowledge and experience in finance, corporate banking and infrastructure sector, both domestic and international.

6. Performance Evaluation

As required, Nomination and Remuneration Committee of Directors specified the manner for effective evaluation of performance of the Board, its Committees and Individual Directors (including Independent Directors) in accordance with the provisions of the Act and the Listing Regulations.

Accordingly, the Board of Directors has made formal annual evaluation of its own performance and that of its Committees and Individual Directors (including Independent Directors) in accordance with the manner specified by the Nomination and Remuneration Committee of Directors.

Performance of the Board was evaluated after seeking inputs from all the Directors on the basis of the criteria such as adequacy of its composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee Members on the basis of the criteria such as composition of committees, terms of reference of committees, effectiveness of the committee meetings, participation of members in meetings of the committees, etc.

The Board also carried out evaluation of the performance of individual Directors (including Independent Directors) on the basis of criteria such as attendance and effective

participation and contributions at the meetings of the Board and its Committees, exercise of his/her duties with due & reasonable care, skill and diligence, etc.

In a separate meeting of the Independent Directors of the Company, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of Executive Directors and Non-Executive Directors of the Company. The Chairman of the Meeting of the Independent Directors apprised the Board about the evaluation carried out by them and that the Independent Directors were satisfied in this regard.

7. Audit Committee

The Composition and the "Terms of Reference" of the Committee are in conformity with the provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations.

Four meetings of the Committee were held during the financial year 2022-23.

The Composition of the Committee and attendance of the Members at the Meetings are as follows:

Name	Position	Category	No. of Meetings attended
Shri R. V. Kanoria	Chairman	Independent Director	3
Shri Arun Bharat Ram*	Member	Independent Director	2
Shri Harshavardhan Neotia**	Member	Independent Director	1
Shri Sandip Somany	Member	Independent Director	3
Shri A.S. Mehta	Member	Executive Director	4

*Shri Arun Bharat Ram ceased to be Member of the Committee w.e.f. 23rd August 2022.

**Shri Harshavardhan Neotia nominated as Member of the Committee w.e.f. 23rd August 2022.

Dates of the meetings and the number of the Members attended are:

Dates of meetings	No. of Members attended
13th May 2022	3
29th July 2022	4
2nd November 2022	4 [#]
6th February 2023	4

[#]Smt. Deepa Gopalan Wadhwa and Shri Shailendra Swarup, Independent Directors, attended the Audit Committee meeting held on 2nd November 2022.

The Committee Meetings were attended by Vice Chairman & Managing Director, Chief Finance Officer, Internal Auditor, Company Secretary and the representatives of Statutory Auditors.

8. Stakeholders' Relationship Committee

The Composition and the "Terms of Reference" of the Committee are in conformity with the provisions of Section 178 of the Act and Regulation 20 of the Listing Regulations.

Three meetings of the Committee were held during the financial year 2022-23.

The Composition of the Committee and attendance of the Members at the Meetings are as follows:

Name	Position	Category	No. of Meetings attended
Shri R.V. Kanoria	Chairman	Independent Director	2
Shri Arun Bharat Ram*	Member	Independent Director	2
Smt. Deepa Gopalan Wadhwa	Member	Independent Director	3
Shri S.K. Roongta**	Member	Non-Executive Non-Independent Director	1
Shri A.S. Mehta	Member	Executive Director	3

*Shri Arun Bharat Ram ceased to be Member of the Committee w.e.f. 23rd August 2022.

**Shri S.K. Roongta nominated as Member of the Committee w.e.f. 23rd August 2022.

Dates of the meetings and the number of the Members attended are:

Dates of meetings	No. of Members attended
13th May 2022	3
29th July 2022	4
2nd November 2022	4

Shri Deepak Gupta, Company Secretary, is the Compliance Officer.

One investor complaint was received during the financial year ended 31st March 2023 and the same was promptly resolved to the satisfaction of the concerned investor. There are no pending complaints as on 31st March 2023.

9. Risk Management Committee

The Company has an elaborate Risk Management System to inform Board Members about risk assessment and minimization procedures. The Composition and the "Terms of Reference" of the Committee are in conformity with the provisions of the Regulation 21 of the Listing Regulations.

Two meetings of the Committee were held during the financial year 2022-23.

The Composition of the Committee and attendance of the Members at the Meetings are as follows:

Name	Position	Category	No. of Meetings attended
Shri R.V. Kanoria	Chairman	Independent Director	2
Shri S.K. Roongta	Member	Non-Executive Non-Independent Director	2
Shri A.S. Mehta	Member	Executive Director	2
Shri KR. Veerappan*	Member	Chief Finance Officer	2
Shri Partha Biswas	Member	Chief (Marketing & Sales)	2
Shri V. Kumaraswamy**	Member	Chief Finance Officer	-

*Shri KR. Veerappan nominated as Member of the Committee w.e.f. 14th May 2022.

**Shri V. Kumaraswamy ceased to be Chief Finance Officer of the Company and Member of the Committee w.e.f. 14th May 2022.

Dates of the meetings and the number of the Members attended are:

Dates of meetings	No. of Members attended
12th July 2022	5
21st December 2022	5

10. Corporate Social Responsibility Committee

The Composition and Role of the Committee are in conformity with the provisions of Section 135 of the Act.

Two Meetings of the Committee were held during the financial year 2022-23.

The Composition of the Committee and attendance of the Members at the Meetings are as follows:

Name	Position	Category	No. of Meetings attended
Shri Harsh Pati Singhanian	Chairman	Executive Director	2
Shri Shailendra Swarup	Member	Independent Director	2
Smt. Deepa Gopalan Wadhwa*	Member	Independent Director	1
Shri A.S. Mehta	Member	Executive Director	2

*Smt. Deepa Gopalan Wadhwa nominated as Member of the Committee w.e.f. 2nd November 2022.

Dates of the meetings and the number of the Members attended are:

Dates of meetings	No. of Members attended
13th May 2022	3
6th February 2023	4

11. Nomination and Remuneration Committee

The Composition and the "Terms of Reference" of the Committee are in conformity with the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations.

Three meetings of the Committee were held during the financial year 2022-23.

The Composition of the Committee and attendance of the Members at the Meetings are as follows:

Name	Position	Category	No. of Meetings attended
Shri Arun Bharat Ram*	Chairman	Independent Director	2
Shri Sandip Somany**	Chairman	Independent Director	2
Shri Bharat Hari Singhanian	Member	Non-Executive Non-Independent Director	3
Smt. Deepa Gopalan Wadhwa***	Member	Independent Director	1
Shri R.V. Kanoria	Member	Independent Director	2

*Shri Arun Bharat Ram ceased to be Chairman and Member of the Committee w.e.f. 23rd August 2022.

**Shri Sandip Somany nominated as Chairman of the Committee w.e.f. 23rd August 2022.

***Smt. Deepa Gopalan Wadhwa nominated as Member of the Committee w.e.f. 23rd August 2022.

Dates of the meetings and the number of the Members attended are:

Dates of meetings	No. of Members attended
13th May 2022	3
29th July 2022	4
2nd November 2022	3

During the financial year 2022-23, attendance of Directors/Members of the Committees in Board/Committee meetings includes participation through Video Conferencing or Other Audio Visual Means. The Company Secretary acts as the Secretary of all the Committees of the Board.

12. Nomination and Remuneration Policy

In accordance with the provisions of the Act and the Listing Regulations, the Company has put in place the Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and Senior Management of the Company including criteria for determining qualifications, positive attributes, and independence of a Director as well as a policy on Board Diversity. The said policy is available at the website of the Company and the weblink for the same is <https://jkpaper.com/wp-content/uploads/2022/05/Nomination-and-Remuneration-Policy.pdf>. The said policy provides as follows:

- (i) The Nomination and Remuneration Committee of Directors (the Committee) shall take into consideration the following criteria for recommending to the Board for appointment of a Director of the Company: (a) Qualifications & Experience (b) Positive attributes like respect for Company's core values, professional integrity, strategic capability with business vision, etc. (c) In case the proposed appointee is an Independent Director, he should fulfill the criteria for appointment as an Independent Director as per the provisions of the Act, Listing Regulations and other applicable laws & regulations and should have the capabilities identified in the description of the role and capabilities required of an independent director as may be prepared by the Committee. (d) The incumbent should not be disqualified for appointment as Director pursuant to the provisions of the Act or other applicable laws & regulations.
- (ii) The Committee will recommend to the Board appropriate compensation to Executive Directors subject to the provisions of the Act, Listing Regulations and other applicable laws & regulations. The Committee shall periodically review the compensation of such Directors in relation to other comparable companies and other factors, the Committee deems appropriate. Proposed changes, if any, in the compensation of such Directors shall be reviewed by the Committee subject to approval of the Board.
- (iii) The evaluation of performance of the Board, its Committees and individual Directors will be carried out by the Board, in the manner specified by the Committee from time to time and in accordance with other applicable provisions of the Act and the Listing Regulations, in this regard.
- (iv) The Committee will review from time to time Board diversity to bring in professional performance in different areas of operations, transparency, corporate

governance, financial management, risk assessment & mitigation strategy and human resource management in the Company. The Company will keep succession planning and board diversity in mind in recommending any new name of Director for appointment to the Board.

- (v) The eligibility criteria for appointment of Key Managerial Personnel (KMPs) and other senior management personnel shall vary for different positions depending upon the job description of the relevant position. In particular, the position of KMPs shall be filled by Senior Personnel having relevant qualifications and experience. The Compensation structure for KMPs and other senior management personnel shall be as per Company's remuneration structure taking into account factors such as level of experience, qualification and suitability which shall be reasonable and sufficient to attract, retain and motivate them. The remuneration would be linked to appropriate performance benchmarks. The remuneration may consist of fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

13. Remuneration paid to Directors

A. Executive Directors

Details of Remuneration of Executive Directors for the financial year ended 31st March 2023 are as follows: Shri Harsh Pati Singhania, Vice Chairman & Managing Director- Salary: Rs. 765 lac, Perquisites, benefits & allowances: Rs. 496.89 lac, Others (Retiral Benefits etc.): Rs. 8.31 lac & Commission: Rs. 3000 lac and Shri A.S. Mehta, President & Director- Salary: Rs. 180.75 lac, Perquisites, benefits & allowances: Rs. 301.60 lac, Others (Retiral Benefits etc.): Rs. 41.48 lac & Commission: Rs. 100 lac. The tenure of office of the Vice Chairman & Managing Director and President & Director is five years and three years, respectively, from their respective dates of reappointment. In the case of Executive Directors, notice period is 6 months. Severance fee for the Vice Chairman & Managing Director is remuneration for the unexpired residue of term or for 3 years, whichever is shorter and for the President & Director, 6 months' salary in lieu of notice period. The Company does not have any Stock Option Scheme.

B. Non-Executive Directors

Details of sitting fees paid by the Company to all Non-Executive Directors for attending the meetings of the Board and/or Committees of Directors (including sitting fee for a separate meeting of Independent Directors),

during the financial year 2022-23 are as follows: Shri Bharat Hari Singhania, Chairman: Rs. 6.25 lac; Shri Anoop Seth: Rs. 2.05 lac; Shri Arun Bharat Ram: Rs. 3.20 lac; Smt. Deepa Gopalan Wadhwa: Rs. 5.00 lac; Shri Dharendra Kumar: Rs. 3.00 lac; Shri Harshavardhan Neotia: Rs. 2.55 lac, Shri M.H. Dalmia: Rs. 1.20 lac, Shri R.V. Kanoria: Rs. 6.15 lac; Shri Sandip Somany: Rs. 4.65 lac, Shri Shailendra Swarup: Rs. 5.50 lac; Shri S.K. Roongta: Rs. 3.75 lac; and Smt. Vinita Singhania: Rs. 3.00 lac. In addition to sitting fees, commission of Rs.275 lac is payable to Shri Bharat Hari Singhania and Rs. 20 lac to each of Smt. Deepa Gopalan Wadhwa, Shri Dharendra Kumar, Shri R.V.

Kanoria, Shri Sandip Somany, Shri Shailendra Swarup, Shri S.K. Roongta and Smt. Vinita Singhania, and Rs.7.9 lac to Shri Arun Bharat Ram and Shri M.H. Dalmia and Rs. 13.50 lac to Shri Harshavardhan Neotia and Rs. 10.20 lac to Shri Anoop Seth in accordance with the Special Resolution passed by the Members of the Company at the Annual General Meeting held on 31st August 2021.

Non-Executive Directors did not have any other material pecuniary relationship or transactions vis-à-vis the Company during the said financial year.

14. General Body Meetings:

(A) Location and time for last three Annual General Meetings were:

Financial Year	Location	Date	Time
2019-20	Through Video Conferencing (Deemed venue of the meeting: Registered Office: P.O. Central Pulp Mills – 394 660, Fort Songadh, Distt. Tapi, Gujarat)	11-09-2020	12.30 P.M.
2020-21	Through Video Conferencing (Deemed venue of the meeting: Registered Office of the Company as mentioned above)	31-08-2021	12.30 P.M.
2021-22	Registered Office of the Company as mentioned above	06-09-2022	12.30 P.M.

(B) Special Resolutions (SRs) passed in previous three Annual General Meetings:, Two SRs were passed at the AGM held on 11th September 2020, Five SRs were passed at the AGM held on 31st August 2021 and Three SRs were passed at the last AGM held on 6th September 2022.

(C) During the financial year 2022-23, a Special Resolution was passed through Postal Ballot by voting through electronic means ("remote e-voting") for appointment of Shri Anoop Seth as an Independent Director of the Company w.e.f. 27th September 2022 for a term of three consecutive years. % of votes cast in favour of the Resolution was 99.9987% and % of votes cast against the Resolution was 0.0013%.

In conformity with the applicable provisions of the Act and the Rules made thereunder read with the applicable General Circulars issued by the Ministry of Corporate Affairs, the Company had provided remote e-voting facility to its Members to enable them to cast their vote electronically only instead of submitting the Postal Ballot Form physically. Central Depository Services (India) Limited (CDSL) was engaged to provide remote e-voting facility to its Members to enable them to cast their vote electronically. Shri Namo Narain Agarwal, Company Secretary in Practice, was appointed as the Scrutinizer, for conducting the Postal Ballot through

remote e-voting process in a fair and transparent manner. After receiving the Scrutinizer's Report, it was announced that aforesaid Special Resolution had been passed with requisite majority on 17th November 2022.

(D) There is no immediate proposal for passing any resolution through postal ballot.

15. DISCLOSURES

(i) Related Party Transactions: Disclosures on materially significant related party transactions that may have potential conflict with the interests of Company at large: None

Suitable disclosure as required by Indian Accounting Standard (Ind As)-24 on Related Party transactions has been made in the Annual Report.

All the Related Party Transactions are dealt with in accordance with the provisions of the Act and Regulation 23 of the Listing Regulations.

The Company has a Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions. This Policy is available on the website of the Company and the weblink for the same is <https://jkpaper.com/wp-content/uploads/2022/05/Policy-on-Materiality-of-RPT-and-on-dealings-with-RPT.pdf>.

(ii) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years: None

(iii) Vigil Mechanism/Whistle Blower Policy: The Company has a Vigil Mechanism/ Whistle Blower Policy for the Directors and Employees of the Company to report their genuine concerns or grievances relating to actual or suspected fraud, unethical behaviour, violation of the Company's Code of Conduct or Ethics Policy, and any other event which would adversely affect the interests of the business of the Company. Whistle Blowers may send their concerns/complaints to the Chairman of Audit Committee in a sealed envelope marked confidential, for appropriate action.

The details of establishment of such mechanism has been also disclosed on the website of the Company. It is affirmed that no personnel has been denied access to the Audit Committee.

(iv) Prevention of Sexual Harassment of Women at Workplace: The Company is sensitive to women employees at workplace. As required under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has a formal policy to ensure safety of women and prevention of sexual harassment and has set up an Internal Complaints Committee (ICC) at its work place(s) to redress the complaints of women employees. During the financial year ended 31st March 2023, no complaint has been filed with ICC with allegation of sexual harassment. Further, there were no complaints pending as at the end of the financial year ended 31st March 2023.

(v) Disclosure of commodity price risks and commodity hedging activities: The Company manages fluctuations in raw material prices through stocking by advance procurement when the prices are perceived to be low and also enters into annual buying contracts as strategic sourcing initiative in order to keep raw material availability and prices under check.

(vi) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the Listing Regulations: During the financial year ended 31st March 2023, the Company has not raised any funds through preferential allotment or qualified institutions placement.

(vii) A certificate has been issued by Shri Shiv Kumar Gupta, Company Secretary in Practice that none of the Directors

on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority.

(viii) There were no instances where the Board had not accepted any recommendation of any Committees of the Board which is mandatorily required during the financial year ended 31st March 2023.

(ix) During the financial year ended 31st March 2023, the Company and its subsidiaries, The Sirpur Paper Mills Limited, Securipax Packaging Private Limited and JKPL Packaging Products Limited have paid total fees of Rs. 44.61 lac including taxes, to the Statutory Auditors, M/s Lodha & Co., Chartered Accountants, for various services including statutory audit. Further, no fees was paid by any of the subsidiaries or by the Company to any entity in the network firm/network entity of which the Statutory Auditors are part.

(x) Subsidiary Companies: The financial statements, in particular, the investments made by unlisted subsidiary companies, if any, are reviewed by the Audit Committee of the Company.

The minutes of the Board meetings of unlisted subsidiary companies are placed at the Board meeting of the Company. A statement of all significant transactions and arrangements entered into by unlisted subsidiary companies, if any, are also placed at the Board meeting of the Company.

The Company has a policy for determining material subsidiary as required under Regulation 16 of the Listing Regulations. This Policy is available on the website of the Company and the weblink for the same is <https://jkpaper.com/wp-content/uploads/2022/11/Policy-for-determining-Material-Subsidiary.pdf>

As on 31st March 2023, The Sirpur Paper Mills Limited (SPML) and Horizon Packs Private Limited (HPPL) were material unlisted subsidiaries of the Company in terms of Regulation 16 of the Listing Regulations.

SPML was incorporated on 17th November 1938 in Hyderabad. M/s Lodha & Co., Chartered Accountants, were appointed as statutory auditors of SPML at the Annual General Meeting (AGM) held on 28th June 2019.

HPPL was incorporated on 20th August 2001 in Mumbai. M/s C N K & Associates LLP, Chartered Accountants, were appointed as statutory auditors of HPPL at the AGM held on 30th September 2022.

- (xi) Disclosure by listed entity and its subsidiaries of Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount: During the financial year ended 31st March 2023, the Company and its subsidiaries have not given any loans to firms or companies in which directors are interested.
- (xii) Dividend Distribution Policy: The Company has a Dividend Distribution Policy as required under Regulation 43A of the Listing Regulations. This Policy is available on the website of the Company and the weblink for the same is <https://jkpaper.com/wp-content/uploads/2022/05/Dividend-Distribution-Policy.pdf>

16. Means of Communication

Quarterly, half yearly and annual financial results of the Company are generally published in Business Standard newspaper (all editions including Gujarati edition) and are promptly furnished to the Stock Exchanges for display on their respective websites. The results are also displayed on the website of the Company, www.jkpaper.com.

Presentations made to institutional investors or to the analysts, if any, are promptly displayed on the website of the Company.

17. General Shareholders' Information

(i) Annual General Meeting (AGM)	
(a) Date and Time :	Friday, 1st September 2023 at 12.30 P.M.
Venue :	At the Registered Office of the Company i.e. P.O. Central Pulp Mills- 394 660, Fort Songadh, Distt. Tapi, Gujarat or on such other date/time/place or through video conferencing/other permissible audio visual means as may be decided by the Committee of Directors .
(b) A brief resume and other particulars of Director(s) seeking appointment/ re-appointment at the aforesaid AGM are given in the Notes to the Notice convening the said Meeting.	
(ii) Book Closure/Record date :	Saturday, 19th August 2023 to Friday, 1st September 2023 (both days inclusive)
(iii) Dividend Payment Date :	Within four weeks of conclusion of AGM
(iv) Financial Year :	April 1 to March 31
(v) Financial Calendar (tentative) :	Year Ending March 31
Financial Reporting :	
(a) 1st Quarter ending June 30, 2023	} Within 45 days of the end of the quarter or within such time limits as may be permissible.
(b) 2nd Quarter ending September 30, 2023	
(c) 3rd Quarter ending December 31, 2023	
(d) Annual and 4th Quarter ending March 31, 2024	Within 60 days of the end of the 4th quarter or within such time limits as may be permissible.
(e) Annual General Meeting for the financial year ending March 31, 2024	Between July and September 2024

- (vi) Names and address of Stock Exchanges (including Stock Code) where equity shares of the Company are listed:** The Equity Shares of the Company are listed on the following Stock Exchanges:

BSE Ltd.
(Scrip Code - 532162)
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001

National Stock Exchange of India Ltd.
(Symbol - JKPAPER)
“Exchange Plaza”
Bandra-Kurla Complex, Bandra (East)
Mumbai-400 051

The annual listing fee for the financial year 2023-24 has been paid to both the aforesaid Stock Exchanges.

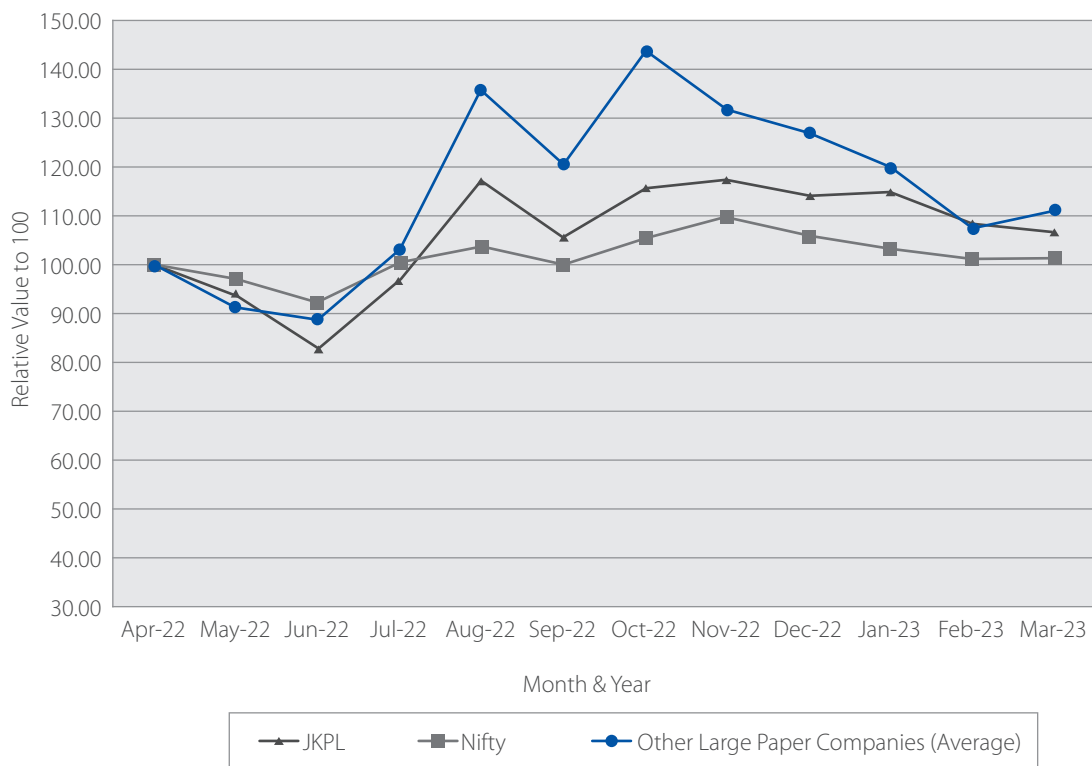
(vii) Stock Market Price Data

Month	Stock Market Price on BSE Limited (BSE)		Stock Market Price on National Stock Exchange of India Limited (NSE)	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
2022				
April	387.40	302.05	387.40	305.45
May	367.50	290.00	367.50	282.80
June	349.80	267.05	349.90	267.10
July	352.00	295.75	349.00	295.60
August	449.95	351.00	449.95	350.95
September	444.85	350.45	444.90	352.00
October	424.80	368.00	424.80	367.20
November	435.90	391.10	436.00	391.10
December	452.50	360.80	453.20	362.00
2023				
January	426.75	380.85	426.00	380.55
February	424.85	378.50	424.95	378.20
March	399.25	349.05	399.60	348.30

(Source: www.bseindia.com)

(Source : www.nseindia.com)

(viii) JK Paper Ltd.'s Share Performance vs. Nifty & Other Large Paper Companies' Share Performance (Average) [April 2022 to March 2023]



(Source: www.nseindia.com)

- (ix) **Dematerialisation of Shares and Liquidity:** The Equity Shares of the Company are presently tradeable in compulsory demat segment. The ISIN for Equity Shares of the Company for both the depositories is INE789E01012. As on 31st March 2023, 97.44% of the Company's Equity Share Capital was in dematerialised form.

In respect of Shares held in dematerialised form, all the requests for nomination, change of address and rematerialisation etc. are to be made only to the Depository Participant with whom the Shareholders have opened their Demat Account. The Company will not be in a position to process such requests.

- (x) **Share Transfer System:** SEBI has mandated that securities of listed companies can be transferred/traded only in dematerialised form. Further, SEBI vide its circulars/notifications, mandated that all service requests for issue of duplicate certificate, claim from unclaimed suspense account, renewal/exchange of securities certificate, endorsement, subdivision/ splitting/ consolidation of certificate, transmission and transposition be also processed in dematerialised form only. On receipt of any such request the Company/RTA will issue a "Letter of Confirmation", in the prescribed format.

In case of shares held in dematerialised form, the transfers are processed by National Securities Depository Limited (NSDL)/ Central Depository Services (India) Limited (CDSL) through the respective Depository Participants.

- (xi) (a) **Distribution of Equity Shareholding (both in physical and electronic form) as on 31st March 2023:**

Number of Equity Shares held	Shareholders		Shares Held	
	Number	%	Number	%
1 to 500	1,16,912	91.84	81,16,847	4.79
501 to 1,000	4,636	3.64	36,25,259	2.14
1,001 to 5,000	4,599	3.61	99,00,179	5.84
5,001 to 10,000	503	0.40	37,21,193	2.20
Over 10,000	643	0.51	14,40,38,866	85.03
Total	1,27,293	100.00	16,94,02,344	100.00

- (b) **Pattern of Equity Shareholding (both in physical and electronic form) as on 31st March 2023:**

Category	No. of Equity Shares held	Percentage of Shareholding
Domestic Companies	8,68,53,263	51.27
Resident Individuals & Trusts	5,40,80,604	31.93
FIs, AIFs, Mutual Funds & Banks	48,15,225	2.84
Foreign Investors/FPIs/ NRIs	2,36,53,252	13.96
Total	16,94,02,344	100.00

- (xii) **Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity:** NIL

- (xiii) **Commodity price risk or foreign Exchange risk and hedging activities:** During the financial year ended 31st March 2023, the Company has managed the foreign exchange risk and hedged to the extent considered necessary. The Company enters into forward contracts, swaps & options for hedging foreign exchange exposures against imports and exports.

The Company is having a Risk Management framework for identifying various risks and for formulating plans for mitigating the same. The risks as well as mitigating plans are reviewed from time to time and are updated as may be required. The Company has also identified various risks involved in respect of key raw material and has drawn risk mitigation plans for the same. Hardwood & Bamboo are considered material commodities as their consumption in comparison to the overall cost of raw materials consumed, is around 34.27%. During the financial year ended 31st March 2023, the Company consumed 10.53 lac MT of Hardwood & Bamboo, valuing Rs. 794.17 crore. The Company does not have any exposure hedged through commodity derivatives.

- (xiv) **Plant locations:**

(i) JK Paper Mills (Unit JKPM) Jaykaypur – 765 017 Distt. Rayagada (Odisha)	(ii) Central Pulp Mills (Unit CPM) P.O. Central Pulp Mills - 394 660 Fort Songadh Distt. Tapi (Gujarat)	(iii) Delopt Division Bengaluru, Karnataka
---	--	---

(xv) Address for correspondence for Share Transfer and related matters

1. Registrar and Share Transfer Agent
MCS Share Transfer Agent Limited,
F-65, 1st Floor, Okhla Industrial Area,
Phase – I, New Delhi-110 020
Ph. 011- 41406149-52
Fax No. 011- 41709881
E-mail: admin@mcsregistrars.com
Website: www.mcsregistrars.com

2. Company Secretary
JK Paper Limited
Gulab Bhawan (Rear Block - 3rd Floor)
6A, Bahadur Shah Zafar Marg
New Delhi-110 002
Ph. 011-68201100
Fax No. 91-11-23739475
Email : sharesjkpaper@jkm.com
Website : www.jkpaper.com

(xvi) List of all credit ratings obtained by the Company along with any revisions thereto during the financial year ended 31st March 2023:

CRISIL Ratings Limited - Current Long Term Rating is CRISIL AA/Stable, Short Term Rating is CRISIL A1+ and Fixed Deposit is CRISIL AA/Stable. During the financial year 2022-23, CRISIL has upgraded Long Term credit rating from CRISIL AA-/Stable to CRISIL AA/Stable and Fixed Deposit credit rating from FAA/Stable to CRISIL AA/Stable.

India Ratings and Research: Current Long Term Rating is IND AA/Stable, Short Term Rating is IND A1+ and Fixed Deposit Rating is IND AA/Stable. During the financial year 2022-23, India Ratings has upgraded Long Term credit rating from IND AA-/Stable to IND AA/Stable and Fixed Deposit credit rating from IND tAA/Stable to IND AA/Stable.

(xvii) This Corporate Governance Report of the Company for the financial year ended 31st March 2023 is in compliance with the requirements of Corporate Governance under the Listing Regulations, as applicable.

(xviii) Adoption of discretionary requirements specified in Part E of Schedule II of the Listing Regulations:

(a) Shareholder Rights: Half-yearly and other quarterly financial results are published in newspapers and uploaded on Company's website www.jkpaper.com. At present, the half yearly financial performance and the summary of the significant events in last six months are not sent to each household of shareholders; (b) Modified opinion(s) in audit report: The Company already has a regime of unqualified financial statements. Auditors have raised no qualification on the financial statements (both standalone and consolidated) of the Company for the financial year ended 31st March 2023; (c) Separate posts of Chairperson and the Managing

Director or the Chief Executive Officer: Chairman is Non-Executive Director and is related to Vice Chairman & Managing Director of the Company; and (d) Reporting of Internal Auditor: The Internal Auditor of the Company administratively reports to the President & Director. However, Internal Audit Reports are placed before the Audit Committee.

(xix) The Company has complied with all the applicable requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

(xx) Disclosure with respect to demat suspense account/ unclaimed suspense account: There were no shares in the demat suspense account or unclaimed suspense account during the financial year 2022-23. There was no unpaid dividend which was due for transfer to Investor Education and Protection Fund Authority (IEPF) during the financial year 2022-23, accordingly, no Equity Share was transferred to IEPF Authority during the said financial year, pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

18. Declaration

It is hereby declared that all the members of the Board and Senior Management personnel have affirmed compliance with the "Code of Conduct for Members of the Board and Senior Management of JK Paper Limited" during the financial year ended 31st March 2023.

Harsh Pati Singhania
Vice Chairman & Managing Director

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
JK Paper Limited

1. We have examined the compliance of the conditions of Corporate Governance by JK Paper Limited ("the Company") for the financial year ended 31st March 2023, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations') as amended.

Management's Responsibility

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

Auditor's Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Report or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

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.

Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and paragraph C and D of Schedule V of the SEBI Listing Regulations during the financial year ended 31st March 2023.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Restriction on Use

9. This certificate is issued solely for the purpose of complying with the aforesaid Regulations. Our Certificate should not to be used for any other purpose or by any person other than the addressees of this Certificate. Accordingly, we do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this Certificate is shown or into whose hands it may come without our prior consent in writing.

For **Lodha & Co.**
Chartered Accountants
Firm Registration No. 301051E

Place: New Delhi
Date: 16th May 2023
UDIN: 23509325BGXJGD5043

Shyamal Kumar
Partner
Membership No.: 509325

Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. DETAILS

1	Corporate Identity Number (CIN) of the Listed Entity	L21010GJ1960PLC018099
2	Name of the Listed Entity	JK Paper Limited
3	Year of incorporation	1960
4	Registered office address	P. O. Central Pulp Mills - 394 660, Fort Songadh, District Tapi, Gujarat
5	Corporate address	Nehru House, 4 Bahadur Shah Zafar Marg, New Delhi-110002
6	E-mail	sharesjkpaper@jkmail.com
7	Telephone	011- 68201100
8	Website	www.jkpaper.com
9	Financial Year for which reporting is being done	1st April 2022 to 31st March 2023
10	Name of the Stock Exchange(s) where shares are listed	1. BSE Limited 2. National Stock Exchange of India Limited
11	Paid-up Capital	Rs. 169.40 crore
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Shri A.S. Mehta E-mail: asmehta@jkmail.com Contact No: 011-68201100
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken, together).	Standalone basis

II. PRODUCTS/SERVICES

14. Details of business activities (accounting for 90% of the entity's Turnover):

S. No.	Description of main activity	Description of business activity	% of turnover
1	Paper and Board	Manufacturing and selling of Paper and Packaging boards including value added products viz. Copier, Bond, Security paper, Coated paper and Maplitho.	99.44

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Paper and Packaging Board	1701	99.44

III. OPERATIONS

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	3	4	7
International	-	-	-

17. Markets served by the entity:

a. Number of locations

Location	Number
National (No. of States)	28
International (No. of Countries)	47

b. What is the contribution of exports as a percentage of the total turnover of the entity?

6.57%

c. A brief on types of customers

The Company serves wide range of customers depending on the product category. Product wise details of customers are:

- Cut pack (Photocopy, Bond and ledger) - Offices, Jobbers, Institutes, Students and Household.
- Writing and printing (Maplitho, WFPP) - Publishers, Printers, Institutes.
- Coated and specialty - Publishers, Industry, Business and Catalogues.
- Packaging Board and cup stock - Pharma, FMCG, Electronics, Food and beverages, Quick service outlets.

IV. EMPLOYEES

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
1.	Permanent (D)	1560	1481	95	79	5
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total employees (D + E)	1560	1481	95	79	5
WORKERS						
4.	Permanent (F)	1228	1223	99.6	5	0.4
5.	Other than Permanent (G)	4734	4302	91	432	9
6.	Total workers (F + G)	5962	5525	93	437	7

b. Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	6	6	100.00	-	-
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total differently abled employees (D + E)	6	6	100.00	-	-
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	6	6	100.00	-	-
5.	Other than Permanent (G)	-	-	-	-	-
6.	Total differently abled workers (F + G)	6	6	100.00	-	-

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	12	2	16.67
Key Management Personnel	4	-	-

Note: Key Management Personnel includes two Executive Directors.

20. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2022-23 (Turnover rate in current FY in %)				FY 2021-22 (Turnover rate in previous FY in %)				FY 2020-21 (Turnover rate in the year prior to the previous FY in %)			
	Male	Female	Others	Total	Male	Female	Others	Total	Male	Female	Others	Total
Permanent Employees	9.5	22	-	10	9	18	-	8	4	9	-	4.7
Permanent Workers	0.16	-	-	0.16	0.24	-	-	0.24	0.12	-	-	0.12

V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Jaykaypur Infrastructure & Housing Ltd.	Subsidiary	100	No
2	Songadh Infrastructure & Housing Ltd.	Subsidiary	100	No
3	Enviro Tech Ventures Ltd.	Subsidiary	96.08	No
4	JK Paper International (Singapore) Pte. Ltd.	Subsidiary	100	No
5	JKPL Packaging Products Ltd.	Subsidiary	100	No
6	The Sirpur Paper Mills Ltd.*	Subsidiary	96.27	No
7	Horizon Packs Pvt. Ltd.	Subsidiary	85	No
8	Securipax Packaging Pvt. Ltd.	Subsidiary	85	No

* % of shares held represents aggregate % of shares held by the Company alongwith its subsidiary namely Enviro Tech Ventures Ltd.

VI. CSR DETAILS

22. CSR Details

Whether CSR is applicable as per section 135 of Companies Act, 2013	Yes
Turnover (in Rs.)	6543.68 crore
Net worth (in Rs.)	3774.42 crore

VII. TRANSPARENCY AND DISCLOSURES COMPLIANCES

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) if Yes, then provide web-link for grievance redress policy	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes, a mechanism is in place to interact with community leaders to understand and address their concerns, if any	12	2	-	15	2	-
Investors (other than shareholders)	Yes, through emails and personal interaction	-	-	-	-	-	-
Shareholders	Yes, the Company has a dedicated email id wherein shareholders may lodge grievance/ concern/ query. A dedicated employee regularly keeps track of the emails received from the shareholders and promptly responds to them and ensures that the query/ complaint is resolved to the satisfaction of the shareholder. All the complaints of shareholders received during a quarter, if any, and actions taken thereon are placed before a Board Level Committee. Further, Shareholders can register their grievances at (https://scores.gov.in/admin/Welcome.html) and also on web links of BSE (http://tiny.cc/m112vz) and NSE (http://tiny.cc/s112vz) for Arbitration.	1	-	-	5	-	-
Employees and workers	Yes, a mechanism is in place to address grievance/concern of employees. Vigil mechanism/ Whistle Blower Policy is placed at the website of the Company i.e. www.jkpaper.com	-	-	-	-	-	-
Customers	Yes Complaints registered / addressed through SAP	597	131	All are closed as on date	325	49	All are closed as on date
Value Chain Partners	Yes, through emails and personal interaction	-	-	-	-	-	-

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Talent Management, Attraction, Retention	O	This may improve employee competence, skills and knowledge which is key factor for organisational growth	<ol style="list-style-type: none"> 1. Skill up gradation through continuous training program 2. Enhancing multi-tasking ability through planned inter & intra department job rotations 3. Mapping of Right Talent with Critical Position 	Positive
2	Raw material (wood)	R	Being a key raw material, reliable source of supply is essential	<ol style="list-style-type: none"> 1. Increase in % of departmental harvesting 2. Introduction of schemes to build long term relationship with farmers and to become preferred customer for farmers 3. Company provides assistance to farmer through its farm forestry plantation activities which make the Company wood and carbon positive 	Negative
3	Business Ethics	R	This may impact the brand and trust of stakeholders	Code of Conduct, Monitoring Mechanism to ensure ethical conduct	Negative
4	Regulatory Issues and Compliance	R	Non-compliance may impact the brand image and customer trust and engagement	Adherence to compliance monitoring system	Negative
5	Reducing Carbon Footprint	O	Mitigates the effects of global climate change, improves energy efficiency and climate change	Focus on renewable sources of energy, energy efficient equipment etc. to reduce carbon emissions	Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

THIS SECTION IS AIMED AT HELPING BUSINESSES DEMONSTRATE THE STRUCTURES, POLICIES AND PROCESSES PUT IN PLACE TOWARDS ADOPTING THE NGRBC PRINCIPLES AND CORE ELEMENTS.

