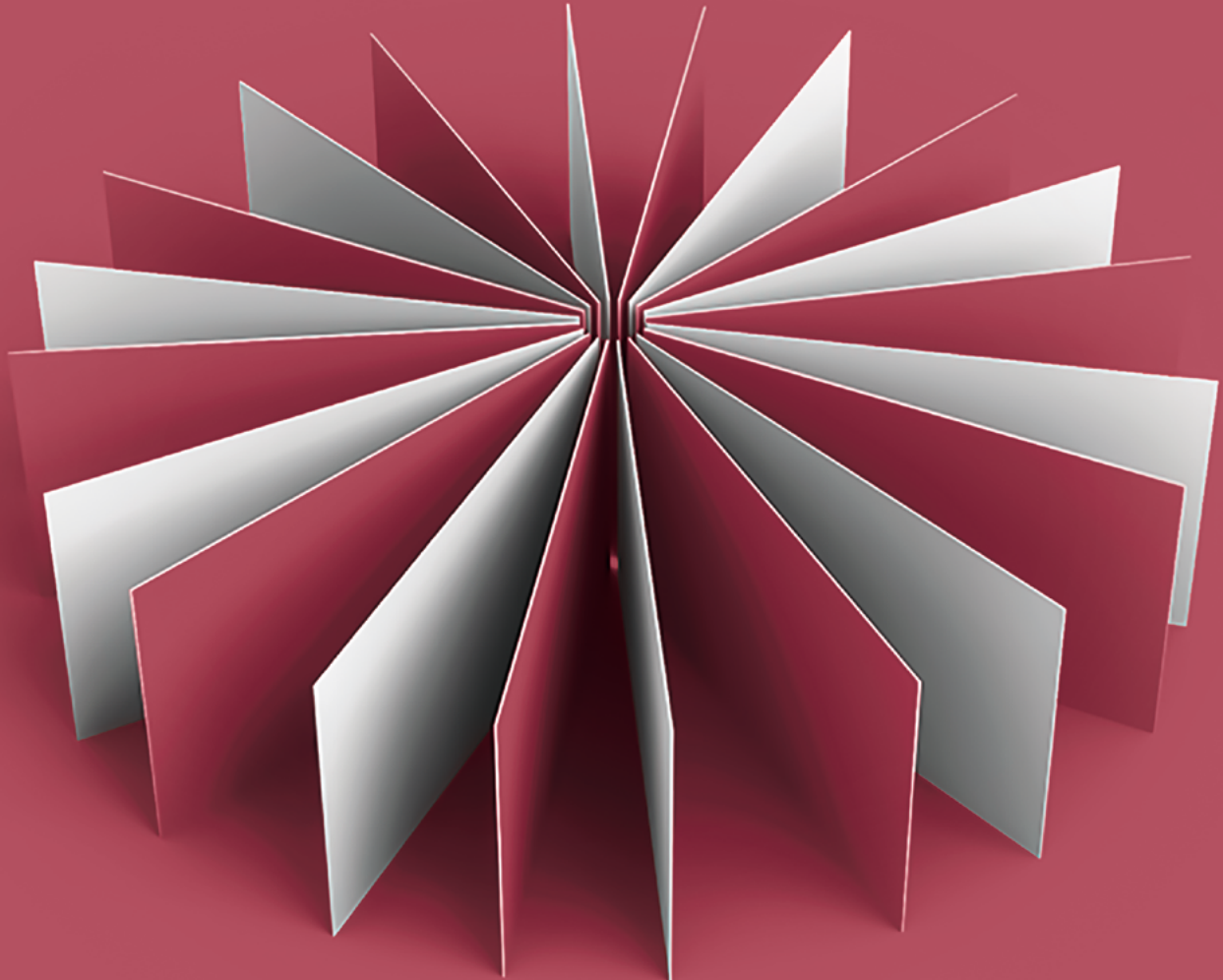


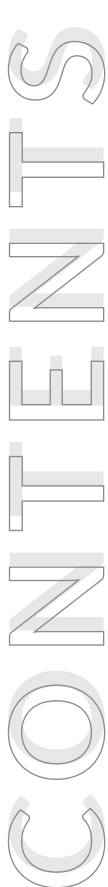
Transforming our DNA

Our company has embarked on building long-term predictability, responsibility and sustainability

ANNUAL REPORT 2023-24



Market capitalisation as on March 31, 2024	₹690.60 crore (BSE) ₹690.59 crore (NSE)
*AGM date and time	Wednesday, August 28, 2024 at 11:30 a.m.
BSE code	533208
NSE symbol	EMAMIPAP
*AGM mode	Video conferencing



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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', 'will' 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 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.

01

The Company strengthened operating economies that protected its viability and competitiveness during the slowdown

02

The Company graduated to niche paper grades that protected it from competitive commodity segments



03

The Company engaged in relationship-driven engagements with large customers, enhancing repeat offtake

04

The Company intends to invest in a modern pulp mill, which will strengthen backward integration

05

The Company remained under-borrowed during the sectorial slowdown, protecting overall viability.



Mr. R.S.Agarwal (sitting) and
Mr. R.S.Goenka (standing)

OUR FOUNDERS

R.S. Agarwal and R.S. Goenka

are celebrated for their remarkable achievements and progressive leadership. Mr. Agarwal is recognised as a modern management expert and excellent administrator, known for his profound understanding of consumer behavior and visionary leadership. On the other hand, Mr. Goenka acts as a driving force for changing mindsets, continually adopting innovative strategies to develop new skills. He values loyalty and commitment, acknowledging their importance in achieving success.

Their skill in recognizing and leveraging opportunities has escalated the conglomerate from modest origins to its present stature. Together, they transformed a small business venture into the thriving Emami Group, which now holds prominent positions in various sectors such as FMCG, edible oil, healthcare, paper and packaging, writing instruments, real estate, retail, and contemporary art. Their contributions to modern business have reinforced their status as exceptional leaders.

WHAT WE ARE

Emami Paper Mills is a modern broadbased paper and paperboard manufacturer.

The Company manufactures packaging board, writing and printing paper, and newsprint.

During the year under review, the Company widened its focus to niche value-added products with the objective to enhance viability.

The broadbasing has empowered the Company to address diverse and demanding customers in exchange for enhanced revenue visibility.

The Company has emerged as a more competitive manufacturer with enhanced sustainability across market cycles.

Background

The Company was incorporated in 1981, when it commenced the manufacture of paper and paper board. The Company now specialises in manufacturing newsprint, writing, and printing paper as well as the multilayer-coated board. The Company is the largest Indian newsprint manufacturer and the only manufacturer of multi-layer coated boards in Eastern India.

Promoter

The Company is a part of the prominent and respected Emami Group, founded by visionary promoters RS Agarwal and RS Goenka with a consolidated Group turnover of ₹25,000 crore in FY 2023-24. The Group possesses extensive interests in businesses like FMCG, biodiesel, edible oils, retail, writing instruments, realty, paper, healthcare and contemporary art. The Emami Group is respected for entrepreneurial capability, innovation, new product category development, liquidity, technology, distribution, marketing, and promotion. The promoters accounted for a 74.97% stake in Emami Paper with no shares that were pledged.

Locations

Headquartered in Kolkata, Emami Paper's manufacturing plant is located in Balasore (Odisha). The Company generated 94.23% of its FY 2023-24 revenues from within India and 5.77% from exports. The Company's manufacturing location is about 210 km from the nearest container port, a competitive advantage.

Customers

The Company is among leaders in India's high-end packaging board segment and remains a preferred supplier among leading end-use customers, frontline printers/converters and brands. The Company's packaging board segment addresses customer needs with a growing presence in the country's pharmaceuticals, FMCG and e-commerce segments. The Company's high-end writing and printing paper addresses the demanding needs of retail and institutional consumers. The Company's newsprint is consistently preferred by leading Indian media brands.

Employees

The Company is a responsible employer for over 1,000 talents across competencies. The average age of employees is 45 years.

Credit rating

The fundamentals of the Company were favourably rated, reflected in 'IND A-/ Stable' by India Ratings, which helped mobilise low-cost funds.

Listing

The Company is listed on the Bombay Stock Exchange and National Stock Exchange, with a market capitalisation of ₹690.60 crore as of March 31, 2024. The Company's valuation strengthened 1.92% during the year under review.

Responsibility

The Company is engaged in responsible environment practices, governance, sustainability and community welfare. The result is that the Company's emissions, effluents, recycling, reuse and renewable energy commitments were benchmarked better than prevailing regulatory standards.

Awards

The Company received prestigious recognition, earning notable awards:

Award of Appreciation at Odisha State Energy Conservation Award 2023

Award for Outstanding Exporter of Paper & Paper Product for FY 2022-23

Indian Social Impact Award, 2024 for the Most Impactful Education Support Initiative under CSR Activities

CII HR Excellence Award 2023 (Category - Strong Commitment to HR Excellence)



Our journey over the years

1983

Commissioned
Balasore facility with
15 TPD capacity



1988

Increased manufacturing capacity to 30 TPD

1994

Acquired Gulmohar Paper Limited in Kolkata

1998

Increased manufacturing capacity to 100 TPD following the successful commissioning of PM#2

2000

Merged Emami Paper Mills Limited (factory in Balasore) merged with Gulmohar Paper Limited; the name of the Company was changed from Gulmohar Paper Limited to Emami Paper Mills Limited

2001

Commissioned a 5 MW co-generation captive power plant

2008

Emerged as one of the largest manufacturers of newsprint and a market leader in the country

2007

Commissioned a 15 MW co-generation captive power plant, de-inking plant of 300 TPD and Paper Mill-III of 250 TPD; increased the Balasore production capacity from 60,000 TPA to 145,000 TPA

2006

Received the Excellence Award for Industrial Environment Management. Received the TPM excellence award - First category

2005

Increased the Company's Balasore production capacity to 135TPD; the unit was awarded as the 'Best Medium Scale Unit'

2004

Commissioned a brick plant. Won an award for environment safety and green belt development

2010

Listed the Company's equity shares on the Bombay Stock Exchange (BSE)

2015

Commissioned a paper board plant of 1,32,000 TPA with 10.5 MW power plant

2017

Increased the capacity of the board plant to 1,80,000 TPA. Modified PM#2 to make it multi-functional: produce newsprint, and writing and printing paper. Upgraded the 15MW power plant to 18MW

2019-20

Increased the board plant capacity to 2,00,000 TPA. Modified PM#1, PM#2 and PM#3 to make them multifunctional: produce newsprint, writing and printing, and kraft grade paper with a combined capacity of 1,40,000 TPA. Increased total capacity to 3,40,000 MT

2023-24

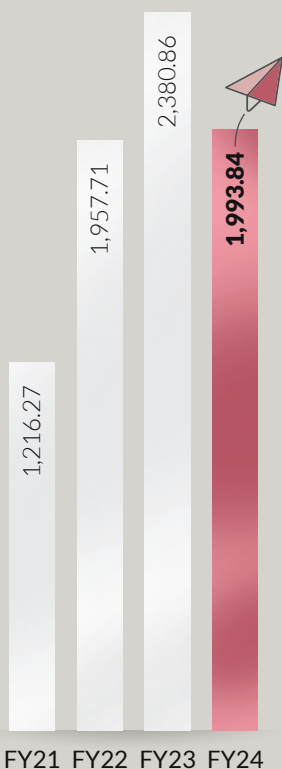
Strategically expanded its product portfolio to include niche products resulting in better contribution

2022-23

Retrofitted the size press in the largest newsprint machine, making it suitable for producing other grades of paper. Catered to the increasing demand for writing and printing paper apart from newsprint

How we have grown over the years

Sales
(₹ in crore)



Meaning

Sales refer to revenues earned by the Company, keeping it in business.