P1	Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive towards all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect, protect and make efforts to restore the environment
P7	Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
1(a)	Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
(b)	Has the policy been approved by the Board? (Yes/No)*	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
(c)	Web Link of the Policies, if available	https://jkpaper.com/companys-policy/								
2	Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4	Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Most of the policies are aligned to various standards like: ISO 9001: 2015 (Quality Management System), ISO 14001: 2015 (Environment Management System), ISO 45001: 2018 (Occupational Health and Safety Management System), BIS Certification, FSC COC (Chain of custody) and FSC Controlled wood.								
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	Goals and targets are set annually and specific commitments are set periodically. Specific sustainability targets have been identified and timelines for achieving carbon neutrality are being defined. We, at JK Paper pursue a Quality Journey. Our Mission statement, Manufacturing Excellence, specific long term & short-term goals are all approved by top management.								
6	Performance of the entity against the specific commitments, goals and targets along with reasons in case the same are not met.	Performance of identified commitments/targets are reviewed periodically by the Senior Management in its Business Review meetings.								

* Policies not statutorily required to be approved by the Board are approved by the Vice Chairman & Managing Director.

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements

The Company is committed to integrate environmental, social and governance (ESG) principles into its businesses to improve the quality of life of the communities to which it serves. The Company is also committed to conduct beneficial and fair business practices to the labour, human capital and to the community. It provides employees and business associates with working conditions that are clean, safe, healthy and fair.

The Company strives to be responsible and friendly neighbour in the communities in which it operates and contributes to their equitable and inclusive development. To deliver and achieve these commitments, the Company has a separate CSR Policy and Code of Conduct.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies)

Shri A.S. Mehta, President & Director (DIN:00030694), under the supervision of Board of Directors and Committees thereof is responsible for implementation and oversight of the Business Responsibility policy(ies).

9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If Yes, provide details.

No. However, matters relating to sustainability are discussed in Business Review and Board meetings wherein decisions relating thereto are taken.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	As a practice, Business Responsibility policies of the Company are reviewed periodically or on a need basis in Business Review meetings headed by Vice Chairman & Managing Director/ President and Director. During the assessment, the efficacy of the policies is reviewed and necessary changes to policies and procedures are implemented.																	
Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	The Company is in compliance with the existing regulations as applicable. The Company has a Compliance Tool wherein respective Process Owners affirm statutory compliances and Process Heads approve the same. Quarterly report of which is submitted to the Audit Committee of Directors of the Company. Statutory Compliance Certificate on applicable laws is provided by the President & Director/Chief Finance Officer/Senior Vice President (Finance & Accounts)/Company Secretary to the Board of Directors.																	

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.

P1	P2	P3	P4	P5	P6	P7	P8	P9
Periodic review of the policies and their working is internally done by the Senior Management and wherever required support of external agency is taken.								

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	All principles are covered by policies.								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1

BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE.

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	3	Marketing & Sales functions, HR functions and CSR functions were briefed	100%
Key Managerial Personnel	3	Marketing & Sales functions, HR functions and CSR functions were briefed	100%
Employees other than BoD and KMPs	13	Code of Conduct, POSH	100%
Workers	8	POSH	95%

NOTE: 1. All constituents/all stakeholders have been sensitized towards the need for sustainable business.

2. To sync in with changing business dynamics, various operations/ processes of the Company are being digitalized to eliminate the element of human involvement and human error.

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine					
Settlement			Nil		
Compounding fee					

Non-Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment				
Punishment			Nil	

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
	Not Applicable

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, the Company has a Code of Conduct for its Directors and Senior Management and Corporate Ethics and Code of Conduct for employees. The Company's Code of Conduct policy provides a formal mechanism to employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. In addition, the Company also has Whistle-blower Policy and Vigil Mechanism to provide a formal mechanism to the Directors, employees and other external stakeholders to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides for adequate safeguards against victimisation of employees who avail the mechanism. No personnel of the Company have been denied access to the Chairperson of the Audit Committee.

Web link of Code of Conduct for Directors and Senior Management is https://jkpaper.com/wp-content/uploads/2022/09/Code_of_Conduct-JKPL.pdf and Corporate Ethics and Code of Conduct for employees is available on the intranet.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2022-23	FY 2021-22
Directors		
KMPs	Nil	Nil
Employees		
Workers		

6. Details of complaints with regard to conflict of interest:

	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	NA	Nil	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs				

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable

LEADERSHIP INDICATORS

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Sr. no	Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	15	Principle 1,2,4,6,8,9	More than 50%

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No). If Yes, provide details of the same.

Yes, every Director of the Company discloses his/her concern or interest in the Company or companies or body corporates or firms or other association of individuals and any change therein, annually or upon any change, which also includes the shareholding. Further, a declaration is also taken annually from the Directors under the Code of Conduct confirming that they will always act in the interest of the Company and ensure that any other business or personal association which they may have, does not involve any conflict of interest with the operations of the Company and their role therein. The Senior Management also affirms quarterly that they have not entered into any material, financial and commercial transactions, which may have a potential conflict with the interest of the Company at large. In the Board/Committee meetings, the Directors abstain from participating in the discussion and voting of items in which they are concerned or interested.

PRINCIPLE 2

BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

ESSENTIAL INDICATORS

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2022-23	FY 2021-22	Details of improvements in environmental and social impacts
R&D	16.6%	15.7%	R&D Investments are focused at chemical consumption reduction, improving pulp yield, increase in plantation area to contribute to carbon sequestration from environment, revenue generation, livelihood, and employment opportunities for farmers and the surrounding community, emphasizing our commitment to sustainable and responsible plantation agriculture.
Capex	6.2%	2.1%	Projects for optimizing chemical input in pulping process, improving bleaching efficiency, installation of Oxygen bottling stations for Covid 19 and for providing safe drinking water facilities within the plant and outside the plant.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)
Yes, the Company has a Sustainable Procurement Policy and the same is available on the website of the Company at <https://jkpaper.com/>
- b. If yes, what percentage of inputs were sourced sustainably?
35%
3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for
- (a) **Plastics (including packaging)**
Waste packaging plastic is collected, stored and disposed-off through the contracting process.
- (b) **E-waste**
All E-waste generated in-house is handed over to certified vendors for safe disposal.
- (c) **Hazardous waste**
Collection, Storage, and disposal of hazardous waste is done as per GPCB, CCA guidelines to authorized vendors.
- (d) **other waste.**
NA
4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.
Yes, EPR will be applicable to the entity's activities. Paper is an intermediate product/input raw material for the customers who finally produce finished products. Plastic packaging becomes pre-consumer plastic waste to the customers. The waste is recycled through a third party as per guidelines of CPCB under EPR regulations.

LEADERSHIP INDICATORS

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

No

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	If yes, provide the web-link.
----------	--------------------------	---------------------------------	--	---	--	-------------------------------

Life cycle assessment is not done yet. To be initiated.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
Not Applicable		

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2022-23	FY 2021-22
	Nil	

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2022-23			FY 2021-22		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	-	3113.86	-	-	516.42	-
E-waste	-	-	5.36	-	-	4.06
Hazardous waste	255.2	13.372	2.372	268	14.77	11.38
Other waste (Core Pipe)	312	-	-	180	-	-

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
	Not Applicable

PRINCIPLE 3

BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

ESSENTIAL INDICATORS

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	1481	1481	100	1481	100	NA	-	NA	-	NA	-
Female	79	79	100	79	100	79	100	NA	-	-	-
Total	1560	1560	100	1560	100	79	100	-	-	-	-
Other than Permanent employees											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

- b. Details of measures for the well-being of workers:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	1223	818	66 (Balance covered under ESIC)	818	66	NA	-	-	-	-	-
Female	5 (Covered under ESIC)	-	-	-	-	5	100	NA	-	-	-
Total	1228	818	66	818	66	5	100	-	-	-	-

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Other than Permanent workers											
Male	4302	-	-	2136	50	NA	-	-	-	-	-
Female	432	-	-	302	70	432	100	-	-	-	-
Total	4734	-	-	2438	51	432	100	-	-	-	-

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Yes	100	100	Yes
Gratuity	100	100	Yes	100	100	Yes
ESI	As per Act	As per Act	Yes	As per Act	As per Act	Yes

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, most of the Company's working locations are accessible for differently abled employees and workers.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, the Company is committed to provide equal opportunity to all its employees and to all eligible applicants for employment. The Company's Code of Conduct endeavours to pursue healthy human resource policies without any discrimination on account of caste, religion or sex, promote meritocracy, uphold self respect and human dignity. Web link of Company's Code of Conduct is as under:

https://jkpaper.com/wp-content/uploads/2022/09/Code_of_Conduct-JKPL.pdf

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NA	NA	NA	NA
Female	100	100	NA	NA
Total	100	100	NA	NA

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Yes, the Company has an effective system of grievance redressal of its employees and workers, brief details of which are given below:

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	<p>Yes</p> <p>Sampark, A grievance redressal forum is organized on the last Saturday of every month between 5-6 PM wherein the Top management of the plant remains present to listen / solve the grievances raised by any permanent employee.</p> <p>Employee/Worker - The grievances raised by the employees are registered and send to the concerned HOD (under whose jurisdiction the grievance lies) once the action is taken and problem is solved same is informed to the complainant. If any action could not be taken the same is also informed to the concerned employee giving the reasons for the inaction.</p>
Other than Permanent Workers	<p>Yes</p> <p>There is a Contract Grievance Cell to redress the Grievances of Contract labour. Grievance boxes are there in the plant from where the grievances are collected and a meeting is organized every fortnight, where all Contractors are present along with the Contractual manpower representative to redress the grievances. The meeting is coordinated by Sr. Manager (IR) of JK Paper.</p>
Permanent Employees	<p>Yes</p> <p>Monthly Forum: On receipt of any concern through email, letter, verbal, etc., it is registered Monthly forum which is headed by Plant Head, Commercial Head and Plant HR head. Any employee having any grievance whatsoever shall bring it to the notice of his superior during Internal Communication Meeting. Superior should approach the authority where the solution lies directly and should keep the employee informed about the action taken. In case no action is taken, he can approach Personnel Department Directly with his grievance recorded in the prescribed form. Personnel department takes appropriate action to resolve the grievance. In case, the employee does not get any reply from the Personnel Department within a month, he/she can refer the matter to the President & Director.</p>
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2022-23			FY 2021-22		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	NA	-	-	NA	0 (MCS are not associated with Unions)	-
Male	NA	-	-	NA	-	-
Female	NA	-	-	NA	-	-
Total Permanent Workers	1228	1209	99	1261	1223	97
Male	1223	1208	99	1256	1220	97
Female	5	1	29	5	1	20

8. Details of training given to employees and workers:

Category	FY 2022-23					FY 2021-22				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	1481	1481	100.00	1310	88.50	1453	1453	100.00	1048	72.09
Female	79	79	100.00	73	92.00	63	63	100.00	63	100.00
Total	1560	1560	100.00	1383	88.67	1516	1516	100.00	1111	73.19
WORKERS										
Male	1223	1223	100.00	1214	99.26	1256	1256	100.00	431	34.31
Female	5	5	100.00	4	85.71	5	5	100.00	5	100.00
Total	1228	1228	100.00	1218	99.18	1261	1261	100.00	436	34.67

9. Details of performance and career development reviews of employees and worker:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	1481	1481	100	1453	1453	100
Female	79	70	100	63	63	100
Total	1560	1560	100	1516	1516	100
WORKERS						
Male	1223	-	-	1256	-	-
Female	5	-	-	5	-	-
Total	1228	-	-	1261	-	-

10. Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes, the Company has Occupational Health and Safety Management System which covers it's all manufacturing locations and Offices. ISO 45001:2018 is in place and periodically audited by DNV. ISO 45001:2018 which specifies requirements for an occupational health and safety (OH&S) management system, and gives guidance for its use, to enable our organizations to provide safe and healthy workplaces by preventing work-related injury and ill health, as well as by proactively improving its OH&S performance. ISO 45001:2018 helps our organization to achieve the intended outcomes of its OH&S management system. Consistent with the organization's OH&S policy, the intended outcomes of an OH&S management system includes continual improvement of OH&S performance, fulfilment of legal requirements and other requirements and achievement of OH&S objectives. OH&S Policy and procedures are being regularly reviewed by the Safety Committee of each location. Corporate Internal Audit Team audits the safety procedures and deficiencies therein are reported to the Audit Committee. Also, Risk Management Committee, both of the Board of Directors and of Executives, reviews the Safety mechanisms and accidents including near miss incidents at workplace.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company has a process for Risk Management which is essential for preventing incidents, injuries, occupational disease, emergency control & prevention and business continuity. Considering the risks associated with operations and hazardous chemicals used, sites have deployed structured Hazard Assessment, Risk Assessment and Management Process - both qualitative and quantitative which is regularly reviewed and mitigation plans are put in place for high-risk areas. The process also considers roles and responsibilities, monitoring control measures, competency training and awareness of individuals associated with such activities. Formal risk assessment training has been provided as appropriate. For all activities including routine or non-routine (permit / project activities) hazards are identified by a trained cross-functional team and risk assessment

and management is done through Hazard Identification and Risk Assessment/Job Safety Analysis/Standard Operating Procedures. The Company has procedures for process safety and functional safety. Identified hazards and associated risks are addressed through operational control measures using hierarchy of control approach. On a day-to-day basis unsafe conditions and hazards are also identified by employees and reported. It is also extended to contractors working on sites to ensure their concerns are addressed. Each Work location has a Safety Committee which reviews the Safety Mechanism and cases of accidents and near miss incidents.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Yes, employees are encouraged to report near-miss incidents identified which are analysed and corrective actions are taken. All sites have specific procedure for reporting of work-related hazard, injuries, unsafe condition and unsafe act. For mitigation of work related hazards, various mechanisms are in place to receive feedback, monitor and take appropriate actions viz. Safety Patrol, Work Place inspections, Safety Audits, Safety Committee meetings, Mock Drills etc. Feedbacks/Suggestions received, audit observations etc. are recorded and reviewed as part of continual improvement.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, all employees are covered under health insurance scheme / ESI scheme. In addition, each manufacturing location has a qualified medical staff wherein employees/workers including their family members can get medical treatment for non-occupation medical illness. The Company also has Ambulance facility for any medical emergency.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	1.40	3.16
	Workers	3.80	8.46
Total recordable work-related injuries	Employees	4	9
	Workers	6	16
No. of fatalities	Employees	-	-
	Workers	1	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

Safety and health measures are being regularly monitored with the objective of providing safe and healthy work place. Various mechanisms have been devised to monitor and get feedback on the prevalent systems and procedures viz. Safety Instruction are displayed at various sites at work places, Proactive monitoring through Safety tours, Safety Committee meetings, work place inspections and audits, mock drills etc., Recognitions & Awards for encouraging good safety practices, on the job safety training and reviewing of cases of accidents and near miss incidents by the Top Management wherein root cause analysis and comparative performance analysis are reviewed.

13. Number of Complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	2	-	Complaint resolved	-	-	NA
Health & Safety	-	-	NA	-	-	NA

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100
Working Conditions	100

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

All incidents are investigated by cross-functional team. All critical factors involved in an incident are determined through root cause analysis & investigation. Corrective/Preventive actions are identified to prevent recurrence. The detailed investigation and root causes identified by cross-functional team are reviewed by the Senior Management. Learning from incident is further discussed in the Safety Committee meetings, to bring awareness and prevent recurrence of incidents. The closure of investigation action points are reviewed on a periodic basis. Learnings from investigation reports are also shared across all work locations for deployment of corrective actions to stop recurrence of such incidents.

LEADERSHIP INDICATORS

1. Does the entity extend any life insurance or any compensatory package in the event of death of (a) Employees (Y/N) (b) Workers (Y/N)

Yes, both employees and workers, are covered under Group Personal Accident Policy and Benevolent fund.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company monitors remittance of statutory dues by value chain partners as part of processing their bills on a regular basis with periodic audits.

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Yes, depending upon the requirement and the capability of the individual, the Company provides opportunities for engagement on specific projects/assignments.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Conducted at Leading material suppliers as per Standard vendor audit procedure
Working Conditions	As above mentioned for Health and safety practices

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not Applicable as no audit was conducted during FY 2022-23.

PRINCIPLE 4

BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

ESSENTIAL INDICATORS

1. Describe the processes for identifying key stakeholder groups of the entity.

The Company believes that an effective stakeholder engagement process is necessary for achieving its operational goals in a sustainable and inclusive manner. The Company has identified and mapped all concerned internal and external stakeholders. The Company has put in place systems and processes to identify, prioritize and address the needs and concerns of its stakeholders across all plant locations and other areas of its presence. Various mechanisms are in place for engagement with these stakeholders such as employee engagement study, customer satisfaction surveys, organizing plant visits for the suppliers, customers and other concerned stakeholders, dealers' meet and lenders' meet etc. There is also a dedicated email id for all stakeholders to engage with the Company.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Communication meetings, trainings, group discussions, email, intranet, newsletters	Regularly	Industry scenario, challenges/issues, employee well-being, Grievance handling, career Development, health, safety and engagement activities
Shareholders	No	Email, Meetings, investor/ analyst meets, Newspaper, Website of the Company, Media releases, Publication of Financial Results, Annual Reports, intimations/ filings with Stock exchanges and other Regulatory authorities	Regularly	Financial performance, Grievance redressal, Company updates with a view to keep them updated and obtaining their approval on corporate actions, where required
Vendors	No	Meetings	Need based, periodically	Quality, timely delivery and payments, ESG consideration (sustainability, safety checks, compliances, ethical behaviour), collaboration and digitalisation opportunities

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Website, Meetings/ visits, customer plant visits, focus group discussion, complaints management, emails	Regularly	Product quality and availability, responsiveness to needs, New Product development, feedback survey, complaint handling and Technical Services
Communities	Yes	Community meetings with local people, Public representatives, NGOs, Government Departments, etc.	Regularly	Education, community health, livelihood and sustainability and other CSR interventions
Statutory bodies	No	Meetings/Interactions directly and through Industry forums	Need based	Compliance, Industry concerns, Govt. expectations

LEADERSHIP INDICATORS

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Company through its executives regularly interacts with its key stakeholders i.e. investors, customers, suppliers, employees, etc. Progress and concerns on key issues of Safety, Health, Environment and Sustainability is regularly updated to the Senior Management and is also reported to the Board where their their inputs and guidance is required.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, through various studies and interactions the Company engages with its stakeholders in terms of identifying and prioritizing the issues pertaining to economic, environmental and social topics.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

The company has always consciously acted as a responsible organization and engages with the marginalized and vulnerable sections of society. Major channels are communities and other stakeholders nearby villagers benefiting through our CSR interventions. Engage with them continuously through need assessment and other methods of participation to understand their needs and impact of our interventions. During covid pandemic, assistance was given to various stakeholders comprising of local communities, hospitals, employees, workmen and business partners in form of medical treatments, vaccines and necessary medicines.

PRINCIPLE 5

BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

ESSENTIAL INDICATORS

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees/ workers covered (B)	% (B / A)	Total (C)	No. of employees/ workers covered (D)	% (D / C)
Employees						
Permanent	1560	1560	100	1516	1516	100
Other than permanent	-	-	-	-	-	-
Total Employees	1560	1560	100	1516	1516	100
Workers						
Permanent	1228	1228	100	1261	1261	100
Other than permanent	4734	-	-	3929	-	-
Total Workers	5962	1228	21	5190	1261	24

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent	1560	-	-	1560	100	1516	-	-	1516	100
Male	1481	-	-	1481	100	1453	-	-	1453	100
Female	79	-	-	79	100	63	-	-	63	100
Other than permanent	NA	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Workers										
Permanent	1228	-	-	1228	100	1261	-	-	1261	100
Male	1223	-	-	1223	100	1256	-	-	1256	100
Female	5	-	-	5	100	5	-	-	5	100
Other than permanent	4734	2480	53	2239	47	3917	1723	44	2194	56
Male	4302	2466	56	1938	44	3588	1711	48	1877	52
Female	432	14	4	301	96	329	12	4	317	96

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)*	10	25,07,000	2	24,00,000
Key Managerial Personnel (excluding Vice Chairman & Managing Director and President & Director)**	2	1,66,79,622	-	-
Employees other than BoD and KMP	1481	700001	79	578928
Workers	1223	372072	5	325644

* Remuneration of two Independent Directors, who ceased to be Director on completion of their second term w.e.f. 23rd August 2022 is not considered in Median calculation as their remuneration was only for part of the year and remuneration of two Independent Directors who were appointed during the year has been included in calculation of Median remuneration.

** Remuneration of one Key Managerial Personnel (KMP), who ceased to be KMP on his superannuation w.e.f. 13th May 2022 is not considered in Median calculation as his remuneration was only for part of the year and remuneration of one KMP appointed during the year is included in calculation of Median remuneration.

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, the Company recognises, respects and reinforces 'Human Rights' and is also committed towards protection of such rights by creating a safe, secure and healthy working environment for all its employees/workers and other stakeholders. Senior Management is responsible for addressing human rights issues highlighted by Company's employees/workers and other stakeholders. The Company has also POSH policy and Internal Complaints Committee to redress the grievances raised by women employees/workers with respect to Sexual Harassment.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company has robust mechanism to address grievances related to human rights. Any issue pertaining to human rights by any employee/worker, can be reported to Complaints Committee through e-mail, letter or verbal. The Complaints Committee identifies the resources who would conduct the investigation based on the nature of the issue reported and after submission of investigation report, the Committee takes necessary actions to address the issue in the best interest of the aggrieved person and the Company.

6. Number of Complaints on the following made by employees and workers:

Category	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	-	-	NA	-	-	NA
Discrimination at workplace	-	-	NA	-	-	NA
Child Labour	-	-	NA	-	-	NA
Forced Labour/Involuntary Labour	-	-	NA	-	-	NA
Wages	-	-	NA	-	-	NA
Other human rights related issues	-	-	NA	-	-	NA

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company has a Whistle Blower Policy/Vigil Mechanism and POSH Policy to ensure protection of the complainant against victimization for the disclosures made by him/her and all reported matters are dealt confidentiality.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, the Company recognises, respects, and reinforces 'Human Rights' and is committed towards protection of such rights. The Company always encourages suppliers/vendors/customers to be fully compliant with applicable laws and to adhere environmental, social and corporate governance standards (ESG Standards).

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	Not assessed (as no child labour in employment)
Forced/involuntary labour	Not Assessed (as no Forced Labour in employment)
Sexual harassment	100% by Internal Complaints Committee
Discrimination at workplace	100%
Wages	100% by internal assessment
Others - please specify	Nil

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

There were no audit concerns in the above areas from assessments in FY 2022-23.

LEADERSHIP INDICATORS

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

No such grievances on Human Rights violations.

2. Details of the scope and coverage of any Human rights due diligence conducted.

Considering that the Company has not come across any human rights issue so far, no due diligence of human rights has been conducted. Going forward, such due diligence will be conducted based on requirement.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Most of the working locations are accessible for differently abled visitors.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Child labour	Nil
Forced/involuntary labour	Nil
Sexual harassment	Nil
Discrimination at workplace	Nil
Wages	Nil
Others - please specify	Nil

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not Applicable

PRINCIPLE 6

BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

ESSENTIAL INDICATORS

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	Please specify unit	FY 2022-23	FY 2021-22
Total electricity consumption (A)	Tera Joules	1237.53	1204.36
Total fuel consumption (B)	Tera Joules	8355.26	8494.72
Energy consumption through other sources (C)	Tera Joules	4051.32	2324.03
Total energy consumption (A+B+C)	Tera Joules	13598.11	12077.11
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	Joules or multiples	2 X 10 ⁻⁷	3 X 10 ⁻⁷

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Mandatory Energy Audits conducted by TMCC in Unit CPM and Zenith Energy Service Private Limited, Hyderabad evaluated Unit JKPM.

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any

Yes, Unit JKPM, Jaykaypur - Odisha and Unit CPM, Songadh - Gujarat are designated consumer under PAT Scheme and targets have been achieved.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	Please specify unit	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)			
(i) Surface water	kilolitres	20500154	20373457
(ii) Groundwater	kilolitres	-	-
(iii) Third party water	kilolitres	-	-
(iv) Seawater / desalinated water	kilolitres	-	-
(v) Others	kilolitres	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	kilolitres	20500154	20373457
Total volume of water consumption (in kilolitres)	kilolitres	20500154	20373457
Water intensity per rupee of turnover (Water consumed / turnover)	kilolitres	0.00031	0.00049

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

No

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2022-23	FY 2021-22
NOx	Åµg/m3	14.005	20.695
SOx	Åµg/m3	16.905	19.43
Particulate matter (PM)	Åµg/m3	44.1	60.065
Persistent organic pollutants (POP)		NA	NA
Volatile organic compounds (VOC)		NA	NA
Hazardous air pollutants (HAP)		NA	NA
Others - please specify	-	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, NIT Rourkela, Odisha and Pollucon Laboratory, Surat

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	716189	749184
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	24042	4921
Total Scope 1 and Scope 2 emissions per rupee of turnover		1.13x10 ⁻⁵	1.81x10 ⁻⁵

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, the same has been done internally.

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes, each year the Company is investing on Water Saving and Energy conservation projects which has enabled reduction of Green House Gas emission. Some of the Water saving and Energy Conservation Projects Implemented in FY 2022-23 include: Water Saving Projects - 1. RB Sealing & Saws Cooling water being diverted to TG-6 Cooling tower. 2. LMCD Vacuum pump sealing water replaced with Secondary Condensate 3. Evaporator Vacuum pump sealing water replaced with Secondary Condensate 4. Indirect heater Mill Water diverted recovery process cooling tower. 5. Secondary condensate water used in green liquor cooling. 6. Saving of Fresh water in ETP 7. Usage of treated effluent in ETP Energy Conservation Projects - 1. Replacement of old motors with energy efficient motors in PM1&2. 2. Installed VFD in Mill water pump and reduced header Pressure. 3. Installed VFD in WLP Process cooling tower pump for auto Pressure control. 4. Installed VFD in WLP LMCD filter vacuum pump. 5. Installed VFD in BCTMP pulper pump in BM5. 6. Power factor improved by adding capacitor banks in WLP& BM5 MCC. 7. Replacement of Conventional Lights with LED lights in BM#4. 8. Installed energy efficient Vacuum pump in PM1. 9. Highly efficient screen dilution pump in digester 10. DC 8 Stock pump replaced with highly efficient pump in pulp mill. 11. Energy saved by stopping of Mill water pump to PM 1 & 2 after interconnection. 12. Energy saved by stopping of DM transfer pump by using gravity flow. 13. Energy saved by stopping of Water recovery pump by using gravity flow. 14. Energy saved by running efficient refiner of PM#2 for PM#1 by inter connection. 15. Screw press in place of tail screen in Pulp mill.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	3268.26	620.89
E-waste (B)	5.36	4.06
Bio-medical waste (C)	1.659	1.92
Construction and demolition waste (D)	-	-
Battery waste (E)	6.633	0.2115
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G) (metric tonnes)	13.372	14.77
	2.372	2.77
	-	8.61
	255.2	268
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector) (IN MT)	16356	18341
	29634	23935
	90364	112577
	1737	10263
	5907	5931
	3300	4721
Total (A+B + C + D + E + F + G + H)	147778.5	176200
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	214.6	418.2
(ii) Re-used	147555.6	175761.1
(iii) Other recovery operations (SCIENTIFIC LAND FILLING)	8.3	20.7
Total	147778.5	176200
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	2.372	2.77
(ii) Landfilling	5.93	17.93
(iii) Other disposal operations	-	-
Total	8.3	20.7

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, State Pollution Control Board, Schedule-1 Auditors.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company ensures responsible waste management practices involving 100% consumer/pre-consumer plastic waste as per EPR regulations. Lignin from wood and Wood dust is used as bio-fuel (75% of total energy requirement) in boilers for energy generation. Effluent sludge (brown and white) is used for low quality board/papermaking and carbon dioxide emissions are collected and used for making Calcium Carbonate used as high-quality filler in paper. Fly ash generated is used for brick making for internal use. Elemental chlorine free (ECF) technique is adopted which uses chlorine dioxide for the bleaching of wood pulp. It does not use elemental chlorine gas during the bleaching process and thus prevents the formation of dioxins and dioxin-like compounds, carcinogens.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N)	If no, the reasons there of and corrective action taken, if any.
--------	--------------------------------	--------------------	---	--

Not Applicable - The Company does not have any of its manufacturing facilities in ecologically sensitive areas.

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
-----------------------------------	----------------------	------	---	--	-------------------

Not Applicable

12. Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes, the Company is compliant of applicable environmental law/regulations/guidelines.

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
--------	---	---------------------------------------	---	---------------------------------

Not Applicable

LEADERSHIP INDICATORS

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	Please specify unit	FY 2022-23	FY 2021-22
From renewable sources			
Total electricity consumption (A)	Tera Joules	1237.53	1204.36
Total fuel consumption (B)	Tera Joules	8355.26	8494.72
Energy consumption through other sources (C)	Tera Joules	4051.32	2324.03
other sources			
Total energy consumed from renewable sources (A+B+C)	Tera Joules	13598.11	12007.11
From non-renewable sources			
Total electricity consumption (D)	Tera Joules	472.93	451.5863
Total fuel consumption (E)	Tera Joules	5899.21	6173.278
Energy consumption through other sources (F)	Tera Joules	1.809	17.796
other sources			
Total energy consumed from non-renewable sources (D+E+F)	Tera Joules	6373.95	6642.66

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Mandatory Energy Audits conducted by TMCC in Unit CPM and Zenith Energy Service Private Limited, Hyderabad evaluated Unit JKPM.

2. Provide the following details related to water discharged:

Parameter	Please specify unit	FY 2022-23	FY 2021-22
Water discharge by destination and level of treatment (in kilolitres)			
(i) To Surface water	kilolitres	11171775	9095230
- No treatment	kilolitres	-	-
- With treatment - please specify level of treatment - Activated sludge treatment system	kilolitres	-	-
(ii) To Groundwater	kilolitres	-	-
- No treatment	kilolitres	-	-
- With treatment - please specify level of treatment - Tertiary level	kilolitres	-	-
(iii) To Seawater	kilolitres	-	-
- No treatment	kilolitres	-	-
- With treatment - please specify level of treatment	kilolitres	-	-
(iv) Sent to third-parties	kilolitres	-	-
- No treatment	kilolitres	-	-
- With treatment - please specify level of treatment	kilolitres	-	-
(v) Others (Horticulture/ Irrigation/ Inhouse recycling and reuse)	kilolitres	-	-
- No treatment	kilolitres	-	-
- With treatment - please specify level of treatment	kilolitres	6603614	7629539
Total water discharged (in kilolitres)	kilolitres	17775389	16724769

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

Not applicable as both the Units of the Company are not located in areas of water stress.

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	unit	FY 2022-23	FY 2021-22
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	168329	119622
Total Scope 3 emissions per rupee of turnover		2.57x10 ⁻⁶	2.87x10 ⁻⁶

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, the same has been done internally.

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency,

or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative	Corrective action taken, if any
1	Effluent color reduction	Trials are taken to reduce color of effluent water before it is discharged	Colour reduced and is better than CPCB norm	Trials are in progress
2	Reduction of water consumption	Efforts are in progress to reduce water consumption through various project across the processes	The Company is considered as benchmark in integrated pulp and paper industry	Continuous process
3	Production of SPCC with flue gas and lime	The Process of Producing SPCC involves the following steps, 1. Feeding Process: - Quick lime (Cao) pebbles feeding to the lime Silo by using a Feeding system. 2. Slacking & Screening Process: - Water & Quicklime are mixed in the slaker to make Hydrate slurry. This process involved the following exothermic reaction. $\text{CaO} + \text{H}_2\text{O} \rightarrow \text{Ca}(\text{OH})_2$ 3. Carbonation & Screening Process: Hydrate Slurry added in the Pressure Reactor. Flue gas from JK's Lime Kiln is purified to remove all particulates as well as all Sox and NOx. The cleaned flue gas is then injected to the lime slurry. The CO ₂ in the flue gas then reacts with the lime slurry to produce calcium carbonate while allowing CO ₂ free gas to escape. Once the conditions indicating the end of the reaction, the SPCC product is drained from the reactor and screened by 325# mesh & transfer to the product tank. This process involved the following exothermic reaction. $\text{Ca}(\text{OH})_2 + \text{CO}_2 \rightarrow \text{CaCO}_3 + \text{H}_2\text{O}$ This SPCC product is then provided to JK to incorporate into their paper products, thus sequestering the CO ₂ into a marketable product	Approx. 1,83,43,793 m ³ of flue gas is used in the SPCC production from Recovery lime kiln according to the last financial year. During this time, approximately 4,358 metric tons of CO ₂ has been sequestered from process	

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web link.

Yes, mock drills are conducted in presence of local administration at definite frequencies. Health & Safety policy covering various aspects such as personal injury, property damage and environmental issues. Hazard Identification and Risk Assessment for all the activities has been prepared and being reviewed as and when required. SOP & SMP of all critical jobs are made available in each department. The roles, responsibility and accountability, Operational Control Procedure for common activities and overall safety management system has been defined in our integrated OHS manual and communicated to all employees. An on-site emergency plan has been prepared and approved by the Directorate of Factories & Boilers of the State Government for all possible disasters / emergencies which may arise during the Pulp & Paper manufacturing process. Apart from that, Strategy has been documented to deal with any kind of calamities, manmade or natural disasters, including pandemic, recessions, earthquakes & hurricanes etc. Emergency teams have been well trained with all advisory and guidelines and kept ready round the clock to handle any such situation and eliminate the risk to all resources. Plant inspections teams formed in different levels which identify the abnormalities related to activities and property to take required action for prevention of loss. A well-designed protocol prepared and followed during COVID-19 pandemic enabled us to prevent human resource as well as property loss significantly. A COVID response team was formed which used to perform various activities and reviewed the adequacy of the provisions to prevent the losses. Our employees continued to stay apprised of new updates, protection schemes and technological advances through our membership and involvement in the response process. Each of our employees has got specialized training to deal with highly challenging situations. Due to a robust strategy during the pandemic and proper communication among all, we have been able to achieve smooth business without facing any major difficulties in manufacturing process, production and no accident in the factory. The

products accumulated were stored and dispatched in a strategic manner which enabled us achieving all organizational objectives.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

No significant adverse impact

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

No such impact assessment was carried out during the year.

PRINCIPLE 7

BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

ESSENTIAL INDICATORS

1. a. Number of affiliations with trade and industry chambers/ associations.

4

- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
2	Indian Paper Makers Association (IPMA)	National
3	Indian Pulp & Paper Technical Association	National
4	International Chamber of Commerce (ICC), India	National
5	All India Management Association (AIMA)	National
6	Utkal Chamber of Commerce & Industry	State

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
	None	

LEADERSHIP INDICATORS

1. Details of public policy positions advocated by the entity:

The Company's approach to achieving the Government, policy and community objectives focuses on engaging ecosystems at the national, regional and local levels.

The Company focuses on developing and maintaining partnerships with relevant government officials, business chambers and association like ASSOCHAM, CII, FICCI, PHD Chamber of Commerce and Industry, Paper Industry associations IPMA, Central Pulp & Paper Research Institute (CPPRI) and community organizations for the purpose of developing mutually-beneficial partnerships. Leadership team of the Company regularly engages itself with various government bodies and chambers of giving industry feedback on various government policies and suggestions for development of policies etc.

Some of the public policies advocated by the Company are:

1. Single Use Plastic Ban policy
2. Encouragement to development indigenous Paper industry
3. Protection from Import/Dumping and Unfair Trade Practices.

PRINCIPLE 8

BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

ESSENTIAL INDICATORS

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes / No)	Relevant Web Link
Not Applicable					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not Applicable						

3. Describe the mechanisms to receive and redress grievances of the community.

The Company has a grievance mechanism to receive and redress complaints or any concerns raised by the community. A joint field visit/investigation is done, and the concern is addressed appropriately in a timely manner. In addition, the Company proactively engages with the community and CSR initiative are taken as a part of the development work for community in following manner:

1. Assessment of community needs and requests received from them;
2. Project planning based on community needs after discussion with stakeholders;
3. Preparing the plan for implementation of projects for larger benefit community as whole;
4. Implementing the project directly or through implementing agencies in co-ordination with the community members;
5. Periodic progress reports and status of the action plan are shared with the top management;
6. Impact assessment, if required, is also done.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Parameter	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	4%	4%
Sourced directly from within the district and neighbouring districts	17%	17%

LEADERSHIP INDICATORS

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent
1	Odisha	Rayagada	Rs. 449.07 lac

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

No, the Company does not have any preferential procurement policy which gives preference to any supplier comprising marginalized/vulnerable group. Procurement allocation is purely based on parameters like quality, cost and delivery and Company gives an equal opportunity to all suppliers. However, large quantity of wood, one of the main raw materials, is procured from local farmers for which adequate support is also given by superior quality saplings having short rotation cycle.

- (b) From which marginalized /vulnerable groups do you procure?

Local Farmers, directly and through intermediaries.

- (c) What percentage of total procurement (by value) does it constitute?

30%

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not Applicable				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Education (Nutan Gyan Vardhani/AAS Vidyalaya/ DLC/JKLU)	8764	100
2	Environment (Single use Plastic Waste Management)	162716	60
3	Livelihood (Promotion of Sustainable Agriculture/Rural Haat)	51380	100
4	Youth (BYST/ Skill & Entrepreneurship Development)	55052	100
5	Women Empowerment (SHG/ Producer Group/FPO/VDVK/Rural Mart etc.)	48488	100
6	Infra/ Rural Development (Water Shed Project/Water Pipeline/Public Toilet etc.)	52812	100
7	Sports Development	800	NA
8	Health (Rural Health Clinics/Camps)	96536	100
9	Skill Development (Tailoring & Fashion Designing/ Block printing/ Dairy Farming)	2712	100

PRINCIPLE 9

BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

ESSENTIAL INDICATORS

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The complaints received are registered and appropriate follow-up action is taken. Samples are analysed and trials taken, wherever required. Based on reports and discussion with the customer/dealer, complaint is resolved.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	All necessary information as per regulatory requirements are disclosed on all our products.
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

Category	FY 2022-23		Remarks	FY 2021-22		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	NIL	NIL		NIL	NIL	
Advertising	NIL	NIL		NIL	NIL	
Cyber-security	NIL	NIL		NIL	NIL	
Delivery of essential services	NIL	NIL		NIL	NIL	
Restrictive Trade Practices	NIL	NIL		NIL	NIL	
Unfair Trade Practices	NIL	NIL		NIL	NIL	
Other	NIL	NIL		NIL	NIL	

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	NIL	Not Applicable
Forced recalls	NIL	Not Applicable

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, the Company is following with ITGC Policies.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.

There has been no issues relating to advertising and delivery of essential services. No action has been taken by any regulatory authority, and there has been no case of product recall on safety issue.

Active monitoring of the cyber security is being done through IT Department of the Company which regularly reviews and takes corrective actions to improve the cyber security systems.

Systems and process are being reviewed and improved to enhance the protection of PI (Personal Information) data. There has been no instance of complaints regarding cyber security and data privacy.

LEADERSHIP INDICATORS

1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).

website: <https://jkpaper.com/>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

We provide material Safety data sheet to the customers as per requirement.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

The Company informs through its website, e-mails, phone calls and channel partners.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes, product information is specified as per regulations.

Company tracks consumer satisfaction and behavior very closely. Company has undertaken various customer surveys, both in-house and through 3rd party, including Customer Satisfaction Study, which was redrawn in line with the Company's journey towards Total Quality Management (TQM).

5. Provide the following information relating to data breaches:

- a. Number of instances of data breaches along-with impact

No instances of data breaches occurred.

- b. Percentage of data breaches involving personally identifiable information of customers

Not Applicable.



Financial Statements

INDEPENDENT AUDITOR'S REPORT

To
The Members of
JK Paper Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of JK Paper Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, its Profit (including Other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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 matters described below to be the key audit matters to be communicated in our report:-

S.No.	Description of Key Audit Matter	How our audit addressed the key audit matters
1	<p>Revenue is recognised when the control of the products being sold has transferred to the customer. Revenue is measured net of any discounts and rebates. Recognition and measurement of discounts and rebates accruals, involves judgement and estimates. This leads to a risk of revenue being misstated due to inaccurate estimation over discounts and volume rebates.</p> <p>(Refer Note 1(II) (i) of accounting policy and Note - 41 (B) in standalone financial statements)</p> <p>We identified the recognition of revenue from sale of products as a key audit matter because:</p>	<p>Our audit procedures includes:</p> <ul style="list-style-type: none"> Assessing the compliance of revenue recognition accounting policies, including those relating to discounts and rebates, with reference to Ind AS 115 Revenue from contracts with customers (applicable accounting standard); Evaluating the design, testing the implementation and operating effectiveness of the Company's internal controls over recognition of revenue and computing discounts and volume rebates in the general ledger accounting system; Performing substantive testing (including for period end cut-off) by selecting statistical samples of revenue transactions recorded for the year and agreeing to the underlying documents, which included sales invoices and shipping documents;

S.No.	Description of Key Audit Matter	How our audit addressed the key audit matters
	<ul style="list-style-type: none"> The Company and its external stakeholders focus on revenue as a key performance indicator. This could create an incentive for higher revenue to be recognised throughout the period (including period end), i.e., before the control of underlying goods have been transferred to the customer 	<ul style="list-style-type: none"> Performing substantive testing by agreeing statistical samples of discounts and rebate accruals and disbursements to underlying documents; Performing a retrospective assessment of discounts and rebate accruals with prior period to evaluate the historical accuracy; and Assessing manual journals posted to revenue to identify unusual items. Evaluating adequacy of disclosures given in Note to the standalone financial statements.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibility of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's management and Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position/state of affairs, financial performance, total comprehensive income, changes in equity and cash flows 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. 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial

statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 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 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 ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably

knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note No. 36 to the standalone financial statements;
- ii. The Company has made provision, as required under the applicable law or Indian accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2023.
- iv. a) The management has represented that to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- b) The management has represented that, no funds (which are material either individually or in aggregate) have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above as required by Rule 11 (e) of Companies (Audit & Auditors) Rules, 2014, as amended, contain any material mis-statement.
- v. (a) The dividend paid during the year by the Company is in compliance with section 123 of the Companies Act, 2013.
- (b) The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act.
- (c) The Board of Directors of the Company have proposed dividend for the year which is subject to the approval of the members in the ensuing General meeting. The amount of dividend proposed is in accordance with section 123 of the Companies Act, 2013.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from 1st April , 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
- h) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 read with Schedule V to the Act.

For LODHA & CO.

Chartered Accountants

Firm's Registration No. 301051E

(N. K. Lodha)

Partner

Membership No. 085155

UDIN: 23085155BGXASU1121

Place: New Delhi

Date: 16th May, 2023

Annexure – A to the Auditors’ Report

ANNEXURE “A” REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF JK PAPER LIMITED FOR THE YEAR ENDED 31st MARCH , 2023.

- i (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular programme of physical verification of its Property, Plant and Equipment by which Property, Plant and Equipment are verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and nature of its Property, Plant and Equipment. As per the programme certain Property , Plant and Equipment have been verified during the year ,based on information and records provided, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment, Right to use assets, Capital work-in progress and investment property are held in the name of the Company as at the balance sheet date, except for the following:

(₹ In Crore)

Description of property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in name of company
Freehold Land	20.24	Not Applicable	No	2006	Land acquired through land acquisition order by The High court and registration is pending as matter is sub- judice

Refer Note no.2 of the standalone financial statements.

- (d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.
- (e) According to the information and explanations given to us and records provided, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) As per the physical verification program, the inventories were physically verified during the year by the Management at reasonable intervals (except for stock lying with the third parties and in transit which have been verified based on confirmations). In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. Discrepancies noticed were not of 10% or more in the aggregate for each class of inventories on such physical verification of inventories when compared with books of account have been properly adjusted.

- (b) During the year, the company has been sanctioned working capital limits in excess of Rs 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns/ statements with such banks, which are in agreement with the books of account of the company other than those as set out below:-

(₹ In Crore)

Name of the Bank	Aggregate working capital limits sanctioned	Quarter ended	Amount disclosed as per quarterly return/ statement	Amount as per books of account	Difference	Reason for variance*
State Bank of India and consortium of Banks #	250.00	June 30,2022	162.93	573.32	410.39	For Bank's quarterly reporting, only creditors for goods being considered as Trade Payables.
		September 30,2022	137.37	539.58	402.21	
		December 31, 2022	213.08	668.96	455.88	
		March 31, 2023	154.46	580.38	425.92	

*The above differences represents balance of creditors as at each reporting date.

Note: Working Capital Borrowings are secured by hypothecation of Raw Materials, Finished Goods, Stock-in-Process, Stores & Spares and Book Debts.

Refer Note no. 49(iii)(f) of the standalone financial statements.

- iii. The Company has made investments in and granted loans to Companies and other parties during the year and has not provided guarantee or security and granted advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year.
- (a) The Company has granted loans to Companies and other parties during the year and has not provided guarantee or security and granted advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which details are given below:

	Loans
A. Aggregate amount granted / provided during the year:	
- Subsidiaries	₹34.50 Crores
- Joint Ventures	-
- Associates	-
- Others	-
B. Balance outstanding as at balance sheet date in respect of above cases:*	
- Subsidiaries	₹202.90 Crores
- Joint Ventures	-
- Associates	₹15.00 Crores
- Others	₹15.00 Crores

- (b) During the year, the investments made and the terms and conditions of the grant of all the above-mentioned loans are, in our opinion, prima facie, not prejudicial to the Company's interest. Further, during the year, the Company has not provided guarantees, provided security and granted advances in the nature of loans to Companies, Firms, Limited Liability Partnerships or any other parties.
- (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are been regular as per stipulation.
- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

- (e) During the year, the Company has renewed loans given to a party which have fallen due during the year. The details of such loan that fallen due and those granted during the year are stated below:

Name of the Party	Aggregate amount of loans that fallen due during the year (Rupees in crores)	Date they fell due	Amount of fresh loans granted/ renewed during the year (Rupees in crores)	Date of Grant/ Renewed	Details of the loan(s) granted/ renewed during the year	Percentage of the aggregate to the total loans granted during the year
Bengal & Assam Company Limited	40.00	18.02.2023	15.00	17.02.2023	Extended Loan for further 1 year.	43.48%

- (f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.
- iv. According to information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees or securities to the parties covered under the provisions of sections 185 of the Companies Act, 2013. The Company has complied with the provisions of Section 186 of the Act in respect of loans granted, investments made and guarantees and securities provided to the parties covered under section 186 of the Act.
- v. In our opinion the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the deposits accepted. The Company has not accepted or is not holding any amounts which are deemed to be deposits during the year. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal against the Company in this regard.
- vi. We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act in respect of the Company's products and services to which the said rules are made applicable and are of the opinion that prima facie, the prescribed records have been made and maintained. We have, however, not made a detailed examination of the said records with a view to determine whether they are accurate or complete.
- vii. (a) According to the records of the Company, the Company is generally been regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues with the appropriate authorities to the extent applicable except Rs 0.03 Crore of Provident fund dues in respect of family pension for the period from April 2022 to August 2022 which could not deposited due to non-completion of KYC of Individual employees at PF portal and discrepancies in details of Aadhar card of respective employees.
- (b) According to the records and information & explanations given to us, details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March, 2023 on account of disputes are given below:

Name of The Statute	Nature of Dues	Amount (₹ in Crore)	Period to which amount relates to	Forum where dispute is pending
Central Excise Act, 1944	Central Excise	0.41	1982-1983	Supreme Court
		3.95	2009-2021	CESTAT Ahmedabad
		7.43	2015-2016	CESTAT, Mumbai
Custom Act, 1962	Custom Duty	0.69	2011-2012 & 2012-2013	CESTAT Ahmedabad
Goods & Services Tax Act, 2017	Goods & Services Tax	0.41	2019-2020	Joint Commissioner (Appeals), State Tax, Raipur
Sales Tax	Sales Tax	0.15	2005-2009	Sales Tax Tribunal – Cuttack
		5.85	2012-2013	High Court, Cuttack
		0.59	2013-14 & 2014-15	Addl. Commissioner of Sales Tax, Cuttack
		0.21	2015-2016	Sales Tax, Tribunal, Cuttack, Orissa
		0.15	2015-2016	Sales Tax, Tribunal, Cuttack, Orissa

- viii. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- ix. (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company and based on the representations of the Company, we report that the Company has neither taken any funds from any entity or person during the year nor it has raised funds through issue of shares or borrowings on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its Subsidiaries or joint ventures or associate companies.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) Based on the audit procedures performed and on the basis of information and explanations provided by the management, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company and hence reporting under clause 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations and records made available by the management of the Company and audit procedures performed, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable Indian accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports issued to the Company during the year and till date in determining the nature, timing and extent of our audit procedures.
- xv. On the basis of records made available to us and according to information and explanations given to us, the Company has not entered into non-cash transactions with the directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934 and hence reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable. As per the information and representation provided by the management, there are Two CIC within the group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016).
- xvii. The Company has not incurred cash losses in the financial year covered by our audit and in the immediately preceding financial year respectively.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to

our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company and/ or certificate with respect to meeting financial obligations by the Company as and when they fall due. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. (a) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

- (b) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Special account before the date of this report and within a period of 30 days from the end of the financial year in compliance with the provision of section 135(6) of the Act.

- xxi. The reporting under clause 3 (xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For LODHA & CO.
Chartered Accountants
ICAI-FRN: 301051E

(N. K. Lodha)
Partner
Membership No. 085155

Place: New Delhi
Date: 16th May, 2023

Annexure – B to the Auditors’ Report

Annexure “B” to the Auditor’s report of even date on the Standalone Financial Statements of JK Paper Limited for the year ended 31st March , 2023

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)
Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of JK Paper Limited (“the Company”) as of 31st March 2023 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 Board of Director of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For LODHA & CO.
Chartered Accountants
FRN: 301051E

(N. K. Lodha)
Partner
Membership No. 085155

Place: New Delhi
Date: 16th May, 2023

Standalone Balance Sheet as at March 31, 2023

₹ in Crore (10 Million)

Particulars	Note	March 31, 2023	March 31, 2022
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2	4,309.66	4,429.05
Capital Work-in-Progress	2.1	25.97	29.46
Goodwill		0.10	0.10
Other Intangible Assets	3	30.89	37.11
Intangible Assets Under Development	3.1	4.24	3.84
Financial Assets			
Investments	4	1,034.31	381.75
Loans	5	189.90	311.50
Other Financial Assets	6	103.12	87.69
Other Non-Current Assets	7	17.61	27.08
		5,715.80	5,307.58
Current Assets			
Inventories	8	677.72	466.19
Financial Assets			
Investments	9	776.75	615.20
Trade Receivables	10	163.12	217.19
Cash and Cash Equivalents	11	24.32	7.10
Bank Balances other than above	12	8.22	7.18
Loans	13	43.00	72.25
Other Financial Assets	14	26.86	10.96
Current Tax Assets (Net)	15	0.76	-
Other Current Assets	16	364.69	412.87
		2,085.44	1,808.94
Total Assets		7,801.24	7,116.52
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	17	169.40	169.40
Other Equity		3,605.02	2,875.26
		3,774.42	3,044.66
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	18	1,739.38	2,195.23
Lease Liabilities	18.1	54.15	57.58
Other Financial Liabilities	19	99.65	90.67
Provisions	20	9.65	11.64
Deferred Tax Liabilities (Net)	21	699.37	508.57
		2,602.20	2,863.69
Current Liabilities			
Financial Liabilities			
Borrowings	22	590.00	436.41
Lease Liabilities	18.1	9.86	11.86
Trade Payables	23		
Micro & Small Enterprises		10.61	11.31
Others		569.77	471.37
Other Financial Liabilities	24	126.92	81.03
Other Current Liabilities	25	105.14	180.72
Provisions	26	11.99	4.90
Current Tax Liabilities	27	0.33	10.57
		1,424.62	1,208.17
Total Equity and Liabilities		7,801.24	7,116.52
Significant Accounting Policies	1		

The accompanying notes referred to above form an integral part of the Standalone Financial Statements

As per our report of even date attached

for **LODHA & CO.**

Chartered Accountants

Firm's Registration Number 301051E

(N.K. LODHA)

Partner

Membership No. 85155

New Delhi, the 16th May, 2023

For and on behalf of the Board of Directors

Bharat Hari Singhania

(DIN No. 00041156)

Chairman

Harsh Pati Singhania

(DIN No. 00086742)

Vice Chairman & Managing Director

A.S.Mehta

(DIN No. 00030694)

President & Director

KR Veerappan

Chief Finance Officer

Shri Anoop Seth (DIN No. 00239653)

Smt. Deepa Gopalan Wadhwa (DIN No. 07862942)

Shri Harshavardhan Neotia (DIN No. 00047466)

Shri R.V. Kanoria (DIN No. 00003792)

Shri Shailendra Swarup (DIN No. 00167799)

Shri S.K. Roongta (DIN No. 00309302)

Smt. Vinita Singhania (DIN No. 00042983)

Directors

Deepak Gupta

Company Secretary

Standalone Statement of Profit & Loss for the year ended March 31, 2023

₹ in Crore (10 Million)

Particulars	Note	2022-23	2021-22
Revenue :			
Sales		6,543.68	4,165.76
Less : Discounts		335.36	275.77
Net Sales		6,208.32	3,889.99
Other Operating Revenue	28	23.74	90.68
Revenue from Operations		6,232.06	3,980.67
Other Income	29	97.63	80.03
Total Revenue		6,329.69	4,060.70
EXPENSES			
Cost of Materials Consumed	30	2,317.04	1,364.49
Purchases of Stock-in-Trade		1,008.31	623.31
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	31	(40.18)	5.79
Employee Benefits Expense	32	405.89	323.76
Finance Costs	33	188.45	92.65
Depreciation and Amortisation Expenses	34	236.84	169.04
Other Expenses	35	879.25	720.26
Total Expenses		4,995.60	3,299.30
Profit Before Interest, Depreciation & Tax (EBITDA)		1,759.38	1,023.09
Profit/(Loss) Before Exceptional Items and Tax		1,334.09	761.40
Exceptional Items	46	22.56	-
Profit/(Loss) Before Tax		1,311.53	761.40
Tax Expense			
Current Tax		313.42	157.73
Less : MAT Credit Entitlement/Adjustment		-	-
Provision / (Credit) for Deferred Tax		112.78	92.58
Profit for the period		885.33	511.09
Other Comprehensive Income			
Items that will not be reclassified to statement of Profit and Loss			
(i) Re-measurement Gain/(Loss) on Defined Benefit Plans		(4.83)	(0.87)
(ii) Tax on (i) above		1.69	0.31
(iii) Equity Instruments through Other Comprehensive Income		8.50	1.67
(iv) Tax on (iii) above		-	-
Total Comprehensive Income for the period		890.69	512.20
Earnings per Equity Shares			
1) Basic (in ₹)		52.26	30.17
2) Diluted (in ₹)		52.26	30.17
Significant Accounting Policies	1		

The accompanying notes referred to above form an integral part of the Standalone Financial Statements

As per our report of even date attached

for **LODHA & CO.**

Chartered Accountants
07862942)

Firm's Registration Number 301051E

(N.K. LODHA)

Partner

Membership No. 85155

New Delhi, the 16th May, 2023

For and on behalf of the Board of Directors

Bharat Hari Singhania

(DIN No. 00041156)

Chairman

Harsh Pati Singhania

(DIN No. 00086742)

Vice Chairman & Managing Director

A.S.Mehta

(DIN No. 00030694)

President & Director

KR Veerappan

Chief Finance Officer

Shri Anoop Seth (DIN No. 00239653)

Smt. Deepa Gopalan Wadhwa (DIN No.

Shri Harshavardhan Neotia (DIN No. 00047466)

Shri R.V. Kanoria (DIN No. 00003792)

Shri Shailendra Swarup (DIN No. 00167799)

Shri S.K. Roongta (DIN No. 00309302)

Smt. Vinita Singhania (DIN No. 00042983)

Directors

Deepak Gupta

Company Secretary

Statement of Changes in Equity for the year ended March 31, 2023

A. Equity Share Capital

₹ in Crore (10 Million)

April 1, 2021	Changes in Equity Share Capital during 2021-22 (refer Note 46)	March 31, 2022	Changes in Equity Share Capital during 2022-23	March 31, 2023
169.40	0.00	169.40	-	169.40

B. Other Equity

₹ in crores (10 Million)

Particulars	Reserve and Surplus						Other Comprehensive Income (OCI)		Total
	Retained Earnings	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	Debenture Redemption Reserve	General Reserve	Items that will not be Reclassified to profit or loss		
							Re-measurement of the net defined benefit plans	Equity Instruments through OCI	
April 1, 2021	1,004.42	29.92	11.84	438.32	4.74	941.75	(8.18)	8.01	2,430.82
Changes in Equity for the year ended March 31, 2022									
Profit for the year	511.09	-	-	-	-	-	-	-	511.09
Transfer from Retained Earnings	(200.00)	-	-	-	-	200.00	-	-	-
Other Comprehensive Income for the year	-	-	-	-	-	-	(0.56)	1.67	1.11
Dividend Paid	(67.76)	-	-	-	-	-	-	-	(67.76)
March 31, 2022	1,247.75	29.92	11.84	438.32	4.74	1,141.75	(8.74)	9.68	2,875.26
Changes in Equity for the year ended March 31, 2023									
Profit for the year	885.33	-	-	-	-	-	-	-	885.33
Transfer from Retained Earnings	(300.00)	-	-	-	-	300.00	-	-	-
Other Comprehensive Income for the year	-	-	-	-	-	-	(3.14)	8.50	5.36
Transfer to debenture redemption reserve	-	-	-	-	-	-	-	-	-
Final dividend paid for the FY 2021-22	(93.17)	-	-	-	-	-	-	-	(93.17)
Interim dividend paid for the FY 2022-23	(67.76)	-	-	-	-	-	-	-	(67.76)
March 31, 2023	1,672.15	29.92	11.84	438.32	4.74	1,441.75	(11.88)	18.18	3,605.02

Notes:

- Securities Premium Reserve represents the amount received in excess of par value of Securities issued by the Company, which may be utilised for purposes specified u/s 52(2) of the Companies Act, 2013.
- General Reserve represents accumulated profits set apart by way of transfer from current year Profits/or/and Surplus in Profit and Loss Statement comprised in Retained Earnings for "other than specified purpose".
- Capital Redemption Reserve Represents the statutory reserve created at the time redemption of Preference Share Capital and buy back of Equity Share Capital, which can be applied for issuing fully paid-up bonus shares.
- Capital Reserve represents the excess of consideration received against the sale of identifiable assets.
- Debenture Redemption Reserve created out of the profits which is available for the purpose of redemption of debentures.

The accompanying notes referred to above form an integral part of the Standalone Financial Statements

As per our report of even date attached

for **LODHA & CO.**

Chartered Accountants
Firm's Registration Number 301051E

(N.K. LODHA)

Partner
Membership No. 85155
New Delhi, the 16th May, 2023

For and on behalf of the Board of Directors

Bharat Hari Singhania
(DIN No. 00041156)
Chairman

Harsh Pati Singhania
(DIN No. 00086742)
Vice Chairman & Managing Director

A.S.Mehta
(DIN No. 00030694)
President & Director

KR Veerappan
Chief Finance Officer

Shri Anoop Seth (DIN No. 00239653)
Smt. Deepa Gopalan Wadhwa (DIN No. 07862942)
Shri Harshavardhan Neotia (DIN No. 00047466)
Shri R.V. Kanoria (DIN No. 00003792)
Shri Shailendra Swarup (DIN No. 00167799)
Shri S.K. Roongta (DIN No. 00309302)
Smt. Vinita Singhania (DIN No. 00042983)
Directors

Deepak Gupta
Company Secretary

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 1. COMPANY OVERVIEW, BASIS OF PREPARATION & SIGNIFICANT ACCOUNTING POLICIES.

I. Corporate Information

JK Paper Ltd (the Company) is a Public Limited Company listed on the National Stock Exchange of India Ltd and the Bombay Stock Exchange Limited. The Registered office of the Company is situated at Fort Songadh, Dist- Tapi- 394660, Gujarat. The Company is India's largest producer of branded papers and JK Group has over eight decades of Industry experience. The Company is a leading player in segments like Office Paper, Writing & Printing, Packaging Boards, Coated Paper and Specialty Paper. The Company's state-of-the-art manufacturing units are located at strategic locations: Unit JKPM in East (Rayagada, Odisha), Unit CPM in West (Songadh, Gujarat). It has a pan India Sales presence and exports to several countries. It is a carbon and wood positive Company.

These financial statements were approved and adopted by the Board of Directors of the Company in their meeting held on May 16, 2023.

II. Basis of Preparation of Financial Statements

(i) Statement of Compliance:

The Financial Statements have been prepared in accordance with Indian Accounting Standards (IND AS) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and relevant provisions of the Companies Act, 2013.

(ii) Basis of Preparation:

The separate financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (India Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standard) (Amendment) Rules, 2016. The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act 2013 ("the Act").

The financial statements have been prepared on an accrual basis and under the historical cost basis except for certain financial assets and financial liabilities which are measured at fair values as explained in relevant accounting policies. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The financial statements are presented in INR and all values are rounded to the nearest INR Crore (10 Million), except when otherwise indicated.

(iii) Use of Estimates

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

(iv) Classification of Assets and Liabilities as Current and Non Current

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

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 1. COMPANY OVERVIEW, BASIS OF PREPARATION & SIGNIFICANT ACCOUNTING POLICIES. *(contd.)*

III. Significant Accounting Policies for the year ended 31st March, 2023.

(i) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The specific recognition criteria described below also be met before revenue is recognised.

Sale of goods

Revenue from the sale of goods is recognised, when control of goods being sold is transferred to customer and where there are no longer any unfulfilled obligations. The performance obligations in contracts are considered as fulfilled in accordance with the terms agreed with the respective customers.

Revenue from the sale of goods is measured on transaction price excluding estimates of variable consideration that is allocated to performance obligations. Sales as disclosed, are exclusive of Goods and Services Tax.

The company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring promised goods to a customer, excluding amount collected on behalf of third parties (for example taxes collected on behalf of government). The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both.

The transaction price is allocated by the company to each performance obligation in an amount that depicts the amount of consideration to which it expects to be entitled in exchange for transferring the promised goods to the customer.

Export Incentives

Income from export incentives and duty drawbacks is recognised on accrual basis when no significant uncertainties as to the amount of consideration that would be derived and as to its ultimate collection exist.

Interest income

Interest income is recognized on time proportion basis using the effective interest method.

Dividend Income

Dividend income is recognized when the right to receive payment is established by the reporting date, which is generally when shareholders approve the same.

Renewal Energy Certificate

Renewable Energy Certificate (REC) benefits are recognized in Statement of Profit & Loss on sale of REC's.

(ii) Inventory Valuation

Inventories such as Raw Materials, Work-in-Progress, Finished Goods, Stock in Trade, Stores & Spares and Renewable Energy Certificates are valued at the lower of cost or net realisable value (except scrap/waste which are value at net realisable value). The cost is computed on weighted average basis. Finished Goods and Process Stock include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

(iii) Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand, cash at bank and demand deposits with banks with an original maturity of three months or less which are subject to an insignificant risk of change in value.

(iv) Property Plant and Equipment

On transition to IND AS, the company had adopted optional exception under IND AS 101 to measure Property, Plant and Equipment (PPE) at fair value. Consequently the fair value had been assumed to be deemed cost of PPE on the date of transition.

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 1. COMPANY OVERVIEW, BASIS OF PREPARATION & SIGNIFICANT ACCOUNTING POLICIES. (contd.)

Subsequently PPE were carried at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items.

PPE acquired are stated at cost net of tax/duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management

Capital work-in-progress includes cost of PPE under installation / under development as at the balance sheet date. Advances paid towards the acquisition of PPE outstanding at each balance sheet date is classified as capital advances under other non-current assets.

Subsequent expenditures relating to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the costs to the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gain or losses are recognized in the statement of profit and loss.

Depreciation on Buildings, Plant & Machinery, Railway Siding and Other Assets of all Units is provided as per straight line method over their useful lives as prescribed under Schedule II of Companies Act, 2013. However, in respect of certain property, plant and equipment, depreciation is provided as per their useful lives as assessed by the management supported by technical advice ranging from 10 to 40 years for plant and machinery and 8 to 60 years for buildings.

Depreciation on additions due to exchange rate fluctuation is provided on the basis of residual life of the assets. Depreciation on assets costing up to ₹5000/- and on Temporary Sheds is provided in full during the year of additions.

Depreciation will be charged from the date the asset is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. The residual values, useful lives and methods of depreciation of PPE are reviewed at each financial year end and adjusted prospectively, if appropriate.

Leased Assets

Leasehold lands are amortized over the period of lease, Buildings constructed on leasehold land are depreciated based on the useful life specified in Schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building.

Intangible Assets

Intangible Assets are recognised, if the future economic benefits attributable to the assets are expected to flow to the company and cost of the asset can be measured reliably. All other expenditure is expensed as incurred. The same are amortised over the expected duration of benefits. Such intangible assets are measured at cost less any accumulated amortisation and impairment losses, if any and are amortised over their respective individual estimated useful life on straight line method.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period and adjusted prospectively, if appropriate.

(v) Research and Development Costs

Expenditure on research is recognized as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognized as an expense when it is incurred.

Items of Property, Plant and equipment and acquired intangible assets utilised for research and development are capitalised and depreciated / amortized in accordance with the policies stated for Property, Plant and Equipment and Intangible Assets.

(vi) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 1. COMPANY OVERVIEW, BASIS OF PREPARATION & SIGNIFICANT ACCOUNTING POLICIES. (contd.)

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The Company had adopted Ind AS 116 "Leases" effective April 1, 2019 (Transition date) using the simplified approach (Retrospective cumulative was effective from 1st April 2019)

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis from the commencement date over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its existing borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Lease liabilities and Right-of-use assets have been presented as a separate line in Note 2 of Property, Plant and Equipment (PPE) and Note 18 of Non-current Financial Liabilities - Borrowings. Lease payments have been classified as cash used in financing activities.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases of all assets that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease.

(vii) Impairment

The carrying amount of PPEs, Intangible assets and Investment property are reviewed at each Balance Sheet date to assess impairment if any, based on internal / external factors. An asset is treated as impaired, when the carrying cost of asset exceeds its recoverable value, being higher of value in use and net selling price. An impairment loss is recognised as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed, if there has been an improvement in recoverable amount.

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 1. COMPANY OVERVIEW, BASIS OF PREPARATION & SIGNIFICANT ACCOUNTING POLICIES. (contd.)

(viii) Financial Assets & Liabilities

A Financial Instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

At initial recognition, all financial assets are measured at fair value. Such financial assets are subsequently classified under following three categories according to the purpose for which they are held. The classification is reviewed at the end of each reporting period.

(a) Financial Assets at Amortised Cost

At the date of initial recognition, Financial assets are held to collect contractual cash flows of principal and interest on principal amount outstanding on specified dates. These financial assets are intended to be held until maturity. Therefore, they are subsequently measured at amortised cost by applying the Effective Interest Rate (EIR) method to the gross carrying amount of the financial asset. The EIR amortisation is included as interest income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

(b) Financial Assets at Fair value through Other Comprehensive Income

At the date of initial recognition, Financial asset are held to collect contractual cash flows of principal and interest on principal amount outstanding on specified dates, as well as held for selling. Therefore, they are subsequently measured at each reporting date at fair value, with all fair value movements recognised in Other Comprehensive Income (OCI). Interest income calculated using the effective interest rate (EIR) method, impairment gain or loss and foreign exchange gain or loss are recognised in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from the OCI to Statement of Profit and Loss.

(c) Financial Assets at Fair value through Profit or Loss

At the date of initial recognition, Financial assets are held for trading, or which are measured neither at Amortised Cost nor at Fair Value through OCI. Therefore, they are subsequently measured at each reporting date at fair value, with all fair value movements recognised in the Statement of Profit and Loss.

Trade Receivables.

With the exception of trade receivables that do not contain a significant financing component, the Company initially measures financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, net of transaction costs. Trade receivables do not contain a significant financing component and are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (i) Revenue recognition.

In respect of trade receivables, the company applies the simplified approach of IND AS 109 "Financial Instruments", which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Investment in Equity Shares.

Investment in equity instruments which are held for trading are classified as at fair value through profit or loss ('FVTPL'). For all other equity instruments, the company makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same as fair value through other comprehensive income ('FVTOCI') or fair value through profit or loss ('FVTPL'). Amount presented in other comprehensive income are not subsequently transferred to profit or loss.

Investment in Associates, Joint Ventures and Subsidiaries.

The Company has accounted for its investment in subsidiaries, associates and joint venture at cost less diminution in value of Investment.

Investments in Mutual Funds

Investments in Mutual Funds are accounted for at fair value through profit and loss. Any subsequent fair value gain or loss is recognized through Profit or Loss Account.

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 1. COMPANY OVERVIEW, BASIS OF PREPARATION & SIGNIFICANT ACCOUNTING POLICIES. *(contd.)*

Derecognition.

Financial Asset is primarily derecognised when:

- (i) The right to receive cash flows from asset has expired, or,
- (ii) The Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement and either:
 - a) The Company has transferred substantially all the risks and rewards of the asset, or
 - b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its right to receive cash flows from an asset or has entered into a pass through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Financial Liabilities

Initial Recognition and Measurement.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent Measurement.

The measurement of financial liabilities depends on their classification, as described below :

a) Financial Liabilities at Fair Value through Profit or Loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. The Company has not designated any financial liabilities upon initial measurement recognition at fair value through profit or loss. Financial liabilities at fair value through profit or loss are at each reporting date with all the changes recognized in the Statement of Profit and Loss.

b) Financial Liabilities measured at Amortised Cost

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method ("EIR") except for those designated in an effective hedging relationship. The carrying value of borrowings that are designated as hedged items in fair value hedges that would otherwise be carried at amortised cost are adjusted to record changes in fair values attributable to the risks that are hedged in effective hedging relationship.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the Statement of Profit and Loss.

c) Loans and Borrowings

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 1. COMPANY OVERVIEW, BASIS OF PREPARATION & SIGNIFICANT ACCOUNTING POLICIES. (contd.)

establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

d) Trade and Other Payables

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

De-recognition of Financial Liability

A Financial Liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Offsetting of Financial Instruments

Financial Assets and Financial Liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative Financial Instruments

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks. Derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at the end of each period. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, on the nature of the item being hedged. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

Compound Financial Instruments

The liability component of a compound financial instrument is recognised initially at fair value of a similar liability that does not have an equity component. The equity component is recognised initially as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and the equity components, if material, in proportion to their initial carrying amounts.

Subsequent to the initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest rate method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry.

(ix) Foreign Exchange Transactions / Translations / Hedge Accounting

Financial statements are presented in Indian Rupee, which is Company's functional currency. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Financial instruments designated as Hedge Instruments are mark to market using the valuation given by the bank on the reporting date. Exchange differences arising on settlement of monetary items on actual payments / realisations and year end translations including on forward contracts are dealt with in Profit and Loss Statement except exchange differences on borrowings taken for qualifying assets are treated as borrowing cost and adjusted with qualifying assets. Non Monetary Foreign Currency items are stated at cost.

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 1. COMPANY OVERVIEW, BASIS OF PREPARATION & SIGNIFICANT ACCOUNTING POLICIES. (contd.)

The Company has continued capitalisation of foreign currency fluctuation on long term foreign currency liabilities outstanding on Ind AS transition date.

(x) Employee Benefits

a) Defined Contribution Plan:

The Company makes defined contribution to Superannuation Funds, which are accounted on accrual basis as expenses in the statement of Profit and Loss

b) Defined Benefit Plan:

The Company's Liabilities on account of Gratuity and Earned Leave on retirement of employees are determined at the end of each financial year on the basis of actuarial valuation certificates obtained from Registered Actuary in accordance with the measurement procedure as per Indian Accounting Standard (INDAS)-19., 'Employee Benefits'. Liability against Gratuity are funded on year-to-year basis by contribution to respective fund. The costs of providing benefits under these plans are also determined on the basis of actuarial valuation at each year end. Actuarial gains and losses for defined benefit plans are recognized through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

The Provident Fund Contribution other than contribution to Employees' Regional Provident Fund, is made to trust administered by the trustees. The interest rate to the members of the trust shall not be lower than the statutory rate declared by the Central Government under Employees' Provident Fund and Miscellaneous Provision Act, 1952. The Employer shall make good deficiency, if any.

The Defined Benefit Plan can be short term or Long terms which are defined below:

i) Short-term Employee Benefit.

All employees' benefits payable wholly within twelve months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognized during the period in which the employee renders related service.

ii) Long-term employee Benefits

Compensated absences which are not expected to occur within 12 months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date.

c) Termination benefits

Termination benefits are recognized as an expense in the period in which they are incurred. The Company shall recognise a liability and expense for termination benefits at the earlier of the following dates:

- (a) When the entity can no longer withdraw the offer of those benefits; and
- (b) When the entity recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.

(xi) Earnings per Share (EPS)

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

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e.

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 1. COMPANY OVERVIEW, BASIS OF PREPARATION & SIGNIFICANT ACCOUNTING POLICIES. (contd.)

the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

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

(xii) Income Tax

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at reporting date. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Minimum Alternate Tax

Minimum Alternate Tax credit is recognized, as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

(xiii) Provisions and Contingent Liabilities /Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement. Contingent liabilities are not recognised but are disclosed in notes.

Contingent Assets are not recognised in financial statements but are disclosed, since the former treatment may result in the recognition of income that may or may not be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 1. COMPANY OVERVIEW, BASIS OF PREPARATION & SIGNIFICANT ACCOUNTING POLICIES. *(contd.)*

(xiv) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(xv) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(xvi) Fair Value Measurements

The Company measures financial instruments such as derivatives and certain investments, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability.
- Or
- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;

- Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(xvii) Significant Accounting Judgments, Estimates and Assumptions

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgements which have significant effect on the amounts recognized in the financial statement:

a. Income taxes

Judgment of the Management is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the standalone financial statements.

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 1. COMPANY OVERVIEW, BASIS OF PREPARATION & SIGNIFICANT ACCOUNTING POLICIES. (contd.)

b. Contingencies

Judgment of the Management is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the company as it is not possible to predict the outcome of pending matters with accuracy.

c. Allowance for uncollected accounts receivable and advances

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not collectible. Impairment is made on ECL, which are the present value of the cash shortfall over the expected life of the financial assets.

d. Defined Benefit Plans.

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in future. These Includes the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

e. Fair Value Measurement of Financial Instruments.

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statement.

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 2. PROPERTY, PLANT AND EQUIPMENT (PPE)

₹ in crores (10 Million)

Description	Gross Carrying Value					Depreciation				Net Carrying Value		
	April 1, 2022	Additions/ Adjustments	Sales/ Adjustments	Acquisition through Slump Sale	March 31, 2023	April 1, 2022	For the year	On Sales/ Adjustments	Asset Impairment	March 31, 2023	March 31, 2023	March 31, 2022
Land - Freehold (a)	553.44	-	-	-	553.44	-	-	-	-	-	553.44	553.44
Right-of-use Asset	76.93	-	-	-	76.93	4.35	1.46	-	-	5.81	71.12	72.58
Building	521.43	12.77	0.08	-	534.12	77.10	21.13	0.07	1.03	99.19	434.93	444.33
Plant & Equipment (b)	3,953.15	104.32	27.14	-	4,030.33	691.92	185.35	24.31	21.52	874.48	3,155.85	3,261.23
Right-of-use Asset	106.13	6.87	-	-	113.00	38.21	13.79	-	-	52.00	61.00	67.92
Furniture and Fixture	4.75	1.41	0.58	-	5.58	2.07	0.54	0.52	-	2.09	3.49	2.68
Office Equipment	14.09	4.77	1.04	-	17.82	8.32	1.80	0.98	-	9.14	8.68	5.77
Vehicles & Locomotive	27.76	6.35	4.76	-	29.35	8.03	3.83	1.61	-	10.25	19.10	19.73
Railway Siding	2.57	-	-	-	2.57	1.20	0.13	0.81	-	0.52	2.05	1.37
Total	5,260.25	136.49	33.60	-	5,363.14	831.20	228.03	28.30	22.55	1,053.48	4,309.66	4,429.05
Previous year	3,069.79	2,185.86	6.10	10.70	5,260.25	670.60	164.36	3.76	-	831.20	4,429.05	2,399.19

Notes:

- a) Includes cost of 4.67 acres land given on lease to Employees State Insurance Corporation for construction of Hospital for Employees.

The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), are held in the name of the Company, except for the following:

Description of property	Gross carrying value (₹ Crore)	Held in name of	Whether title deed holder is a promoter, director or their relative or employee	Period held (i.e. dates of Capitalisation)	Reason for not being held in name of company
Freehold Land	20.24	Not Applicable	No	2006	Land acquired through land acquisition order by High court and registration is pending as matter is sub-judice

- b) During the year ₹0.74 Crore has been deducted (Previous year ₹1.79 Crore was added) in Plant & Equipment due to Foreign Exchange Fluctuation (Net).