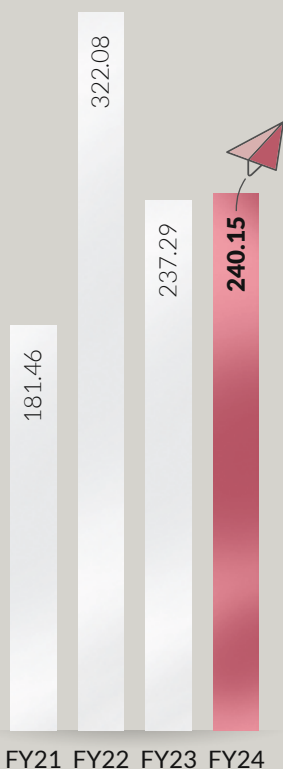
Importance

It provides an understanding of the Company's income from which expenses can be deducted

Performance

The Company reported ₹1,993.84 crore of sales in FY 2023-24, lower than the previous year.

EBITDA
(₹ in crore)



Meaning

EBITDA refers to the earnings of a company before interest, tax, depreciation and amortisation.

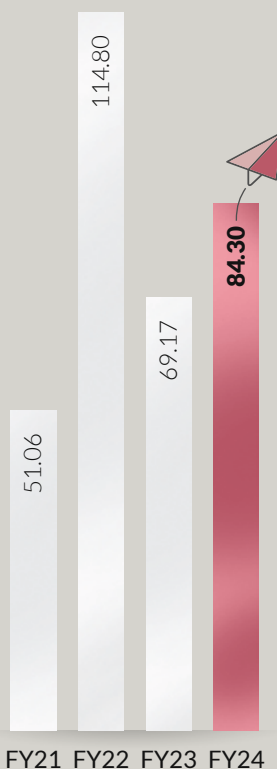
Importance

Investors use EBITDA as an indicator to measure the profitability and efficiency of a company and compare it with similar companies.

Performance

The Company reported ₹240.15 crore in EBITDA in FY 2023-24, higher than the previous year.

Profit after tax
(₹ in crore)



Meaning

Profit after tax refers to the amount that remains after a company has paid its operating and non-operating expenses, other liabilities and taxes. This profit is distributed to shareholders as dividend or retained as reserves.

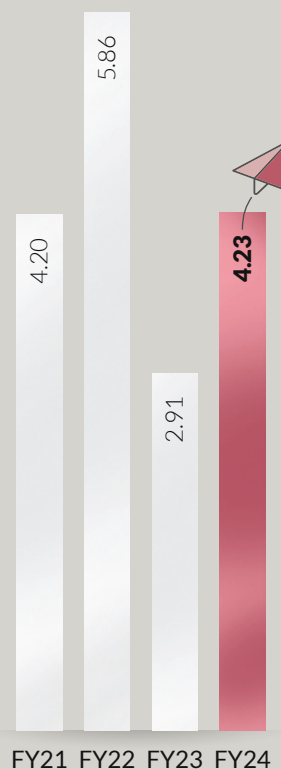
Importance

Profit after tax reflects the surplus that a company generates in an operating year, an index of its productivity.

Performance

The Company reported ₹84.30 crore in PAT in FY 2023-24, higher than the previous year.

Net profit margin
(%)



Meaning

Net profit margin is a financial ratio to calculate the percentage of profit generated from total revenue.

Importance

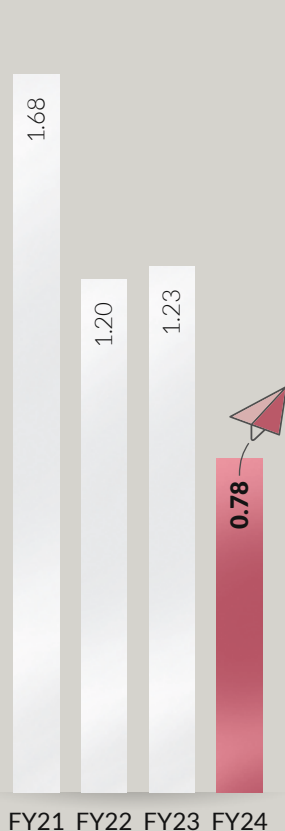
It measures the amount of net profit a company obtains per rupee of revenue generated.

Performance

The Company reported 4.23% net profit margin in FY 2023-24, 132 bps higher than the previous year.

Debt-to-equity ratio

(x)



Meaning

The Debt-to-Equity ratio (also called gearing) is a leverage ratio that calculates the weight of total debt and financial liabilities against total shareholders' equity

Importance

This ratio highlights how a company's capital structure is tilted either towards debt or equity financing.

Performance

The Company reported a debt-to-equity ratio of 0.78 for FY 2023-24, an attractive decline from the previous year.

Interest coverage ratio

(x)



Meaning

The Interest Coverage Ratio (ICR) is used to determine how well a company can pay interest on its outstanding debt.

Importance

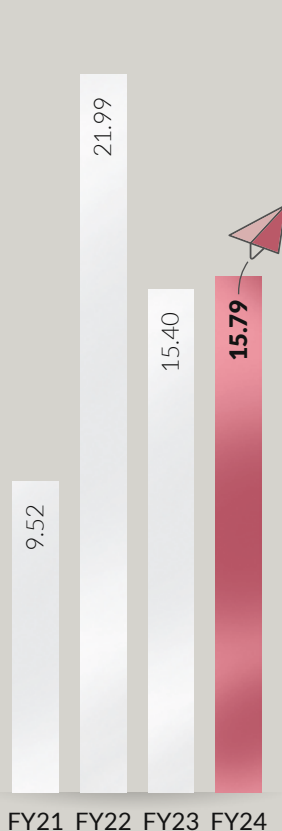
The ICR is commonly used by lenders, creditors, and investors to determine the riskiness of lending capital to a company.

Performance

The Company reported 3.55 interest coverage ratio in FY 2023-24, an improvement over the previous year.

RoCE

(%)



Meaning

Return on Capital Employed (RoCE), a profitability ratio, measures how efficiently a company is using its capital to generate profits.

Importance

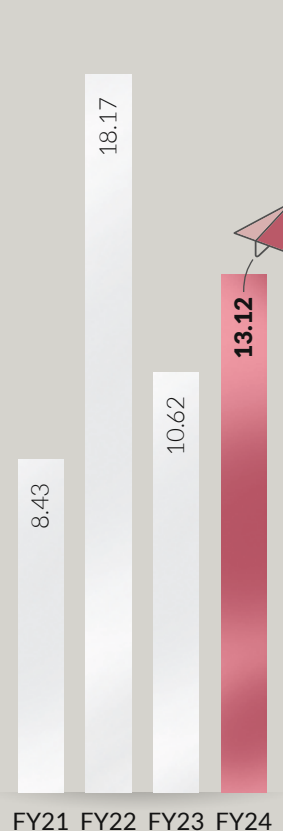
The return on the capital employed metric is considered one of the best profitability ratios and is commonly used by investors to determine whether a company is suitable to invest in or not.

Performance

The Company has reported 15.79% Return on capital employed for FY 2023-24, which represented a 39 bps improvement.

Earnings per share

(₹)



Meaning

Earnings per share is a financial ratio, which divides net earnings available to common shareholders by the average outstanding shares over a certain period.

Importance

The earnings per share indicates a company's ability to deliver value for common shareholders.

Performance

The Company reported ₹13.12 earnings per share for FY 2023-24, which was higher than the previous year.

EAGLE VISION

How Emami Paper is positioned to capitalise on a transforming world



Mr. Aditya V. Agarwal

Mr. Manish Goenka

Dear shareholders,

The principal message that we wish to communicate is that Emami Paper is acquiring a holistic well rounded personality that strategically positions it to enhance long-term stakeholder value.

This positioning is crucial in a world where the sustainable servicing of all stakeholders' needs is imperative, and where any imbalance in delivering value to even a single stakeholder segment can jeopardise business stability, security, and sustainability.

During the last few years, the Company strengthened its business model that deepened this multi-stakeholder

relevance. This business model over the next few years will be progressively deepened, strengthening a commitment to responsibility, profitability and sustainability.

Emami Paper is aligned with significant global trends, reinforcing its dedication to enhance stakeholder value across market cycles. The followings are some of the broad trends influencing the Company's business model:

De-plasticisation: The visible trend the world over has been de-plasticisation. As the world graduates from plastic packaging towards biodegradable

and recyclable packaging options, there will be a growing need for paper manufacturers to plug the gap with specialised alternatives. These specialised alternatives will warrant an understanding of customer needs, coupled with the development of customised paper alternatives. As a forward-looking Company, Emami Paper recognises the importance of seizing this opportunity. This initiative is aligned with government policies directed to moderate plastic waste and the need for regulators to see companies enhance the recyclability of their products.

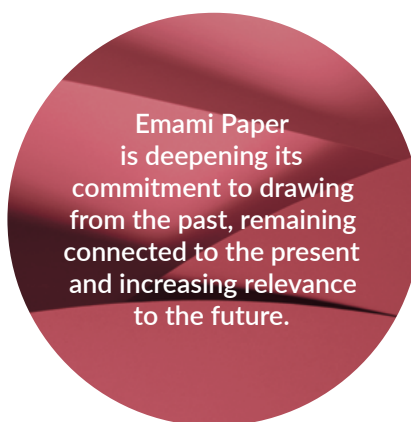
Digitalisation: The onset of digitalisation across the last decade moderated the use of writing and printing paper. More transactions and engagements are conducted across digitalised formats, eliminating paper use. This is visible across a range of applications: physical books have been replaced by the virtual; transportation tickets have been replaced by digital alternatives; e-governance has eliminated the use of paper; a number of processes and companies have turned paperless. As a future-facing company, Emami Paper is moderating the proportion of revenues derived from the writing and printing paper segment, as a hedge against declining demand and realisations.

Automation: There is a growing movement away from manual engagement to automation. Companies are seeking to automate the routine, making it possible to generate operational data. As a forward-looking company, Emami Paper invested in advanced systems like SAP S4 Hana for accounting automation. The Company is data-driven with credible systems-generated information being the basis of informed decision-making.

Virtual media: There is a greater prevalence of a digitalised media today than ever. More news is consumed through telephones and laptops than ever; this is moderating the influence of print-based media. Besides, preference

for print-based media has declined across the younger generation, who would rather read modular content than long copy and who would rather see televised content than read. This trend is affecting the circulation of print media the world over, including offtake and realisations. Emami Paper is committed to moderate the proportion of revenues being derived from newsprint manufacture.

Cleaner world: In a resource-intensive paper manufacturing process, there is a premium on the need to moderate the consumption of water, power and



wood-based resources. Over the years, the Company invested in modern manufacturing technologies with the objective to rationalise resource consumption. The Company moderated water consumption by approximately 16% per ton of the final product, reduced power consumption per ton and minimised chemical use per ton of the final product. Besides, the Company consumed FSC-certified imported pulp and wastepaper as its principal raw material and manufactured products with FDA and FSC certifications, emphasizing operational recyclability and decarbonisation.

Decommoditisation: There is a growing need for companies to engage in the manufacture of value-added products.

This commitment makes it possible for companies to generate a superior return on invested capital, and put adequate surplus on the table to service the needs of all stakeholders. Emami Paper is engaged in transforming its DNA with the objective to manufacture niche value-added and low grammage speciality paper products, graduating its business model from one-off transactions to relationship-based annuity engagements.