NOTE 2.1 CAPITAL WORK-IN-PROGRESS (CWIP)

Capital Work-In-Progress ageing schedule

₹ in Crore (10 Million)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Projects in progress					
March 31, 2023	23.72	1.27	0.06	0.92	25.97
March 31, 2022	26.03	2.40	1.03	-	29.46
Projects temporarily suspended					
March 31, 2023	-	-	-	-	-
March 31, 2022	-	-	-	-	-

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 3. OTHER INTANGIBLE ASSETS

₹ in Crore (10 Million)

Description	Gross Carrying Value					Amortisation					Net Carrying Value	
	April 1, 2022	Additions/ Adjustments	Sales/ Adjustments	Acquisition through Slump Sale	March 31, 2023	April 1, 2022	For the year	On Sales/ Adjustments	Asset Impairment	March 31, 2023	March 31, 2023	March 31, 2022
Computer Software	31.44	2.60	-	-	34.04	13.62	5.17	-	0.01	18.80	15.24	17.82
Design & Prototype	14.79	-	-	-	14.79	-	2.96	-	-	2.96	11.83	14.79
Non Compete Fees	4.50	-	-	-	4.50	-	0.68	-	-	0.68	3.82	4.50
Total	50.73	2.60	-	-	53.33	13.62	8.81	-	0.01	22.44	30.89	37.11
Previous year	28.23	3.07	0.01	19.44	50.73	8.94	4.68	-	-	13.62	37.11	19.29

NOTE 3.1 Intangible Assets Under Development

Intangible Assets Under Development ageing schedule

₹ in Crore (10 Million)

Particulars	Amount in Intangible Assets Under Development for a period of				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Projects in progress					
March 31, 2023	1.40	2.84	-	-	4.24
March 31, 2022	2.66	1.18	-	-	3.84
Projects temporarily suspended					
March 31, 2023	-	-	-	-	-
March 31, 2022	-	-	-	-	-

NOTE 4. NON- CURRENT INVESTMENTS

₹ in Crore (10 Million)

Particulars	Face Value ₹/Share	March 31, 2023		March 31, 2022	
		No of Share	Value	No of Share	Value
Quoted, Equity shares/ INVIT Fund fully paid up					
Investment Carried at Fair Value through OCI					
JK Lakshmi Cement Limited	5/-	191,000	15.11	191,000	9.01
TCPL Packaging Limited	10/-	42,915	6.05	32,187	2.32
Life Insurance Corporation	10/-	4,293	0.23	-	-
IndiGrid InvIt Fund Ltd.	100/-	30,000	0.40	-	-
Powergrid Infrastructure Investment Trust Ltd	100/-	33,045	0.41	-	-
Unquoted, Equity shares fully paid up					
Investments Carried at Cost					
Investment in Equity instruments of Subsidiaries					
Enviro Tech Ventures Limited	10/-	20,432,052	32.68	20,432,052	32.68
Songadh Infrastructure & Housing Limited	10/-	4,950,600	4.95	4,950,600	4.95

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 4 NON-CURRENT INVESTMENTS (Contd.)

₹ in Crore (10 Million)

Particulars	Face Value ₹/Share	March 31, 2023		March 31, 2022	
		No of Share	Value	No of Share	Value
Jaykaypur Infrastructure & Housing Limited	10/-	4,950,600	4.95	4,950,600	4.95
JKPL Packaging Products Limited	10/-	85,000,000	85.00	40,050,000	40.05
JK Paper International (Singapore) Pte. Ltd.	USD 1	3,330,000	22.21	3,330,000	22.21
Advance given for Share application money (JK Paper International(Singapore) Pte Ltd)**		40,000	0.16	-	-
The Sirpur Paper Mills Limited - (Step-down Subsidiary)	10/-	9,000,000	9.00	9,000,000	9.00
Horizon Packs Private Limited	10/-	269,240,895	528.22		-
Securipax Packaging Private Limited	100/-	463,246	58.11		-
Unquoted, Preference shares fully paid up					
Enviro Tech Ventures Limited	100/-	21,100,000	236.90	21,100,000	222.91
The Sirpur Paper Mills Ltd (Step-down Subsidiary)	100000/-	1,000	5.79	1,000	5.44
Equity Component of Preference Share- Enviro Tech Ventures Limited "		-	29.94		29.94
Equity Component of Preference Share-The Sirpur Paper Mills Ltd (Step-down Subsidiary)			5.30		5.30
Deemed Equity Contribution #			-		4.09
Investment in Others					
JK Paper Mills Employees' Co-operative Stores Ltd. (CY Rs 2500/-, PY Rs 2500/-)	10/-	250	0.00	250	0.00
			1,045.41		392.85
Less : Provision for diminution in value of investments*			11.10		11.10
			1,034.31		381.75
Aggregate book value of unquoted investments			1,012.11		370.42
Aggregate market value of quoted investments			22.20		11.33

* Refer note 40 (a)

Fair Value of Letter of Comfort given for The Sirpur Paper Mills Ltd.

** shares allotted and issued after balance sheet date.

NOTE 5. NON CURRENT FINANCIAL ASSETS - LOANS

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
Unsecured considered good unless otherwise specified:-		
Loans to related parties (Subsidiaries)-at amortised cost		
Jaykaypur Infrastructure & Housing Limited	18.20	19.50
Songadh Infrastructure & Housing Limited	6.70	7.00
The Sirpur Paper Mills Limited - (Step-down Subsidiary)	150.00	270.00
Loans to Other (at amortised cost)		
Others	15.00	15.00
TOTAL	189.90	311.50

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 6 NON CURRENT FINANCIAL ASSETS - OTHERS

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
Deposits with Government Authorities	1.68	1.57
Derivative Financial Instruments (at fair value through P&L)	81.80	65.19
Others Deposit	19.44	19.87
Fixed Deposit with Banks (Remaining Maturity more than 12 months)	0.20	1.06
TOTAL	103.12	87.69

NOTE 7 OTHER NON CURRENT ASSETS

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
Capital Advances	3.76	11.80
Deposits with Government Authorities and Others	13.85	15.28
TOTAL	17.61	27.08

NOTE 8 INVENTORIES

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
(at cost or Net realisable value whichever is lower)		
Raw Materials #	407.56	252.20
Work-in-Progress @	35.19	39.32
Finished Goods	149.80	105.10
Stock in Trade #	1.33	1.82
Stores & Spares #	83.69	67.70
Renewable Energy Certificates	0.15	0.05
TOTAL	677.72	466.19

Includes Raw Materials in transit ₹37.45 Crore (Previous year ₹15.91 Crore), Stores & Spares in transit ₹5.95 Crore (Previous year ₹3.83 Crore) and Stock in Trade in transit ₹NIL.(Previous year ₹0.59 Crore)

@ Includes Pulp in process ₹7.58 Crore (Previous year ₹8.13 Crore) and Semi Finished Goods ₹25.4 Crore (Previous year ₹29.83 Crore).

NOTE 9 CURRENT INVESTMENTS

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
Measured at amortised Cost		
Investment in Bonds / Debentures	345.32	8.93
Measured at fair value through P&L(FVTPL)		
Investment in Mutual Fund #	431.43	606.27
# ₹25.33 crore invested in mutual funds as per Escrow agreement pursuant to the Share Purchase and Shareholder's Agreements between JK Paper Limited and Horizon Packs Private Limited (Refer note no.55)		
TOTAL	776.75	615.20

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 9 CURRENT INVESTMENTS (Contd.)

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
Aggregate book value of quoted investments	431.43	606.27
Aggregate book value of unquoted investments	345.32	8.93

NOTE 10 TRADE RECEIVABLES

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
Unsecured		
Considered Good	163.12	217.19
Credit Impaired	2.53	1.34
	165.65	218.53
Less: Allowance for credit impairment	2.53	1.34
TOTAL	163.12	217.19

(Refer note no. 49 (i) for ageing)

NOTE 11 CASH AND CASH EQUIVALENTS

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
Balances with Bank-Current Accounts	24.03	6.86
Cash on Hand	0.29	0.24
TOTAL	24.32	7.10

NOTE 12 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
Other Bank Balances		
Unclaimed Dividend Accounts	0.66	0.55
Fixed Deposit with Banks #	7.56	6.63
TOTAL	8.22	7.18

Includes ₹0.22 Crore (Previous year ₹0.20 Crore) pledged with Government Authorities.

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 13 CURRENT FINANCIAL ASSETS - LOANS

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
Unsecured considered good :-		
Loans to related parties		
Enviro Tech Ventures Limited - (Subsidiary)	-	15.00
JKPL Packaging Products Limited - (Subsidiary)	-	17.25
Securipax Packaging Pvt Ltd(Subsidiary)	28.00	-
Bengal & Assam Co. Limited - (Associate)	15.00	40.00
TOTAL	43.00	72.25

All the above loans and advances have been given for general business purpose (Read with Note no. 39)

NOTE 14 CURRENT FINANCIAL ASSETS - OTHER

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
Unsecured considered good :-		
Advances Recoverable	0.97	1.57
Interest Accrued but not due	11.66	2.45
Advances to Employees	0.77	0.66
Derivative Financial Instruments (at fair value through P&L)	13.46	6.28
TOTAL	26.86	10.96

NOTE 15 CURRENT TAX ASSETS (Net)

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
Advance Income Tax/ Tax deducted at source (Net of Provision)	0.76	-
TOTAL	0.76	-

NOTE 16 OTHER CURRENT ASSETS

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
Advances Recoverable	19.41	24.47
Advances to Suppliers	86.79	87.51
Balance with Government Authorities	246.99	286.87
Other Deposits	11.50	11.53
Prepaid Finance Charges	-	2.49
Other	0.35	0.35
	365.04	413.22
Less : Allowance for Doubtful Advances	0.35	0.35
TOTAL	364.69	412.87

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 17 SHARE CAPITAL

Particulars	₹ in Crore (10 Million)	
	March 31, 2023	March 31, 2022
Authorised :		
Equity Shares - 30,00,00,000 of ₹10 each (Previous Year 30,00,00,000 Equity Share of ₹10 each)	300.00	300.00
Redeemable Preference Shares - 2,00,00,000 of ₹100 each (Previous Year 2,00,00,000 Share of ₹100 each)	200.00	200.00
	500.00	500.00
Issued, Subscribed and Paid-up :		
Equity Shares - 16,94,02,344 (Previous Year 16,94,02,344 Equity Share of Rs 10 each fully paid up)	169.40	169.40
	169.40	169.40

Notes :

(a) Reconciliation of Equity Share Capital (In numbers)

Particulars	₹ in Crore (10 Million)	
	March 31, 2023	March 31, 2022
Shares outstanding at the beginning of the year	16,94,02,344	16,94,02,344
Add : Shares issued during the year	-	-
Less : Shares bought back during the year	-	-
Shares outstanding at the end of the year	16,94,02,344	16,94,02,344

(b) Equity Shares:

The Equity Shareholders have:-

- The right to receive dividend out of balance of net profits remaining after payment of dividend to the preference shareholders. The dividend proposed by Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting.

- The Company has only one class of Equity Shares having face value of ₹10/- each and each shareholder is entitled to one vote per share.

- In the event of winding up, the equity shareholders will be entitled to receive the remaining balance of assets if any, after preferential payments and to have a share in surplus assets of the Company, proportionate to their individual shareholding in the paid up equity capital of the Company.

(c) List of Shareholders holding more than 5% of the Equity Share Capital of the Company (In numbers) :

Particulars	₹ in Crore (10 Million)	
	March 31, 2023	March 31, 2022
Bengal & Assam Company Limited	7,96,27,228	7,96,27,228

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 17 SHARE CAPITAL (Contd.)

(d) Promoter's shareholding

Particulars	₹ in Crore (10 Million)	
	March 31, 2023	March 31, 2022
Promoter Name	Bengal & Assam Company Limited	Bengal & Assam Company Limited
No. of shares at the beginning of the year	79,627,228	79,627,228
Change during the year	-	-
No. of shares at the end of the year	79,627,228	79,627,228
% of Total Shares	47.00%	47.00%
% change during the year	--	--

(e) The Company has not issued any Bonus Share, shares other than Cash in immediately preceding five years from the Balance Sheet date. During the financial year 2020-21 the company has Buy Back 88,41,241 no's of Equity Shares.

NOTE 18 NON CURRENT FINANCIAL LIABILITIES - BORROWINGS

Particulars	₹ in Crore (10 Million)	
	March 31, 2023	March 31, 2022
SECURED		
Term Loan		
From Banks	1,388.12	1,668.86
From Financial Institutions	370.37	284.35
Non Convertible Debentures (NCDs)	407.34	437.89
UNSECURED		
Public Deposits	57.91	56.30
	2,223.74	2,447.40
Less : Current Maturities of Long Term Borrowings	484.36	252.17
TOTAL	1,739.38	2,195.23

NOTE 18.1 NON CURRENT FINANCIAL LIABILITIES - LEASE

Particulars	₹ in Crore (10 Million)	
	March 31, 2023	March 31, 2022
UNSECURED		
Lease Liabilities	64.01	69.44
Less : Current Maturities of Lease Liabilities	9.86	11.86
TOTAL	54.15	57.58

A. Term Loans of ₹37.55 Crore (Fls – ₹Nil, Banks ₹37.55 Crore) and NCD of ₹284.75 Crore are secured by means of first pari passu mortgage/charge on the fixed assets of the company. These Term Loans are/shall be repayable as under:

- 1 Term Loan of ₹37.55 Crore is repayable in 4 quarterly instalments from June 2023 to March 2024.
- 2 NCDs of ₹284.75 Crore is repayable in 11 Half yearly installment from September 2023 to March 2028.

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 18 NON CURRENT FINANCIAL LIABILITIES - BORROWINGS (Contd.)

- B. Term Loans of ₹272.34 Crore (FIs – ₹Nil, Banks ₹272.34 Crore) and NCD of ₹125 Crore is secured by means of first pari passu mortgage/charge on the Property, Plant & Equipment, both present and future, of Unit JKPM of the company. These Term Loans are/shall be repayable as under :-
- 1 Term Loan of ₹22.34 Crore is repayable in 1 half-yearly instalment in August 2023.
 - 2 Term Loan of ₹250 Crore is repayable in total 18 quarterly instalments from June 2023 to September 2027.
 - 3 NCDs of ₹125 Crore is repayable in 13 Half yearly installment from May 2023 to May 2029.
- C. Term Loans of ₹1453.48 Crore (FIs – ₹371.98 Crore, Banks ₹1081.50 Crore) is secured by means of first pari passu mortgage/charge on the fixed assets, both present and future, of Unit CPM of the company. These Term Loans are/shall be repayable as under :-
- 1 Term Loans aggregating to ₹506.38 Crore are repayable in total 105 equal Quarterly-installments from June 2023 to March 2032.
 - 2 Term Loans aggregating to ₹663.10 Crore are repayable in total 30 equal half-yearly instalments from June 2023 to June 2031.
 - 3 Term Loans of ₹284 Crore are repayable in 34 quarterly instalments from June 2023 to September 2031.
- D. Secured Term loans from Financial Institutions and Banks have been reduced by ₹4.88 Crore (FIs – ₹1.61 Crore, Banks Rs 3.27 Crore) and NCDs have been reduced by ₹2.41 Crore due to effective rate of interest.
- E. Secured Term loans from Financial Institutions and Banks include ₹685.43 Crore foreign currency loans. Certain charges are in the process of satisfaction.
- F. Lease Liabilities aggregating to ₹64.01 Crore is repayable in total 493 equal monthly installments from April 2023 to Sep 2041.
- G. Public deposits are due for repayment in 2023-24, 2024-25 & 2025-26.

NOTE 19 NON CURRENT FINANCIAL LIABILITIES - OTHER

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
Trade Deposits	94.97	83.11
Interest Accrued but not due on FDR	1.98	1.98
Derivative Financial Instruments (at fair value through P&L)	2.24	1.36
Financial Obligation Towards Letter of Comfort	-	4.09
Others	0.46	0.13
TOTAL	99.65	90.67

NOTE 20 NON CURRENT PROVISIONS

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
Provision for Employee Benefits (refer note 50)	9.65	11.64
TOTAL	9.65	11.64

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 21 DEFERRED TAX LIABILITIES

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
Tax on difference between book value of depreciable assets as per books of account and written down value as per Income Tax	681.52	578.03
Tax on Others	37.07	29.47
a Total Deferred Tax Liability	718.59	607.50
Opening MAT Credit Entitlements	(98.94)	(126.11)
Current MAT Credit Entitlement	-	-
Utilization of MAT Credit (including reversal of Earlier Years)	79.72	27.18
b Total MAT Credit Entitlement	(19.22)	(98.93)
c Net Deferred Tax Liability (a+b)	699.37	508.57

Based on the past performance and current plans, the Company expects to continue to generate taxable income which will enable it to utilise MAT credit entitlement.

NOTE 22 CURRENT FINANCIAL LIABILITIES - BORROWINGS

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
SECURED		
Working Capital Borrowings from Bank	69.76	94.61
UNSECURED		
Loan from Related Party	-	31.00
Working Capital Borrowings from Bank	30.00	52.67
Public Deposits	5.88	5.96
Current Maturities of Long Term Borrowings	484.36	252.17
TOTAL	590.00	436.41

Working Capital Borrowings are secured by hypothecation of Raw Materials, Finished Goods, Stock-in-Process, Stores & Spares and Book Debts. The same are further secured by a second charge on the movable and immovable assets of the Company.

NOTE 23 CURRENT FINANCIAL LIABILITIES - TRADE PAYABLE

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
Trade Payable		
Total outstanding dues of Micro and Small Enterprises (refer note 48)	10.61	11.31
Total Outstanding dues of Creditors other than Micro and Small Enterprises	569.77	471.37
TOTAL	580.38	482.68

(Refer note no. 49 (ii) for ageing)

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 24 CURRENT FINANCIAL LIABILITIES - OTHER

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
Interest Accrued but not due	12.21	15.00
Unclaimed Dividends #	0.66	0.55
Unclaimed Matured Deposits #	2.44	2.06
Unclaimed Interest on Unclaimed Matured Deposits #	0.28	0.30
Payable to related parties (Subsidiary)		
Jaykaypur Infrastructure & Housing Limited	-	0.42
Derivative Financial Instruments (at fair value through P&L)	1.02	3.28
Capital Creditors @	41.08	10.18
Other Payables	69.23	49.24
TOTAL	126.92	81.03

Investor Education and Protection Fund will be credited as & when due.

@ includes ₹1.47 Crore (PY ₹2.12 Crore) payable to Micro & Small Enterprises.

NOTE 25 OTHER CURRENT LIABILITIES

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
Advance from Customers	24.55	22.44
Statutory Dues	24.89	87.19
Other Payables	55.70	71.09
TOTAL	105.14	180.72

NOTE 26 SHORT TERM PROVISIONS

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
Provision for Employee Benefits	11.99	4.90
TOTAL	11.99	4.90

NOTE 27 CURRENT TAX LIABILITIES

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
Provision for Income Tax (Net of Advance tax)	0.33	10.57
TOTAL	0.33	10.57

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 28 OTHER OPERATING REVENUES

₹ in Crore (10 Million)

Particulars	2022-23	2021-22
Insurance Charges Recovered	1.54	2.05
Excess Provision no longer required written back	7.32	54.94
Miscellaneous Income *	14.88	33.69
TOTAL	23.74	90.68

* Includes Sale of Renewal Engery Certificate (REC) of ₹7.92 Crore (P.Y. ₹28.19 Crore).

NOTE 29 OTHER INCOME

₹ in Crore (10 Million)

Particulars	2022-23	2021-22
Interest Income	61.13	53.61
Dividend Income	0.14	0.10
Profit on sale of Property, plant and equipment	3.16	0.22
Gain on Sale/Fair value of Current investment *	33.10	19.89
Foreign Exchange Fluctuation & Others	0.10	6.21
TOTAL	97.63	80.03

* Includes Fair Valuation Gain of ₹6.97 Crore (P.Y. Loss of ₹2.08 Crore).

NOTE 30 COST OF MATERIALS CONSUMED

₹ in Crore (10 Million)

Particulars	2022-23	2021-22
Hardwood & Bamboo	794.17	577.35
Pulp	802.26	313.94
Chemicals	556.22	359.11
Packing Material	147.33	109.89
Others	17.06	4.20
TOTAL	2,317.04	1,364.49

NOTE 31 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

₹ in Crore (10 Million)

Particulars	2022-23	2021-22
Inventories at the beginning of the year		
Finished Goods	105.10	97.11
Stock In Trade	1.82	1.82
Work-in-Progress	39.32	17.55
Renewable Energy Certificates	0.05	0.12
Stock Carried from Pre-operation period :		
Finished Goods	-	17.41
Stock-in-Process	-	16.37

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 31 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

(Contd.)

₹ in Crore (10 Million)

Particulars	2022-23	2021-22
Stock taken over through Slump Sale:		
Finished Goods	-	0.42
Stock-in-Process	-	1.28
	146.29	152.08
Inventories at the end of the year		
Finished Goods	149.80	105.10
Stock In Trade	1.33	1.82
Work-in-Progress	35.19	39.32
Renewable Energy Certificates	0.15	0.05
	186.47	146.29
(Increase)/ Decrease in Stock	TOTAL (40.18)	5.79

NOTE 32 EMPLOYEE BENEFIT EXPENSES

₹ in Crore (10 Million)

Particulars	2022-23	2021-22
Salaries, Wages, Allowances, etc.	386.01	305.28
Contribution to Provident and Other Funds	15.26	14.77
Staff Welfare Expenses	4.62	3.71
	TOTAL 405.89	323.76

NOTE 33 FINANCE COST

₹ in Crore (10 Million)

Particulars	2022-23	2021-22
Interest on:		
Term Loan and Fixed Deposits	128.35	84.87
Others	11.77	13.47
Other Borrowing Costs:		
Financial Charges	6.01	3.46
Premium on Forward Exchange Contracts	2.11	0.35
Interest on Lease Liabilities	6.03	3.64
Net (Gain) or Loss on Foreign Currency Transaction	34.18	(13.14)
	TOTAL 188.45	92.65

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 34 DEPRECIATION AND AMORTISATION EXPENSES

₹ in Crore (10 Million)

Particulars	2022-23	2021-22
Depreciation on Property Plant & Equipment	228.03	164.36
Amortisation of Other Intangible Assets	8.81	4.68
TOTAL	236.84	169.04

NOTE 35 OTHER EXPENSES

₹ in Crore (10 Million)

Particulars	2022-23	2021-22
Consumption of Stores and Spares	74.75	54.34
Power, Fuel and Water	546.18	391.42
Repairs to Building	6.35	2.97
Repairs to Machinery	52.32	35.52
Rent (Net)	27.64	25.38
Insurance	10.55	8.69
Rates and Taxes	1.34	1.26
Commission on Sales	2.67	2.70
Directors' Fees	0.46	0.38
Directors' Commission	4.55	3.53
Freight, Clearing and Forwarding Charges	48.47	89.65
Loss on Foreign Exchange Fluctuation	1.13	-
Asset Written off	3.12	0.45
Provision for diminution in value of Non Current Investments*	-	11.10
Bad Debts	0.27	-
Provision for Doubtful Debts	1.19	-
Other Miscellaneous Expenses	98.26	92.87
TOTAL	879.25	720.26

*Refer note 40 (a)

NOTE 36 CONTINGENT LIABILITIES & COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

₹ in Crore (10 Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Contingent Liabilities:		
a) Claim against the company not acknowledged as debts #		
Excise duty/ Custom duty/Service tax/GST liability in respect of matter in appeals	12.95	18.34
Sales tax/ VAT/Octroi liability in respect of matter in appeals	1.28	1.96
Other matters	8.83	8.94

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 36 CONTINGENT LIABILITIES & COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR) (Contd.)

₹ in Crore (10 Million)

Particulars	Year ended	
	March 31, 2023	March 31, 2022
b) Commitments:		
Contracts remaining to be executed on capital account (Net of Advances)	72.51	50.71
Export commitments against import of capital goods under EPCG scheme	-	382.13

In respect of certain disallowances and additions made by the income tax authorities, appeals are pending before the appellate authorities and adjustments, if any, will be made after the same are finally determined.

37 In respect of levy of Octroi demand pertaining to Unit - CPM by Songadh Group Gram Panchayat, the Company has paid ₹1.25 Crore till 31st March 1997 under protest and also created a liability of the similar amount. As the matter is still pending in the court of law, the necessary adjustment, if any, would be made on final disposal.

NOTE 38 EXPENDITURE INCURRED ON CORPORATE SOCIAL RESPONSIBILITIES

Details of expenditure on Corporate Social Responsibility Activities as per Section 135 of Companies Act, 2013 read with Schedule III are as below

₹ in Crore (10 Million)

Particulars	Year ended	
	March 31, 2023	March 31, 2022
1. Gross amount required to be spent by the Company during the year	12.52	12.01
2. Amount spent during the year		
Promotion of Education	4.61	1.23
Health Care	0.46	0.46
Others	9.19	9.79
Total	14.26*	11.49
Total Previous year's shortfall	1.57	1.05
Shortfall/(Excess) at the end of the year	(0.17)	1.57

*This amount includes CSR expense of ₹1.57 Crore of previous year.

Nature of CSR activities:

Conservation of natural resources, Promotion of Education, Health care, rural development and livelihood interventions, Disaster relief, Digital Literacy amongst others.

NOTE 39

i Disclosure of loan and advances as per regulation 34(3) and 53(f) read with Schedule V of SEBI (LODR) regulation of listing regulation with Stock Exchanges:

₹ in Crore (10 Million)

Name of the Company	Balance as at		Maximum outstanding during	
	March 31, 2023	March 31, 2022	2022-23	2021-22
a) Loans and advances in the nature of loans given to subsidiaries and Associates of				
Enviro Tech Ventures Limited	-	15.00	15.00	15.00

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 39. (Contd.)

₹ in Crore (10 Million)

Name of the Company	Balance as at		Maximum outstanding during	
	March 31, 2023	March 31, 2022	2022-23	2021-22
Jaykaypur Infrastructure & Housing Limited	18.20	19.50	19.50	27.50
Songadh Infrastructure & Housing Limited	6.70	7.00	7.00	8.00
JKPL Packaging Products Limited	-	17.25	21.25	17.25
The Sirpur Paper Mills Limited (Step-down Subsidiary)	150.00	270.00	270.00	296.50
Bengal & Assam Co. Limited (Associates of)	15.00	40.00	40.00	90.00
Securipax Packaging Private Limited	28.00	-	28.00	-
ii Loans given to JK Lakshmiapat University	15.00	15.00	15.00	15.00

iii Details of loans given, investments made and guarantee given covered U/s 186(4) of the Companies Act 2013

The company has given loan to Subsidiaries amounting to ₹34.50 Crore (Previous year ₹45.75 Crore) and other parties amounting to ₹NIL (Previous year ₹15 Crore) mentioned above for general business purpose.

NOTE 40

- The Company had invested ₹26.72 Crores in a Jointly Controlled Entity (JCE) which has plantation operations in Myanmar through its subsidiary in Singapore. Operations at JCE has been impacted due to economic disruptions and Banking restrictions in Myanmar. Plantation / biological assets are in satisfactory condition. However considering the facts stated above, as a matter of prudence the Company has made provision of ₹11.10 Crores against its investment in subsidiary of ₹22.37 Crores.
- Sales include export incentives of ₹10.38 Crore (Previous year ₹10.44 Crore).
- Interest Income includes ₹0.44 Crore (Previous year Rs 2.10 Crore) on Deposits with Banks and ₹60.69 Crore (Previous year ₹51.51 Crore) on others.
- Scrap sale of ₹25.42 Crore (Previous year ₹14.85 Crore) has been netted off from Consumption of Stores and Spares.
- The Board of Directors has recommended a final Dividend of ₹4/- per share (40%), on the Equity Share Capital for the financial year ended 31st March, 2023. This is in addition to Interim Dividend of ₹4/- (40%) per Equity Share declared and paid by the Board of Directors during the said financial year.

NOTE 41 A. LEASES

The Company has adopted Ind AS 116 "Leases" effective 1st April ,2019 as notified by the Ministry of Corporate Affairs (MCA) and applied the Standard to its leases using the simplified approach. This has resulted in recognising right – of – use assets and corresponding lease liabilities.

- The following is the break-up of current and non-current lease liabilities as at March 31, 2023 and March 31, 2022:

₹ in Crore (10 Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Current lease liabilities	9.86	11.86
Non-current lease liabilities	54.15	57.58
Total	64.01	69.44

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 41 A. LEASES (Contd.)

- 2 The following is the movement in lease liabilities during the year ended March 31, 2023 and March 31, 2022:

₹ in Crore (10 Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning	69.44	20.84
Addition during the year	6.87	61.26
Finance cost accrued during the period	6.03	3.64
Payment of lease liabilities	(18.33)	(16.30)
Balance at the end	64.01	69.44

- 3 The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2023 and March 31, 2022 on an undiscounted basis:

₹ in Crore (10 Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Not later than one year	14.90	17.40
Later than one year and not later than five years	45.59	46.49
Later than five years	28.15	33.24

B. Ind AS 115 Disclosure

- i) Contract Balances

₹ in Crore (10 Million)

Particulars	2022-23	2021-22
Trade Receivables	163.12	217.19
Contract Liabilities	24.55	22.44

- ii) Reconciling the amount of revenue recognised in the Statement of Profit and Loss with the Contracted Prices

₹ in Crore (10 Million)

Particulars	2022-23	2021-22
Revenue as per contracted prices	6543.68	4,165.76
Adjustments:		
Less : Discounts	335.36	275.77
Revenue from contract with customers	6,208.32	3,889.99

- iii) Revenue recognised that was included in the contract liability balance at the beginning of the period

₹ in Crore (10 Million)

Particulars	2022-23	2021-22
Sale of goods	22.44	10.04

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 42 EXPENDITURE ON RESEARCH AND DEVELOPMENT (R&D) ACTIVITIES

₹ in Crore (10 Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
a) Revenue Expenditure *		
Employee Cost	5.03	4.36
Cost of Materials	0.34	0.54
Other Expenses	1.15	1.14
Sub Total	6.52	6.04
b) Capital Expenditure	3.01	0.63
Total (a+b)	9.53	6.67

* Included in respective revenue accounts.

NOTE 43 OTHER DISCLOSURE REQUIRED BY STATUTE

₹ in Crore (10 Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Auditors Remuneration(Excluding applicable Taxes)		
1. Statutory Auditors		
i. Audit Fee	0.21	0.20
ii. Tax Audit Fee	0.03	0.03
iii. Certification/other Services	0.04	0.07
iv. Out of Pocket Expenses	0.01	0.01
Total	0.29	0.31
2. Cost Auditors		
i. Audit Fee	0.01	0.01
ii. Out of Pocket Expenses	-	-
Total	0.01	0.01

NOTE 44 EXPENSES INCLUDED UNDER OTHER HEADS OF ACCOUNT

₹ in Crore (10 Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries, Wages and Allowances etc.	10.35	8.83
Contribution to Provident and Other Funds	0.55	0.48
Employees' Welfare and Other benefits	0.46	0.33
Consumption of Stores and Spares	1.03	0.90
Rent	0.09	0.06
Insurance	0.06	0.05
Rates and Taxes (CY ₹26,583/- , PY ₹25,000/-)	0.00	0.00
Miscellaneous Expenses/Receipts	(1.89)	(2.83)
	10.65	7.82

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 45 Capital Work in progress includes following pre-operative (including Trial Run) expenses pending allocation / capitalization :

₹ in Crore (10 Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Cost of Raw Material	-	126.22
Consumption of Chemical, Stores Spares & Packing	-	22.26
Power, Fuel and Water	-	14.70
Salaries & Wages	-	10.96
Consultancy	-	4.18
Insurance	-	0.60
Travelling, Fee for Technical Services and Other Miscellaneous Expenses	-	6.57
Interest on Loans	-	66.33
Interest Expense - Lease Liability	-	0.29
Depreciation on Lease Asset	-	0.20
Foreign Exchange Fluctuation (Net)	-	(19.18)
Income on Deployment of Funds - Fixed Deposit	-	-
- Mutual Funds	-	-
Total	-	233.13
Less : Net Sales		131.57
Finished Stock		17.41
Stock in Process		16.37
Total Expenses		67.78
Add: Expenditure up to previous year		73.33
Less : Allocated to Fixed Assets		141.11
Balance carried over	-	-

NOTE 46

The exceptional items during the year represents impairment charges ₹22.56 crore in respect of property, plant and equipment at unit CPM. As required by Ind AS 36, an assessment of impairment of assets was carried out and based on such assessment, the Company has accounted impairment losses ₹22.56 crore during the year.

NOTE 47 EARNING PER SHARE

₹ in Crore (10 Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
a) Profit after tax	885.33	511.09
b) Weighted Average Number of Ordinary Shares	169,402,344	169,402,344
c) Nominal Value of Ordinary Shares	₹10/-	₹10/-
d) Earning Per Ordinary Share (₹)		
Basic	52.26	30.17
Diluted	52.26	30.17

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 48 THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT (MSMED) ACT, 2006

Based on the information available, there are certain vendors who have confirmed that they are covered under the Micro, Small and Medium Enterprises Development Act, 2006. Disclosures relating to dues of Micro and Small enterprises under section 22 of The Micro, Small and Medium Enterprises Development Act, 2006, are given below:

₹ in Crore (10 Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
a) Principal amount and Interest due thereon remaining unpaid to any supplier as on	NIL	NIL
b) Interest paid by the Company in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year.	NIL	NIL
c) the amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	NIL	NIL
d) the amount of interest accrued and remaining unpaid	NIL	NIL
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	NIL	NIL

NOTE 49

(i) Trade Receivables ageing schedule as on March 31, 2023 and March 31, 2022 is as follows:

₹ in Crore (10 Million)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good							
March 31, 2023	104.67	54.03	3.69	0.66	0.79	0.00	163.84
March 31, 2022	150.09	59.95	0.23	6.13	-	0.01	216.41
(ii) Undisputed Trade Receivables – considered doubtful							
March 31, 2023	-	-	-	-	0.01	0.43	0.44
March 31, 2022	-	-	-	-	0.06	0.46	0.52
(iii) Disputed Trade Receivables considered good							
March 31, 2023	-	-	(0.00)	0.74	0.13	0.50	1.37
March 31, 2022	-	0.05	0.70	0.13	0.12	0.60	1.60
(iv) Disputed Trade Receivables considered doubtful							
March 31, 2023	-	-	-	-	-	-	-
March 31, 2022	-	-	-	-	-	-	-

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 49 (Contd.)

₹ in Crore (10 Million)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	
(v) Less: Allowance for credit impairment							
March 31, 2023	-	-	-	-	-	-	2.53
March 31, 2022	-	-	-	-	-	-	1.34
(vi) Total							
March 31, 2023							163.12
March 31, 2022							217.19

(ii) Trade payables ageing schedule as on March 31, 2023 and March 31, 2022 is as follows:

₹ in Crore (10 Million)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 Years	2-3 years	More than 3 years	
(i) MSME						
March 31, 2023		10.61	-	-	-	10.61
March 31, 2022		11.31	-	-	-	11.31
(ii) Others						
March 31, 2023	5.26	490.50	21.89	17.94	34.18	569.77
March 31, 2022	187.55	134.50	78.45	67.93	2.94	471.37
(iii) Disputed dues – MSME						
March 31, 2023		-	-	-	-	-
March 31, 2022		-	-	-	-	-
(iv) Disputed dues - Others						
March 31, 2023		-	-	-	-	-
March 31, 2022		-	-	-	-	-

(iii) Other Information in terms of the amendment in Schedule III of the Companies Act vide notification G.S.R. 207(E) dated 24th March 2021.

a) Relationship With Struck Off Companies

Details of struck off companies with whom the Company has transaction during the year or outstanding balance:

₹ in Crore (10 Million)

Name of the Company	Nature of transactions with struck-off Company	Relationship with the struck off company	As at March 31, 2023	As at March 31, 2022
Springfield Forestry Private Limited	Payable	Vendor	-	0.05

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 49 (Contd.)

- b) The Company does not have any benami property, and no proceeding has been initiated or pending against the Company for holding any benami property.
- c) The Company have not traded or invested in crypto currency or virtual currency during the financial year.
- d) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
 - Provide any Guarantee, Security, or the like to or on behalf of the Ultimate Beneficiaries.
- e) The Company have not received any fund from any Person(s) or Entity(ies), including Foreign Entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
 - Provide any Guarantee, Security, or the like on behalf of the ultimate beneficiaries.
- f) The Company has filed quarterly returns or statements with the banks in lieu of the sanctioned working capital facilities, which are in agreement with the books of account other than those as set out below.

₹ In Crore (10 million)

Name of the Bank	Aggregate working capital limits sanctioned	Quarter ended	Amount disclosed as per quarterly return/ statement	Amount as per books of account	Difference	Reason for variance*
State Bank of India and consortium of Banks #	250.00	June 30,2022	162.93	573.32	410.39	For Bank's quarterly reporting, only creditors for goods being considered as Trade Payables.
	250.00	September 30,2022	137.37	539.58	402.21	
	250.00	December 31, 2022	213.08	668.96	455.88	
	250.00	March 31, 2023	154.46	580.38	425.92	

* The above differences represents balance of creditors as at each reporting date.

Working Capital Borrowings are secured by hypothecation of Raw Materials, Finished Goods, Stock-in-Process, Stores & Spares and Book Debts.

- g) The Company has no such transaction which is not recorded in the Books of Accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- h) The Company have not been declared willful defaulter by any Banks or any other Financial Institution at any time during the financial year.

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 50 EMPLOYEE BENEFITS

The Company participates in defined contribution and benefit schemes, the assets of which are held (where funded) in separately administered funds. For defined contribution schemes the amount charged to the statements of profit or loss is the total of contributions payable in the year.

a) Defined Contribution Plans:-

Amount recognized as an expense and included in Note 32 Item "Contribution to Provident and Other Funds ₹0.70 Crore (Previous year ₹0.91 Crore) for Superannuation Fund.

b) Other long-term benefits

Amount recognized as an expense and included in Note 32 Item "Salaries, Wages, Allowances etc. ₹4.57 Crore (Previous year ₹1.38 Crore) for long term compensated Absences.

c) Defined benefits plans

(i) Amount recognized as an expense and included in Note 32 & Note 44 "Contribution to Provident and Other Funds" ₹10.74 Crore (Previous year ₹11.20 Crore) for Provident and other fund.

(ii) Gratuity Expense ₹3.82 Crore (Previous year ₹2.66 Crore) has been recognized in "Contribution to Provident and Other Funds" under Note 32. as per Actuarial Valuation

Particulars	₹ in Crore (10 Million)	
	March 31, 2023	March 31, 2022
	Gratuity Funded	Gratuity Funded
I Change in present value of obligation during the year		
Present value of obligation at the beginning of the year	50.90	47.51
Included in statement of profit and loss:		
- Current Service Cost	3.06	2.63
- Interest Cost	3.71	3.28
- Past Service Cost	0.38	-
- Actuarial Gain/(Loss)	-	-
Included in OCI:		
Actuarial losses/(gains) arising from:		
- Experience adjustments	3.27	2.02
- Financial assumption		(1.59)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions		(0.06)
Others		
Benefits Paid	(5.39)	(4.57)
Impact of Slump Sale		1.68
Present Value of obligation as at year-end	55.93	50.90
II Change in Fair Value of Plan Assets during the year		
Plan assets at the beginning of the year	45.68	47.05
Included in statement of profit and loss:		
Expected return on plan assets	3.33	3.25
Included in OCI:		
Actuarial Gain/(Loss) on plan assets	(1.56)	(0.50)

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 50 EMPLOYEE BENEFITS (Contd.)

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
	Gratuity	Gratuity
	Funded	Funded
Others:		
Employer's contribution	3.54	0.45
Benefits paid	(4.89)	(4.57)
Plan assets at the end of the year	46.10	45.68
The plan assets are managed by the Gratuity Trust formed by the Company.		
III Reconciliation of Present value of Defined Benefit Obligation and Fair Value of Plan Assets		
1 Present Value of obligation as at year-end	(55.93)	(50.90)
2 Fair value of plan assets at year -end	46.10	45.68
3 Funded status {Surplus/(Deficit)}	(9.83)	(5.22)
Net Asset/(Liability)	(9.83)	(5.22)
IV Expenses recognised in the Statement of Profit and Loss		
1 Current Service Cost	3.06	2.63
2 Interest Cost	3.71	3.28
3 Past service Cost	0.38	-
4 Expected return on plan assets	(3.33)	(3.25)
Total Expense	3.82	2.66
V Expenses recognised in the Statement of Other Comprehensive Income		
1 Net Actuarial (Gain)/Loss	3.27	0.37
2 Expected return on plan assets excluding interest income	1.56	0.50
Total Expense	4.83	0.87
VI Constitution of Plan Assets		
1 Equity Instruments	-	-
2 Debt Instruments	-	-
3 Property	-	-
4 Insurance	46.10	45.68
VII Bifurcation of PBO at the end of the year		
1 Current Liability	8.58	3.69
2 Non-Current Liability	1.25	1.53
VIII Actuarial Assumptions		
1 Discount Rate	7.29%	7.29%
2 Expected rate of return on plan assets	7.29%	7.29%
3 Mortality Table	IALM (2012-14)	IALM (2012-14)
4 Salary Escalation	5.00%	5.00%
5 Turnover Rate	Age up to 30-3%, up to 44-2%, above 44-1%	Age up to 30-3%, up to 44-2%, above 44-1%

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 50 EMPLOYEE BENEFITS (Contd.)

IX The expected contribution for Defined Benefit Plan for the next financial year will be ₹8.58 Crore

X Experience Adjustment:

₹ in Crore (10 Million)

Gratuity	2022-23	2021-22	2020-21	2019-20	2018-19
Present Value of obligation	55.93	50.90	47.51	45.32	39.79
Fair value of Plan assets	46.10	45.68	47.05	40.42	35.64
Net Asset/(Liability)	(9.83)	(5.22)	(0.45)	(4.89)	(4.14)
Actuarial (Gain)/Loss on plan obligation	3.27	2.02	(1.03)	(2.16)	2.05
Actuarial Gain/(Loss) on plan assets	(1.56)	(0.50)	1.48	(2.27)	0.30

XI Sensitivity Analysis

₹ in Crore (10 Million)

Gratuity	March 31, 2023		March 31, 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(3.18)	3.65	(3.72)	4.25
Future salary growth (1% movement)	3.67	(3.25)	4.28	(3.81)
Employee turnover (1% movement)	0.68	(0.76)	0.68	(0.76)

XII Maturity Profile of projected benefit obligation: from the fund

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
	Gratuity	Gratuity
	Funded	Funded
1 st Following Year	15.96	3.13
2 nd Following Year	2.30	2.16
3 rd Following Year	3.79	3.74
4 th Following Year	3.63	3.33
5 th Following Year	3.90	3.64
Sum of Years 6 To 10	23.04	23.26
Sum of Years 11 and above	52.45	62.33

NOTE 51 RELATED PARTY DISCLOSURES

a) List of Related Parties

i. Subsidiaries (Wholly Owned)

Songadh Infrastructure & Housing Limited (SIHL)
 Jaykaypur Infrastructure & Housing Limited (JIHL)
 JKPL Packaging Products Limited (JKPPL)
 JK Paper International (Singapore) Pte Ltd. {JKPI (S) PL}

ii. Subsidiary

Enviro Tech Ventures Limited (ETVL)
 Horizon Packs Private Limited (HPPL) (w.e.f 12.12.2022)
 Securipax Packg Private Limited (SPPL) (w.e.f 12.12.2022)

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 51 RELATED PARTY DISCLOSURES (Contd.)

iii. Step-down Subsidiary

The Sirpur Paper Mills Limited

iv. Joint Venture

Habras MZZ Plantation Myanmar Company Limited

v. Enterprise which holds more than 20% of Equity Share

Bengal & Assam Company Limited (BACL)

vi. Trust under common control

JK Paper Ltd (JK Paper Mills) Compulsory Employees Provident Fund

JK Paper Ltd Employees Gratuity Fund

JK Paper Ltd Officers Superannuation Scheme

vii. Key Management Personnel (KMP)

Executive Directors

Shri Harsh Pati Singhania, Vice Chairman & Managing Director

Shri Amar Singh Mehta, President and Director

Executives

Shri V. Kumaraswamy, Chief Finance Officer (till 13.05.2022)

Shri KR. Veerappan (Chief Finance Officer)(w.e.f. 14.05.2022)

Shri Deepak Gupta (Company Secretary)

Non-Executive Directors

Shri Bharat Hari Singhania, Chairman

Shri Arun Bharat Ram (till 22.08.2022)

Shri Dharendra Kumar

Shri M.H.Dalmia (till 22.08.2022)

Shri R.V.Kanoria

Shri Sandip Somany

Shri Shailendra Swarup

Smt. Vinita Singhania

Smt. Deepa Gopalan Wadhwa

Shri Sushil Kumar Roongta

Shri Harshavardhan Neotia (w.e.f 29.07.2022)

Shri Anoop Seth (w.e.f 27.09.2022)

viii. Relative of Key Management Personnel (KMP)

Sh.Chaitanya Hari Singhania(w.e.f 07.09.2022)

b) The following transaction were carried out with related parties in the ordinary course of business and on arm's length basis

₹ in Crore (10 Million)

Sl. No	Nature of Transactions	Subsidiaries (Wholly Owned)								Subsidiary	
		JIHL		SIHL		JKPPL		JKPI (S) PL		ETVL	
		2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
(i)	Rent Paid (with GST)	10.35	9.29	4.67	3.91	-	-	-	-	-	-
(ii)	Interest Received	1.45	2.20	0.53	0.66	0.09	0.15	-	-	0.25	0.96
(iii)	Loans Given	-	-	-	-	6.50	18.25	-	-	-	12.00
(iv)	Loan Instalment Received	1.30	8.00	0.30	1.00	23.75	1.00	-	-	15.00	7.00
(v)	Investment in Equity share	-	-	-	-	44.95	40.05	0.17	-	-	-
(vii)	Purchase of Goods	-	-	-	-	-	-	-	-	12.87	8.41
(viii)	Reimbursement of Expenses – Received	-	-	-	-	0.45	-	-	-	-	-
(ix)	Security Deposit Given	-	4.73	-	1.15	-	-	-	-	-	-
(x)	Outstanding at end of the period - Receivable	25.05	25.83	9.61	9.91	-	17.25	-	-	209.56	195.00

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 51 RELATED PARTY DISCLOSURES (Contd.)

₹ in Crore (10 Million)

Sl.No	Nature of Transactions	Step-down Subsidiary		Subsidiary		Subsidiary	
		The Sirpur Paper Mills Ltd		Horizon Packs Private Limited		Securipax Packg Private Limited	
		2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
(i)	Reimbursement of Expenses – Received (Current year ₹33,674/-)	0.00	0.01	-	-	-	-
(ii)	Interest Received	18.81	23.43	-	-	0.17	-
(iii)	Sale of Material including Pulp	31.14	15.43	-	-	-	-
(iv)	Sale of Capital Equipment's	0.05	0.14	-	-	-	-
(v)	Loans Given	-	15.50	-	-	28.00	-
(vi)	Loan Instalment Received	120.00	26.50	-	-	-	-
(vii)	Purchase of Goods	931.39	593.12	-	-	-	-
(viii)	Lease of Godown and Maintenance Charges	0.41	0.40	-	-	-	-
(ix)	Reimbursement of Expenses – Paid (Previous year ₹18,066/-)	-	0.00	-	-	-	-
(x)	Outstanding at end of the period - Receivable	150.09	313.69	-	-	28.17	-

₹ in Crore (10 Million)

Sl. No	Nature of Transactions	Enterprise which holds more than 20% of Equity Share	
		BACL	
		2022-23	2021-22
(i)	Rent Paid	0.08	0.07
(ii)	Sharing of Expenses	0.03	0.07
(iii)	Loan received back	25.00	-
(iv)	Interest Received	2.92	6.79
(v)	Outstanding at end of the period - Receivable	15.00	40.07

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 51 RELATED PARTY DISCLOSURES (Contd.)

₹ in Crore (10 Million)

Sl. No	Nature of Transactions	Trust Under Common Control					
		Employees Provident Fund		Employees Gratuity Fund		Officers Superannuation Scheme	
		2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
(i)	Contribution	5.47	4.31	3.84	2.72	0.70	0.91
(ii)	Outstanding at end of the period- Payable	1.08	0.37	0.64	0.72	1.00	0.93

Key Management Personnel (KMP) :

₹ in Crore (10 Million)

Particulars	2022-23	2021-22
(i) Short-term Employee Benefits #	52.10	37.84
(ii) Commission and other benefits to Non-Executive Directors *	5.01	3.91

The above said remuneration is excluding provision for Gratuity & Leave Encashment, where the actuarial valuation is done on overall Company basis.

* Including sitting fees and commission

Relative of Key Management Personnel (KMP) :

₹ in Crore (10 Million)

Particulars	2022-23	2021-22
(i) Short-term Employee Benefits #	0.40	-

The above said remuneration is excluding provision for Gratuity & Leave Encashment, where the actuarial valuation is done on overall Company basis.

NOTE 52 FINANCIAL INSTRUMENTS

Financial Assets

₹ in Crore (10 Million)

Sl.No	Particulars	Note	Fair value hierarchy	As at March 31, 2023		As at March 31, 2022	
				Carrying Amount	Fair Value	Carrying Amount	Fair Value
				1	Financial assets designated at fair value through profit and loss		
a)	Derivatives - not designated as hedging instruments	A	Level-2	95.26	95.26	71.47	71.47
b)	Investments :						
(i)	Deemed Equity Contribution Towards Letter of Comfort		Level-3	-	-	4.09	4.09
(ii)	In mutual funds and others	B	Level-1	776.75	776.75	615.20	615.20
2	Financial assets designated at fair value through other comprehensive income						
	Investment In Equity shares	C	Level-1	22.20	22.20	11.33	11.33

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 52 FINANCIAL INSTRUMENTS (Contd.)

₹ in Crore (10 Million)

Sl.No	Particulars	Note	Fair value hierarchy	As at March 31, 2023		As at March 31, 2022	
				Carrying	Fair	Carrying	Fair
				Amount	Value	Amount	Value
3	Financial assets designated at amortised cost						
a)	Other Bank Balances *			8.22	8.22	7.18	7.18
b)	Cash & Cash Equivalents *			24.32	24.32	7.10	7.10
c)	Trade receivables *			163.12	163.12	217.19	217.19
d)	Other receivables			232.90	232.90	383.75	383.75
e)	Other financial assets			34.72	34.72	27.18	27.18
4	Investment in subsidiary companies and joint venture	D		1,012.11	1,012.11	366.33	366.33
				2,369.60	2,369.60	1,710.82	1,710.82

Financial Liabilities

₹ in Crore (10 Million)

Sl.No	Particulars	Note	Fair value hierarchy	As at March 31, 2023		As at March 31, 2022	
				Carrying	Fair	Carrying	Fair
				Amount	Value	Amount	Value
1	Financial liability designated at fair value through profit and loss						
a)	Derivatives - not designated as hedging instruments	A	Level-2	3.26	3.26	4.64	4.64
2	Financial liability designated at amortised cost						
a)	Borrowings	E		2393.39	2,393.39	2701.08	2,701.08
b)	Trade payables *			580.38	580.38	482.68	482.68
c)	Other financial liability			223.31	223.31	162.97	162.97
d)	Financial Obligation Towards Letter of Comfort		Level-3	-	-	4.09	4.09
				3,200.34	3,200.34	3,355.46	3,355.46

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values.

- A The fair values of derivatives are on MTM as per Bank
- B Company has opted to fair value its mutual fund investment through statement of profit & loss
- C Company has opted to fair value its quoted investments in equity share through OCI
- D As per Para D-15 of Appendix D of Ind AS 101, the first time adopter may chose to measure its investment in subsidiaries, JVs and Associates at cost or at fair value. Company has opted to value its investments in subsidiaries, JVs and Associates at cost.
- E Company has adopted effective rate of interest for calculating Interest. This has been calculated as the weighted average of effective interest rates calculated for each loan. In addition processing fees and transaction cost relating to each loan has also been considered for calculating effective interest rate.

*The carrying amounts are considered to be the same as their fair values due to short term nature.

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 52 FINANCIAL INSTRUMENTS (Contd.)

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

NOTE 53 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

53.1 Financial risk factors

The Company's operational activities expose to various financial risks i.e. market risk, credit risk and risk of liquidity. The Company realizes that risks are inherent and integral aspect of any business. The primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange risk & interest rate risk. The Company calculates and compares the alternative sources of funding by including cost of currency cover also. Whenever, the currency cover costs are such as to neutralize the advantage in foreign currency, loans are hedged so as to not to lose advantage. The Company uses derivative financial instruments to reduce foreign exchange risk exposures.

i. Credit Risk

The Company evaluates the customer credentials carefully from trade sources before appointment of any distributor and only financially sound parties are appointed as distributors. The Company secures adequate deposits from its distributor and hence risk of bad debt is limited. The credit outstanding is sought to be limited to the sum of advances/deposits and credit limit determined by the company. The company has stop supply mechanism in place in case outstanding goes beyond agreed limits.

ii. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to fluctuation in market prices. These comprise three types of risk i.e. currency rate, interest rate and other price related risks. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Regular interaction with bankers, intermediaries and the market participants help us to mitigate such risk.

a.) Foreign Currency Risk and sensitivity

The primary market risk to the Company is foreign exchange risk. The Company uses derivative financial instruments to reduce foreign exchange risk exposures and follows its risk management policies to mitigate the same. After taking cognisance of the natural hedge, the company takes appropriate hedges to mitigate its risk resulting from fluctuations in foreign currency exchange rate(s).

The following table analyzes foreign currency risk from financial instruments as of March 31, 2023:

₹ in Crore (10 Million)

Particulars	USD	Euro	AED	SEK/Other curr	Total
Financial Assets					
Trade receivables	71.20	1.61	1.29	-	74.10
Financial liabilities					
Trade payables	(99.97)	(6.12)	-	-	(106.09)
Other financials liabilities					-
Borrowings	-	(685.43)	-	-	(685.43)
Interest Accrued but not due	-	(4.56)	-	-	(4.56)
Net assets / (liabilities)	(28.77)	(694.50)	1.29	-	(721.98)

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 53 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

The following table analyzes foreign currency risk from financial instruments as of March 31, 2022:

₹ in Crore (10 Million)

Particulars	USD	Euro	AED	SEK/ Other curr	Total
Financial Assets					
Cash and cash equivalents	-	-	-	-	-
Trade receivables	96.64	2.53	-	-	99.17
Financial liabilities					
Trade payables	(40.50)	(7.18)	-	-	(47.68)
Other financials liabilities					-
Borrowings	(161.38)	(871.94)	-	-	(1,033.32)
Interest Accrued but not due	(0.26)	(3.05)	-	-	(3.31)
Net assets / (liabilities)	(105.50)	(879.64)	-	-	(985.14)

The following significant exchange rates have been applied during the year.

₹ in Crore (10 Million)

INR	Year-end spot rate	
	March 31, 2023	March 31, 2022
USD	82.22	75.81
EUR	89.61	84.66
GBP	101.87	99.55
AED	22.38	-

Foreign Currency Sensitivity

Sensitivity analysis is computed based on the changes in the income and expenses in foreign currency upon conversion into functional currency, due to exchange rate fluctuations between the previous reporting period and the current reporting period.

0.25% Increase and decrease in foreign exchanges rates will have the following impact on profit before tax

₹ in Crore (10 Million)

Particulars	2022-23		2021-22	
	0.25% Increase	0.25% decrease	0.25% Increase	0.25% decrease
USD Sensitivity	0.10	(0.10)	0.10	(0.10)
Euro Sensitivity	(0.14)	0.14	(0.60)	0.60
AED Sensitivity (CY ₹32,350/-)	0.00	(0.00)	-	-
SEK Sensitivity	-	-	-	-
CNY Sensitivity	-	-	-	-
Increases/ (decrease) in profit or loss	(0.04)	0.04	(0.50)	0.50

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 53 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

Summary of Exchange difference accounted in Statement of Profit and loss:

₹ in Crore (10 Million)

Particulars	Year ended	Year ended
	March 31, 2023	March 31, 2022
Currency fluctuations		
Net foreign exchange (gain)/ losses shown as operating expenses	1.13	-
Net foreign exchange (gain)/ losses shown as Finance Cost	27.87	11.24
Net foreign exchange (gain)/ losses shown as Other Income	(0.10)	(6.21)
Derivatives		
Currency forwards (gain) / losses shown as operating expenses	-	-
Interest rate swaps (gain) / losses shown as finance cost	6.31	(24.38)
Net foreign exchange (gain)/ losses shown as Other Income	-	-
Total	35.21	(19.35)

b. Interest Rate Risk and Sensitivity

The Company's exposure to the risk of changes in market interest rates relates primarily to long term debt. The Company has entered into various interest rate swap contracts, in which it agrees to exchange, at specific intervals, the difference between fixed and variable interest amounts calculated by reference to an agreed upon principal amount. Borrowings at variable rates exposes to cash flow risk. With all other variables held constant, the following table demonstrates composition of fixed and floating rate borrowing of the company and impact of floating rate borrowings on company's profitability.

Interest Rate Risk Exposure

₹ in Crore (10 Million)

Particulars	March 31, 2023		March 31, 2022	
	(₹ in Crores)	% of Total	(₹ in Crores)	% of Total
Fixed Rate Borrowings	811.96	33.92%	959.21	35.51%
Variable Rate Borrowings	1,581.43	66.08%	1,741.87	64.49%
Total Borrowings	2,393.39	100.00%	2,701.08	100.00%

Sensitivity on variable rate borrowings

₹ in Crore (10 Million)

Particulars	Impact on Profit & Loss Account		Impact on Equity	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Interest Rate Increase by 0.25%	(3.95)	(4.35)	(3.95)	(4.35)
Interest Rate decrease by 0.25%	3.95	4.35	3.95	4.35

c. Commodity price risk and sensitivity

The Company is exposed to the movement in price of key raw materials in domestic and international markets. The Company has in place policies to manage exposure to fluctuations in the prices of the key raw materials used in operations. The Company manages fluctuations in raw material price through hedging in the form of advance procurement when the prices are perceived to be low and also enters into advance buying contracts as strategic sourcing initiative in order to keep raw material and prices under check cost of material hedged to the extent possible.

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 53 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

CREDIT RISK

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹163.13 Crore and ₹217.19 Crore as of March 31, 2023 and March 31, 2022, respectively. Trade receivables are typically unsecured and are derived from revenue earned from customers primarily located in India. Credit risk has always been managed by the company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account as per the Company's historical experience for customers.

The following table gives details in respect of percentage of revenues generated from top customer and top five customers:

(In %)

Particulars	Year ended March 31st	
	2023	2022
Revenue from top customer	5.30%	7.95%
Revenue from top five customers	17.28%	21.22%

Credit risk exposure

The allowance for lifetime expected credit loss on customer balances for the year ended March 31, 2023 was ₹2.53 Crore.

₹ in Crore (10 Million)

Particulars	Year ended March 31st	
	2023	2022
Balance at the beginning	1.34	0.86
Impairment loss reversed	-	-
Additional provision created during the year	1.19	-
Impact of Slump Sale	-	0.48
Balance at the end	2.53	1.34

The deposits with banks comprises mostly the liquid investment of the company and are generally not exposed to credit risk

Ageing Analysis of Trade Receivables

₹ in Crore (10 Million)

Particulars	As 31st March, 2023				As 31st March, 2022			
	Not Due and Not Impaired	Up to Six Months	Six to Twelve Months	Above 12 Months	Not Due and Not Impaired	Up to Six Months	Six to Twelve Months	Above 12 Months
Unsecured	104.67	54.03	3.69	3.26	150.09	60.00	0.93	7.51
Provision for Doubtful Receivables	-	-	-	2.53	-	-	-	1.34
Net Balance	104.67	54.03	3.69	0.73	150.09	60.00	0.93	6.17

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The objective of liquidity risk management is to maintain sufficient liquidity and to ensure funds are available for use as per the requirement. The company has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The company also has adequate credit facilities agreed with the banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost effective manner.

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 53 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2023:

₹ in Crore (10 Million)

Particulars	Carrying Amount	Less than 1 year	1-5 years	More Than 5 Year	Total
Borrowings - Current	105.64	105.64	-	-	105.64
Borrowings - Non-Current	2,223.74	484.36	1,190.59	548.79	2,223.74
Lease liability	64.01	9.86	33.22	20.93	64.01
Trade payables	580.38	580.38	-	-	580.38
Other financial liabilities - Current	126.92	126.92	-	-	126.92
Other financial liabilities - Non-Current					
Trade Deposits	94.97	-	-	94.97	94.97
Interest accrued but not due on loans	1.98	-	1.98	-	1.98
Derivative Financial Instruments	2.24	-	1.97	0.27	2.24
Others	0.46	-	0.46	-	0.46

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2022:

₹ in Crore (10 Million)

Particulars	Carrying Amount	Less than 1 year	1-5 years	More Than 5 Year	Total
Borrowings - Current	184.24	184.24	-	-	184.24
Borrowings - Non-Current (including Lease Liability)	2,516.84	264.03	1,325.74	927.07	2,516.84
Trade payables	482.68	482.68	-	-	482.68
Other financial liabilities - Current	81.03	81.03	-	-	81.03
Other financial liabilities - Non-Current					
Trade Deposits	83.11	-	-	83.11	83.11
Interest accrued but not due on loans	1.98	-	1.98	-	1.98
Derivative Financial Instruments	1.36	-	0.83	0.53	1.36
Financial Obligation Towards Letter of Comfort	4.09	-	-	4.09	4.09
Others	0.13	-	-	0.13	0.13

53.2 Competition and Price risk

The Company faces competition from local and foreign competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality products and by continuously upgrading its expertise and range of products to meet the needs of its customers.

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 53 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

53.3 Capital Risk Management

The Company's policy is to maintain an adequate capital base so as to maintain creditor and market confidence and to sustain future development. Capital includes issued capital, share premium and all other equity reserves attributable to equity holders. In order to strengthen the capital base, the company may use appropriate means to enhance or reduce capital, as the case may be

Particulars	₹ in Crore (10 Million)	
	As at March 31 2023	As at March 31 2022
Borrowings	2,329.38	2,701.08
Less: cash and cash equivalents including bank balance	32.54	14.28
Less: Current Investments	776.75	615.20
Net debt	1,520.09	2,071.60
Equity	3,774.42	3,044.66
Capital and Net debt	5,294.51	5,116.26
Gearing Ratio	29%	40%

NOTE 54 DERIVATIVE FINANCIAL INSTRUMENTS

The Company holds derivative financial instruments such as foreign currency forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank or a financial institution. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace.

Forward Contract outstanding for the purpose of hedging at the Balance Sheet Date

Sr. No.	Foreign Currency	March 31, 2023		March 31, 2022	
		FC in Million	₹ In Crore	FC in Million	₹ In Crore
1	US Dollar	8.50	69.88	19.09	144.72
2	Euro	70.96	635.84	74.05	626.89

Nominal amounts of Complete Currency Swaps (CCS) for hedging entered into by the Company and outstanding at end of the year is ₹4.22 Crore (Previous year ₹11.95 Crore)

Foreign Currency Exposure not hedged as at the Balance Sheet Date

Sr. No.	Foreign Currency	March 31, 2023		March 31, 2022	
		FC in Million	₹ In Crore	FC in Million	₹ In Crore
1	US Dollar *	(5.00)	(41.12)	(5.17)	(39.21)
2	Euro*	6.08	54.44	28.44	240.79
3	AED	(0.58)	(1.29)	-	-

*Net of Receivables USD 8.66 Million – ₹71.20 Crore (Previous year USD 9.00 Million – ₹68.21 Crores), EUR 0.18 Million – ₹1.61 Crores (Previous year EUR 0.30 Million – ₹2.53 Crores) and AED 0.58 Million – ₹ 1.29 Crore (Previous year AED Nil– ₹ Nil).

Interest Rate Swaps

The Company has variable interest borrowings. To offset the risk of variation in interest rates, the Company has entered into, fix pay and variable receipt, interest rate swaps. These swap contracts are in US Dollar, Euro and INR. Outstanding amortised notional value of loan for swap contracts and MTM taken there on are as follows :

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 54 DERIVATIVE FINANCIAL INSTRUMENTS (Contd.)

Sr. No.	Foreign Currency	March 31, 2023		March 31, 2022	
		Loan FC in Million	MTM ₹ In Crore (Gain)/Loss	Loan FC in Million	MTM ₹ In Crore (Gain)/Loss
1	US Dollar	-	-	-	-
2	Euro	52.02	(59.35)	56.07	(29.30)
3	INR	-	(11.96)	-	(12.61)

NOTE 55 ACQUISITION OF CONTROLLING STAKE IN SUBSIDIARIES

- i) The Board of Directors at its meeting held on 21st November 2022 had approved acquisition of 85% stake in Horizon Packs Private Limited (HPPL) and Securipax Packaging Private Limited (SPPL) by way of entering into separate Share Purchase and Shareholder's Agreements (SPSHAs). Acquisition was completed on 12th December 2022 pursuant to which HPPL and SPPL became subsidiary of the Company. The impact of Business Combination has been given in the Consolidated financials of the Company as per IND AS 103.
- ii) In terms of Share Purchase and Shareholder's Agreement (SPSA) ₹25.33 crores have been deposited into the escrow account. The Company and promoters of HPPL are joint signatory to this escrow account. The Aggregate Escrow Amount (or part thereof) shall be invested from time to time in terms of SPSA. The Principals i.e. JK Paper Ltd (the Company) and HPPL shall, provide joint Written Instructions to the Escrow Agent who shall disburse the Permitted Investment Amount to the AMC for investment into permitted investments.(Refer note no.9)

NOTE 56 ANALYTICAL RATIOS

Srl No	Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	% Change
1	Current Ratio (in Times)	Total Current Assets	Total Current Liability	1.46	1.50	-2.23%
2	Debt Equity Ratio (in Times)	Total Debt*	Shareholder's Equity	0.63	0.89	28.52%
3	Debt Service Coverage Ratio (in Times)	Earning for Debt Service ^	Debt service ^^	1.99	1.81	9.87%
4	Return on Equity	Net Profits after taxes	Average Shareholder's Equity	25.97%	18.11%	7.86%
5	Inventory Turnover Ratio (in Times)	Sales	Average Inventory	10.85	9.58	13.26%
6	Trade Receivable Turnover Ratio (in Times)	Sales	Average Trade Receivables	32.65	26.25	24.37%
7	Trade Payable Turnover Ratio (in Times)	Purchases	Average Trade Payables	6.72	5.09	32.10%
8	Net Capital Turnover Ratio (in Times)	Net Sales	Average Working Capital	9.84	9.09	8.32%
9	Net Profit Ratio	Net Profit After Tax	Net Sales	14.26%	13.14%	1.12%
10	Return on Capital Employed	Earning before Interest & Taxes	Capital Employed #	22.29%	13.75%	8.54%
11	Return On Investment					
	a) Quoted Equity Shares			64.74%	17.34%	47.39%
	b) Mutual Funds			5.20%	4.37%	0.84%
	c) Fixed Deposit with NBFC			NA	4.85%	-
	d) Non Convertible Debentures			6.70%	6.20%	0.49%

* Debt consists of Borrowings and Lease Liabilities

^ Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments

^^ Debt service = Interest and Lease payments + Principal repayments

Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 56 ANALYTICAL RATIOS (Contd.)

Reason for Variance:

- (i) Debt Equity Ratio : On account of increase in equity (retained earnings) and decrease in total borrowings during current financial year
- (ii) Trade Payable Turnover Ratio: Primarily on account of increase in cost of goods sold
- (iii) Return On Investment (Quoted Equity Share) : Impact of Market dynamics.

NOTE 57 IMPAIRMENT REVIEW

Assets are tested for impairment whenever there are any internal or external indicators of impairment. Impairment test is performed at the level of each Cash Generating Unit ('CGU') or groups of CGUs within the Company at which the assets are monitored for internal management purposes, within an operating segment. The impairment assessment is based on higher of value in use and value from sale calculations. During the year, impairment charges ₹22.56 crore in respect of property, plant and equipment has been provided (refer note no.46). The measurement of the cash generating units' value in use is determined based on financial plans that have been used by management for internal purposes. The planning horizon reflects the assumptions for short to- mid-term market conditions.

Key assumptions used in value-in-use calculations are:-

- (i) Operating margins (Earnings before interest and taxes), (ii) Discount Rate, (iii) Growth Rates and (iv) Capital Expenditure

NOTE 58 INFORMATION RELATED TO CONSOLIDATED FINANCIALS

The Company is listed on stock exchange in India, the Company has prepared consolidated financial as required under IND AS110, Sections 129 of Companies Act, 2013 and listing requirements. The consolidated financial statement is available on Company's web site for public use.

NOTE 59 INCOME TAX

a) Amount recognised in Statement of Profit and Loss

Particulars	₹ in Crore (10 Million)	
	2022-23	2021-22
Current Income Tax		
Current year *	313.42	157.73
Deferred Tax	112.78	92.58
Income tax expense reported in the statement of profit and loss	426.20	250.31

* including Rs (20.48) crore related to earlier years(Previous year is Rs 2.05 Crore)

b) Reconciliation of Effective Tax Rate

Particulars	₹ in Crore (10 Million)	
	2022-23	2021-22
Profit before tax	1,311.53	761.40
At applicable Statutory Income Tax Rate @ 34.944%	458.30	266.06
Tax Impact on:-		
Benefit of 80IA	(31.45)	(21.75)
Donation	0.76	0.94
In House R&D Expenditure	(1.31)	(0.22)
CSR Expenditure	4.98	4.01
Income tax adjustment relating to previous years	(20.48)	2.05
Others	15.40	(0.78)
Reported Income Tax Expense	426.20	250.31
Effective Tax Rate	32.50%	32.87%

Notes to the Standalone Financial Statement for the year ended March 31, 2023

NOTE 60 SEGMENT INFORMATION

Information about primary segment

The Company has one reportable business segment i.e. Paper and Board and one geographical reportable segment i.e. Operations mainly within India. The performance is reviewed by the Board of Directors (Chief operating decision makers).

NOTE 61

Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year's classification.

NOTE 62

Notes 1 to 61 are annexed to and form an integral part of financial statements.

As per our report of even date attached

for **LODHA & CO.**

Chartered Accountants

Firm's Registration Number 301051E

(N.K. LODHA)

Partner

Membership No. 85155

New Delhi, the 16th May, 2023

For and on behalf of the Board of Directors

Bharat Hari Singhania

(DIN No. 00041156)

Chairman

Harsh Pati Singhania

(DIN No. 00086742)

Vice Chairman & Managing Director

A.S.Mehta

(DIN No. 00030694)

President & Director

KR Veerappan

Chief Finance Officer

Shri Anoop Seth (DIN No. 00239653)

Smt. Deepa Gopalan Wadhwa (DIN No. 07862942)

Shri Harshavardhan Neotia (DIN No. 00047466)

Shri R.V. Kanoria (DIN No. 00003792)

Shri Shailendra Swarup (DIN No. 00167799)

Shri S.K. Roongta (DIN No. 00309302)

Smt. Vinita Singhania (DIN No. 00042983)

Directors

Deepak Gupta

Company Secretary

Standalone Cash Flow Statement for the year ended 31st march, 2023

₹ in Crore (10 Million)

Particulars	2022-23	2021-22
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit Before Tax	1,311.53	761.40
Adjustments for :		
Depreciation and Amortization	236.84	169.04
Income from Investments	(33.10)	(19.89)
(Profit)/ Loss on Sale of Property,Plant and Equipment (Net)	(3.16)	(0.22)
Dividend Income	(0.14)	(0.10)
Finance Cost	188.45	92.65
Interest Income	(61.13)	(53.61)
Foreign Exchange Fluctuation	(2.10)	0.09
Provision for diminution in value of Non Current investments	-	11.10
Assets Written off	3.12	0.45
Bad Debts	0.27	-
Provision for Doubtful Debts	1.19	-
Provision for earlier years no longer required	(7.32)	(54.94)
Exceptional Item(Asset impairment)	22.56	-
Operating Profit before Working Capital Changes	1,657.01	905.97
Adjustments for Working Capital Changes:		
Trade and Other Receivables	120.72	(329.88)
Inventories	(211.53)	(113.87)
Trade and Other Payables	56.36	263.62
Cash generated from Operations	1,622.56	725.84
Taxes paid	(244.70)	(126.56)
Net Cash from Operating Activities	1,377.86	599.28
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Property Plant & Equipment	(91.31)	(718.92)
Sale of Property Plant & Equipment	5.34	2.12
Acquisition through Slump Sale	-	(20.30)
Non Compete Fee	-	(4.50)
Sale/(Purchase) of Investments (Net)	(141.23)	(81.42)
Investment in Subsidiaries	(631.28)	(40.05)
Dividend Income	0.14	0.10
Interest Received	51.92	72.99
Net Loans & Advances	150.85	32.75
Net Cash from Investing Activities	(655.57)	(757.23)

Standalone Cash Flow Statement for the year ended 31st march, 2023

₹ in Crore (10 Million)

Particulars	2022-23		2021-22	
C. CASH FLOW FROM FINANCING ACTIVITIES :				
Proceeds of Long-term Borrowings	127.69		673.84	
Repayment of Long-term Borrowings	(391.24)		(318.44)	
Proceeds/(Repayment) from Short-term Borrowings (Net)	(78.60)		(22.60)	
Payment of lease Liabilities	(18.33)		(16.30)	
Interest and Financial Charges	(182.73)		(85.26)	
Dividend	(160.82)		(67.70)	
Net cash from Financing Activities		(704.03)		163.54
D. Increase/(Decrease) in Cash and Cash Equivalents		18.26		5.59
E. Cash and Cash Equivalents as at the beginning of the year		14.28		8.69
F. Cash and Cash Equivalents as at the close of the year / period		32.54		14.28

Notes :

(a) Total Liabilities from Financing Activities	2022-23		2021-22	
	Long Term	Short Term	Long Term	Short Term
Opening	2,516.84	184.24	2,126.10	175.84
Cash Flow Changes				
Inflow/(Repayments)	(265.21)	(109.60)	355.40	(22.60)
Non-Cash Flow Changes				
Foreign Exchange	37.39	-	(14.75)	-
Lease Liabilities	(5.43)	-	48.60	-
Other	4.16	31.00	1.49	31.00
Closing	2,287.75	105.64	2,516.84	184.24

(b) Previous year's figures have been re-grouped / re-arranged wherever necessary.