Supply chain security: There is a growing respect for companies that have created secure supply chains within the proximity of their manufacturing plants. This preference is being validated for reasons of proximate logistics leading to lower carbonisation, immediate resource access leading to a lower inventory and captive resource availability leading to value-addition. Emami Paper has embarked on a medium-term exercise to commission a pulp mill that provides it with effective access to a critical resource, moderating its exposure to sectorial volatility and helping the country reduce imports.

By being completely aligned with the demanding requirements of a rapidly transforming world, Emami Paper is deepening its commitment to drawing from the past, remaining connected to the present and increasing relevance to the future.

This relevance is expected to deepen corporate responsibility, revenue visibility and holistic sustainability that enhances value for all the stakeholders of our Company.

With warm regards,

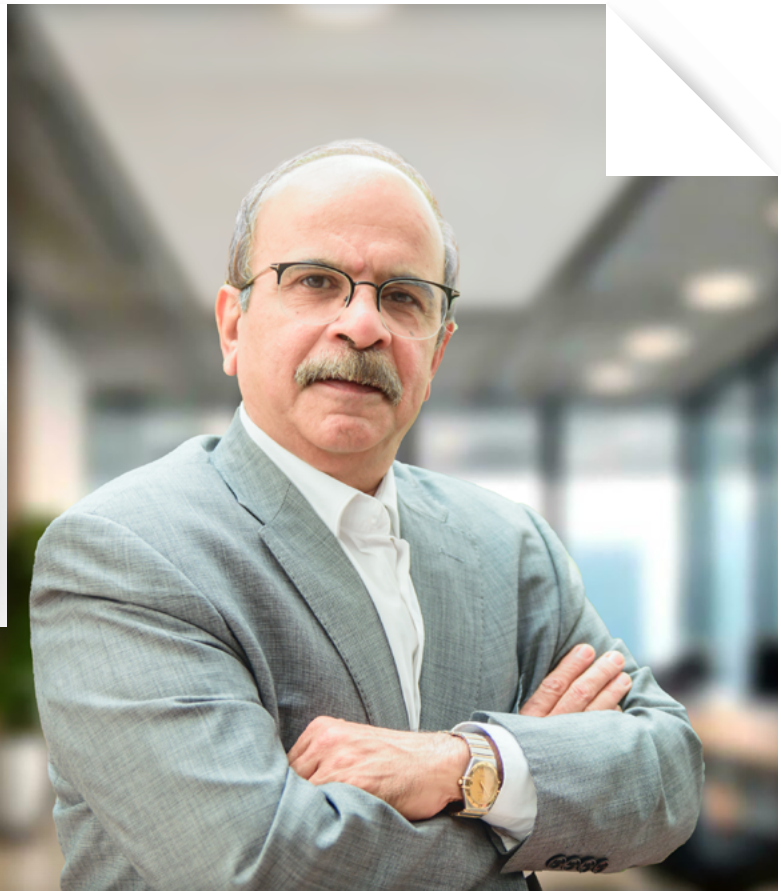
Aditya V Agarwal
 Executive Chairman

Manish Goenka
 Vice Chairman

STRATEGIC DIRECTION

Whole-time Director and CEO's review

At Emami Paper, we are transforming our DNA with the objective to enhance predictability, responsibility and sustainability



Overview

I am pleased to present the Company's performance during the last financial year.

Despite a moderate decline in turnover, the Company achieved improved margins, increased EBITDA 1.2%, increased cash profit 7.3%, enhanced profit before tax 20.46% and reinforced profit after tax 21.87%.

The Company reported an increased surplus during a challenging sectorial environment as a result of a responsiveness to make strategic changes and reorient its vision.

Big message

The big message that we seek to communicate is that Emami Paper embarked on a decisive journey to transform its DNA from a commodity to a specialty paper company during the last financial year. The green shoots of this dramatic change were visible by the end of the year under review. It is not the quantitative growth of the numbers we reported during the last year that we seek to impress stakeholders with; it is the quality of these numbers that we present for a wider appreciation.

We believe that this change in our strategic direction has not come a

day too soon. The transformation was timely and will help the Company deepen its business sustainability, as a result of which the performance is likely to remain credible during industry downturns and attractive during industry rebounds.

If there is one word that encapsulates the Company's strategic shift, it is 'predictability'. In our business of paper manufacture – paperboard, writing and printing variety as well as newsprint – we source pulp to manufacture a range of grades. The business is largely influenced by a movement in pulp prices; when global pulp prices decline, domestic paper manufacturers like us

perform creditably; when global pulp prices rise and this increase cannot be passed to customers, the Company inevitably suffers a decline in margins.

At Emami Paper, we recognise that a business as large as ours addressing core national needs cannot be singularly dependent on the global movement in pulp prices. There is a need for a greater predictability in our business model, addressing in turn the downstream predictability needs of our stakeholders. If addressed, this can enhance the sustainability of our business model leading to a superior credit rating, moderated cost of capital, higher surplus cum reinvestment, larger cash on books and a positive corporate momentum to emerge larger and stronger.

During the last financial year, the Company evolved its business direction with the objective to deepen predictability. The Company embarked on the development of new niche grades, commanding attractive realisations and enjoying sustained offtake from long-term institutional buyers. In the face of challenging odds, the Company deepened its focus on the manufacture of value-added packaging board grades and generated a premium on account of consistent product quality and timely service. This quality orientation was also evident in the newsprint segment where the Company's quality consistency translated into a sustained engagement with prominent media brands.

The word 'niche' became increasingly operative; this space protected the Company's realisations from rampant competition and price erosion. More importantly, a presence in this space enhanced the Company's respect as a pedigreed player servicing the demanding quality needs of institutional players. This brand-enhancing recall represents the foundation of the Company's aspiration to emerge as one of India's most respected paper manufacturers.

Niche commitment

The Company deepened its niche commitment through the following priorities.

One, the Company made a fuller use of its manufacturing equipment. This legacy equipment on the non-paperboard

side of the business was periodically upgraded. This equipment may not be as large as the prevailing economies of scale may warrant but is ideally placed to address niche products of smaller volumes. The Company allocated this equipment to the manufacture of value-added grades fetching realisations considerably higher than the prevailing industry average. This reorientation is proving more effective than the conventional cost moderation approach; the upside arising out of product mix changes is far higher than the extent of cost moderation possible in most cases.

Two, the Company made a deeper investment in the research and development of new niche paper grades. This emphasis represented the following upsides: the Company developed products that were either in short supply in India or presently imported; the Company developed products that addressed the customised needs – non-grease or high-foldability or sublimation paper, for instance - of pharmaceutical and FMCG players across the country. By addressing customised needs, we graduated from the 'lowest price wins' business arrangement to a more equitable relationship-driven engagement, marked by better realisations and stable quality.

Three, the combination of deeper research and available manufacturing infrastructure helped the Company bypass the need to make fresh capital investments. The Company activated a decisive change in its business model without straining its Balance Sheet. The result is that the entire exercise to graduate from the commodity to the niche proved to be immediately value-accretive, creating the surplus for onward reinvestment into additional research and product development.

Four, the Company will progressively reorient its product mix from the existing manufacture of newsprint, and writing and printing paper towards speciality paper grades. This is expected to increase realisations from a tonne of manufactured paper, leading to a higher return on employed capital.

Investing in pulp manufacture

At Emami Paper, we recognise that while these initiatives will contribute to enhanced profitability and insulate

the Company from sharp realisations cyclicity, there will always be a priority in restructuring the Company's fundamental cost structure arising out of its excessive dependence on imported pulp.

In view of this, the Company will utilise cash flows of the next few years to invest in a modern pulp mill that reduces its dependence on external (and imported) sources, moderates foreign exchange exposure and provides a captive resource on which to build the business. While this investment may not reflect on the revenue side, it could lead to a substantial cost reduction, widening margins.

Complementing this cost reduction priority, the Company will sustain investments in renewable energy (to moderate power costs) and water recycling, underlining its commitment to sustainable manufacture.

Reinvention

At Emami Paper, we are confident that the combination of these strategies – enhanced value-addition arising from a change in the product mix (commenced) and prospective backward integration – could translate into a complete reinvention of our organisation.

The basis of my long-term optimism is derived from the fact that this reinvention could be driven by revenue visibility, value-addition, product mix changes, modest capital spending, earnings reinvestment and backward integration.

This complement could empower the Company to accelerate its transition from a commodity to a speciality company with predictable and sustainable products that enhance stakeholder confidence.

This strategy is expected to empower the Company to double revenues across the coming years, enhancing value for all stakeholders.

With best regards,

Vivek Chawla,

Whole-time Director and CEO

How Emami Paper is reinventing its DNA

At Emami Paper, we seek to make a big leap into a new orbit

We were a focused newsprint company.

We were a pan-India player.

We seek to emerge as a speciality grades paper company.

We are a global player.

We were driven by 'How much did we produce today?'

We were focused on optimising resources.

We are now driven by 'How much did we earn today?'

We are now institutionalising operational excellence.

Transforming our DNA

*The building block of a
reinvented Emami Paper*

When they indicated that only the largest could survive in our volume-led business...

We focused on becoming the best instead.

When they felt that manufacturing commodity paper grades would be safest...

We decided to go niche instead.

When they advised paper manufacturers to wait for the storm to blow over...

We moved proactively to strengthen our business.

When they advised industry players to freeze all capex and related initiatives...

We embarked on research-led business-strengthening initiatives.

This is what drives the spirit at a reinventing Emami Paper

A spirit of 'Can do'

'Can we outperform the sector,
economy and our retrospective
growth average?'

'Can we reverse the industry reality
by becoming cash-rich?'

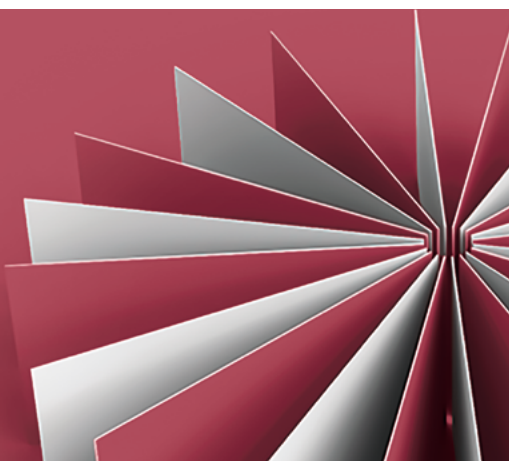
'Can we graduate customer
transactions to long-term
relationships?'

'Can we emerge as a national
benchmark instead of merely
producing more?'

'Can we emerge among the cleanest
and most sustainable companies in
our sector?'

'Can we be the best across every
aspect of our business?'

Governance: Our growth bedrock at Emami Paper



Overview

At Emami Paper, governance is doing the right things more than doing things right because organisations high on their ethical commitment can also be successful in terms of sustainability.

We went into business around the conviction that we would seek to be not necessarily the largest in our space at any cost but to emerge among the best (in terms of quality, integrity, environment sustainability and profitability); to be a company not recognised only by the quantity of our revenues but by peer respect.

The principles of our governance commitment have been described in this section.

Integrity: At Emami Paper, the one word that we placed at the centre of our business model was 'integrity'. We resolved that when stakeholders referred to us, they would with a sense of respect for our Company and our Group; that when one asked about what kind company we were, the principal recall would be one that could be trusted. Over the years, this commitment has manifested in various ways: gender respect, zero tolerance for sexual harassment, similar impatience with ethical transgressions, commitment to recruit without prejudice and appraise without partialness, respect for the dignity of people and the integrity of the environment.

Focus: At Emami Paper, we believe that a narrow field of competence is possibly the biggest insurance against market shakeouts. In view of this, we have focus

on paper manufacture; within this space we have selected to increasingly work in niche grades whose demand is expected to grow.