As per our report of even date attached for **LODHA & CO.**
Chartered Accountants
Firm's Registration Number 301051E

(N.K. LODHA)
Partner
Membership No. 85155
New Delhi, the 16th May, 2023

For and on behalf of the Board of Directors

Bharat Hari Singhania
(DIN No. 00041156)
Chairman

Harsh Pati Singhania
(DIN No. 00086742)
Vice Chairman & Managing Director

A.S.Mehta
(DIN No. 00030694)
President & Director

KR Veerappan
Chief Finance Officer

Shri Anoop Seth (DIN No. 00239653)
Smt. Deepa Gopalan Wadhwa (DIN No. 07862942)
Shri Harshavardhan Neotia (DIN No. 00047466)
Shri R.V. Kanoria (DIN No. 00003792)
Shri Shailendra Swarup (DIN No. 00167799)
Shri S.K. Roongta (DIN No. 00309302)
Smt. Vinita Singhania (DIN No. 00042983)
Directors

Deepak Gupta
Company Secretary

Form AOC - I

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement Containing salient features of the financial statement of Subsidiaries/ associate companies/ joint ventures

Part - "A" : Subsidiaries

₹ In Crore (10 Million)

Sl. No	Particulars	The Sirpur Paper Mills Limited	Jaykaypur Infrastructure & Housing Limited	Songadh Infrastructure & Housing Limited	Enviro Tech Ventures Limited	JKPL Packaging Products Limited	JK Paper International (Singapore) Pte. Limited	Horizon Packs Private Limited	Securipax Packaging Private Limited
1	Financial Year ended on	31 st March, 2023	31 st March, 2023	31 st March, 2023	31 st March, 2023	31 st March, 2023	31 st March, 2023	31 st March, 2023	31 st March, 2023
2	Reporting Currency	Indian Rupees	Indian Rupees	Indian Rupees	Indian Rupees	Indian Rupees	US\$	Indian Rupees	Indian Rupees
3	Closing Exchange Rate	-	-	-	-	-	82.22	-	-
4	Share Capital	182.00	4.95	4.95	21.27	85.00	22.37	316.75	5.45
5	Reserve & Surplus/ (Accumulated Losses)	267.91	0.94	2.47	40.84	(0.42)	(8.91)	78.71	6.83
6	Total Assets	1,066.33	36.91	17.78	304.08	145.01	15.76	455.07	68.96
7	Total Liabilities	1,066.33	36.91	17.78	304.08	145.01	15.76	455.07	68.96
8	Investments	-	-	-	173.34	-	15.62	-	-
9	Total Turnover	1,036.05	9.12	4.01	21.30	0.79	0.00	206.24	39.34
10	Profit/ (Loss) before tax	337.02	0.52	0.46	(5.87)	0.27	(0.07)	12.14	0.10
11	Provision for Income Tax	9.16	(0.30)	0.12	0.37	0.18	0.00	2.77	(0.00)
12	Profit/ (Loss) after tax	327.85	0.83	0.34	(6.25)	0.09	(0.07)	9.37	0.10
13	Proposed Dividend	-	-	-	-	-	-	-	-
14	% of Shareholding	96.27%	100%	100%	96.08%	100%	100%	85%	85%

Part - "B" : Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

S.No.	Name of Joint Venture Company	Habras MZZ Plantation Myanmar Company Limited
1	Financial Year/Period ended on	31 st March, 2023
2	% of Shareholding	50%
3	Investment in Joint Venture	15.62
	Extent of Holding %	50%
4	Description of how there is significant influence	Based on Shareholding
5	Reason why the Joint Venture is not consolidated	Not Applicable
6	Net worth attributable to Share Holding as per latest Un-audited Balance sheet	15.62
7	Loss for the year	NIL
	i) Considered in consolidation	NIL
	i) Not Considered in consolidation	NIL

For and on behalf of the Board of Directors

Bharat Hari Singhania
(DIN No. 00041156)
Chairman

Harsh Pati Singhania
(DIN No. 00086742)
Vice Chairman & Managing Director

A.S.Mehta
(DIN No. 00030694)
President & Director

KR Veerappan
Chief Finance Officer

Shri Anoop Seth (DIN No. 00239653)
Smt. Deepa Gopalan Wadhwa (DIN No. 07862942)
Shri Harshavardhan Neotia (DIN No. 00047466)
Shri R.V. Kanoria (DIN No. 00003792)
Shri Shailendra Swarup (DIN No. 00167799)
Shri S.K. Roongta (DIN No. 00309302)
Smt. Vinita Singhania (DIN No. 00042983)
Directors

Deepak Gupta
Company Secretary

INDEPENDENT AUDITOR'S REPORT

To
The Members of
JK Paper Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of JK Paper Limited ("the Company"/ " Holding Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group") and jointly controlled entity, which comprise the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India, of the consolidated state of affairs of the Group and jointly controlled entity as at March 31, 2023, of its consolidated profit and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its jointly controlled entity in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their report referred under the Other matters section below, other than the unaudited financial statements as certified by the management and referred under the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

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

S.No.	Description of Key Audit Matter	How our audit addressed the key audit matters
1	<p>Acquisition of controlling stake in Subsidiaries Companies and Accounting as per Ind AS-103 – Business Combination</p> <p>During the year holding company has acquired 85% stake in Horizon Packs Private Limited and Securipax Packaging Private Limited by way of entering into separate Share Purchase and Shareholder's Agreement (SPSHAs). (Refer note 51 of the consolidated financial statements).</p> <p>Accounting for the acquisition has involved judgment in order to:</p> <ul style="list-style-type: none"> determine the fair value of consideration transferred; identify and measure the fair value of the identifiable assets acquired and liabilities assumed; 	<p>Our procedures included but were not limited to:</p> <ul style="list-style-type: none"> We examined the terms and conditions of the Share Purchase and Shareholder's Agreement (SPSHAs). We tested the completeness of the identified assets and liabilities acquired by comparison to respective standalone financial statements of subsidiaries, through discussions with the Company. We assessed the Company's determinations of fair values for assets and liabilities acquired and the methods used to value the underlying assets by

S.No.	Description of Key Audit Matter	How our audit addressed the key audit matters
	<ul style="list-style-type: none"> ▪ allocate the purchase consideration between identifiable assets and liabilities and goodwill; <p>This is a material acquisitions for the Group and given the level of estimation and judgement required, we considered it to be a key audit matter. The most significant judgements relate to the identification and valuation of intangible assets acquired. The identified intangible assets are the Customers Relationship Rights. This includes complex valuation considerations and requires the use of specialists.</p>	<ul style="list-style-type: none"> ◆ Reading the valuation report / Purchase Price allocation prepared by the appointed external valuation specialists. ◆ Evaluating the competence, objectivity and integrity of the appointed external valuation specialists. ◆ Involving our internal valuation specialists in assessing the appropriateness of the methods used to determine the fair values of the Customer Relationship rights and including assumptions such as the discount rates applied. <ul style="list-style-type: none"> ▪ Evaluating appropriateness of adequate disclosures in accordance with the applicable accounting standards.
2	<p>Revenue Recognition</p> <p>The revenue of the Group consists primarily of sale of products .</p> <p>Revenue from the sale of goods is recognised, when control of goods being sold is transferred to customer and where there are no longer any unfulfilled obligations. The performance obligations in contracts are considered as fulfilled in accordance with the terms agreed with the respective customers.</p> <p>Revenue from the sale of goods is measured on transaction price excluding estimates of variable consideration that is allocated to performance obligations.</p> <p>Recognition and measurement of discounts and rebates accruals, involves judgement and estimates. This leads to a risk of revenue being misstated due to inaccurate estimation over discounts and volume rebates.</p> <p>(Refer Note 1.3(i) of accounting policy)</p>	<p>Our audit procedures includes:</p> <ul style="list-style-type: none"> ▪ Assessing the compliance of revenue recognition accounting policies of the Group, including those relating to discounts and rebates, with reference to Ind AS 115 Revenue from contracts with customers (applicable accounting standard); ▪ Evaluating the design, testing the implementation and operating effectiveness of the Company’s internal controls over recognition of revenue and computing discounts and volume rebates in the general ledger accounting system; ▪ Performing substantive testing (including for period end cut-off) by selecting statistical samples of revenue transactions recorded for the year and agreeing to the underlying documents, which included sales invoices and shipping documents; ▪ Performing substantive testing by agreeing statistical samples of discounts and rebate accruals and disbursements to underlying documents; Performing a retrospective assessment of discounts and rebate accruals with prior period to evaluate the historical accuracy; and assessing manual journals posted to revenue to identify unusual items.

Information Other than the Consolidated Financial Statements and Auditor’s Report Thereon

The Holding Company’s Board of Directors is responsible for the other information. The other information comprises the information included in Holding Company’s Annual Report, but does not include the consolidated financial statements and our auditor’s report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially

inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed and the reports of the other Auditor as furnished to us (Refer Other Matters section below), we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management’s Responsibility for the Consolidated Financial Statements

The Holding Company’s management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of

the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows and changes in equity of the Group including its jointly controlled entity in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective management and Board of Directors of the companies included in the Group and of its jointly controlled entity are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and jointly controlled entity and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its jointly controlled entity are responsible for assessing the ability of the Group and of its jointly controlled entity 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 Group and jointly controlled entity or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and jointly controlled entity are also responsible for overseeing the financial reporting process of the Group and jointly controlled entity.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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 and its subsidiary companies which are companies incorporated in India, 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 ability of the Group and jointly controlled entity 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and jointly controlled entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our 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.

Other Matters

- A) We did not audit the financial statements/ financial information of five subsidiaries, whose financial statements/

financial information reflect total assets of ₹827.34 Crore as at 31st March 2023, total revenue of ₹240.67 Crore, total net profit / (loss) after tax of ₹4.21 Crore and total comprehensive income of ₹3.97 Crore and net cash outflow of (₹9.82 Crore) for the year ended on that date, as considered in the consolidated financial statements. We did not audit the financial statements of one jointly controlled entity which reflects Group's share of net profit / (loss) of ₹ Nil and total comprehensive income of ₹ Nil for the year ended 31st March 2023, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act including report on Other information in so far as it relates to the aforesaid subsidiaries, are based solely on the reports of the other auditors.

- B) One subsidiary and one jointly controlled entity is located outside India whose financial statements and other information have been prepared in accordance with accounting principles generally accepted in their country and which have been provided by the management of the subsidiary and jointly controlled entity under generally accepted auditing standards applicable in their country. The Company's management has converted the financial statements and other information of such subsidiary and jointly controlled entity located outside India from accounting principles generally accepted in their country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary and jointly controlled entity located outside India is based on the report of other auditor.

Our opinion on the Statement is not modified in respect of above matters with respect to our reliance on the work done and the reports of the other auditors and the Financial Statements / other information certified by the Board of Directors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 and taken on record by the Board of Directors of the Holding Company and its subsidiaries incorporated in India and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these Consolidated Financial Statements of the Holding Company and its subsidiaries incorporated in India, refer to our separate Report in "Annexure A" to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - I. The consolidated financial statements disclose impact of pending litigations on the consolidated financial position of the Group and jointly controlled entity.
 - II. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts as at 31st March, 2023.
- III. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies incorporated in India.
 - IV. (a) The respective Managements of the Holding Company and its subsidiaries incorporated in India whose financial statements/ financial information have been audited under the Act have represented to us and the other auditors of such subsidiaries that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of its subsidiaries incorporated in India, to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Holding Company or any of its subsidiaries incorporated in India or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The respective Managements of the Holding Company and its subsidiaries incorporated in India whose financial statements/ financial information have been audited under the Act have represented to us and the other auditors of such subsidiaries that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or any of its subsidiaries incorporated in India, from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of its subsidiaries incorporated in India shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (c) Based on the audit procedures that we have considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries companies which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) above as required by Rule 11(e) of Companies (Audit & Auditors) Rules, 2014, as amended, contain any material mis-statement.
- V. (a) The dividend paid during the year by the Holding Company is in compliance with section 123 of the Act.
- (b) The interim dividend declared and paid by the holding Company during the year and until the date of this report is in compliance with Section 123 of the Act.
- (c) The Board of Directors of the Holding Company have proposed dividend for the year which is subject to the approval of the members in the ensuing General meeting. The amount of dividend proposed is in accordance with section 123 of the Act. However, Subsidiary Company including step down subsidiary) have not declared or paid any dividend during the year.
- VI. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable with effect from April 1, 2023 to the Company and its subsidiaries, which are companies incorporated in India, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
- h) In our opinion and based on the consideration of reports of other auditors of the subsidiaries incorporated in India , the managerial remuneration paid/provided for the year ended 31st March, 2023 by the Holding Company and its subsidiaries which are incorporated in India is in accordance with the provisions of Section 197 read with Schedule V to the Act.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure-B, a statement on the matter specified in paragraph 3 and 4 of the Order, to the extent applicable.

For LODHA & CO.

Chartered Accountants

Firm's Registration No. 301051E

(N. K. Lodha)

Partner

Membership No. 085155

UDIN: 23085155BGXAV3599

Place: New Delhi

Date: 16th May, 2023

Annexure – A to the Auditors’ Report

Report on the consolidated financial statements of JK Paper Limited for the year ended 31st March, 2023

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March 2023, we have audited the internal financial controls with reference to the consolidated financial statements of JK Paper Limited (“the Company” or “the Holding Company”) and its subsidiary companies, which are incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies, to whom reporting under clause (i) of the sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, which are companies incorporated in India responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their

operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of

controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors, as referred to in Other Matters paragraph below, the Holding Company and its Subsidiary companies, which are incorporated in India, have, maintained, in all material respects, an adequate internal financial controls system over financial reporting with reference to these Consolidated Financial Statements and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, based on the internal control over financial reporting criteria established by the Holding 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.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these Consolidated Financial Statements of the Holding Company, insofar as it relates to four subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies. Our opinion is not modified in respect of the above matters.

For LODHA & CO.
Chartered Accountants
Firm's Registration No. 301051E

(N. K. Lodha)
Partner
Membership No. 085155

Place: New Delhi
Date: 16th May, 2023

Annexure B to Independent Auditor's Report

Referred to in Independent Auditor's Report of even date to the members of JK Paper Limited on the Consolidated Financial Statements as of and for the year ended March 31, 2023.

In terms of paragraph 3(xxi) of the CARO 2020, in case of following companies remarks as stated by the respective auditors in CARO 2020, included in the Consolidated Financial Statements of the holding company are as under:

S. No.	Name of the Company	CIN	Relationship with the Holding Company	Date of the respective Auditor's Report	Paragraph number in the respective CARO reports
1	JK Paper Limited	L21010GJ1960PLC018099	Holding Company	16 th May, 2023	(i)(c), (ii)(b), (iii)(e), (vii)(a) & (vii)(b)
2	JKPL Packaging Products Limited	U36991DL2021PLC383047	Subsidiary	08 th May, 2023	(xvii)
3	The Sirpur Paper Mills Limited	U21010TG1938PLC000591	Step Down Subsidiary	10 th May, 2023	(vii)(a)
4	Enviro Tech Ventures Limited	U73100GJ2007PLC075963	Subsidiary	10 th May, 2023	(iii)(e) and (xvii)
5	Horizon Packs Private Limited	U21014MH2001PTC133116	Subsidiary	1 st May 2023	(vii)(a) and (xiv)(a)

For LODHA & CO.
Chartered Accountants
Firm's Registration No. 301051E

(N. K. Lodha)
Partner
Membership No. 085155

Place: New Delhi
Date: 16th May, 2023

Consolidated Balance Sheet as at March 31, 2023

₹ in Crore (10 Million)

Particulars	Note	March 31, 2023	March 31, 2022
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2	5,327.90	5,177.67
Capital Work-in-Progress	2.1	119.44	42.44
Investment Property	4	52.65	54.09
Goodwill		149.10	9.91
Other Intangible Assets	3	226.29	38.78
Intangible Assets Under Development	3.1	4.28	3.85
Financial Assets			
Investments	5	115.90	105.21
Loans	6	29.00	27.00
Other Financial Assets	7	114.37	98.03
Other Non-Current Assets	8	69.24	41.44
		6,208.17	5,598.42
Current Assets			
Inventories	9	819.29	519.23
Financial Assets			
Investments	10	814.76	619.05
Trade Receivables	11	349.54	217.20
Cash and Cash Equivalents	12	35.77	8.88
Bank Balances other than above	13	15.93	13.32
Loans	14	16.65	41.95
Other Financial Assets	15	214.16	147.31
Current Tax Assets (Net)	16	5.69	-
Other Current Assets	17	432.16	459.17
Assets held for Sale	17.1	7.76	-
		2,711.71	2,026.11
Total Assets		8,919.88	7,624.53
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	18	169.40	169.40
Other Equity		3,864.60	2,826.64
		4,034.00	2,996.04
Non-Controlling Interest		130.75	6.18
Non-Current Liabilities			
Financial Liabilities			
Borrowings	19	2,082.91	2,608.57
Lease Liabilities	19.1	54.30	57.58
Other Financial Liabilities	20	149.83	86.58
Provisions	21	11.66	12.28
Deferred Tax Liabilities (Net)	22	785.74	515.46
Other Non-Current Liabilities	23	41.83	43.83
		3,126.27	3,324.30
Current Liabilities			
Financial Liabilities			
Borrowings	24	655.61	458.97
Lease Liabilities	19.1	9.95	11.86
Trade Payables	25		
Micro & Small Enterprises		13.40	12.75
Others		644.46	512.83
Other Financial Liabilities	26	172.46	107.78
Other Current Liabilities	27	119.85	184.42
Provisions	28	12.80	0.15
Current Tax Liabilities	29	0.33	9.25
		1,628.86	1,298.01
Total Equity and Liabilities		8,919.88	7,624.53
Significant Accounting Policies	1		

The accompanying notes referred to above form an integral part of the Consolidated Financial Statements

As per our report of even date attached

for **LODHA & CO.**

Chartered Accountants

Firm's Registration Number 301051E

(N.K. LODHA)

Partner

Membership No. 85155

New Delhi, the 16th May, 2023

For and on behalf of the Board of Directors

Bharat Hari Singhania

(DIN No. 00041156)

Chairman

Harsh Pati Singhania

(DIN No. 00086742)

Vice Chairman & Managing Director

A.S.Mehta

(DIN No. 00030694)

President & Director

KR Veerappan

Chief Finance Officer

Shri Anoop Seth (DIN No. 00239653)

Smt. Deepa Gopalan Wadhwa (DIN No. 07862942)

Shri Harshavardhan Neotia (DIN No. 00047466)

Shri R.V. Kanoria (DIN No. 00003792)

Shri Shailendra Swarup (DIN No. 00167799)

Shri S.K. Roongta (DIN No. 00309302)

Smt. Vinita Singhania (DIN No. 00042983)

Directors

Deepak Gupta

Company Secretary

Consolidated Statement of Profit & Loss for the year ended March 31, 2023

₹ in Crore (10 Million)

Particulars	Note	2022-23	2021-22
Revenue :			
Sales		6,745.02	4,153.47
Less : Discounts		335.36	275.77
Net Sales		6,409.66	3,877.70
Other Operating Revenue	30	27.15	90.86
Revenue from Operations		6,436.81	3,968.56
Other Income	31	172.65	124.36
Total Revenue		6,609.46	4,092.92
EXPENSES			
Cost of Materials Consumed	32	2,808.56	1,631.02
Purchases of Stock-in-Trade		76.55	93.75
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	33	(35.11)	4.94
Employee Benefits Expense	34	483.67	381.52
Finance Costs	35	222.48	131.88
Depreciation and Amortisation Expenses	36	281.85	193.05
Other Expenses	37	1,091.34	860.06
Total Expenses		4,929.34	3,296.22
Profit Before Interest, Depreciation & Tax (EBITDA)		2,184.45	1,121.63
Profit/(Loss) Before Exceptional Items and Tax		1,680.12	796.70
Exceptional Items		33.64	-
Profit/(Loss) Before Tax		1,646.48	796.70
Tax Expense			
Current Tax		318.36	159.97
Less : MAT Credit Entitlement/Adjustment		-	-
Provision / (Credit) for Deferred Tax		119.90	92.91
Profit for the period		1,208.22	543.82
Share in Profit/(Loss) of Joint Venture		-	-
Non-Controlling Interest		-	-
Net Profit after Taxes, Non-Controlling Interest and Share of Profit in Joint Venture		1,208.22	543.82
Other Comprehensive Income			
Items that will not be reclassified to statement of Profit and Loss			
(i) Re-measurement Gain/(Loss) on Defined Benefit Plans		(8.04)	2.52
(ii) Tax on (i) above		2.72	0.31
(iii) Equity Instruments through Other Comprehensive Income		8.50	1.67
(iv) Tax on (iii) above		-	-
Items that will be reclassified to statement of Profit and Loss			
Exchange differences on translating the financial statements of a foreign operations		(0.18)	0.75
Total Comprehensive Income for the period		1,211.22	549.07
Net Profit attributable to:			
a) Owners of the company		1,195.79	542.60
b) Non controlling interest		12.43	1.22
Other comprehensive Income attributable to:			
a) Owners of the company		3.10	5.12
b) Non controlling interest		(0.10)	0.13
Total comprehensive Income attributable to:			
a) Owners of the company		1,198.89	547.72
b) Non controlling interest		12.33	1.35
Earnings per Equity Shares			
1) Basic (in ₹)		70.59	32.03
2) Diluted (in ₹)		70.59	32.03
Significant Accounting Policies	1		

The accompanying notes referred to above form an integral part of the Consolidated Financial Statements

As per our report of even date attached

for **LODHA & CO.**

Chartered Accountants

Firm's Registration Number 301051E

(N.K. LODHA)

Partner

Membership No. 85155

New Delhi, the 16th May, 2023

For and on behalf of the Board of Directors

Bharat Hari Singhania

(DIN No. 00041156)

Chairman

Harsh Pati Singhania

(DIN No. 00086742)

Vice Chairman & Managing Director

A.S.Mehta

(DIN No. 00030694)

President & Director

KR Veerappan

Chief Finance Officer

Shri Anoop Seth (DIN No. 00239653)

Smt. Deepa Gopalan Wadhwa (DIN No. 07862942)

Shri Harshavardhan Neotia (DIN No. 00047466)

Shri R.V. Kanoria (DIN No. 00003792)

Shri Shailendra Swarup (DIN No. 00167799)

Shri S.K. Roongta (DIN No. 00309302)

Smt. Vinita Singhania (DIN No. 00042983)

Directors

Deepak Gupta

Company Secretary

Consolidated Statement of Changes in Equity for the year ended March 31, 2023

A. Equity Share Capital

	₹ in Crore (10 Million)	
	April 1, 2021	March 31, 2023
Changes in Equity Share Capital during 2021-22	0.00	169.40
March 31, 2022	169.40	169.40
Changes in Equity Share Capital during 2022-23	-	169.40
March 31, 2023	169.40	169.40

B. Other Equity

Particulars	Equity Component of Compound financial Instruments	Reserve and Surplus				Exchange differences on translating the financial statements of a foreign operations	Other Comprehensive Income (OCI)		Total Attributable to owners of the Parent	Attributable to Non - Controlling Interests	Total		
		Retained Earnings	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve		Debtore Redemption Reserve	General Reserve				Items that will not be Re-classified to profit or loss of the net defined benefit plans	Re-measurement of the net defined benefit plans
April 1, 2021	31.00	885.52	29.92	11.84	438.32	4.74	941.75	2.21	(6.63)	8.01	2,346.68	4.83	2,351.51
Changes in Equity for the year ended March 31, 2022	-	542.60	-	-	-	-	-	-	-	-	542.60	1.22	543.82
Transfer from Retained Earnings	-	(200.00)	-	-	-	200.00	-	-	-	-	-	-	-
Other Comprehensive Income for the year	-	-	-	-	-	-	0.75	2.70	1.67	5.12	0.13	5.25	
Income for the year	-	(67.76)	-	-	-	-	-	-	-	-	(67.76)	-	(67.76)
Dividend Paid	-	-	-	-	-	-	-	-	-	-	-	-	-
March 31, 2022	31.00	1,160.36	29.92	11.84	438.32	4.74	1,141.75	2.96	(3.93)	9.68	2,826.64	6.18	2,832.82
Changes in Equity for the year ended March 31, 2023	-	1,195.79	-	-	-	-	-	-	-	-	1,195.79	12.43	1,208.22
Profit for the year	-	(300.00)	-	-	-	300.00	-	-	-	-	-	-	-
Transfer from Retained Earnings	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Comprehensive Income for the year	-	-	-	-	-	-	(0.18)	(5.22)	8.50	3.10	(0.10)	3.00	
Final dividend paid for the FY 2021-22	-	(93.17)	-	-	-	-	-	-	-	-	(93.17)	-	(93.17)
Interim dividend paid for the FY 2022-23	-	(67.76)	-	-	-	-	-	-	-	-	(67.76)	-	(67.76)
Acquisition of new subsidiaries	-	-	-	-	-	-	-	-	-	-	-	112.24	112.24
March 31, 2023	31.00	1,895.22	29.92	11.84	438.32	4.74	1,441.75	2.78	(9.15)	18.18	3,864.60	130.75	3,995.35

Notes:

- Securities Premium Reserve represents the amount received in excess of par value of Securities issued by the Company, which may be utilised for purposes specified u/s 52(2) of the Companies Act, 2013.
- General Reserve represents accumulated profits set apart by way of transfer from current year Profits/ or/and Surplus in Profit and Loss Statement comprised in Retained Earnings for "other than specified purpose".
- Capital Redemption Reserve Represents the statutory reserve created at the time redemption of Preference Share Capital and buy back of Equity Share Capital, which can be applied for issuing fully paid-up bonus shares.
- Capital Reserve represents the excess of consideration received against the sale of identifiable assets.
- Debtore Redemption Reserve created out of the profits which is available for the purpose of redemption of debentures.

The accompanying notes referred to above form an integral part of the Consolidated Financial Statements

As per our report of even date attached

for **LODHA & CO.**
Chartered Accountants
Firm's Registration Number: 301051E

(**NK. LODHA**)
Partner
Membership No. 85155
New Delhi, the 16th May, 2023

For and on behalf of the Board of Directors

Bharat Hari Singhania
(DIN No. 00041156)
Chairman

Harsh Patil Singhania
(DIN No. 00086742)
Vice Chairman & Managing Director

A.S.Mehta
(DIN No. 00030694)
President & Director

KR.Veerappan
Chief Finance Officer

Directors
Shri Anoop Seth (DIN No. 00239653)
Smt. Deepa Gopalan Wadhwa (DIN No. 07862942)
Shri Harshavardhan Neotia (DIN No. 00047466)
Shri R.V. Kanoria (DIN No. 00003792)
Shri Shalendra Swarup (DIN No. 00167799)
Shri S.K. Roongta (DIN No. 00309302)
Smt. Vinita Singhania (DIN No. 00042983)

Deepak Gupta
Company Secretary

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 1 – COMPANY (Consolidated) OVERVIEW, STATEMENT OF COMPLIANCE AND SIGNIFICANT ACCOUNTING POLICIES

1.1 Company (Consolidated) overview:

The Consolidated Financial Statements comprise financial statements of “JK Paper Ltd (the Holding Company or The Company) and its Subsidiaries (collectively referred to as “ The Group”) for the year ended 31st March,2023. The registered office of the Company is situated at Fort Songadh, Dist- Tapi- 394660, Gujarat. The Company’s state -of -the art manufacturing units are located at Strategic Locations Unit JKPM in East (Rayagada, Odisha), Unit CPM in West (Songadh, Gujarat) and Unit SPM in South in Kagaznagar, Telengana.

These Consolidated financial statements were approved and adopted by board of directors of the Company in their meeting held on 16 May,2023.

1.2. Statement of compliance:

The Consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended time to time and other relevant provisions of the Companies Act, 2013.

1.3. Significant Accounting Policies for the year ended 31st March, 2023.

(i) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The specific recognition criteria described below also be met before revenue is recognised.

Sale of goods

Revenue from the sale of goods is recognised, when control of goods being sold is transferred to customer and where there are no longer any unfulfilled obligations. The performance obligations in contracts are considered as fulfilled in accordance with the terms agreed with the respective customers.

Revenue from the sale of goods is measured on transaction price excluding estimates of variable consideration that is allocated to performance obligations. Sales as disclosed, are exclusive of Goods and Services Tax.

The company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring promised goods to a customer, excluding amount collected on behalf of third parties (for example taxes collected on behalf of government). The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both.

The transaction price is allocated by the company to each performance obligation in an amount that depicts the amount of consideration to which it expects to be entitled in exchange for transferring the promised goods to the customer.

Export Incentives

Income from export incentives and duty drawbacks is recognised on accrual basis when no significant uncertainties as to the amount of consideration that would be derived and as to its ultimate collection exist.

Interest income

Interest income is recognized on time proportion basis using the effective interest method.

Dividend Income

Dividend income is recognized when the right to receive payment is established by the reporting date, which is generally when shareholders approve the same.

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 1 – COMPANY (Consolidated) OVERVIEW, STATEMENT OF COMPLIANCE AND SIGNIFICANT ACCOUNTING POLICIES *(contd.)*

Renewal Energy Certificate

Renewable Energy Certificate (REC) benefits are recognized in Statement of Profit & Loss on sale of REC's.

(ii) Inventory Valuation

Inventories such as Raw Materials, Work-in-Progress, Finished Goods, Stock in Trade, Stores & Spares and Renewable Energy Certificates are valued at the lower of cost and net realisable value (except scrap/waste which are value at net realisable value). The cost is computed on weighted average basis. Finished Goods and Process Stock include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

(iii) Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand cash at bank and demand deposits with banks with an original maturity of three months or less which are subject to an insignificant risk of change in value.

(iv) Property Plant and Equipment

On transition to IND AS, the company had adopted optional exception under IND AS 101 to measure Property, Plant and Equipment (PPE) at fair value. Consequently the fair value had been assumed to be deemed cost of PPE on the date of transition. Subsequently PPE were carried at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items.

PPE acquired are stated at cost net of tax/duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Capital work-in-progress includes cost of PPE under installation / under development as at the balance sheet date. Advances paid towards the acquisition of PPE outstanding at each balance sheet date is classified as capital advances under other non-current assets.

Subsequent expenditures relating to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the costs to the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gain or losses are recognized in the statement of profit and loss.

Depreciation on Buildings, Plant & Machinery, Railway Siding and Other Assets of all Units is provided as per straight line method over their useful lives as prescribed under Schedule II of Companies Act, 2013. However, in respect of certain property, plant and equipment, depreciation is provided as per their useful lives as assessed by the management supported by technical advice ranging from 10 to 40 years for plant and machinery and 8 to 60 years for buildings.

Depreciation on additions due to exchange rate fluctuation is provided on the basis of residual life of the assets. Depreciation on assets costing up to ₹5000/- and on Temporary Sheds is provided in full during the year of additions.

Depreciation will be charged from the date the assets is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. The residual values, useful lives and methods of depreciation of PPE are reviewed at each financial year end and adjusted prospectively, if appropriate.

Leased Assets

Leasehold lands are amortized over the period of lease, Buildings constructed on leasehold land are depreciated based on the useful life specified in Schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building.

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 1 – COMPANY (Consolidated) OVERVIEW, STATEMENT OF COMPLIANCE AND SIGNIFICANT ACCOUNTING POLICIES *(contd.)*

Intangible Assets

Intangible Assets are recognised, if the future economic benefits attributable to the assets are expected to flow to the company and cost of the asset can be measured reliably. All other expenditure is expensed as incurred. The same are amortised over the expected duration of benefits. Such intangible assets are measured at cost less any accumulated amortisation and impairment losses, if any and are amortised over their respective individual estimated useful life on straight line method.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period and adjusted prospectively, if appropriate.

(v) Research and Development Costs

- Expenditure on research is recognized as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognized as an expense when it is incurred.
- Items of Property, Plant and equipment and acquired intangible assets utilised for research and development are capitalised and depreciated / amortized in accordance with the policies stated for Property, Plant and Equipment and Intangible Assets.

(vi) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The Company had adopted Ind AS 116 "Leases" effective April 1, 2019 (Transition date) using the simplified approach (Retrospective cumulative effect was from 1st April 2019).

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis from the commencement date over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its existing borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 1 – COMPANY (Consolidated) OVERVIEW, STATEMENT OF COMPLIANCE AND SIGNIFICANT ACCOUNTING POLICIES *(contd.)*

amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Lease liabilities and Right-of-use assets have been presented as a separate line in Note 2 of Property, Plant and Equipment (PPE) and Note 19 of Non current Financial Liabilities -Borrowings. Lease payments have been classified as cash used in financing activities.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases of all assets that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease.

(vii) Impairment

The carrying amount of PPEs, Intangible assets and Investment property are reviewed at each Balance Sheet date to assess impairment if any, based on internal / external factors. An asset is treated as impaired, when the carrying cost of asset exceeds its recoverable value, being higher of value in use and net selling price. An impairment loss is recognised as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed, if there has been an improvement in recoverable amount.

(viii) Financial Assets & Liabilities

A Financial Instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

At initial recognition, all financial assets are measured at fair value. Such financial assets are subsequently classified under the following three categories according to the purpose for which they are held. The classification is reviewed at the end of each reporting period.

(a) Financial Assets at Amortised Cost

At the date of initial recognition, Financial assets are held to collect contractual cash flows of principal and interest on principal amount outstanding on specified dates. These financial assets are intended to be held until maturity. Therefore, they are subsequently measured at amortised cost by applying the Effective Interest Rate (EIR) method to the gross carrying amount of the financial asset. The EIR amortisation is included as interest income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

(b) Financial Assets at Fair value through Other Comprehensive Income

At the date of initial recognition, Financial assets are held to collect contractual cash flows of principal and interest on principal amount outstanding on specified dates, as well as held for selling. Therefore, they are subsequently measured at each reporting date at fair value, with all fair value movements recognised in Other Comprehensive Income (OCI). Interest income calculated using the effective interest rate (EIR) method, impairment gain or loss and foreign exchange gain or loss are recognised in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from the OCI to Statement of Profit and Loss.

(c) Financial Assets at Fair value through Profit or Loss

At the date of initial recognition, Financial assets are held for trading, or which are measured neither at Amortised Cost nor at Fair Value through OCI. Therefore, they are subsequently measured at each reporting date at fair value, with all fair value movements recognised in the Statement of Profit and Loss.

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 1 – COMPANY (Consolidated) OVERVIEW, STATEMENT OF COMPLIANCE AND SIGNIFICANT ACCOUNTING POLICIES *(contd.)*

Trade Receivables

With the exception of trade receivables that do not contain a significant financing component, the Company initially measures financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, net of transaction costs. Trade receivables do not contain a significant financing component and are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (i) Revenue recognition.

In respect of trade receivables, the company applies the simplified approach of IND AS 109 “Financial Instruments”, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Investment in Equity Shares

Investment in equity instruments which are held for trading are classified as at fair value through profit or loss (‘FVTPL’). For all other equity instruments, the company makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same as fair value through other comprehensive income (‘FVTOCI’) or fair value through profit or loss (‘FVTPL’). Amount presented in other comprehensive income are not subsequently transferred to profit or loss.

Investment in Associates, Joint Ventures and Subsidiaries

The Company has accounted for its investment in subsidiaries, associates and joint venture at cost less diminution in value of Investment.

Investments in Mutual Funds

Investments in Mutual Funds are accounted for at fair value through profit and loss. Any subsequent fair value gain or loss is recognized through Profit or Loss Account.

Derecognition

Financial Asset is primarily derecognised when:

- (i) The right to receive cash flows from asset has expired, or,
- (ii) The Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a “pass-through” arrangement and either:
 - a) The Company has transferred substantially all the risks and rewards of the asset, or
 - b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its right to receive cash flows from an asset or has entered into a pass through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company’s continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Financial Liabilities

Initial Recognition and Measurement.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company’s financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 1 – COMPANY (Consolidated) OVERVIEW, STATEMENT OF COMPLIANCE AND SIGNIFICANT ACCOUNTING POLICIES *(contd.)*

Subsequent Measurement.

The measurement of financial liabilities depends on their classification, as described below :

a) Financial Liabilities at Fair Value through Profit or Loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. The Company has not designated any financial liabilities upon initial measurement recognition at fair value through profit or loss. Financial liabilities at fair value through profit or loss are at each reporting date with all the changes recognized in the Statement of Profit and Loss.

b) Financial Liabilities measured at Amortised Cost

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method ("EIR") except for those designated in an effective hedging relationship. The carrying value of borrowings that are designated as hedged items in fair value hedges that would otherwise be carried at amortised cost are adjusted to record changes in fair values attributable to the risks that are hedged in effective hedging relationship.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the Statement of Profit and Loss.

c) Loans and Borrowings

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

d) Trade and Other Payables

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

De-recognition of Financial Liability

A Financial Liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Offsetting of Financial Instruments

Financial Assets and Financial Liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative Financial Instruments

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks. Derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at the end of each period. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument,

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 1 – COMPANY (Consolidated) OVERVIEW, STATEMENT OF COMPLIANCE AND SIGNIFICANT ACCOUNTING POLICIES *(contd.)*

and if so, on the nature of the item being hedged. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

Compound Financial Instruments

The liability component of a compound financial instrument is recognised initially at fair value of a similar liability that does not have an equity component. The equity component is recognised initially as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and the equity components, if material, in proportion to their initial carrying amounts.

Subsequent to the initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest rate method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry.

(ix) Foreign Exchange Transactions / Translations / Hedge Accounting

Financial statements are presented in Indian Rupee, which is Company's functional currency. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Financial instruments designated as Hedge Instruments are mark to market using the valuation given by the bank on the reporting date. Exchange differences arising on settlement of monetary items on actual payments / realisations and year end translations including on forward contracts are dealt with in Profit and Loss Statement except exchange differences on borrowings taken for qualifying assets are treated as borrowing cost and adjusted with qualifying assets. Non Monetary Foreign Currency items are stated at cost.

The Company has continued capitalisation of foreign currency fluctuation on long term foreign currency liabilities outstanding on Ind AS transition date.

(x) Employee Benefits

a) Defined Contribution Plan:

The Company makes defined contribution to Superannuation Funds, which are accounted on accrual basis as expenses in the statement of Profit and Loss

b) Defined Benefit Plan:

The Company's Liabilities on account of Gratuity and Earned Leave on retirement of employees are determined at the end of each financial year on the basis of actuarial valuation certificates obtained from Registered Actuary in accordance with the measurement procedure as per Indian Accounting Standard (INDAS)-19, 'Employee Benefits'. Liability against Gratuity are funded on year-to-year basis by contribution to respective fund. The costs of providing benefits under these plans are also determined on the basis of actuarial valuation at each year end. Actuarial gains and losses for defined benefit plans are recognized through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

The Provident Fund Contribution other than contribution to Employees' Regional Provident Fund, is made to trust administered by the trustees. The interest rate to the members of the trust shall not be lower than the statutory rate declared by the Central Government under Employees' Provident Fund and Miscellaneous Provision Act, 1952. The Employer shall make good deficiency, if any.

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 1 – COMPANY (Consolidated) OVERVIEW, STATEMENT OF COMPLIANCE AND SIGNIFICANT ACCOUNTING POLICIES *(contd.)*

The Defined Benefit Plan can be short term or Long terms which are defined below:

i) Short-term Employee Benefit.

All employees' benefits payable wholly within twelve months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognized during the period in which the employee renders related service.

ii) Long-term employee Benefits

Compensated absences which are not expected to occur within 12 months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date

c) Termination benefits

Termination benefits are recognized as an expense in the period in which they are incurred. The Company shall recognise a liability and expense for termination benefits at the earlier of the following dates:

- (a) When the entity can no longer withdraw the offer of those benefits; and
- (b) When the entity recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.

(xi) Earnings per Share (EPS)

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

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

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

(xii) Income Tax

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at reporting date. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 1 – COMPANY (Consolidated) OVERVIEW, STATEMENT OF COMPLIANCE AND SIGNIFICANT ACCOUNTING POLICIES *(contd.)*

sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Minimum Alternate Tax

Minimum Alternate Tax credit is recognized, as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

(xiii) Provisions and Contingent Liabilities /Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement. Contingent liabilities are not recognised but are disclosed in notes.

Contingent Assets are not recognised in financial statements but are disclosed, since the former treatment may result in the recognition of income that may or may not be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

(xiv) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(xv) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(xvi) Fair Value Measurements

The Company measures financial instruments such as derivatives and certain investments, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 1 – COMPANY (Consolidated) OVERVIEW, STATEMENT OF COMPLIANCE AND SIGNIFICANT ACCOUNTING POLICIES *(contd.)*

- ◆ In the principal market for the asset or liability.

Or

- ◆ In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;

- ◆ Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- ◆ Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- ◆ Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(xvii) Investment Properties :

Investment Properties comprises portions of freehold land and buildings that are held for long-term rentals yields and/or for capital appreciation. Investment properties are initially recognised at cost. Subsequent Investment property comprising of building is carried at cost less accumulated depreciation and accumulated impairment losses.

Depreciation on building is provided over the estimated useful lives as specified in Schedule II to the Companies Act, 2013. Though the Company measures investment property using cost based measurement, the fair value of investment is disclosed in notes.

The difference between the net disposal proceeds and the carrying amount of the asset is recognised In the statement of profit and loss in the period of derecognition.

(xviii) Significant Accounting Judgments, Estimates and Assumptions

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgements which have significant effect on the amounts recognized in the financial statement:

a. Income taxes

Judgment of the Management is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the standalone financial statements.

b. Contingencies

Judgment of the Management is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the company as it is not possible to predict the outcome of pending matters with accuracy.

c. Allowance for uncollected accounts receivable and advances

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not collectible. Impairment is made on ECL, which are the present value of the cash shortfall over the expected life of the financial assets.

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 1 – COMPANY (Consolidated) OVERVIEW, STATEMENT OF COMPLIANCE AND SIGNIFICANT ACCOUNTING POLICIES *(contd.)*

d. Defined Benefit Plans.

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in future. These Includes the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

e. Fair Value Measurement of Financial Instruments.

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(xix) Business Combinations

Business Combinations are accounted for using the acquisition method. The cost of acquisition is measured at the aggregate of the fair values at the date of exchange of assets given, liabilities incurred or assumed and equity instruments issued by the Company in exchange for control of the acquiree. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the recognition criteria are stated at their fair values at the acquisition date except certain assets and liabilities required to be measured as per the applicable standard.

The interest of non-controlling shareholders in the acquiree is initially measured at the non-controlling shareholders' proportionate share of the acquiree's identifiable net assets.

Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The company has evaluated the amendment and there is no impact on its consolidated financial statement.

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 2 Property, Plant and Equipment (PPE)

Description	Gross Carrying Value				Depreciation				Net Carrying Value	
	April 1, 2022	Addition pursuant to Business-Combination (c)	Impact of Slump Sale DELOPT	March 31, 2023	Apr 01, 2022	For the year	On Sales/ Adjustments	Impact of impairment	March 31, 2023	March 31, 2022
Land - Freehold (a)	620.89	63.77	-	684.66	-	-	-	-	-	684.66
- Leasehold	-	18.22	-	18.22	-	0.07	-	-	0.07	18.15
-Right-of-use Asset	114.46	-	-	114.46	4.35	1.46	-	-	5.81	108.65
Building	568.32	64.39	17.39	646.08	82.91	26.66	0.21	2.46	111.82	534.26
Plant & Equipment (b)	4,590.64	1,24.76	138.20	4,822.60	730.43	215.38	24.16	31.17	952.82	3,869.78
Right-of-use Asset	106.13	-	6.87	113.00	38.21	13.79	-	-	52.00	61.00
Furniture and Fixture	7.11	1.08	1.77	9.35	3.46	0.79	0.50	-	3.75	5.60
Office Equipment	17.85	7.09	6.89	30.59	10.52	3.36	1.12	-	12.76	17.83
Vehicles & Locomotive	29.13	5.95	7.26	37.26	8.35	4.72	1.73	-	11.34	25.92
Railway Siding	2.60	-	-	2.60	1.23	0.13	0.81	-	0.55	2.05
Total	6,057.13	285.26	178.38	6,478.82	879.46	266.36	28.53	33.63	1,150.92	5,327.90
Previous year	3,641.89	-	2,410.69	6,057.13	697.17	186.07	3.78	-	879.46	5,177.67

Notes:

a) Includes cost of 4.67 acres land given on lease to Employees State Insurance Corporation for construction of Hospital for Employees.

The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), are held in the name of the Company, except for the following:

Description of property	Gross carrying value (₹ Crore)	Held in name of	Whether title deed holder is a promoter, director or their relative or employee	Period held (i.e. dates of Capitalisation)	Reason for not being held in name of company
Freehold Land	20.24	Not Applicable	No	2006	Land acquired through land acquisition order by High court and registration is pending as matter is sub-judice.

b) During the year ₹0.74 Crore has been deducted (Previous year ₹1.79 Crore was added) in Plant & Equipment due to Foreign Exchange Fluctuation (Net).

c) Refer note 51

2.1 CAPITAL WORK-IN-PROGRESS (CWIP)

Capital Work-In-Progress ageing schedule

Particulars	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 Years	2-3 years	
Projects in progress			More than 3 years	
March 31, 2023	110.71	7.75	0.06	119.44
March 31, 2022	36.76	2.66	3.02	42.44
Projects temporarily suspended				
March 31, 2023	-	-	-	-
March 31, 2022	-	-	-	-

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 3 OTHER INTANGIBLE ASSETS

₹ in Crore (10 Million)

Description	Gross Carrying Value						Amortisation					Net Carrying Value	
	April 1, 2022	Addition pursuant to Business #	Additions/ Adjustments	Sales/ Adjustments	Impact of Slump Sale DELOPT	March 31, 2023	April 1, 2022	For the year	On Sales/ Adjustments	Impact of impairment	March 31, 2023	March 31, 2023	March 31, 2022
Computer Software	34.89	0.89	3.31	-	-	39.09	15.40	6.20	-	0.01	21.61	17.48	19.49
Design & Prototype	14.79	-	-	-	-	14.79	-	2.96	-	-	2.96	11.83	14.79
Non Compete Fees	4.50	-	-	-	-	4.50	-	0.68	-	-	0.68	3.82	4.50
Customer Relationship	-	197.11	-	-	-	197.11	-	3.95	-	-	3.95	193.16	-
Total	54.18	198.00	3.31	-	-	255.49	15.40	13.79	-	0.01	29.20	226.29	38.78
Previous year	31.67	-	3.08	0.01	19.44	54.18	10.02	5.38	-	-	15.40	38.78	21.65

Refer Note 51

NOTE 3.1 INTANGIBLE ASSETS UNDER DEVELOPMENT

Intangible Assets Under Development ageing schedule

₹ in Crore (10 Million)

Particulars	Amount in Intangible Assets Under Development for a period of				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Projects in progress					
March 31, 2023		1.44	2.84	-	4.28
March 31, 2022		2.67	1.18	-	3.85
Projects temporarily suspended					
March 31, 2023		-	-	-	-
March 31, 2022		-	-	-	-

NOTE 4 INVESTMENT PROPERTY

₹ in Crore (10 Million)

Particulars	Gross Block				Depreciation				NET BLOCK	
	Apr 01, 2022	Additions / Adjustments	Sales / Adjustments	March 31, 2023	Apr 01, 2022	For the year	Sales / Adjustments	March 31, 2023	March 31, 2023	March 31, 2022
Land										
Freehold	6.99	-	-	6.99	-	-	-	-	6.99	6.99
Leasehold	12.01	-	-	12.01	2.43	0.20	-	2.63	9.38	9.58
Buildings	48.60	0.25	-	48.85	11.08	1.49	-	12.57	36.28	37.52
Total	67.60	0.25	-	67.85	13.51	1.69	-	15.20	52.65	54.09
Previous year ended 31 st March 2022	66.69	0.91	-	67.60	11.91	1.60	-	13.51	54.09	54.78

As at 31st December 2022, the fair value of Land and Buildings are ₹125.47 Crore. These Valuations are based on valuations performed by an accredited independent valuer. Fair valuation is based on replacement cost method. Management estimates that there is no major change in fair valuation as on 31st March, 2023.

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 5 NON-CURRENT INVESTMENTS

₹ in Crore (10 Million)

Particulars	Face Value ₹/Share	March 31, 2023		March 31, 2022	
		No of Share	Value	No of Share	Value
Quoted, Equity shares/ INVIT Fund fully paid up					
Investment Carried at Fair Value through OCI					
JK Lakshmi Cement Limited	5/-	191,000	15.11	191,000	9.01
TCPL Packaging Limited	10/-	42,915	6.05	32,187	2.32
Life Insurance Corporation	10/-	4,293	0.23	-	-
IndiGrid InvIt Fund Ltd.	100/-	30,000	0.40	-	-
Powergrid Infrastructure Investment Trust Ltd	100/-	33,045	0.41	-	-
Investment in Equity instruments of Others					
Global Strategic Technologies Limited	10/-	342,000	0.34	342,000	0.34
Unquoted, Preference shares fully paid up					
Bengal & Assam Co. Limited	100/-	6,500,000	65.00	6,500,000	65.00
Global Strategic Technologies Limited	100/-	500,000	5.00	500,000	5.00
Deepti Electronics and Electro Optics Private Limited	100/-	1,000,000	10.00	1,000,000	10.00
Investments Carried at Cost					
Investment in Equity instrument of Joint Venture					
Habras MZZ Plantation Myanmar Company Limited	USD 1000	3,250	26.72	3,250	24.64
Investment in Others					
JK Paper Mills Employees' Co-operative Stores Ltd. (CY ₹2500/-, PY ₹2500/-)	10/-	250	0.00	250	0.00
			129.26		116.31
Less : Provision for diminution in value of investments*			13.36		11.10
			115.90		105.21
Aggregate book value of unquoted investments			93.70		93.88
Aggregate market value of quoted investments			22.20		11.33

* Refer note 41 B

NOTE 6 NON CURRENT FINANCIAL ASSETS - LOANS

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
Unsecured considered good unless otherwise specified:-		
At Amortised Cost		
Others	29.00	27.00
TOTAL	29.00	27.00

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 7 NON CURRENT FINANCIAL ASSETS - OTHERS

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
Deposits with Government Authorities & Others*	7.44	11.91
Derivative Financial Instruments (at fair value through P&L)	81.80	65.19
Others Deposit	20.84	19.87
Fixed Deposit with Banks (Remaining Maturity more than 12 months)	4.29	1.06
TOTAL	114.37	98.03

* includes ₹ NIL (PY ₹ 0.77 Crore) against legal case.

NOTE 8 OTHER NON CURRENT ASSETS

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
Capital Advances	31.66	25.77
Deposits with Government Authorities and Others	13.85	15.28
Prepaid Expenses	0.60	0.39
Income tax assets*	23.13	-
TOTAL	69.24	41.44

*Horizon Packs Private Limited has paid under protest against income tax demand ₹23.79 Crore for AY 2018-19 and AY 2020-21

NOTE 9 INVENTORIES

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
(at cost or Net realisable value whichever is lower)		
Raw Materials #	494.88	279.38
Work-in-Progress @	42.60	48.51
Finished Goods	157.14	104.76
Stock in Trade #	1.33	1.82
Stores & Spares #	123.19	84.71
Renewable Energy Certificates	0.15	0.05
TOTAL	819.29	519.23

Includes Raw Materials in transit ₹37.45 Crore (Previous year ₹16.48 Crore), Stores & Spares in transit ₹5.95 Crore (Previous year ₹3.83 Crore) and Stock in Trade in transit ₹NIL (Previous year ₹0.59 Crore).

@ Includes Pulp in process ₹7.58 Crore (Previous year ₹8.13 Crore) and Semi Finished Goods ₹25.4 Crore (Previous year ₹29.83 Crore).

NOTE 10 CURRENT INVESTMENTS

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
Measured at amortised Cost		
Investment in Bonds / Debentures	359.30	8.93
Measured at fair value through P&L(FVTPL)		
Investment in Mutual Fund #	455.46	610.12
# ₹25.33 crore invested in mutual funds as per Escrow agreement pursuant to the Share Purchase and Shareholder's Agreements between JK Paper Limited and Horizon Packs Private Limited (Refer note no.51)		
TOTAL	814.76	619.05

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 10 CURRENT INVESTMENTS (Contd.)

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
Aggregate book value of quoted investments	455.46	610.12
Aggregate book value of unquoted investments	359.30	8.93

NOTE 11 TRADE RECEIVABLES

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
Unsecured		
Considered Good	349.81	217.20
Credit Impaired	2.53	1.34
	352.34	218.54
Less: Allowance for credit impairment	2.80	1.34
TOTAL	349.54	217.20

(Refer note no. 45 (i) for ageing)

NOTE 12 CASH AND CASH EQUIVALENTS

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
Cash & Cash Equivalents		
Balances with Bank-Current Accounts*	35.38	8.61
Cash on Hand	0.39	0.27
TOTAL	35.77	8.88

* includes ₹1.31 Crore (Previous Year ₹1.31 Crore) earmarked for specified purposes

NOTE 13 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
Other Bank Balances		
Unclaimed Dividend Accounts	0.66	0.55
Fixed Deposit with Banks #	15.27	12.77
TOTAL	15.93	13.32

Includes ₹0.22 Crore (Previous year ₹0.20 Crore) pledged with Government Authorities.

NOTE 14 CURRENT FINANCIAL ASSETS - LOANS

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
Unsecured considered good :-		
Loans to related parties		
Bengal & Assam Co. Limited - (Associate)	15.00	40.00
Other Loans & Advances		
Others	1.65	1.95
TOTAL	16.65	41.95

All the above loans and advances have been given for general business purpose [U/s 186(4) of the Companies Act 2013].

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 15 CURRENT FINANCIAL ASSETS - OTHER

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
Unsecured considered good :-		
Advances Recoverable	1.04	2.08
Interest Accrued but not due	26.05	9.56
Advances to Employees	1.40	0.96
Derivative Financial Instruments (at fair value through P&L)	13.46	6.28
Government Benefits Receivable - Revenue	172.21	128.43
TOTAL	214.16	147.31

NOTE 16 CURRENT TAX ASSETS (Net)

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
Advance Income Tax/ Tax deducted at source (Net of Provision)	5.69	-
TOTAL	5.69	-

NOTE 17 OTHER CURRENT ASSETS

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
Advances Recoverable	22.21	24.93
Advances to Suppliers	99.85	59.53
Balance with Government Authorities	305.82	370.34
Other Deposits	2.52	1.88
Prepaid Finance Charges	-	2.49
Employee Defined Benefit Plan (net asset)	1.76	
Doubtful Advances		
Other	0.35	0.35
	432.51	459.52
Less : Allowance for Doubtful Advances	0.35	0.35
TOTAL	432.16	459.17

17.1 ASSET HELD FOR SALE

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
Assets held for Sale #	7.76	-
TOTAL	7.76	-

During the year company has classified old power plant to asset held for sale ₹7.76 Crore from Property Plant and Equipments.

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 18 SHARE CAPITAL

Particulars	₹ in Crore (10 Million)	
	March 31, 2023	March 31, 2022
Authorised :		
Equity Shares - 30,00,00,000 of ₹10 each (Previous Year 30,00,00,000 Equity Share of ₹10 each)	300.00	300.00
Redeemable Preference Shares - 2,00,00,000 of ₹100 each (Previous Year 2,00,00,000 Share of ₹100 each)	200.00	200.00
	500.00	500.00
Issued, Subscribed and Paid-up :		
Equity Shares - 16,94,02,344 (Previous Year 16,94,02,344 Equity Share of ₹10 each fully paid up)	169.40	169.40
	169.40	169.40

Notes :

(a) Reconciliation of Equity Share Capital (In numbers)

Particulars	₹ in Crore (10 Million)	
	March 31, 2023	March 31, 2022
Shares outstanding at the beginning of the year	169,402,344	169,402,344
Add : Shares issued during the year	-	-
Less : Shares bought back during the year	-	-
Shares outstanding at the end of the year	16,94,02,344	16,94,02,344

(b) Equity Shares:

The Equity Shareholders have:-

- The right to receive dividend out of balance of net profits remaining after payment of dividend to the preference shareholders. The dividend proposed by Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting.

- The Company has only one class of Equity Shares having face value of ₹10/- each and each shareholder is entitled to one vote per share.

- In the event of winding up, the equity shareholders will be entitled to receive the remaining balance of assets if any, after preferential payments and to have a share in surplus assets of the Company, proportionate to their individual shareholding in the paid up equity capital of the Company.

(c) Reconciliation of Preference Shares Capital (In numbers)

Particulars	₹ in Crore (10 Million)	
	March 31, 2023	March 31, 2022
Preference Shares outstanding at the beginning of the year	63,00,000	63,00,000
Add : issued during the year (Nil) Previous year ((Nominal Value ₹100, ₹100 Paid up)"	-	-
Preference Shares outstanding at the end of the year	63,00,000	63,00,000

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 18 SHARE CAPITAL (Contd.)

Subsidiary issued following preference shares :

- (i) During the F.Y. 2019-20, Enviro Tech Ventures Limited (Formerly known as JK Enviro-Tech Limited) has issued Compulsory Convertible Preference Shares having nominal Value of ₹100/- (One Hundred) each, aggregating to ₹23,00,00,000 (Rupees Twenty Three Crores only), having 0.01% dividend (on cumulative basis) on 4th September 2019, to be convertible into Equity shares of the Company, having nominal value of ₹10 each, at a conversion price of ₹20.80 per equity share (including premium of ₹10.80 per equity share) at any time upto 7 years but further extendable with mutual consent of the Company and the shareholder(s), by way of preferential allotment for cash. These convertible preference share is recorded in Other equity.
- (ii) During the FY. 2018-19, The Sirpur Paper Mills Limited had issued Redeemable Preference Shares of ₹1,62,03,00,000 for consideration other than cash, to be redeemed at the end of 20 years from the issue date with dividend of 0.01% p.a. The Equity portion of these Redeemable Preference Shares, on account of Dividend payout being lower than effective market rate, is recorded in Other Equity.

(d) List of Shareholders holding more than 5% of the Equity Share Capital of the Company (In numbers) :

Particulars	₹ in Crore (10 Million)	
	March 31, 2023	March 31, 2022
Bengal & Assam Company Limited	79,627,228	79,627,228

(e) Promoter's shareholding - Equity Share Capital

Particulars	₹ in Crore (10 Million)	
	March 31, 2023	March 31, 2022
Promoter Name	Bengal & Assam Company Limited	Bengal & Assam Company Limited
No. of shares at the beginning of the year	79,627,228	79,627,228
Change during the year	-	-
No. of shares at the end of the year	79,627,228	79,627,228
% of Total Shares	47.00%	47.00%
% change during the year	--	--

(f) Promoter's shareholding - Preference Share Capital

Particulars	₹ in Crore (10 Million)	
	March 31, 2023	March 31, 2022
Promoter Name	Bengal & Assam Company Limited	Bengal & Assam Company Limited
No. of shares at the beginning of the year	--	--
Change during the year	--	--
No. of shares at the end of the year	--	--
% of Total Shares	--	--
% change during the year	--	--

- (g) The Company has not issued any Bonus Share, shares other than Cash in immediately preceding five years from the Balance Sheet date. During the financial year 2020-21 the company has Buy Back 88,41,241 no's of Equity Shares.

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 19 NON CURRENT FINANCIAL LIABILITIES - BORROWINGS

Particulars	₹ in Crore (10 Million)	
	March 31, 2023	March 31, 2022
SECURED		
Term Loan		
From Banks	1,724.83	2,075.73
From Financial Institutions	370.37	284.35
Non Convertible Debentures (NCDs)	407.34	437.89
UNSECURED		
Public Deposits	57.91	56.30
Liability Component of Redeemable Preference Share	61.75	57.99
	2,622.20	2,912.26
Less : Current Maturities of Long Term Borrowings	539.29	303.69
TOTAL	2,082.91	2,608.57

19.1 NON CURRENT FINANCIAL LIABILITIES - LEASE

Particulars	₹ in Crore (10 Million)	
	March 31, 2023	March 31, 2022
UNSECURED		
Lease Liabilities	64.25	69.44
Less : Current Maturities of Lease Liability	9.95	11.86
TOTAL	54.30	57.58

- A. Term Loans of ₹37.55 Crore (FIs – ₹ Nil, Banks ₹37.55 Crore) and NCD of ₹284.75 Crore are secured by means of first pari passu mortgage/charge on the fixed assets of the company. These Term Loans are/shall be repayable as under:
- Term Loan of ₹37.55 Crore is repayable in 4 quarterly instalments from June 2023 to March 2024.
 - NCDs of ₹284.75 Crore is repayable in 11 Half yearly installment from September 2023 to March 2028.
- B. Term Loans of ₹272.34 Crore (FIs – ₹ Nil, Banks ₹272.34 Crore) and NCD of ₹125 Crore is secured by means of first pari passu mortgage/charge on the Property, Plant & Equipment , both present and future, of Unit JKPM of the company. These Term Loans are/shall be repayable as under :-
- Term Loan of ₹22.34 Crore is repayable in 1 half-yearly instalment in August 2023.
 - Term Loan of ₹250 Crore is repayable in total 18 quarterly installments from June 2023 to September 2027.
 - NCDs of ₹125 Crore is repayable in 13 Half yearly installment from May 2023 to May 2029.
- C. Term Loans of ₹1453.48 Crore (FIs – ₹371.98 Crore, Banks ₹1081.50 Crore) is secured by means of first pari passu mortgage/charge on the fixed assets, both present and future, of Unit CPM of the company. These Term Loans are/shall be repayable as under :-
- Term Loans aggregating to ₹506.38 Crore are repayable in total 105 equal Quarterly-instalments from June 2023 to March 2032.
 - Term Loans aggregating to ₹663.10 Crore are repayable in total 30 equal half-yearly instalments from June 2023 to June 2031.
 - Term Loans of ₹284 Crore are repayable in 34 quarterly installments from June 2023 to September 2031.
- D. Secured Term loans from Financial Institutions and Banks have been reduced by ₹4.88 Crore (FIs – ₹1.61 Crore, Banks ₹3.27 Crore) and NCDs have been reduced by ₹2.41 Crore due to effective rate of interest.

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 19 NON CURRENT FINANCIAL LIABILITIES - BORROWINGS (Contd.)

- E. Secured Term loans from Financial Institutions and Banks include ₹685.43 Crore foreign currency loans. Certain charges are in the process of satisfaction.
- F. Lease Liabilities aggregating to ₹64.01 Crore is repayable in total 524 equal monthly installments from April 2023 to Sep 2041.
- G. Public deposits are due for repayment in 2023-24, 2024-25 & 2025-26.

Subsidiaries

The Sirpur Paper Mills Limited:

- a) 'Term Loans of ₹267.11 Crore from Banks is secured by means of first pari passu mortgage/charge on the fixed assets of the company, and is further secured by second charge on the current assets of the Company.
 - i) 'Term Loans aggregating to ₹137.45 Crore are repayable in total 30 equal quarterly instalments from June 2023 to September 2030.
 - ii) Term Loans aggregating to ₹53.33 Crore are repayable in total 32 equal quarterly instalments from June 2023 to March 2031.
 - iii) Term Loans aggregating to ₹76.33 Crore are repayable in total 30 quarterly instalments from June 2023 to September 2030.
- b) 'Secured Term loans from Bank has been reduced by ₹1.44 Crore due to effective rate of interest.
- c) 'During the FY 2019-20 company had issued Redeemable Preference Shares of ₹10 Crore, to be redeemed at the end of 12 years (During FY 2018-19 ₹162 Crore, to be redeemed at the end of 20 years) from the issue date with dividend of 0.01% p.a. The Equity portion of these Redeemable Preference Shares, on account of Dividend payout being lower than effective market rate, is recorded in Other Equity.

Horizon Packs Private Limited:

- a) ECB (USD) Term Loan Facility availed from bank is repayable in 16 equal quarterly instalments of ₹3.03 Crore each starting from 22 June 2020. As on March 31, 2023, 4 quarterly instalments are due after the balance sheet date. The loan is hedged for variable interest and foreign exchange rates under swap contracts with fixed loan repayments in rupees and carrying effective interest rate of 9.1% p.a.

Secured against: First Exclusive charge on immovable fixed assets at plot no C3 - 1 & 2, MIDC Khamgaon Buldhana, Maharashtra 444 303 and R.S. 147/1B & 145/1,2,3 GST Road, T. Panchalam, Melpettai Post, Tindivanam. Tamil Nadu, 604 307 Tindivanam and other movable fixed assets. First pari passu charge on all stocks and receivables,
- b) Vehicle Loan from banks carry an interest rate @ 7.35% p.a. to 8.72% p.a., secured against hypothecation of vehicle taken and as on the balance sheet date monthly instalments (EMI) of 30 instalments of ₹0.36 lakhs each for 5 vehicles, 32 instalments of ₹0.38 lakhs each for 2 vehicles and 15 equal monthly instalments (EMI) of ₹0.45 lakhs each for 3 vehicles and , 30 instalments of ₹0.43 lakhs each for 1 vehicles are due after the balance sheet date

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 19 NON CURRENT FINANCIAL LIABILITIES - BORROWINGS (Contd.)

JKPL Packaging Products Limited:

Term Loan of ₹49.21 Crore from Union bank of India is secured by means of first pari passu mortgage/ charge on the Property, Plant & Equipment proposed to be set up on the Ludhiana unit.

This Term Loan shall be repayable as under:

- i) Term Loans aggregating to ₹3.00 Crore are repayable in total 4 equal quarterly-instalments from December 2024 to September 2025
- ii) Term Loans aggregating to ₹6.00 Crore are repayable in total 4 equal quarterly-instalments from December 2025 to September 2026
- iii) Term Loans aggregating to ₹40.21 Crore are repayable in total 20 equal quarterly-instalments from December 2026 to September 2031

Securipax Packaging Private Limited:

a) Term Loan From SIDBI are secured as follows:-

(i) Primary Security

- First Charge by way of Hypothecation of all Movable Assets Including Plant, Machinery, Equipment, etc. acquired/to be acquired under the project/scheme.

(ii) Collateral Security

- First charge by way of hypothecation in favour of SIDBI on the existing movable assets of the company, including plant, machinery, equipments, spares, tools, accessories, furniture, fixture and fittings, office equipment and other movables acquired out of earlier term loan.

- First charge by way of equitable mortgage of freehold rights of the immovable property of the company ademeasuring 1.588 Hectears (Approx. 15,880 square meters) i.e. 1/2 of the land comprised in Khasra No-58, Chak No.-395 at village- Madhopur, Pargana- Bhagwanpur, Tehsil-Roorkee, Disst-Hardiwar.

(iii) First charge by way of pledge of company's FDR (including accrued interest thereon) worth ₹0.63 Crore with SIDBI.

(iv) Guarantees

Personal Guarantee of two Directors and two shareholders (erstwhile Directors) of the Company. Terms of borrowings are as under:

- i). Term Loans aggregating to ₹0.51 Crore are repayable in equal monthly installments from April'2023 to July'2023.
- ii). Term Loans aggregating to ₹0.41 Crore are repayable in equal monthly installments from April'2023 to Aug'2024.
- iii). Term Loans aggregating to ₹3.86 Crore are repayable in monthly installments from April'2023 to Feb'2027.
- iv). Term Loans aggregating to ₹2.84 Crore are repayable in monthly installments from Jan'2024 to Jan'2027.

b) ECLGS Loan from ICICI Bank Ltd. is secured as follows:

Second charge on current assets and unencumbered movable fixed assetsof the company.

Terms of borrowings are as under:

Such loans are repayable in monthly installments over period of 4 yrs . These are repayable from April 2023 to June 2024, and carry interest rate ranging between 8.25% and 11% p.a.

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 19 NON CURRENT FINANCIAL LIABILITIES - BORROWINGS :- (Contd.)

c) Vehicle Loan from Bank is secured as follows :-

Such loans are secured against hypothecation of vehicles.

Terms of borrowings are as under:

Such loans are repayable in monthly installments over period of 3 to 5 yrs from the date of respective loan. These are repayable by 2023-24, and carry interest rates ranging between 8.55% and 10% p.a.

NOTE 20 NON CURRENT FINANCIAL LIABILITIES - OTHER

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
Trade Deposits	94.97	83.11
Interest Accrued but not due on FDR	1.98	1.98
Derivative Financial Instruments (at fair value through P&L)	2.24	1.36
Contingent consideration pursuant to Business combination	49.91	-
Others	0.73	0.13
TOTAL	149.83	86.58

NOTE 21 NON CURRENT PROVISIONS

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
Provision for Employee Benefits	11.66	12.28
TOTAL	11.66	12.28

NOTE 22 DEFERRED TAX LIABILITIES

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
Tax on difference between book value of depreciable assets as per books of account and written down value as per Income Tax*	867.44	703.40
Tax on carried forward unabsorbed Depreciation	(102.49)	(120.63)
Tax on Others	40.01	31.61
a Total Deferred Tax Liability	804.96	614.38
Opening MAT Credit Entitlements	(98.94)	(126.18)
Current MAT Credit Entitlement	-	-
Utilization of MAT Credit (including reversal of Earlier Years)	79.72	27.26
b Total MAT Credit Entitlement	(19.22)	(98.92)
c Net Deferred Tax Liability (a+b)	785.74	515.46

Based on the past performance and current plans, the Company expects to continue to generate taxable income which will enable it to utilise MAT credit entitlement.

* Includes Deferred tax pursuant to business combination of ₹73.40 Crore

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 23 OTHER NON CURRENT LIABILITIES

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
Deferred Government Benefits	41.83	43.83
TOTAL	41.83	43.83

NOTE 24 CURRENT FINANCIAL LIABILITIES - BORROWINGS

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
SECURED		
Working Capital Borrowings from Bank	80.44	96.65
UNSECURED		
Working Capital Borrowings from Bank	30.00	52.67
Public Deposits	5.88	5.96
Current Maturities of Long Term Borrowings	539.29	303.69
TOTAL	655.61	458.97

For Holding company:

Working Capital Borrowings are secured by hypothecation of Raw Materials, Finished Goods, Stock-in-Process, Stores & Spares and Book Debts. The same are further secured by a second charge on the movable and immovable assets of the Company.

For Subsidiary company:

a) Securipax Packaging Private Limited:

Working Capital Loan from ICICI Bank Ltd. is secured as follows:

Exclusive Charge on Current Assets and Movable Fixed Assets of the Company, both present and future.

b) Horizon Pack Private Limited:

During the year the Company has availed Working Capital Demand Loan (WDCL) from 2 Banks.

Secured against: First parri passu charge on entire current assets, First pari passu charge on entire movable fixed assets except exclusively funded by other lender term loan, Immovable fixed assets second parri passu charge on factory land and building at plot no C3 - 1 & 2, MIDC Khamgaon Buldhana, Maharashtra 444 303 and at 145/1,2,3, 147, National highway, Panchalam, village, Tindivanam. Tamil Nadu, 604 307 Tindivanam.

WDCL is for period of upto 1 year. During the year loans ranging from 70 to 180 days were taken and repaid at interest rates, mutually agreed ranging between 5.55% to 7.51% p.a.

NOTE 25 CURRENT FINANCIAL LIABILITIES - TRADE PAYABLE

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
Acceptances		
Trade Payable		
Total Outstanding dues of Micro and Small Enterprises	13.40	12.75
Total Outstanding dues of Creditors other than Micro and Small Enterprises	644.46	512.83
TOTAL	657.86	525.58

(Refer note no. 45 (ii) for ageing)

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 26 CURRENT FINANCIAL LIABILITIES - OTHER

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
Interest Accrued but not due	12.39	15.07
Unclaimed Dividends #	0.66	0.55
Unclaimed Matured Deposits #	2.44	2.06
Unclaimed Interest on Unclaimed Matured Deposits #	0.28	0.30
Derivative Financial Instruments (at fair value through P&L)	1.62	3.28
Capital Creditors @	56.96	22.30
Other Payables	98.11	64.22
TOTAL	172.46	107.78

Investor Education and Protection Fund will be credited as & when due.

@ includes ₹1.47 Crore (PY ₹2.12 Crore) payable to Micro & Small Enterprises.

NOTE 27 OTHER CURRENT LIABILITIES

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
Advance from Customers	28.86	22.58
Statutory Dues	31.57	88.68
Other Payables	57.42	71.16
Deferred Government Benefits	2.00	2.00
TOTAL	119.85	184.42

NOTE 28 SHORT TERM PROVISIONS

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
Provision for Employee Benefits	12.80	0.15
TOTAL	12.80	0.15

NOTE 29 CURRENT TAX LIABILITIES

₹ in Crore (10 Million)

Particulars	March 31, 2023	March 31, 2022
Provision for Income Tax (Net of Advance tax)	0.33	9.25
TOTAL	0.33	9.25

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 30 OTHER OPERATING REVENUES

Particulars	₹ in Crore (10 Million)	
	2022-23	2021-22
Insurance Charges Recovered	1.54	2.05
Excess Provision no longer required written back	7.32	55.10
Miscellaneous Income *	18.29	33.71
TOTAL	27.15	90.86

* Includes Sale of Renewal Engery Certificate (REC) of ₹7.92 Crore (P.Y. ₹28.19 Crore).

NOTE 31 OTHER INCOME

Particulars	₹ in Crore (10 Million)	
	2022-23	2021-22
Interest Income	34.58	22.51
Dividend Income	0.14	0.10
Profit on sale of Property, plant and equipment	3.16	0.22
Gain on Sale/Fair value of Current investment *	34.08	19.94
Foreign Exchange Fluctuation&Others	0.10	6.21
Miscellaneous Income	4.31	6.20
Government Benefits	96.28	69.18
TOTAL	172.65	124.36

* Includes Fair Valuation Gain of ₹6.97 Crore (P.Y. Loss of ₹2.08 Crore).

NOTE 32 COST OF MATERIALS CONSUMED

Particulars	₹ in Crore (10 Million)	
	2022-23	2021-22
Hardwood & Bamboo	987.94	730.98
Pulp	789.54	310.00
Chemicals	670.97	455.01
Packing Material	175.04	130.83
Others	185.07	4.20
TOTAL	2,808.56	1,631.02

NOTE 33 Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress

Particulars	₹ in Crore (10 Million)	
	2022-23	2021-22
Inventories at the beginning of the year		
Finished Goods	104.76	97.69
Stock In Trade	1.82	1.82
Work-in-Progress	48.51	24.97
Renewable Energy Certificates	0.05	0.12

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 31 Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress (Contd.)

₹ in Crore (10 Million)

Particulars	2022-23	2021-22
Stock Carried from Pre-operation period :		
Finished Goods	-	17.41
Stock-in-Process	-	16.37
Stock taken over through Slump Sale:		
Finished Goods	-	0.42
Stock-in-Process	-	1.28
Stock transferred on acquisition of Subsidiaries:		
Finished Goods	8.94	-
Stock-in-Process	2.03	-
	166.11	160.08
Inventories at the end of the year		
Finished Goods	157.14	104.76
Stock In Trade	1.33	1.82
Work-in-Progress	42.60	48.51
Renewable Energy Certificates	0.15	0.05
	201.22	155.14
(Increase)/ Decrease in Stock	TOTAL (35.11)	4.94

NOTE 34 EMPLOYEE BENEFIT EXPENSES

₹ in Crore (10 Million)

Particulars	2022-23	2021-22
Salaries, Wages, Allowances, etc.	458.88	359.34
Contribution to Provident and Other Funds	18.99	18.11
Staff Welfare Expenses	5.80	4.07
	TOTAL 483.67	381.52

NOTE 35 FINANCE COST

₹ in Crore (10 Million)

Particulars	2022-23	2021-22
Interest on:		
Term Loan and Fixed Deposits	157.69	96.81
Others	15.82	40.76
Other Borrowing Costs:		
Financial Charges	6.65	3.46
Premium on Forward Exchange Contracts	2.11	0.35
Interest on Lease Liabilities	6.03	3.64
Net (Gain) or Loss on Foreign Currency Transaction	34.18	(13.14)
	TOTAL 222.48	131.88

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 36 DEPRECIATION AND AMORTISATION EXPENSES

₹ in Crore (10 Million)

Particulars	2022-23	2021-22
Depreciation on Property Plant & Equipment	268.05	187.67
Amortisation of Other Intangible Assets	13.80	5.38
TOTAL	281.85	193.05

NOTE 37 OTHER EXPENSES

₹ in Crore (10 Million)

Particulars	2022-23	2021-22
Consumption of Stores and Spares	97.83	77.30
Power, Fuel and Water	685.78	492.31
Repairs to Building	16.87	7.01
Repairs to Machinery	70.03	47.96
Rent (Net)	15.81	14.15
Insurance	12.73	10.00
Rates and Taxes	2.84	3.86
Commission on Sales	2.67	2.70
Directors' Fees	0.57	0.43
Directors' Commission	4.55	3.53
Freight, Clearing and Forwarding Charges	54.76	89.65
Loss on Foreign Exchange Fluctuation	1.12	-
Asset Written off	3.12	0.45
Provision for diminution in value of Non Current Investments*	-	11.10
Bad Debts	0.27	-
Provision for Doubtful Debts	1.19	-
Other Miscellaneous Expenses	121.20	99.61
TOTAL	1,091.34	860.06

* Refer note 41B

NOTE 38 PRINCIPLES OF CONSOLIDATION:

- a. The Consolidated Financial Statements comprise of the financial statements of JK Paper Limited (Holding Company) and the following as on 31st March, 2023;
- i Subsidiaries:

Name	Proportion of Ownership Interest	Financial Statements as on	Status
Jaykaypur Infrastructure & Housing Limited, India	100%	31 st March, 2023	Audited
Songadh Infrastructure & Housing Limited, India	100%	31 st March, 2023	Audited
Enviro Tech Ventures Limited, India	96.08%	31 st March, 2023	Audited
JKPL Packaging Products Limited, India	100%	31 st March, 2023	Audited
"The Sirpur Paper Mills Limited, India (Subsidiary of Enviro Tech Ventures Limited, India)"	96.27%	31 st March, 2023	Audited
Horizon Packs Private Limited, India (w.e.f 12.12.2022)	85%	31 st March, 2023	Audited

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 38 PRINCIPLES OF CONSOLIDATION: (Contd.)

Name	Proportion of Ownership Interest	Financial Statements as on	Status
Securipax Packg Private Limited, India (w.e.f 12.12.2022)	85%	31 st March, 2023	Audited
JK Paper International (Singapore) Pte Limited, Singapore	100%	31 st March, 2023	Audited

ii Joint Venture:

Name	Proportion of ownership interest	Financial Statements as on	Status
Habras MZZ Plantation Myanmar Company Limited, Myanmar*	50.00%	31 st March, 2023	Audited

*Joint venture of JK Paper International (Singapore) Pte Ltd, Singapore

- The Financial Statements of the Holding Company and its Subsidiaries have been consolidated on a line by line basis by adding together the book value of like items of Assets, Liabilities, Income and Expenses, after eliminating intra-group balances and intra-group transactions.
- Goodwill represents difference between company's share in networth of subsidiaries and the cost of acquisition at each point of time of making investment.
- Investment in Joint Venture, are accounted for using equity method as per Indian Accounting Standard (Ind AS) 28 – "Accounting for Investments in Associates and joint ventures" notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rule 2014.
- In case of foreign subsidiary, being non-integral operations, revenue items are consolidated at the average exchange rate during the year. All assets and liabilities are translated at year end exchange rate. The resulting exchange differences are accumulated in the Foreign Currency Translation Reserve.
- The summary of share of Net Assets and Profit/(Loss) of Subsidiaries and Joint Venture:

₹ in Crore (10 million)

Name of the Entity	Net Assets i.e Total Assets minus Total Liabilities (Audited)		Share in Profit/(Loss)	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit	Amount
Subsidiaries				
Jaykaypur Infrastructure & Housing Limited, India	0.15%	5.89	0.07%	0.83
Songadh Infrastructure & Housing Limited, India	0.18%	7.42	0.03%	0.34
Enviro Tech Ventures Limited, India	1.54%	62.11	(0.52) %	(6.25)
JKPL Packaging Products Limited, India	2.10%	84.58	0.01%	0.09
The Sirpur Paper Mills Limited, India (Subsidiary of Enviro Tech Ventures Limited, India)	11.15%	449.91	27.14%	327.85
Horizon Packs Private Limited, India (w.e.f 12.12.2022)	9.80%	395.46	0.78%	9.37
Securipax Packg Private Limited, India (w.e.f 12.12.2022)	0.30%	12.28	0.01%	0.10

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 38 PRINCIPLES OF CONSOLIDATION: (Contd.)

₹ in Crore (10 million)

Name of the Entity	Net Assets i.e Total Assets minus Total Liabilities (Audited)		Share in Profit/(Loss)	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit	Amount
JK Paper International (Singapore) Pte Limited, Singapore	0.33%	13.48	(0.01%)	(0.07)
Joint Venture				
Habras MZZ Plantation Myanmar Company Limited, Myanmar (Joint Venture of JK Paper International (Singapore) Pte Ltd)	-	-	-	-

- g. Other Notes to Accounts of the Financial Statements of the Company and its subsidiaries are stated in their respective Financial Statements. Hence not disclosed again in Consolidated Accounts.

NOTE 39 SEGMENT REPORTING

The Company has identified business segment as the primary segment, after considering all the relevant factors. The Company's manufactured products are sold primarily within India hence there is no reportable geographical segment. The Company's operation predominantly relates to manufacture of Paper & Boards. Other Business Segment comprises i) activities for providing housing facilities to the employees engaged in Paper & Board manufacturing business and ii) business of design, development and production of Embedded Systems and Electro-Optics Systems. These operations are insignificant in the context of total turnover; hence same has been shown as "Others".