Long-term: At Emami Paper, we plan for the long-term and believe that whatever we do today will generate an enduring echo. Our investments are not inspired by short-term arbitrage but by the value we can generate in a sustainable way.

Discipline: At Emami Paper, we seek to be respected for our discipline across all aspects of our business. This would be manifested in our commitment to processes, practices and systems. This would be evident in an organised and formalised way of doing things that enhanced a predictability of outcomes. The Company strengthened an audit-driven and compliance-driven approach. When faced with an accounting treatment that requires interpretation, we would rather take a conservative view.

Controlled growth: At Emami Paper, we believe that business sustainability is best derived from controlled growth. The Company allocated accruals into business growth without stretching the Balance Sheet. The result is that the Company has remained liquid and profitable across market cycles with moderated net debt and attractive capital efficiency.

Board of Directors: At Emami Paper, we believe that the success of our strategic direction is largely influenced by our Board of Directors. We have placed a premium on our Board composition, comprising achievers of standing. These

individuals have enriched our values, bandwidth, business understanding and strategic direction. The Board comprises a good proportion of Independent Directors, who can speak their mind and influence the Board.

Research-driven: At the core of our operations is a relentless focus on research, specifically directed towards developing new products that enable us to manufacture niche, value-added and low grammage products.

Environment focus: We design and manufacture products using progressively declining resource quantities. We prioritise resource optimisation in our manufacturing process to moderate our carbon footprint.

Stakeholder value: At Emami Paper, we exist for the benefit of all stakeholders: the customer must experience enhanced competitiveness arising out of our business solution; the employee must derive pride, remuneration, career advancement and engagement stability; the investor must generate a superior return on employed capital over competing investment opportunities; the community must benefit from our presence; the government must benefit through taxes and livelihood creation; our vendors must benefit through the outsourcing of products and services.

Our Stakeholder Value-Creation Report, 2023-24

How we enhanced value in an integrated, inclusive and sustainable way

Overview

The Integrated Value-Creation Report moves beyond traditional methods by employing a comprehensive framework that captures an extensive array of initiatives and encompasses a broad spectrum of stakeholders.

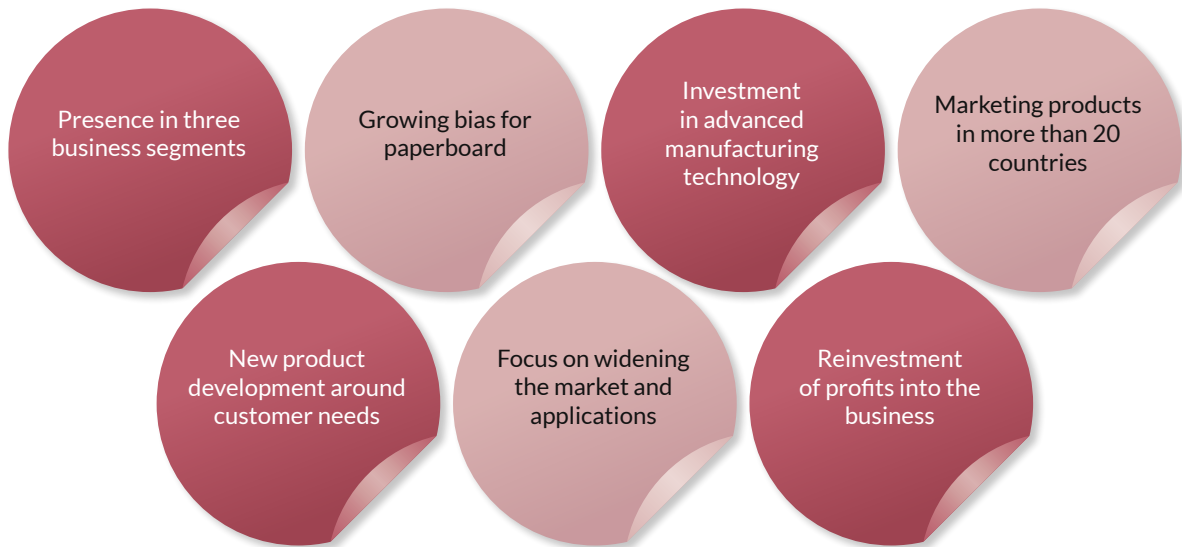
The Integrated Reporting approach provides insights into the sectoral context and corporate strategy, enhancing competitiveness. It weaves

together various reporting strands—financial, management commentary, governance and remuneration, and sustainability reporting—into a cohesive narrative that demonstrates an organisation’s capacity for value enhancement.

Integrated Reporting clarifies for financial capital providers how an organisation creates value. Its influence reaches beyond financial stakeholders,

deepening understanding among all stakeholders—including employees, customers, suppliers, business partners, local communities, legislators, regulators, and policymakers—about the organisation’s potential to enhance value over time. This shift from relying solely on ‘hard’ financial data to incorporating ‘soft’ non-financial data allows for a more thorough evaluation, meeting the evolving demands of external stakeholders.

Our overall value enhancement strategy



Drivers of value at Emami Paper

At Emami Paper, we recognise that the collective value provided to our stakeholders directly contributes to our enhanced profitability and sustainability.

Stakeholders

Our employees embody the aggregate knowledge necessary to expand the business across various domains, including procurement, manufacturing, sales, distribution, and finance.

Focus

We are committed to creating a dynamic workplace, fostering stable employment, and boosting productivity.

Stakeholder

Our shareholders initially funded us at the commencement of our business.

Focus

We aim to enhance cash flow, increase Return on Capital Employed (RoCE), and boost their value of investments.

Stakeholder

Our vendors ensure a reliable and consistent supply of resources and services.

Focus

We strive to optimise procurement quality while reducing average costs, with the goal of expanding our market presence and reinforcing sustainability.

Stakeholder

Our customers sustain our business by consistently purchasing our products, thereby providing the financial resources necessary for our operations.

Focus

We are committed to offer a diverse range of products customised to meet the specific needs of various sectors.

Stakeholder

Our communities contribute social capital, including education and cultural enrichment.

Focus

We aim to support and develop these communities through ongoing engagement.

Stakeholder

The government provides a stable framework of laws, policies and regulations that guide our operations.

Focus

Our goal is to uphold our responsibilities as a conscientious corporate citizen.

How we enhance value

Our resources



Financial capital

We secure our financial resources by mobilizing funds from investors, promoters, banks, and financial institutions through debt, equity, and accruals.



Manufactured capital

Our manufacturing assets, technologies, and equipment, along with the logistics for transporting raw materials and finished goods, constitute our manufactured capital and underscore our manufacturing prowess.



Human capital

Our workforce, comprising management, employees, and contract workers, brings valuable experience and expertise to our table.



Intellectual capital

We prioritise cost optimisation and operational excellence, drawing on our extensive repository of proprietary knowledge.



Natural capital

Our operations rely on natural resources, including pulp, essential for our production processes.



Social and relationship capital

Our relationships with communities, vendors, suppliers, and customers shape our identity and responsibilities as a committed corporate citizen.

Value created in FY 2023-24

Financial capital

1,993.84

₹ crore, Turnover

13.12

₹, Earnings per share

15.79

%, ROCE

Manufacturing capital

3,05,547

tons, Quantum of tonnage produced

3,00,751

tons, Quantum of tonnage sold

Human capital

~2,800

Direct and indirect employees

117.50

₹ crore, Total remuneration, 2023-24

Intellectual capital

>250

years, cumulative senior management experience

Among the select few major players in India's organised paperboard sector

1,06,806

tons, Waste materials recycled

Social and relationship capital

>300

Number of customers

>1,400

Number of vendors

Value shared with

Investors

The Company rewarded its investors with dividends and capital growth

Suppliers

The Company procured more than ₹1,300 crore of materials from suppliers.

Employees

The Company paid a remuneration of ₹117.50 crore.

Customers

The Company supplied products for a variety of applications

Government and regulations

The Company contributed ₹213.95 crore to the exchequer, stimulating the local community through downstream economic impacts.

Distributors and suppliers

The Company increased value for distributors and retailers through consistent resource procurement.

Our strategy

Strategic focus	Vendor focus	Shareholder focus	Customer focus
Key enablers	<p>EMAMI PAPER has cultivated an increasing demand for resources and services, creating a platform for vendors committed to the long term and who can deliver consistent quality.</p> <p>The Company collaborates with a network of resource providers domestically and internationally, including those supplying pulp and waste paper.</p>	<p>EMAMI PAPER prioritises governance, operational excellence, cost-effective capacity expansion, cost leadership, and transparency in information.</p> <p>The Company is dedicated to driving profitable revenue growth.</p> <p>The Company reported ₹172.42 crore of cash profit in FY 2023-24</p>	<p>EMAMI PAPER continues to be a preferred supplier of paperboard, writing and printing paper, and newsprint.</p> <p>The Company's ability to tailor products to meet the requirements of demanding downstream applications has led to sustained, multi-year partnerships.</p>
Material issues /addressed	Leveraging state-of-the-art technologies to achieve distinctive solutions	Establishing long-term viability with an exceptional price-value proposition	Improving revenue visibility through multi-year contracts with customers

Our value-creation in numbers

Employee value

Year	2020-21	2021-22	2022-23	2023-24
Salaries and wages (₹ crore)	86.45	105.09	111.73	117.50

The Company invested consistently larger amounts in employee remuneration, underlining its role as a responsible employer.

Customer value

Year	2020-21	2021-22	2022-23	2023-24
Revenues (₹ crore)	1,216.27	1,957.71	2,380.86	1,993.84
Customers	548	537	416	349

The Company generated attractive revenues across the years, an index of value creation for customers, along with a moderated number of customers serviced.

	Employee focus	Community focus	Government focus
	<p>EMAMI PAPER engages over 2,800 people</p> <p>The Company empowers professionals by expanding their roles and responsibilities.</p> <p>It offers training, ensures job stability, and provides additional support to its employees.</p>	<p>EMAMI PAPER acts as a responsible corporate citizen.</p> <p>The Company invested in renewable energy sources, sewage treatment, and recycling of biodegradable materials, plastics, and electronic waste, along with ozonator water treatment initiatives, reinforcing its dedication to environmental sustainability.</p>	<p>EMAMI PAPER fulfills its tax obligations, creates local jobs, adheres to legal and regulatory standards, and contributes positively to the communities where it operates.</p> <p>In the fiscal year 2023-24, the Company generated ₹269.23 crore in foreign exchange earnings from its operations in India.</p>
	Fostering a professional culture dedicated to excellence in all aspects of the Company	Enhancing values for the communities	Meeting customer demands for customised solutions

Vendor value

Year	2020-21	2021-22	2022-23	2023-24
Procurement (₹ crore)	826.67	1,406.02	2,021.36	1,317.16

The Company procured a large quantum of resources through the years, strengthening its procurement economies.

Community value

Year	2020-21	2021-22	2022-23	2023-24
CSR investment (₹ crore)	0.48	0.83	1.07	0.99

The Company enriched communities in the geographies of its presence.

Shareholder value

Year	2020-21	2021-22	2022-23	2023-24
Market capitalisation (₹ crore)	749.58	990.67	679.10	690.60

The Company strengthened its shareholder value through a complement of prudent business strategy, accrual reinvestment, leveraging of its value chain and cost management.

Exchequer value

Year	2020-21	2021-22	2022-23	2023-24
Taxes paid (₹ crore)	51.56	38.59	23.93	27.85

The Company reinvested in the nation through the prompt payments of taxes and other statutory dues.

EXCELLENCE DRIVER

How we strengthened our culture of manufacturing excellence in a challenging FY 2023-24



Mr. Ashish Gupta
Senior President

Overview

Emami Paper's personality is rooted in manufacturing excellence. This culture is distinguished by quality products, dependable supply, advanced processes, customer focus, and subject matter knowledge. The Company's manufacturing prowess is characterised by continuous improvement, consistent product quality, product innovation, and sustainability.

Care

Concern for well-being of our people, society and environment, is the foundation of all our endeavours.

Excellence

Continuous improvement in our processes and systems that enable delivering superior performance and creating long-term value for our stakeholders.

Customer centricity

Delivering consistent positive experience to our customers through our products and services.

Strengths

Brand: Emami Paper's manufacturing expertise generates name for consistent paper and board quality.

Team: The Company comprises experienced technical professionals possessing valuable manufacturing insights.

Technology: The Company invested in state-of-the-art technologies, making it possible to produce superior paper around demanding market needs.

Synergies: The Company invested in versatile machines capable of flexibly producing writing and printing paper, high-grade kraft paper, and newsprint across grammages.

Challenges and responses

At the Company, the financial year 2023-24 was marked by a decline in margins for the packaging board and newsprint segments. High cost of raw materials added to challenges.

The Company addressed these challenges through developing new value added products such as OGR (Oil & Grease Resistant) Paper, High Burst Factor Paper, Pharma Printing Paper etc. These grades contributed to additional margins in the paper segment.

The performance of the paper segment helped counterbalance a subdued performance in the packaging board segment.

Highlights, FY2023-24

- The Company recorded an output of 3,05,762 TPA of which packaging board was 1,88,676 TPA)
- The plant capacity utilisation was about 90% compared to 87% in FY 2022-23; packaging board machines operated at nearly 100% capacity utilisation.
- The Company recorded its highest production of premium grade W&P product.
- The Company focused on specialty grade paper to achieve better margins.

Outlook, FY 2024-25

The Company will evolve the product mix in line with evolving market dynamics.

The Company will increase the production of niche products and add new ones.

Big numbers

FY 2023-24



FY 2022-23



Our champion niche products during the year under review

1

Pharma Print Paper (40 GSM)

Pharma Print Paper is a specialised paper type designed for use in the pharmaceutical industry, primarily for printing prescriptions, labels, instructions, packaging, and other related documents.

Key features

Quality and Durability: Emami Pharma Print Paper, used for pharmaceutical purposes, adheres to high-quality standards to maintain durability and readability.

Legibility: Emami Pharma Print is known for its excellent single-color print quality, crucial for conveying important information such as dosage instructions, expiration dates, regulatory details, and, importantly, barcode printing.

Compliance: The paper and its printing process meet the regulatory standards set by authorities such as the FDA (Food and Drug Administration) and the EMA (European Medicines Agency) for its non-toxic ink and smudge-resistant feature.

Security features: Emami Pharma Print Paper incorporates security measures to deter counterfeiting, including watermarks, special inks or embedded fibers visible under UV light, enhancing the paper's security and integrity.

2

Oil and grease resistant (OGR) paper

Oil and grease resistant (OGR) paper is a specialty paper designed to withstand the penetration of oils and greases. It is commonly used in the food packaging industry to prevent oils and fats from seeping through the paper, ensuring the integrity of the packaging and avoiding contamination of other products.

Key features

Resistance: The Emami OGR paper is resistant to oil and grease.

Food safety: The OGR paper is often designed to keep the food safe, meaning it does not contain any harmful chemicals that could contaminate food products. The substrate is also food grade.

Applications

Food wrapping and packaging: The oil and grease resistant paper is perfect for wrapping sandwiches, burgers, pastries, and other greasy foods. It is also used in fast-food packaging, such as burger wraps and fry bags.

Baking and cooking: OGR paper serves as baking paper or pan liners to prevent sticking and ensure easy cleanup.

Industrial uses: In industrial settings, it can be used to protect surfaces from oils and lubricants or to package oily machine parts.

Retail and takeout: The product is ideal for takeout containers and pizza boxes.

3

High burst factor paper (40 GSM)

High strength paper is a type of paper that is engineered to have superior tensile, tear and bursting strength compared to standard paper. This type of paper is used in applications where durability, robustness, and resistance to tearing and bursting are critical.

Key features

High tensile and bursting strength in thinner papers.

Applications

Packaging: The high burst factor paper is utilised in the production of corrugated boxes, paper bags, sacks and other packaging materials, mandating high durability to protect contents during shipping and handling.

Industrial uses: The product is applied in protective wrapping, industrial filters and release liners. It is also used on the cones used for yarn wrapping in textile industry.

Medical and hygienic products: The product is utilised in medical supplies such as surgical drapes, gowns and other disposable medical items that require strength and reliability.



Manufacturing facilities at Balasore, Odisha



Packaging Board Mill at Balasore, Odisha

BUSINESS DRIVER

How we strengthened our sales and marketing function in a challenging FY 2023-24



Mr. Soumyajit Mukherjee
Chief Marketing Officer

Overview

At Emami Paper, we offer products across three categories: packaging board, writing and printing paper, and newsprint. Within these categories, we market grades that align with the changing needs of the market and our profitability goals. The Company's objective is to market an optimal product mix, accelerate sales, transform products into services (timely delivery), and maintain customer loyalty. From an overall global perspective, subdued market conditions were influenced by the geopolitical situation, demand-supply imbalances, and volatile raw material prices. Moreover, the recession in the USA and Europe had a ripple effect on the Indian economy as well. As a result, the global paper industry faced considerable pressure.

The challenges we faced

Demand-supply imbalance: Emami Paper Mills embarked on its FY 2023-24 journey in difficult market conditions. The packaging board industry was under pressure due to a supply and demand imbalance. The Company possessed high cost pulp in stock, which impacted profitability. Newsprint demand was sluggish as the writing and printing season had just ended.

Export markets: The Company explored new markets in Russia and the USA, while continuing to sustain a presence in Bangladesh and Vietnam. However, profitability in these markets was challenging due to a price war in South-East Asia and the Indian subcontinent, triggered by new production capacities in Malaysia and competitive pressures exerted by Chinese and Korean players.

Our achievements, FY 2023-24

Higher margins: The Company invested in a responsive marketing team and dedicated distribution partners, helping deliver a sales volume of 3,00,000 MT and EBITDA of ₹240 crore. Despite a deviation from the budgeted estimate, based on market realities, the Company's performance can be considered creditable.

Product mix: The Company was aligned to product mix changes in its paper and newsprint segments. The Company made strategic volume tie-ups with media houses, which contributed to the bottomline. The writing and printing paper segment, based on lower bleached hardwood kraft pulp prices and market bullishness, contributed to an attractive bottomline. The Company secured a 6,000 MT tender from Telangana State Textbook Corporation, strengthening offtake and margins.

Niche segment: The marketing of niche products remained a focused initiative. The Company received a favourable response for oil and grease resistant paper, pharma print, inter-leaving paper and sublimation paper. These products generated attractive margins even though volumes were not high but retained the potential to increase.

Manufacturing capacity: The Company planned for its board business to run at a 2,00,000 MT capacity around attractive profitability. Based on the market, it achieved a prudent mix of recycled and virgin paper, strengthening outcomes in the third and fourth quarters when pulp costs were down.

Higher selling volumes: Despite a limitation on price increases and paper oversupply, the Company marketed its production creditably across India. The Company protected its market share on account of quality, customer-centric approach and service. Besides, the Company treated customers as strategic partners, focusing on relationship-based engagement.

Diversification of customer base: The Company broadbased its customer base, particularly for newsprint, which was previously dominated by a few large media houses. Over the past year, the Company reduced its revenue concentration by engaging with a broader range of customers in East and South India. Additionally, it reduced its reliance on a single dealer by broadening its sales to include multiple dealers.

Accreditations: The Company earned accreditations for its packaging board products from large multinational consumer-facing brands, major users of packaging boards. The Company's products were certified for use by subsidiaries of multinationals across South Asia and the ASEAN region.

Our strengths

The Company maintained strong relationships with packaging board customers, where board quality is crucial to their market positioning and perception. In FY 2023-24, nearly 70% of the Company's packaging board revenues was derived from customers buying from the Company for three years or more.

The Company worked closely with prominent fabricators and converters who represent well-known FMCG brands in India. It collaborated with primary customers to develop customised and lighter, higher stiffness and environment friendly grades. This collaboration deepened the converter appreciation of board characteristics, making them proponents of the Company's product quality.

Outlook

The Indian packaging board sector continues to grow attractively and is forecasted to reach USD 17.74 billion by 2029, growing at a CAGR of 6.63% between 2024 and 2029. With a mix of value-added products in the Company's product basket, it is anticipated to tackle the ongoing global crises with the help of a prepared marketing team that seeks to create a difference in FY 2024-25.

Big numbers



EXCELLENCE DRIVER

How we have progressively strengthened our procurement discipline



Mr. Sachin Goenka
Vice President
(Business Strategy and
Procurement)

Overview

The procurement function is possibly the most critical driver of profitability at Emami Paper. This is one function being exposed to a range of dynamic risks in real-time, testing organisational responsiveness. What used to be a predictable four-year cycle (crest to trough or vice versa) for the pulp segment has now been compressed to around 18 months, marked by sudden swings in pulp realisations.

A premium to understand the market is more pronounced at Emami Paper than most paper companies in India. The Company imports 100% of its pulp requirement (resources used in paper manufacture). The Company is also the largest Indian importer of virgin pulp.

The Company is perpetually exposed to import and procurement risks;

the impact of this risk is even more pronounced when one considers that the Company can, at best, seek a staggered increase in negotiated realisations with customers. This indicates that unfavourable price movements would need to be anticipated and hedged without the luxury of the Company being able to pass increased costs to customers at will. In view of this, the urgency and effectiveness of procurement responsiveness is an ongoing cost – emotional, managerial and financial - that the Company needs to incur to stay in business.

Over the years, the Company restructured strategic priorities with the singular objective of mitigating and moderating procurement risk, enhancing organisational predictability. These priorities have extended from tactical

responses to institutionalised practices that enhance the predictability of transactional outcomes, strengthening business sustainability.

Awareness

The principal driver of the Company's procurement effectiveness is the need for complete information on market realities. The quantity and quality of information makes it possible for the Company to respond with timely safeguards.

The Company developed market intelligence and tools to track global developments – economic, social, political and sectorial – that could influence pulp procurement outcomes. This comprises an understanding of supply flows and demand patterns, making it imperative to engage with a range trade partners and industry players to map the business plans of the large industry players and how those developments can influence global pulp prices.

The Company prioritised the role of gathering market intelligence. The Company sought the advice and inputs received from trade partners world over on projected price movements; the Company also attended global trade meets that served as intelligence gathering pools on emerging sectorial trends. These inputs influenced the Company's procurement (quantity and timing).

The complement of the information feeds coming into the Company prompted timely de-risking and remedial measures, the basis of the Company's risk management effectiveness.

Counter measures

Emami Paper responded with a range of initiatives directed at procurement risk mitigation, the effectiveness of which was perpetually tested.

End product consistency: The Company resolved that it would contain the fallout

of the diverse variables related to the procurement function by preventing them from affecting other aspects of the business. In a usual situation, any increase in the cost of procured raw materials, without the luxury of being able to pass such cost increases to customers, would have prompted a compromise in the end product quality. The Company ensured that there would be no change in the quality parameters arising out of the use of cheaper raw material. By limiting the impact of the cost fallout, the Company deepened the customer's recall that 'Emami Paper's output quality can be completely trusted across market cycles', enhancing offtake predictability and revenue consistency.