₹ in Crore (10 million)

S. No.	Particulars	For the year ended March 31, 2023			For the year ended March 31, 2022		
		Paper & Board	Others	Total	Paper & Board	Others	Total
A	Segment Revenue						
	Revenue	6,400.21	62.51	6,462.72	3,959.48	30.65	3,990.13
	Inter- segment Revenue	-	(25.91)	(25.91)	-	(21.57)	(21.57)
	Income from Operations	6,400.21	36.60	6,436.81	3,959.48	9.08	3,968.56
B	Segment Results						
	Segment Results (PBIT excluding Exceptional items)	1,742.27	(12.32)	1,729.95	829.28	(25.06)	804.22
	Less : (i) Interest & Financial Charges (Net)			222.48			131.88
	(ii) Exceptional items			33.64			-
	(iii) Other Un-allocable Expenditure (net off			-			-
	Un-allocable Income)			(172.65)			(124.36)
	Total Profit / (Loss) before Tax (PBT)			1,646.48			796.70
C	Capital Employed						
	Segment Assets	8,647.91	271.97	8,919.88	7,343.62	280.91	7,624.53
	Segment Liabilities	4,573.16	181.97	4,755.13	4,399.34	222.97	4,622.31
	Total Capital Employed (net)	4,074.75	90.00	4,164.75	2,944.28	57.94	3,002.22
	Capital Expenditure	250.19	1.32	251.51	695.37	32.10	727.47
	Depreciation & Amortisation	275.49	6.36	281.85	191.26	1.79	193.05
	Non Cash Expenses other than Depreciation	-	-	-	-	-	-

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 40 CONTINGENT LIABILITIES & COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

Particulars	₹ in Crore (10 Million)	
	Year ended March 31, 2023	Year ended March 31, 2022
Contingent Liabilities:		
a) Claim against the company not acknowledged as debts #		
Excise duty/ Custom duty/Service tax liability/GST in respect of matter in appeals	12.95	18.34
Sales tax/VAT/Octroi liability in respect of matter in appeals	1.28	1.96
Other matters (including disputed Income tax demand CY ₹23.79 Crore in Horizon Packs Private Limited)	32.66	9.50
b) Commitments:		
Contracts remaining to be executed on capital account (Net of Advances)	111.29	108.10
Export commitments against import of capital goods under EPCG scheme	-	382.13

In respect of certain disallowances and additions made by the income tax authorities, appeals are pending before the appellate authorities and adjustments, if any, will be made after the same are finally determined.

- 41 A. In respect of levy of Octroi demand pertaining to Unit - CPM by Songadh Group Gram Panchayat, the Company has paid ₹1.25 Crore till 31st March 1997 under protest and also created a liability of the similar amount. As the matter is still pending in the court of law, the necessary adjustment, if any, would be made on final disposal.
- B. The Company had invested ₹26.72 Crores in a Jointly Controlled Entity (JCE) which has plantation operations in Myanmar through its subsidiary in Singapore. Operations at JCE has been impacted due to economic disruptions and Banking restrictions in Myanmar. Plantation / biological assets are in satisfactory condition. However considering the facts stated above, as a matter of prudence the Company has made provision of ₹13.36 Crores against its investment in subsidiary of ₹22.37 Crores.
- C. During the year the Sirpur Paper Mills Limited has recognised government grant in terms of MoA entered with Government of Telangana as under:

Particulars	₹ in Crore (10 Million)	
	2022-23	2021-22
Revenue	94.27	67.55

In current year ₹96.27 Crore (including Deferred Government Grant of ₹2.00 Crore) has been recognised in Statement of Profit and Loss Account and ₹ NIL has been adjusted with Property, Plant & Equipments.

NOTE 42

The exceptional items ₹33.64 crore during the year represents impairment charges in respect of property, plant and equipment ₹22.56 crore at unit CPM and ₹11.08 crore at Sirpur Paper Mills Limited. As required by Ind AS 36, an assessment of impairment of assets was carried out and based on such assessment, the Company has accounted impairment losses ₹33.64 crore during the year.

NOTE 43 EARNING PER SHARE

Particulars	₹ in Crore (10 Million)	
	Year ended March 31, 2023	Year ended March 31, 2022
a) Profit after tax	1,195.79	542.60
b) Weighted Average Number of Ordinary Shares	169,402,344	169,402,344
c) Nominal Value of Ordinary Shares	₹10/-	₹10/-
d) Earning Per Ordinary Share (₹)		
Basic	70.59	32.03
Diluted	70.59	32.03

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 44 LEASES

The Company has adopted Ind AS 116 "Leases" effective 1st April, 2019 as notified by the Ministry of Corporate Affairs (MCA) and applied the Standard to its leases using the simplified approach. This has resulted in recognising right-of-use assets and corresponding lease liabilities.

- 1 The following is the break-up of current and non-current lease liabilities as at :

Particulars	₹ in Crore (10 Million)	
	Year ended March 31, 2023	Year ended March 31, 2022
Current lease liabilities	9.95	11.86
Non-current lease liabilities	54.30	57.58
Total	64.25	69.44

- 2 The following is the movement in lease liabilities during the year ended March 31, 2023:

Particulars	₹ in Crore (10 Million)	
	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning	69.44	20.84
Addition pursuant to acquisition of subsidiary	0.26	-
Addition during the year	6.87	61.26
Finance cost accrued during the period	6.03	3.64
Payment of lease liabilities	(18.35)	(16.30)
Balance at the end	64.25	69.44

- 3 The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2023 on an undiscounted basis:

Particulars	₹ in Crore (10 Million)	
	Year ended March 31, 2023	Year ended March 31, 2022
Not later than one year	15.00	17.40
Later than one year and not later than five years	45.75	46.49
Later than five years	28.15	33.24

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 45

(i) Trade Receivables ageing schedule as on March 31, 2023 and March 31, 2022 is as follows:

₹ in Crore (10 Million)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good							
March 31, 2023	253.02	89.70	5.17	1.60	1.00	0.03	350.52
March 31, 2022	150.10	59.95	0.23	6.13	-	0.01	216.42
(ii) Undisputed Trade Receivables – considered doubtful							
March 31, 2023	-	-	-	-	0.01	0.43	0.44
March 31, 2022	-	-	-	-	0.06	0.46	0.52
(iii) Disputed Trade Receivables considered good							
March 31, 2023	-	-	-	0.75	0.13	0.50	1.38
March 31, 2022	-	0.05	0.70	0.13	0.12	0.60	1.60
(iv) Disputed Trade Receivables considered doubtful							
March 31, 2023	-	-	-	-	-	-	-
March 31, 2022	-	-	-	-	-	-	-
(v) Less: Allowance for credit impairment							
March 31, 2023							2.80
March 31, 2022							1.34
(vi) Total							
March 31, 2023							349.54
March 31, 2022							217.20

(ii) Trade payables ageing schedule as on March 31, 2023 and March 31, 2022 is as follows:

₹ in Crore (10 Million)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 Years	2-3 years	More than 3 years	
(i) MSME						
March 31, 2023	2.75	10.65	-	-	-	13.40
March 31, 2022	0.35	12.40	-	-	-	12.75
(ii) Others						
March 31, 2023	62.03	505.25	22.64	19.55	34.99	644.46
March 31, 2022	198.81	163.08	79.51	68.29	3.14	512.83

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 45 (Contd.)

₹ in Crore (10 Million)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 Years	2-3 years	More than 3 years	
(iii) Disputed dues – MSME						
March 31, 2023		-	-	-	-	-
March 31, 2022		-	-	-	-	-
(iv) Disputed dues - Others						
March 31, 2023		-	-	-	-	-
March 31, 2022		-	-	-	-	-

NOTE 46

Other Information in terms of the amendment in schedule III of the Companies Act vide notification G.S.R. 207(E) dated 24th March 2021.

a) Relationship With Struck Off Companies

Details of struck off companies with whom the Holding and Indian Subsidiaries has transaction during the year or outstanding balance:

₹ in Crore (10 Million)

Name of the Company	Nature of transactions with struck-off Company	Relationship with the struck off company	As at March 31, 2023	As at March 31, 2022
Springfield Forestry Private Limited	Payable	Vendor	-	0.05

- b) The Holding and Indian Subsidiaries does not have any benami property, and no proceeding has been initiated or pending against the Holding and Indian Subsidiaries for holding any benami property.
- c) The Holding and Indian Subsidiaries have not traded or invested in crypto currency or virtual currency during the financial year.
- d) The Holding and Indian Subsidiaries have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding and Indian Subsidiaries (ultimate beneficiaries) or
 - Provide any Guarantee, Security, or the like to or on behalf of the Ultimate Beneficiaries.
- e) The Holding and Indian Subsidiaries have not received any fund from any Person(s) or Entity(ies), including Foreign Entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
 - Provide any Guarantee, Security, or the like on behalf of the ultimate beneficiaries.

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 46 (Contd.)

- f) The Holding and Indian Subsidiaries has filed quarterly returns or statements with the banks in lieu of the sanctioned working capital facilities, which are in agreement with the books of account other than those as set out below.

For Holding company

₹ In Crore (10 million)

Name of the Bank	Aggregate working capital limits sanctioned	Quarter ended	Amount disclosed as per quarterly return/ statement	Amount as per books of account	Difference	Reason for variance*
State Bank of India and consortium of Banks #	250.00	June 30,2022	162.93	573.32	410.39	For Bank's quarterly reporting, only creditors for goods being considered as Trade Payables.
	250.00	September 30,2022	137.37	539.58	402.21	
	250.00	December 31, 2022	213.08	668.96	455.88	
	250.00	March 31, 2023	154.46	580.38	425.92	

* The above differences represents balance of creditors as at each reporting date.

Working Capital Borrowings are secured by hypothecation of Raw Materials, Finished Goods, Stock-in-Process, Stores & Spares and Book Debts.

For Subsidiary

(Horizon Packs Private Limited)

₹ In Crore (10 million)

Name of the Bank	Aggregate working capital limits sanctioned	Quarter ended	Amount as per books of account	Amount disclosed as per quarterly return/ statement	Difference	Reason for variance*
Citibank NA and HDFC Bank Ltd.#	125.00	June 30,2022	275.08	275.68	0.61	No material discrepancies reported (less than 5%)
	125.00	September 30,2022	272.79	272.87	0.08	
	125.00	December 31, 2022	230.99	231.68	0.70	
	125.00	March 31, 2022	230.36	232.41	2.06	

Secured against: First pari passu charge on entire current assets, First pari passu charge on entire movable fixed assets except exclusively funded by other lender term loan, Immovable fixed assets second pari passu charge on factory land and building at plot no C3 - 1 & 2, MIDC Khamgaon Buldhana, Maharashtra 444 303 and at 145/1,2,3, 147, National highway, Panchalam, village, Tindivanam. Tamil Nadu, 604 307 Tindivanam.

- g) The Holding and Indian Subsidiaries has no such transaction which is not recorded in the Books of Accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- h) The Holding and Indian Subsidiaries have not been declared willful defaulter by any Banks or any other Financial Institution at any time during the financial year.

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 47 RELATED PARTY DISCLOSURES

a) List of Related Parties

i. Enterprise which holds more than 20% of Equity Share

Bengal & Assam Company Limited (BACL)

ii. Trust under common control

JK Paper Ltd (JK Paper Mills) Compulsory Employees Provident Fund

JK Paper Ltd Employees Gratuity Fund

JK Paper Ltd Officers Superannuation Scheme

iii. Key Management Personnel (KMP)

Executive Directors

Shri Harsh Pati Singhania, Vice Chairman & Managing Director

Shri Amar Singh Mehta, President and Director

Executives

Shri V. Kumaraswamy, Chief Finance Officer (till 13.05.2022)

Shri KR. Veerappan (Chief Finance Officer)(w.e.f. 13.05.2022)

Shri Deepak Gupta (Company Secretary)

Non-Executive Directors

Shri Bharat Hari Singhania, Chairman

Shri Arun Bharat Ram (till 22.08.2022)

Shri Dharendra Kumar

Shri M.H.Dalmia (till 22.08.2022)

Shri R.V.Kanoria

Shri Sandip Somany

Shri Shailendra Swarup

Smt. Vinita Singhania

Smt. Deepa Gopalan Wadhwa

Shri Sushil Kumar Roongta

Shri Harshavardhan Neotia (w.e.f 29.07.2022)

Shri Anoop Seth (w.e.f 27.09.2022)

iv. Relative of Key Management Personnel (KMP)

Sh.Chaitanya Hari Singhania

b) The following transactions were carried out with related parties in the ordinary course of business and on arm's length basis :

₹ in Crore (10 Million)

Sl. No	Nature of Transactions	Enterprise which holds more than 20% of Equity Share	
		BACL	
(i)	Rent Paid	0.08	0.07
(ii)	Sharing of Expenses	0.03	0.07
(iii)	Interest Received	7.30	11.02
(iv)	Loan received back	25.00	-
(v)	Outstanding at end of the period - Receivable	80.00	105.07

₹ in Crore (10 Million)

Sl. No	Nature of Transactions	Trust Under Common Control					
		Employees Provident Fund		Employees Gratuity Fund		Officers Superannuation Scheme	
		2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
(i)	Contribution	5.47	4.31	3.84	2.72	0.70	0.91
(ii)	Outstanding at end of the period- Payable	1.08	0.37	0.64	0.72	1.00	0.93

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 47 RELATED PARTY DISCLOSURES (Contd.)

Key Management Personnel (KMP) :

₹ in Crore (10 Million)

Particulars	2022-23	2021-22
(i) Short-term Employee Benefits including honorarium #	52.22	37.96
(ii) Commission and other benefits to Non-Executive Directors *	5.01	3.91

The above said remuneration is excluding provision for Gratuity & Leave Encashment, where the actuarial valuation is done on overall Company basis.

* Including sitting fees and commission

Relative of Key Management Personnel (KMP) :

₹ in Crore (10 Million)

Particulars	2022-23	2021-22
Short-term Employee Benefits #	0.40	-

The above said remuneration is excluding provision for Gratuity & Leave Encashment, where the actuarial valuation is done on overall Company basis.

NOTE 48 FINANCIAL INSTRUMENTS

Financial Assets

₹ in Crore (10 Million)

Sl.No	Particulars	Note	Fair value hierarchy	As at March 31, 2023		As at March 31, 2022	
				Carrying	Fair	Carrying	Fair
				Amount	Value	Amount	Value
1	Financial assets designated at fair value through profit and loss						
a)	Derivatives - not designated as hedging instruments	A	Level-2	95.26	95.26	71.47	71.47
b)	Investments :						
(i)	Equity and Preference Investment	F	Level 3	80.34	80.34	80.34	80.34
(ii)	In mutual funds and others	B	Level-1	814.76	814.76	619.05	619.05
2	Financial assets designated at fair value through other comprehensive income						
	Investment in Equity shares	C	Level-1	22.20	22.20	11.33	11.33
3	Financial assets designated at amortised cost						
a)	Other Bank Balances *			15.93	15.93	13.32	13.32
b)	Cash & Cash Equivalents *			35.77	35.77	8.88	8.88
c)	Trade receivables *			349.54	349.54	217.20	217.20
d)	Other receivables			45.65	45.65	68.95	68.95
e)	Other financial assets			233.27	233.27	173.87	173.87
4	a) Investment in Joint Venture	D		13.36	13.36	13.54	13.54
				1,706.08	1,706.08	1,277.95	1,277.95

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 48 FINANCIAL INSTRUMENTS (Contd.)

Financial Liabilities

₹ in Crore (10 Million)

Sl.No	Particulars	Note	Fair value hierarchy	As at March 31, 2023		As at March 31, 2022	
				Carrying Amount	Fair Value	Carrying Amount	Fair Value
				1	Financial liability designated at fair value through profit and loss		
a)	Derivatives - not designated as hedging instruments	A	Level-2	3.86	3.86	4.64	4.64
2	Financial liability designated at amortised cost						
a)	Borrowings	E		2,802.77	2,802.77	3,136.98	3,136.98
b)	Trade payables *			657.86	657.86	525.58	525.58
c)	Other financial liability			318.43	318.43	189.72	189.72
				3,782.92	3,782.92	3,856.92	3,856.92

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values.

- A The fair values of derivatives are on MTM as per Bank.
- B Company has opted to fair value its mutual fund investment through statement of profit & loss.
- C Company has opted to fair value its quoted investments in equity share through OCI.
- D Investment in Joint Venture, are accounted for using equity method.
- E Company has adopted effective rate of interest for calculating Interest. This has been calculated as the weighted average of effective interest rates calculated for each loan. In addition processing fees and transaction cost relating to each loan has also been considered for calculating effective interest rate.
- F Company has opted to fair value its unquoted investments in equity and preference share through P&L.

* The carrying amounts are considered to be the same as their fair values due to short term nature.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 49 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

49.1 Financial risk factors

The Company's operational activities expose to various financial risks i.e. market risk, credit risk and risk of liquidity. The Company realizes that risks are inherent and integral aspect of any business. The primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange risk & interest rate risk. The Company calculates and compares the alternative sources of funding by including cost of currency cover also. Whenever, the currency cover costs are such as to neutralize the advantage in foreign currency, loans are hedged so as to not to lose advantage. The Company uses derivative financial instruments to reduce foreign exchange risk exposures.

i. Credit Risk

The Company evaluates the customer credentials carefully from trade sources before appointment of any distributor and only financially sound parties are appointed as distributors. The Company secures adequate deposits from its distributor and hence risk of bad debt is limited. The credit outstanding is sought to be limited to the sum of advances/deposits and credit limit determined by the company. The company have stop supply mechanism in place in case outstanding goes beyond agreed limits.

ii. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of fluctuation in market prices. These comprise three types of risk i.e. currency rate, interest rate and other price related risks. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Regular interaction with bankers, intermediaries and the market participants help us to mitigate such risk.

a.) Foreign Currency Risk and sensitivity

The primary market risk to the Company is foreign exchange risk. The Company uses derivative financial instruments to reduce foreign exchange risk exposures and follows its risk management policies to mitigate the same. After taking cognisance of the natural hedge, the company takes appropriate hedges to mitigate its risk resulting from fluctuations in foreign currency exchange rate(s).

The following table analyzes foreign currency risk from financial instruments as of March 31, 2023:

₹ in Crore (10 Million)

Particulars	USD	Euro	GBP	SEK & CNY	SGD	Total
Financial Assets						
Cash and cash equivalents	0.08	-	-	-	0.07	0.15
Trade receivables	71.20	1.61	1.29	-	-	74.10
Other financials assets	2.02	-	-	-	-	2.02
Financial liabilities						
Trade payables	(100.01)	(6.12)	-	-	-	(106.13)
Other financials liabilities	(1.21)	(0.34)	-	-	-	(1.55)
Borrowings	(76.33)	(685.43)	-	-	-	(761.76)
Interest Accrued but not due	-	(4.56)	-	-	-	(4.56)
Net assets / (liabilities)	(104.25)	(694.84)	1.29	-	0.07	(797.73)

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 49 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

The following table analyzes foreign currency risk from financial instruments as of March 31, 2022:

₹ in Crore (10 Million)

Particulars	USD	Euro	GBP	SEK	SGD	Total
Financial Assets						
Cash and cash equivalents	0.01	-	-	-	0.03	0.04
Trade receivables	96.64	2.53	-	-	-	99.17
Other financials assets	0.23	0.12	-	-	-	0.35
Financial liabilities						
Trade payables	(40.62)	(7.18)	-	-	-	(47.80)
Other financials liabilities	(1.21)	(0.47)	-	-	-	(1.68)
Borrowings	(161.38)	(871.94)	-	-	-	(1,033.32)
Interest Accrued but not due	(0.26)	(3.05)	-	-	-	(3.31)
Net assets / (liabilities)	(106.59)	(879.99)	-	-	0.03	(986.55)

The following significant exchange rates have been applied during the year.

₹ in Crore (10 Million)

INR	Year-end spot rate	
	March 31, 2023	March 31, 2022
USD	82.22	75.81
EUR	89.61	84.66
GBP	101.87	99.55
SGD	61.82	56.07
AED	22.38	-

Foreign Currency Sensitivity

Sensitivity analysis is computed based on the changes in the income and expenses in foreign currency upon conversion into functional currency, due to exchange rate fluctuations between the previous reporting period and the current reporting period.

0.25% Increase and decrease in foreign exchanges rates will have the following impact on profit before tax

₹ in Crore (10 Million)

Particulars	2022-23		2021-22	
	0.25% Increase	0.25% decrease	0.25% Increase	0.25% decrease
USD Sensitivity	0.10	(0.10)	0.10	(0.10)
Euro Sensitivity	(0.14)	0.14	(0.60)	0.60
GBP Sensitivity	-	-	-	-
AED Sensitivity (CY ₹32,350/-)	0.00	(0.00)	-	-
SEK Sensitivity	-	-	-	-
CNY Sensitivity	-	-	-	-
Increases/ (decrease) in profit or loss	(0.04)	0.04	(0.50)	0.50

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 49 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

Summary of Exchange difference accounted in Statement of Profit and loss:

₹ in Crore (10 Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Currency fluctuations		
Net foreign exchange (gain)/ losses shown as operating expenses	1.13	-
Net foreign exchange (gain)/ losses shown as Finance Cost	27.87	11.24
Net foreign exchange (gain)/ losses shown as Other Income	(0.10)	(6.21)
Derivatives		
Currency forwards (gain) / losses shown as operating expenses	-	-
Interest rate swaps (gain) / losses shown as finance cost	6.31	(24.38)
Net foreign exchange (gain)/ losses shown as Other Income	-	-
Total	35.21	(19.35)

b. Interest Rate Risk and Sensitivity

The Company's exposure to the risk of changes in market interest rates relates primarily to long term debt. The Company has entered into various interest rate swap contracts, in which it agrees to exchange, at specific intervals, the difference between fixed and variable interest amounts calculated by reference to an agreed upon principal amount. Borrowings at variable rates expose the Company to cash flow interest rate risk. With all other variables held constant, the following table demonstrates composition of fixed and floating rate borrowing of the company and impact of floating rate borrowings on company's profitability.

Interest Rate Risk Exposure

₹ in Crore (10 Million)

Particulars	March 31, 2023		March 31, 2022	
	(₹ in Crores)	% of Total	(₹ in Crores)	% of Total
Fixed Rate Borrowings	905.66	32.31%	986.20	31.44%
Variable Rate Borrowings	1,897.10	67.69%	2,150.78	68.56%
Total Borrowings	2,802.77	100.00%	3,136.98	100.00%

Sensitivity on variable rate borrowings

₹ in Crore (10 Million)

Particulars	Impact on Profit & Loss Account		Impact on Equity	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Interest Rate Increase by 0.25%	(4.74)	(5.38)	(4.74)	(5.38)
Interest Rate decrease by 0.25%	4.74	5.38	4.74	5.38

c. Commodity price risk and sensitivity

The Company is exposed to the movement in price of key raw materials in domestic and international markets. The Company has in place policies to manage exposure to fluctuations in the prices of the key raw materials used in operations. The Company manages fluctuations in raw material price through hedging in the form of advance procurement when the prices are perceived to be low and also enters into advance buying contracts as strategic sourcing initiative in order to keep raw material and prices under check cost of material hedged to the extent possible.

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 49 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

CREDIT RISK

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹349.54 Crore and ₹217.20 Crore as of March 31, 2023 and March 31, 2022, respectively. Trade receivables are typically unsecured and are derived from revenue earned from customers primarily located in India. Credit risk has always been managed by the company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account as per the Company's historical experience for customers.

The following table gives details in respect of percentage of revenues generated from top customer and top five customers: (In %)

Particulars	Year ended March 31st	
	2023	2022
Revenue from top customer	5.14%	7.98%
Revenue from top five customers	16.76%	21.29%

Credit risk exposure

The allowance for lifetime expected credit loss on customer balances for the year ended March 31, 2023 was ₹2.53 Crore.

₹ in Crore (10 Million)

Particulars	Year ended March 31st	
	2023	2022
Balance at the beginning	1.34	0.86
Impairment Loss reversed	-	-
Additional provision created during the year	1.19	-
Impact of Slump Sale	-	0.48
Persuant to acquisition of New Subsidiaries	0.27	-
Balance at the end	2.80	1.34

The deposits with banks constitute mostly the liquid investment of the company and are generally not exposed to credit risk.

Ageing Analysis of Trade Receivables

₹ in Crore (10 Million)

Particulars	As 31st March, 2023				As 31st March, 2022			
	Not Due and Not Impaired	Up to Six Months	Six to Twelve Months	Above 12 Months	Not Due and Not Impaired	Up to Six Months	Six to Twelve Months	Above 12 Months
Unsecured	253.02	89.70	5.17	4.45	150.10	60.00	0.93	7.51
Provision for Doubtful Receivables	-	-	-	2.80	-	-	-	1.34
Net Balance	253.02	89.70	5.17	1.65	150.10	60.00	0.93	6.17

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The objective of liquidity risk management is to maintain sufficient liquidity and to ensure funds are available for use as per the requirement. The company has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The company also has adequate credit facilities agreed with the banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost effective manner.

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 49 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2023:

₹ in Crore (10 Million)

Particulars	Carrying Amount	Less than 1 year	1-5 years	More Than 5 Year	Total
Borrowings - Current	116.32	116.32	-	-	116.32
Borrowings - Non-Current	2,622.20	539.29	1,426.93	655.98	2,622.20
Lease liability	64.25	9.95	33.37	20.93	64.25
Trade payables	657.86	657.86	-	-	657.86
Other financial liabilities - Current	172.46	172.46	-	-	172.46
Other financial liabilities - Non-Current					
Trade Deposits	94.97	-	-	94.97	94.97
Interest accrued but not due on loans	1.98	-	1.98	-	1.98
Derivative Financial Instruments	2.24	-	1.97	0.27	2.24
Others	0.73	-	0.46	0.27	0.73

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2022:

₹ in Crore (10 Million)

Particulars	Carrying Amount	Less than 1 year	1-5 years	More Than 5 Year	Total
Borrowings - Current	155.28	155.28	-	-	155.28
Borrowings - Non-Current	2,981.70	315.55	1,519.39	1,146.76	2,981.70
Trade payables	525.58	525.58	-	-	525.58
Other financial liabilities - Current	107.78	107.78	-	-	107.78
Other financial liabilities - Non-Current					-
Trade Deposits	83.11	-	-	83.11	83.11
Interest accrued but not due on loans	1.98	-	1.98	-	1.98
Derivative Financial Instruments	1.36	-	0.83	0.53	1.36
Others	0.13	-	-	0.13	0.13

49.2 Competition and Price risk

The Company faces competition from local and foreign competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality products and by continuously upgrading its expertise and range of products to meet the needs of its customers.

49.3 Capital Risk Management

The Company's policy is to maintain an adequate capital base so as to maintain creditor and market confidence and to sustain future development. Capital includes issued capital, share premium and all other equity reserves attributable to equity holders. In order to strengthen the capital base, the company may use appropriate means to enhance or reduce capital, as the case may be

₹ in Crore (10 Million)

Particulars	As at March 31 2023	As at March 31 2022
Borrowings	2,738.52	3,136.98
Less: cash and cash equivalents including bank balance	51.70	22.20
Less: Current Investments	814.76	619.05
Net debt	1,872.06	2,495.73
Equity	4,034.00	2,996.04
Capital and Net debt	5,906.06	5,491.77
Gearing Ratio	32%	45%

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 50 DERIVATIVE FINANCIAL INSTRUMENTS

The Company holds derivative financial instruments such as foreign currency forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank or a financial institution. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace.

Forward Contract outstanding for the purpose of hedging at the Balance Sheet Date

Sr. No.	Foreign Currency	March 31, 2023		March 31, 2022	
		FC in Mn	₹ In Cr.	FC in Mn	₹ In Cr.
1	US Dollar	17.78	146.21	19.09	144.72
2	Euro	70.96	635.84	74.05	626.89

Nominal amounts of Complete Currency Swaps (CCS) for hedging entered into by the Company and outstanding at end of the year is ₹4.22 Crore (Previous year ₹11.95 Crore)

Foreign Currency Exposure not hedged as at the Balance Sheet Date

Sr. No.	Foreign Currency	March 31, 2023		March 31, 2022	
		FC in Mn	₹ In Cr.	FC in Mn	₹ In Cr.
1	US Dollar *	(4.89)	(40.18)	(5.00)	(37.91)
2	Euro	6.11	54.78	28.50	241.26
3	AED	(0.578)	(1.29)	-	-
4	JPY	5.97	0.37	-	-

*Net of Receivables USD 8.66 Million – ₹71.20 Crore (Previous year USD 9.00 Million – ₹68.21 Crores), EUR 0.18 Million – ₹1.61 Crores (Previous year EUR 0.30 Million – ₹2.53 Crores) and AED 0.58 Million – ₹1.29 Crore (Previous year AED Nil – ₹Nil).

Interest Rate Swaps

The Company has variable interest borrowings. To offset the risk of variation in interest rates, the Company has entered into, fix pay and variable receipt, interest rate swaps. These swap contracts are in US Dollar, Euro and INR. Outstanding amortised notional value of loan for swap contracts and MTM taken there on are as follows :

Sr. No.	Foreign Currency	March 31, 2023		March 31, 2022	
		Loan FC in Mn	MTM ₹ In Cr. (Gain)/Loss	Loan FC in Mn	MTM ₹ In Cr. (Gain)/Loss
1	US Dollar	-	-	-	-
2	Euro	52.02	(59.35)	56.07	(29.30)
3	INR	-	(11.96)	-	(12.61)

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 51 ACQUISITION OF SUBSIDIARIES

- i) The Board of Directors at its meeting held on 21st November 2022 had approved acquisition of 85% stake in Horizon Packs Private Limited (HPPL) and Securipax Packaging Private Limited (SPPL) by way of entering into separate Share Purchase and Shareholder's Agreements (SPSHAs). Acquisition was completed on 12th December 2022 pursuant to which HPPL and SPPL became subsidiary of the Company. The impact of Business Combination has been given in the Consolidated financials of the Company as per IND AS 103.

Fair value of identifiable assets acquired, and liabilities assumed, based on the report of independent valuer, as on the date of acquisition is as below:

	₹ In Crore
In case of Horizon Packs Private Limited (HPPL)	
Non-current Assets*	450.76
Current Assets	270.34
Total Assets (A)	721.10
* including Customer Relationship of ₹167.21 Crore.	
Non-current Liabilities	71.30
Current Liabilities	82.00
Total Liabilities (B)	153.30
Fair value of identifiable net assets (C = A - B)	567.80
Purchase consideration paid by JKPL for 85% equity stake	528.22
Adjustment towards contingent consideration as per SPSHA	49.91
Purchase consideration grossed up for 100% equity stake (D)	680.14
Goodwill (D-C)	112.34
In case of Securipax Packaging Private Limited (SPPL)	
Non-current Assets*	77.17
Current Assets	23.33
Total Assets (A)	100.50
* including Customer Relationship of ₹29.90 Crore.	
Non-current Liabilities	27.40
Current Liabilities	31.59
Total Liabilities (B)	58.99
Fair value of identifiable net assets (C = A - B)	41.51
Purchase consideration paid by JKPL for 85% equity stake	58.11
Purchase consideration grossed up for 100% equity stake (D)	68.36
Goodwill (D-C)	26.85

- ii) In terms of Share Purchase and Shareholder's Agreement (SPSA) ₹25.33 crores have been deposited into the escrow account. The Company and promoters of HPPL are joint signatory to this escrow account. The Aggregate Escrow Amount (or part thereof) shall be invested from time to time in terms of SPSA. The Principals i.e. JK Paper Ltd (the Company) and HPPL shall, provide joint Written Instructions to the Escrow Agent who shall disburse the Permitted Investment Amount to the AMC for investment into permitted investments.(Refer note no.10)
- iii) In view of above, figures of current year are not comparable with previous year.

Notes to the Consolidated Financial Statement for the year ended March 31, 2023

NOTE 52 INCOME TAX

a) Amount recognised in Statement of Profit and Loss

Particulars	₹ in Crore (10 Million)	
	2022-23	2021-22
Current Income Tax		
Current year*	318.36	159.97
Deferred Tax	119.90	92.91
Income tax expense reported in the statement of profit and loss	438.26	252.88

* including ₹(20.48) crore related to earlier years(Previous year is ₹2.05 Crore)

b) Reconciliation of Effective Tax Rate

Particulars	₹ in Crore (10 Million)	
	2022-23	2021-22
Profit before tax	1,646.48	796.70
At applicable Statutory Income Tax Rate 34.944%	575.35	278.40
Tax Impact on:-		
Benefit of 80IA	(31.45)	(21.75)
Donation	0.76	0.94
Differential Tax Rates of Subsidiaries	0.04	0.34
In House R&D Expenditure	(1.31)	(0.22)
CSR Expenditure	5.13	4.01
Deferred Tax Asset not recognised on business losses and unabsorbed depreciation of The Sirpur Paper Mills Limited	-	(14.07)
Brought forward business Losses and unabsorbed depreciation adjuted under Income tax act of The Sirpur Paper Mills Limited	(102.15)	-
Income tax adustment relating to previous years	(20.48)	2.05
Others	12.38	3.18
Reported Income Tax Expense	438.26	252.88
Effective Tax Rate	26.62%	31.74%

NOTE 53

Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year's classification.

NOTE 54

Notes 1 to 53 are annexed to and form an integral part of financial statements.

As per our report of even date attached for **LODHA & CO.**
Chartered Accountants
Firm's Registration Number 301051E

(N.K. LODHA)
Partner
Membership No. 85155
New Delhi, the 16th May, 2023

For and on behalf of the Board of Directors

Bharat Hari Singhania
(DIN No. 00041156)
Chairman

Harsh Pati Singhania
(DIN No. 00086742)
Vice Chairman & Managing Director

A.S.Mehta
(DIN No. 00030694)
President & Director

KR Veerappan
Chief Finance Officer

Shri Anoop Seth (DIN No. 00239653)
Smt. Deepa Gopalan Wadhwa (DIN No. 07862942)
Shri Harshavardhan Neotia (DIN No. 00047466)
Shri R.V. Kanoria (DIN No. 00003792)
Shri Shailendra Swarup (DIN No. 00167799)
Shri S.K. Roongta (DIN No. 00309302)
Smt. Vinita Singhania (DIN No. 00042983)
Directors

Deepak Gupta
Company Secretary

Consolidated Cash Flow Statement for the year ended 31st march, 2023

₹ in Crore (10 Million)

Particulars	2022-23	2021-22
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit Before Tax	1,646.48	796.70
Adjustments for :		
Depreciation and Amortization	281.85	193.05
Income from Investments	(34.08)	(19.94)
(Profit)/ Loss on Sale of Property Plant and Equipment (Net)	(3.16)	(0.22)
Dividend Income	(0.14)	(0.10)
Finance Cost	222.48	131.88
Interest Income	(34.58)	(22.51)
Foreign Exchange Fluctuation	(2.10)	0.09
Provision for diminution in value of Non Current Investments	-	11.10
Assets Written off	3.12	0.45
Bad Debts	0.27	-
Provision for Doubtful Debts	1.19	-
Provision for earlier years no longer required	(7.32)	(55.10)
Foreign Currency Translation gain / (loss) on Consolidation	(0.18)	0.75
Deferred Government Benefits	(2.00)	(2.00)
Exceptional Item(Asset Impairment)	33.64	-
Operating Profit before Working Capital Changes	2,105.47	1,034.15
Adjustments for Working Capital Changes:		
Trade and Other Receivables	75.25	(275.51)
Inventories	(221.59)	(129.52)
Trade and Other Payables	61.72	273.83
Cash generated from Operations	2,020.84	902.95
Taxes paid	(258.89)	(129.36)
Net Cash from Operating Activities	1,761.95	773.59
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Property Plant & Equipment and other Intangible Assets	(223.88)	(828.31)
Sale of Property Plant & Equipment	13.46	2.15
Acquisition through Slump Sale	-	(20.30)
Non Compete Fee	-	(4.50)
Sale/(Purchase) of Investments (Net)	(163.74)	(73.09)
Deposit Accounts with Banks	(2.50)	0.23
Dividend Income	0.14	0.10
Interest Received	18.09	22.43
Net Loans and Advances	(22.57)	27.55
Acquisition of Subsidiaries	(586.32)	-
Net Cash from Investing Activities	(967.32)	(873.74)

Consolidated Cash Flow Statement for the year ended 31st march, 2023

₹ in Crore (10 Million)

Particulars	2022-23		2021-22	
C. CASH FLOW FROM FINANCING ACTIVITIES :				
Proceeds of Long Term Borrowings	176.91		673.84	
Repayment of Long Term Borrowings	(536.01)		(340.26)	
Proceeds/(Repayment) from Short Term Borrowings (Net)	(38.96)		(26.20)	
Payment of lease Liabilities	(18.35)		(16.30)	
Interest and Financial Charges	(209.42)		(120.33)	
Dividend	(160.82)		(67.70)	
Net cash from Financing Activities		(786.65)		103.05
D. Increase/(Decrease) in Cash and Cash Equivalents		7.98		2.90
E. Cash and Cash Equivalents as at the beginning of the year		8.88		5.98
Cash acquired pursuant to acquisition of subsidiaries		18.91		
F. Cash and Cash Equivalents as at the close of the year / period		35.77		8.88

Notes :

(a) Total Liabilities from Financing Activities	2022-23		2021-22	
	Long Term	Short Term	Long Term	Short Term
Opening	2,981.70	155.28	2,608.61	181.48
Cash Flow Changes				
Inflow/(Repayments)	(335.08)	(38.96)	333.58	(26.20)
Non-Cash Flow Changes				
Foreign Exchange	37.39	-	(14.75)	-
Lease Liabilities	(5.19)	-	48.60	-
Other	7.63	-	5.66	-
Closing	2,686.45	116.32	2,981.70	155.28

(b) Previous year's figures have been re-grouped / re-arranged wherever necessary.

As per our report of even date attached for **LODHA & CO.**
Chartered Accountants
Firm's Registration Number 301051E

(N.K. LODHA)
Partner
Membership No. 85155
New Delhi, the 16th May, 2023

For and on behalf of the Board of Directors

Bharat Hari Singhania
(DIN No. 00041156)
Chairman

Harsh Pati Singhania
(DIN No. 00086742)
Vice Chairman & Managing Director

A.S.Mehta
(DIN No. 00030694)
President & Director

KR Veerappan
Chief Finance Officer

Shri Anoop Seth (DIN No. 00239653)
Smt. Deepa Gopalan Wadhwa (DIN No. 07862942)
Shri Harshavardhan Neotia (DIN No. 00047466)
Shri R.V. Kanoria (DIN No. 00003792)
Shri Shailendra Swarup (DIN No. 00167799)
Shri S.K. Roongta (DIN No. 00309302)
Smt. Vinita Singhania (DIN No. 00042983)
Directors

Deepak Gupta
Company Secretary



JK PAPER LTD.

Nehru House, 4 Bahadur Shah Zafar Marg, New Delhi-110002

Ph: 011-6600 1112, 6600 1132 | Fax: 011-2371 2680

www.jkpaper.com | [f /jkpaperIndia](https://www.facebook.com/jkpaperIndia) | [t /jkpaperIndia](https://www.twitter.com/jkpaperIndia)

Inside pages printed on JK Cote 130 gsm and cover on JK Cote 300 gsm - Manufactured by JK Paper