Trusted: The Company did not back out of procurement commitments made to resource providers especially in volatile pricing periods. This protected the faith and trust of the Company's vendors; more importantly, it graduated Emami Paper towards the respect reserved for a credible long-term buyer; this ensured that during periods of stretched resource availability, Emami Paper's resource supply lines remained protected, ensuring that the Company's manufacturing lines remained in operation and customers were continuously serviced (on time and in-full).

Quality: As a matter of prudent procurement practice, the Company did not entertain short-term cost cum quality arbitrage. The Company did not entertain the prospect of buying cheap pulp or wastepaper that could potentially affect the quality of the end product. The practice of working with stable vendors committed to relationship-based engagements enhanced predictability related to supply (quality and quantity) consistency in the end product, protecting its marquee and demanding institutional customer base.

Broadbased: The Company broadbased its procurement function across a larger number of resource providers; the

number of vendors providing a minimum quantity of pulp and wastepaper trebled in the last few years; this not only provided the Company with a range of pricing and payment options; it also ensured that during periods of low resource availability the Company enjoyed a wider range of resource providers to choose from.

Value engineering: As the Company moved from generalised to specialised end product paper quality, it modified its procurement mix (moving from virgin pulp to wastepaper and vice versa depending on the seasonality of the demand for end products or a conscious change in end product mix on account of evolving market requirements). The Company procured a wider range of raw materials, moderating resource concentration. The Company engaged in effective value-engineering that made it possible to moderate raw material consumption on its manufacturing

Risk mitigation in action

The Company's commitment to broad basing its resource suppliers was validated during the year under review.

One of the Company's largest suppliers experienced a devastating flood.

The pulp supplier's manufacturing facility turned inoperative for 14 months.

Emami Paper leveraged its existing relationships with other suppliers.

The Company increased its procurement quantum from the others.

Emami Paper's manufacturing facilities did not shut on account of resource paucity for a single day through FY 2023-24.

The criticality of the procurement function

The function accounts for more than 2/3rd of the Company's cost of production (before interest).

The function is exposed to diverse economic, social and geo-political factors the world over.

More than 50% of the Company's total procurement is imported and exposed to currency volatility.

The Company imported more than ₹900 crore worth of pulp and wastepaper last year; an unexpected movement can impair profitability.

The big picture of how the Company has performed on the procurement front

The Company delivered 12.04% EBITDA margin in FY 2023-24

The objective of this function

Ensure availability of highest quality pulp and clean recycled fibre

Transform variables (supply, cost, quality etc.) into a consistent constant (on time, in full)

Moderate procurement costs, protecting or enhancing overall viability

Enhance resource available irrespective of market movements or demand patterns

equipment without compromising quality. The increased yield generated procurement savings that helped counter unexpected movements in resource costs.

Monitoring: The Company strengthened its procurement efficiency through a meticulous monitoring of resource quality. Vendors providing substandard material were blacklisted; the Company selected to engage with credible resource providers whose quality (for virgin pulp and wastepaper) remained consistently free of extraneous material that could affect the Company's end product quality.

Indigenous: The Company was perpetually engaged in enhancing its product mix towards value-addition and where the resource could be supplied from within India. The upsides comprised lower supply lead times, eliminating the impact of sea freight and currency movements on resource pricing.

Improvements: The Company encouraged laboratory-inspired

improvements in end product quality (using chemicals, heat transfer, water reduction and other inputs) that could help enhance process yield without altering end product quality.

Review: The Company engaged in a weekly review of resource cost movements (ongoing and projected); a part of this coverage was automated and institutionalised with the objective of alerts being triggered at pre-established cost thresholds. This prompted a responsiveness across the organisation that was independent of human interventions or interpretations.

Resource: The Company secured access to miscellaneous critical resources through long-term supplies - coal from Mahanadi Coalfields Limited through focused Fuel Supply Agreement (FSA) at competitive prices and solar power from the 7 MWp solar power project to be set up on a captive structure at village Kantabanji, district Balangir in Odisha, enhancing energy access predictability.

Certifications: The Company deepened its organisational respect through access to FSC-certified resources (indicating that its resources were derived from calibrated tree felling and not rampant wood exploitation) and waste paper that would be recycled by the Company. This ensured that the Company was recalled for its environment responsibility and business sustainability.

Conclusion

Even as the Company's commitment to resource procurement has been institutionalised, a volatile external reality keeps the function flexible, empowering the Company to seek continuous improvements.

BUSINESS DRIVER

How we enhanced our financial hygiene during a volatile FY 2023-24



Mukesh Kumar Agarwal
Assistant Vice President – Finance
(Interim CFO)

Overview

At Emami Paper, we consider financial management as the heart of business sustainability. In a business as capital-intensive as paper manufacturing, the significance of this function cannot be exaggerated: there is an ongoing need to reduce debt and related obligations (interest servicing). Furthermore, the Company seeks to manage cash flows and leave aside an investable surplus.

There was a need to change the product mix in line with the evolving nature of the marketplace; there was a value on the need to maximise value-addition to distance from the commodity nature of the business. Keeping this change in mind, the Company shifted its focus to niche products, which moderated revenues in the Company's turnover

year-on-year profits during the year under review.

The challenges we faced and how we mitigated them

The Company faced three major challenges during the year under review. This included the funds tied up in inventory and advances (cash flow management) at the beginning of the financial year 2023-24, rising cost of production (including interest rates), and declining realisations.

Mitigation: The Company planned its purchases so that the high cost inventory was liquidated as soon as possible, making it possible to create a level playing field with customers in terms of pricing. The amount blocked in advances was realised, easing cash

flows. The Company made use of better negotiations with lenders and utilisation of alternate funding in terms of buyer's credit on a fully hedged basis that helped minimise short-term loans, improving the leverage. Rigorous cost cutting was coupled with expense monitoring. The Company capitalised on the fungibility of its manufacturing equipment, helping it produce more white paper over newsprint, increasing profitability. The Company added new value-added products to its portfolio

Our achievements in FY 2023-24

Moderating revenues, increasing profits:

The Company reported a moderate decline in its revenues but a growth in its profits. The revenue of the Company declined by 16% during the year under review but EBITDA grew 1.2%, while the Company's PAT grew an attractive 21.87%. The Company's EBITDA margin strengthened 200 bps to 12%; in the fourth quarter of FY 2023-24, the Company recorded an EBITDA margin of 14.90% as against 3.80% in Q4 FY 2022-23. The RoCE of the Company strengthened 39 bps to 15.79%, validating that the improvement

was comprehensive. This rise in profitability was the result of a reduction in the expenses by 18% year-on-year. While the turnover declined on account of reduced exports, the Company marketed the surplus in the domestic market.

Debt management: Funding was not a challenge as the Company raised short-term loans at a reasonable cost despite rising interest rates. The Company mobilised a long-term loan during the year under review for addressing long-term resource requirements. It repaid a significant portion of its short-term borrowings; the amount decreased from ₹440.71 crore as of March 31, 2023 to ₹265.70 crore as of March 31, 2024. The Company's debt-equity ratio strengthened from 1.23 in FY 2022-23 to 0.78 in FY 2023-24 following increased net worth and debt repayment. The Company's interest coverage ratio strengthened by 0.45 bps from 3.10 in FY 2022-23 to 3.55 in FY 2023-24 following enhanced profitability.

De-risking: The principal de-risking strategy of the Company was the

development of an enlarged vendor base (especially for wastepaper). Rise in the sourcing of domestic waste is expected to protect the Company from fluctuating prices of imported waste on account of a geopolitical crisis. The development of value-added products helped the Company enhance profits.

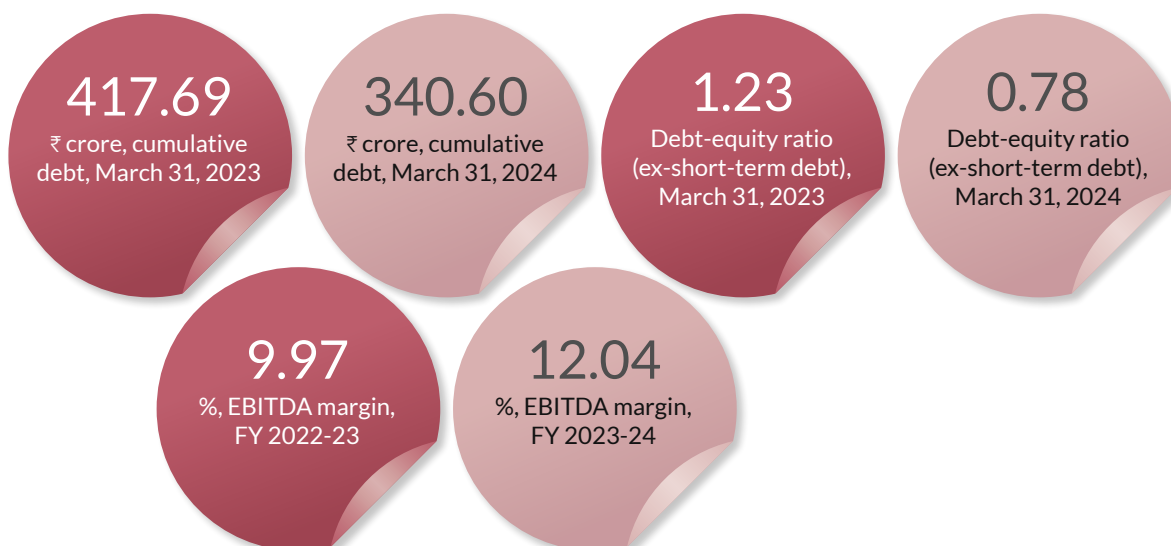
Liquidity: As a result of a repayment of short-term debt, the Company achieved a growth of 10 bps in its Current Ratio from 0.92 in FY 2022-23 to 1.02 in FY 2023-24.

Capital efficiency: The Company enhanced capital efficiency as the return on net worth improved from 10.23% in FY 2022-23 to 11.45% in FY 2023-24. This came as the result of an improvement in profitability despite a reduction in turnover, indicating lower operating expenses and higher margins.

Outlook

The Company will focus more on the development of value-added products yielding high margins, overall cost reduction initiatives, focused approach towards a realignment of the product mix and exploring new export markets.

Big numbers



How we prioritised our IT function during FY 2023-24



Mr. Surajit Banerjee
AGM – Information Technology

Overview

In the paper manufacturing industry, information technology plays a pivotal role in enhancing operational efficiency, product quality and environment sustainability. Advanced technologies like automated control systems, real-time monitoring, and data analytics helped optimise production processes, waste reduction, and energy consumption. These

technological innovations enabled paper manufacturers to address stringent quality standards and regulatory requirements while adapting to market needs of sustainable practices. By investing in cutting-edge technology, paper companies improved their competitive edge, reduced operational costs, and contributed to a greener manufacturing process, strengthening productivity and customer satisfaction.

How the IT department brought about a transformation in Emami Paper Mills

Over the past few years, our IT department has played a significant role in transforming and empowering the organisation in the following three keyways:

Leading digital transformation: Our IT team has been pivotal in driving digital transformation, reshaping operational structures and enhancing value delivery. Transitioning to cloud-based solutions boosted agility, scalability and cost-efficiency, enabling a quick adaptation

to market shifts, facilitating remote work and improving team collaboration. Integrating technologies like artificial intelligence, machine learning, and automation optimised operations, cut costs, and heightened productivity.

Strengthening cybersecurity and data protection: With cybersecurity as a priority, we fortified our digital assets with comprehensive security protocols. These include advanced threat detection systems, regular security audits, and promoting a strong cybersecurity culture. This protective framework not only secured sensitive data but also

fostered trust among stakeholders, allowing us to pursue innovative ventures and partnerships.

Fostering data-driven decisions: Our IT team advanced capabilities in data analytics, equipping the organisation with robust tools to transform data into valuable insights. By implementing

cutting-edge analytics platforms and business intelligence tools, we enabled data-driven decision-making that optimises strategies, enhances customer experiences, and uncovers new opportunities. This emphasis on a data-centric approach deepened our competitive edge in a dynamic market landscape.

These transformative efforts not only increased efficiency and security but also established us as a progressive, innovative leader. We are dedicated to our transformational journey, enhancing capabilities and empowering our teams.

The challenges we faced in FY 2023-24

At the beginning of the FY 2023-24, the Company's IT team encountered challenges of cybersecurity threats and a corresponding need for digital transformation. To address these challenges, the team implemented the following strategies:

Strengthening cybersecurity: In response to the rising cyber threats, the Company enhanced cybersecurity. This included the implementation of cutting-edge threat detection systems, security

audits, and training. The Company updated security protocols and policies to safeguard against data breaches.

Advancing digital transformation:

The Company pursued a digital transformation strategy to maintain competitiveness. This entailed a modernisation of outdated systems, adopting cloud-based solutions, and automating standard operations. Moreover, it developed new digital tools and platforms to enhance collaboration and productivity.

Fostering employee development:

Recognising the rapid evolution of the IT sector, the Company committed to ongoing employee development. It trained around the latest technologies and industry best practices, supported the staff in acquiring relevant certifications, and encouraged their participation in conferences and workshops.

With the help of these concerted efforts, the Company addressed challenges, enhancing systemic robustness and prospective growth.

Highlights, FY 2023-24

The Company achieved related milestones, underscoring its dedication to innovation, efficiency, and security. These included:

Enhancing cybersecurity infrastructure:

The Company strengthened cybersecurity by implementing advanced threat detection and response systems. This initiative helped prevent major security breaches, protecting sensitive data and stakeholder trust.

Network infrastructure overhaul:

The Company carried out a comprehensive upgrade of the network infrastructure to enhance speed and reliability. This included the installation of next-generation firewalls, extending wi-fi coverage, and bolstering redundancy protocols, which ensured a robust and secure network performance.

Advancing data analytics: The Company improved data analytic capabilities by integrating a new business intelligence platform. This upgrade facilitated advanced data visualisation, reporting and analytics, deepening insights into operations and performance analysis.

Integrating agile methodologies:

The Company's IT team implemented agile methodologies to improve project management and delivery processes. This shift facilitated quicker development cycles, enhanced adaptability to changing requirements, and improved team collaboration.

Enhanced IT service management:

The Company adopted Information Technology Infrastructure Library best practices, strengthening IT service management. This has led to more efficient IT request processing, reduced system downtime, and improved service delivery. The Company introduced a new ticketing system to track and manage IT issues better.

Increased automation of routine processes:

The Company automated routine tasks to enhance efficiency and minimise the room for human errors. This included automating software updates, system monitoring and data backups, empowering the IT staff to concentrate on strategic projects.

Upgraded network infrastructure:

The Company invested in substantial upgrades to the network infrastructure,

including the installation of high-speed fibre optics, next-generation firewalls and expanded Wi-Fi coverage. These upgrades improved the speed, reliability, and security of network connectivity.

Advanced data analytics implementation:

The Company enhanced the data analytics system by introducing sophisticated analytics tools and platforms. This enhancement enabled the Company to extract deeper data insights, enhancing informed decision-making and strategic planning. Additionally, it conducted extensive staff training to fully utilise advanced tools.

Comprehensive user training and support:

The Company improved user training and support initiatives to ensure that employees remained competent in the use of new technologies and systems. This included the development of detailed training materials, regular workshops, and access to on-demand support via a dedicated helpdesk.

These improvements not only enhanced operational efficiency and security but also established the IT function as a crucial driver of business growth. The Company remained dedicated to

ongoing enhancement and the embrace of new technologies.

Our numerical highlights, FY 2023-24

System uptime and availability: This key performance indicator (KPI) gauges the percentage of time-critical IT systems with the objective to ensure that the infrastructure remained operational and accessible. High system uptime exemplified effective IT infrastructure management, minimizing disruptions to

manufacturing processes and employee productivity.

Result: The Company achieved a system uptime and availability of 99.9% during the year under review. Due to the production line being fully aligned with SAP, we followed zero downtime and achieved 99.9% uptime.

Mean time to resolve (MTTR): This quantified the average duration required for the IT team to address and resolve

issues or incidents, whether reported by users or detected through monitoring. A shorter MTTR signified efficient incident management and support processes, facilitating a quicker resolution of IT issues and lower downtime.

Result: We followed zero downtime in the production process. For other critical systems outside of production, we kept backup systems in stock and promptly replaced any malfunctioning systems with the backup units.

Our strengths

The Company's IT function possesses strengths that play a pivotal role.

Technical expertise and innovation:

The Company's IT team consists of skilled professionals with expertise in diverse technological domains, including cloud computing, cybersecurity, data analytics and emerging technologies, such as artificial intelligence and machine learning. This technical knowledge enables us to implement cutting-edge solutions and boost innovation.

Strong focus on user experience:

The Company has a priority to deliver superior user experiences through intuitive and reliable technology solutions. This focus improves user satisfaction, enhances productivity, and strengthens stakeholder relationships.

Strength-enhancing initiatives

Sustained technological advancement:

We remain dedicated to bolstering our technological forefront by continuing to invest in cutting-edge technologies and infrastructure. This will involve enhancing our cloud capabilities, broadening our cybersecurity measures with state-of-the-art defense, and

harnessing the power of data analytics to generate actionable insights.

Fostering skills and development:

Our commitment extends to the continuous development of our team's skills through targeted training programs, certifications, and professional development. By keeping pace with industry trends and best practices, our workforce will be prepared to address challenges and seize opportunities.

By capitalising on these strengths and executing strategic initiatives, our IT function is poised to foster sustainable growth, boost operational efficiency, and deliver significant value.

Case study

How we harnessed data analytics for operational excellence

Challenge: As Emami Paper grew, diversifying its product lines and customer base, it faced difficulties in leveraging the power of data to enhance operational efficiencies and make strategic decisions. The presence of data silos and disparate systems prevented the Company from harnessing actionable insights from the vast data accumulated across different departments.

Solution: To overcome these obstacles, the IT team launched an extensive data analytics initiative. This project focused on transforming raw data into valuable insights that could inform decision-making and streamline operations. Key initiatives included advanced analytics, predictive modelling and operational optimisation.

Outcome: The data analytics initiative at Emami Paper Mills Limited resulted in stronger decision-making and improved operational efficiency,

Conclusion: The effective deployment of data analytics deepened data-driven innovation and operational excellence, setting industry standards.

How we enhanced our people function during the year under review



Dr. Yusuf Ali Solanki
General Manager
(Human Resources)

Overview

Emami Paper is a Great Place to Work certified organisation. During the year under review, the Company was conferred with CII HR Excellence Award in the strong commitment for HR excellence category.

Talent management plays a decisive role in organisational success. At Emami Paper, we leveraged our human resources development practices to enrich the operating culture around our core values of care, excellence and customer -centricity.

The Company offers a greater employee value proposition that helps to attract and retain highly engaged workforce.

The Human Resource Function enables, empowers and engages with the employees who deliver superior performance.

Our HR vision

The human resource function of the Company is an enabler of change in the business by nurturing talent to build a future ready and highly performing organisation.

Our HR policy

Our HR strategy is aligned to the Company vision and HR vision is based on principles of IAS (Improvement, Accountability and Sustainability) that apply to our key HR processes of talent management, performance management, employee engagement and total rewards.

The HR architecture

Talent



Strengths

The Company has a multi-disciplinary and evolving human resource team.

The HR function is aligned to the business. The Company has an average employee age of 45 years, having a good balance between energy and experience. The Company has a robust and transparent work culture.

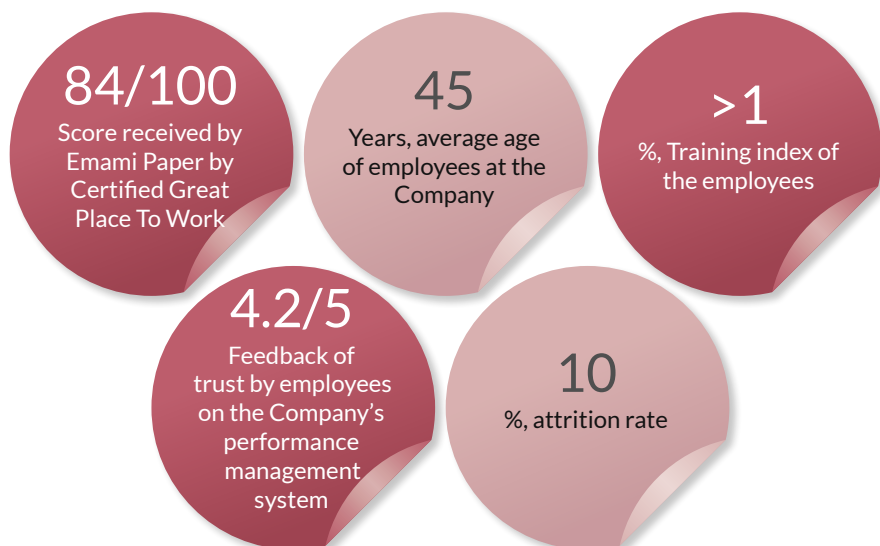
Highlights, FY 2023-24

- The Company scored 84/100 in the Great Place To Work survey very close to the average score of 88/100 received by the top 100 companies in India.
- The Company received the best leading and lagging indicators for employee safety.
- The Company achieved an LTIFR rate of 0.68%, which was creditably better than the industry average of less than 1%.
- To address training needs, the Company engaged with the State of Orissa to introduce a course.

Outlook

The human resource function of the Company will seek to continue its value addition to the employees, enhancing operational efficiency in the face of challenging market cycles.

Big numbers, FY 2023-24



What Emami Paper employees have to say about our culture



“I have worked in many companies but Emami Paper has possibly the most positive work environment. On my first day, I was assigned handling the entire West region for sales. I encountered different dealer and customer mindsets. My seniors have always helped me to grow as a professional.”

Kingshuk Nag

Regional Sales Manager, West region



“Emami Paper is a family, marked by a supportive work environment. No matter how experienced or knowledgeable, everyone is treated equally. This has helped create a friendly work environment. It is for this reason that I term the workplace as ‘outstanding’.”

Navin Sharma

Senior Deputy General Manager,
Purchase department



“My most memorable moment was when the IT team prepared business intelligence reports for the management, which earned the management’s praise. Emami Paper in one word: ‘innovative’. The Company consistently embraces new technologies and encourages creative solutions, making it forward-looking.”

Avishek Paul

Deputy Manager, IT and SAP application



“Emami Paper comprises a friendly work culture, motivational environment and eagerness for continuous development. The Company has always provided a stage for me to grow. My first visit to the Balasore plant filled me with joy, marked by walking around a large plant. I am proud to be a part of this progressive company.”

Arani Banerjee

Officer, Exports



“Emami Paper Mills is a Great Place to Work, marked by workplace delegation within a standard operating procedure. The Company considers employees as extended family. It is this work culture that stands as a foundation of teamwork and trust. When I received the Best Employee of the Year Award for the sales and marketing function, the moment was unforgettable.”

Shaik Ahmed

Senior Manager, Sales, South region



“At Emami Paper, every employee is treated with respect and value. The Company prioritises employee well-being through wellness programs, health benefits, and work-life balance. Emami Paper rewards good work; I received the Star Performer Award in 2024 at the Company’s annual award ceremony.”

Nishant Jaiswal

Assistant Manager, Finance & Accounts



“I have been at Emami Paper for more than 9 years and the one thing that stood out for me is the communication between the management and employees, transparency, decision making freedom and consistent training.”

Sadhu Srinivasa Rao

Senior Deputy General Manager,
Sales, East and Exports



“Emami Paper is a caring organisation. The Company provides a platform for career growth and learning opportunities through training and seminars.”

Abhishek Agarwal

Senior Manager, Finance & Accounts

RESPONSIBILITY

Our responsible and integral approach to ESG

Overview

Emami Paper emphasises investments in ESG initiatives, enhancing holistic business growth, quality, sustainability and integrity. Contemporary investors require reliable and standardised information for assessing long-term risks.

An increasing number of global manufacturers are being recognised for business advantages from sustainable business practices. Moreover, strict environmental norm regulating agencies help moderate resource depletion, water scarcity, pollution and other harmful impacts.

These realities result in a higher focus on sustainable manufacturing. This consists of manufacturing products through economically sound processes that reduce the consumption of energy and natural resources while minimizing the negative environmental impact, in addition to improving employee, community and product safety.

There is a rising focus on aligning business existence with the 10 principles of United Nations for manufacturing responsibility and environmental sustainability, covering human rights, labour interests, environment responsibility and anti-corruption initiatives.

Our approach

Failure to meet ESG standards could result in fines, legal action, compensation claims, higher insurance premia, reduced productivity/profitability, and reputational harm. Appropriate ESG compliance is no more an option or incident; it is critical to an organisation's profitability and long-term viability.

The Company's extensive focus lies in lower consumption and higher manufacturing while minimising environmental impact. The Group's conviction is to be amongst the most successful, profitable and sustainable companies, the ones benchmarked with the most stringent environmental standards.

The Company consistently produced paper and paperboard using sustainable alternatives, investing in low-carbon technologies to improve resource and energy efficiency. The Company's risk mitigation strategies are designed with its long-term vision and commitment to sustainable prosperity in mind. The Company focuses on reducing environmental impact, preserving the planet, and moderating resource consumption through investments in modern technologies, practices, methodologies, and standards.

The Company prioritises manufacturing scalability while managing the use of finite natural resources. The commitment to environment responsibility is underscored by an emphasis on the various R's: reduction, recycling, restoration, replacement, and renewable resource use.

Our implementation

Emami Paper Mills is committed to providing a clean, safe, and healthy work environment across its manufacturing facilities and offices, adhering strictly to all health, safety, and environmental regulations. The Company prioritises the complete safety of its workers and employees, making Environmental, Social, and Governance (ESG) practices a core aspect of its operations. The ESG department at Emami Paper is dedicated to ensuring compliance and continual improvements, investigating incidents to prevent their recurrence, publishing observations to raise awareness, and conducting efficacy audits to enhance systemic understanding.

The Company utilises wastepaper and virgin bleached pulp to produce writing and printing paper, newspaper, kraft, and grey back/bleached grade board. Given that waste paper processing can significantly impact the environment, the Company invested in a robust environmental management system. This system ensures superior control of emissions and discharges, maintaining compliance with environmental standards even when some process parameters vary. This self-regulating mechanism effectively manages peak deviations to minimise environmental impact.

Our ESG policy

Our ESG policy is founded on a strong commitment of:



The production process of our business in itself is a testimony of our commitment towards ESG. We are the recyclers of waste paper, use non-forest based raw-materials and manufacture recyclable and sustainable products.

Environment

- Investment in a state-of-the-art manufacturing technology
- Emphasis on yield increase
- Reduction in greenhouse gas emissions
- Responsible waste disposal
- Responsible waste utilisation (newsprint business)
- Pulp outsourcing has reduced the carbon footprint
- Environmental awareness/training; technology upgradation
- Saplings plantation

Social

- Monitor health safety
- Risk-based training programs
- Zero fatal accidents
- Safety of plant area inhabitants
- Rewards and recognition programme
- Donation and financial assistance

Governance

- Robust Board with respected Independent Directors
- 6 Independent Directors out of 11 (two women) as on March 31, 2024
- Effective Board Committee structures
- Anti-bribery policy, Quality policy and Sustainability policy
- Whistleblower policy/Vigil mechanism
- Sexual Harassment policy
- Prohibition of Insider trading Policy

Our health, safety and environment strengths

Caring: Care is the foremost value we profess at Emami Paper Mills. We prioritise the well-being of our people and environment. Our Health and Safety policy is defined and rigorously practiced.

Health management: We implement a four-pillar model focusing on awareness and counseling, periodic health checks,

risk-based health assessments, and classification of employee health status.

Safety: Our six-pillar safety execution model emphasises engagement and awareness, risk assessments, housekeeping, emergency preparedness, reporting and investigation, and standardisation of processes, permits, and PPE use.

Overseeing safety committee: An empowered Central Safety Committee

oversees safety-related issues and is authorised to make all decisions regarding safety policies and practices at work.

In conclusion, technology upgrades at all levels of operations, including process control, changes in input materials, equipment modification, and technology changes, which are focused on environment, health and safety (EHS).

Our HSE achievements

In the last five years, the Company recorded zero fatalities and an LTIFR rate of less than 1%.

Zero non-conformity cases were reported by the authorities during the year under review.

The Company received the Odisha State Energy Conservation Award, 2023.

The Company received the Indian Social Impact Award for its CSR initiatives in FY 2023-24.

Environment conservation

At Emami Paper, we have integrated environmental considerations into our business operations. We are committed to promoting and improving our environment by:

- Producing eco-friendly products using cleaner technology
- Complying with all relevant environmental legislation and regulations
- Conserving and optimizing resource usage
- Educating and training our employees to be environmentally responsible

Effective environmental management is essential for our Company and the business space to ensure regulatory compliance, mitigate potential risks, enhance operational efficiency, and maintain positive relationships with stakeholders and the community.

The primary operational pollutant comprised treated effluents discharged from mills. Moreover, used oil, e-waste, and used lead acid batteries were disposed through authorised recyclers. All solid waste, including fly ash and plastic waste, was utilised in brick manufacturing and as co-fuel in cement kilns, respectively.

- The specific water consumption by the Company decreased from 13.32 m³/ton in FY 2022-23 to 11.34 m³/ton in FY 2023-24, hence achieving a reduction of ~1,400m³/day of water.
- The Company witnessed a reduction in its specific energy consumption over the past two fiscal years and achieved better than the targeted value stipulated by BEE in PAT cycle-VII.
- The Company reported an improvement in the performance of UASBR in terms of reduction in the chemical oxygen demand, improving the final treated effluents quality.

- The solid waste generated was effectively utilised from the process by initiating the production of value-added by-products.
- Our annual plantation drive increased ten-fold with respect to the previous years by involving block plantation in association with surrounding villages and forest department.
- The Company increased its purchase of local wastepaper.
- The Company procured pulp from FSC certified sources.
- The Company increased plantation activities by facilitating block plantations in association with the surrounding village communities.
- Energy conservation initiatives were implemented during the year under review, resulting in savings in power cost.

Key resources consumed



Pollution mitigating investments

The Company reduced water consumption and installed advanced monitoring systems to enhance environmental management, comprising the following:

- Continuous Emission Monitoring Systems (CEMS - 3 units) with remote calibration capabilities.
- Ambient Air Quality Monitoring Systems (AAQMS) inside the plant for continuous monitoring.
- IP surveillance cameras for stack emission visibility.
- Real-Time Effluent Quality Monitoring System (RTEQM) for measuring and uploading final treated effluent quality data to CPCB and OSPCB web servers.
- Online groundwater level monitoring system with telemetry for bore wells.
- Dust suppression system for unloading ash into trucks.
- Water sprinkling system on coal conveyors.
- Decanter for secondary sludge dewatering.
- Rainwater harvesting through 20 recharge wells.
- Installation of an additional hill screen to capture plastic rejects before entering the UASBR.
- Development of a green belt over ~60 acres within the plant.

Outcomes

- The overall pollutant loads in the final treated effluent discharge were reduced by 7% in FY 2023-24, from its FY 2022-23 levels.
- The air pollutants load in the boiler flue gas emissions reduced by 6% in FY 2023-24 from its FY 2022-23 levels.
- Ambient air quality of the Company improved by 8% in FY 2023-24, as compared to the FY 2022-23 levels.

Health and safety achievements

ISO 45001 certification: The Company is recognised with ISO 45001 certification, which demonstrates a commitment to improving employee safety, reducing workplace risks and creating safer working conditions.

HSE awards: The unit received CII Water and Energy excellence achievement awards, which highlights the outstanding HSE performance and practices.

Continuous improvement: The Company conducts regular safety training sessions, including emergency response drills, hazard recognition workshops and first-aid training, establishing safety committees and demonstrating its commitment to continuous improvement and proactive risk management.

Did you know?

Emami Paper's performance of the UASBR-2 tank at the effluent treatment plant considerably improved in terms of a reduction in chemical oxygen demand / pollutant loads during the year under review. This improved the treated effluent quality of the plant, contributing to the Company's sustainability. The Company plans to replicate this for its UASBR-1 tank.

Water conservation at Emami Paper

The Company aims for a future where water conservation is fundamental to all aspects of its operations, focusing on sustainable water use, resource preservation, and beneficial impacts on the environment and communities. This vision includes reducing groundwater withdrawal, enhancing water efficiency and advancing water stewardship across the industry and beyond.

At Emami Paper, we actively seek to reduce water consumption and contribute to a more sustainable environment. The Company took the following initiatives during the year under review for the same:

Institutionalise and undertake mandatory water audits and conservation measures: The Company regularly carries out a water audit, which is a significant tool to identify water losses and leakages, and helps the Company in identifying avenues for water conservation. Other interventions such as rainwater harvesting and artificial recharge of groundwater, helped us in recharging

the scarce water resources in our region.

Monitoring and auditing: We conduct water consumption trends and conduct comprehensive audits regularly.

Water-efficient technologies: Our investment in water conservation is evident by its investment in cutting-edge technologies such as scan showers, man-made fibres, sand filters and the utilisation of dissolved air flotation filtrate in the process.

Reuse and recycling: We implement rigorous systems for the reuse and recycling of water, wherever viable, by repurposing treated effluents for various applications and integrating closed-loop mechanisms into industrial processes.

Reducing the water footprint: By embracing the diverse water conservation projects and cutting-edge technologies, we minimised our water footprint, enhancing the sustainability of our operations.

Benchmarking: We remained committed to maintain reduced levels of water consumption in accordance

with national and international standards, representing our leadership in water efficiency and dedication to sustainability and operational excellence.

Our zero-groundwater goal

At Emami Paper, we aim to achieve the goal of withdrawing zero groundwater. We have taken the following initiatives to achieve this goal:

Resource conservation: Groundwater is a finite resource and reducing or eliminating its withdrawal will help in conserving this vital resource for the future generations.

Saving the ecosystem: Excessive withdrawal of groundwater can exhaust aquifers, impacting the ecosystems reliant on these water bodies, such as rivers, lakes and wetlands.

Cost savings: Adopting water-efficient technologies and methods can result in substantial long-term savings by decreasing the demand for water treatment and reducing expenses associated with the procurement of water.

Our water conservation priorities

Minimising groundwater withdrawal	Water recycling and reuse	Advanced water management technologies
Process efficiency	Employee engagement and training	Community and stakeholder engagement
Regulatory compliance and leadership	Research and development	Water audits and performance monitoring

Case study

At Emami Paper, we make use of high-pressure headers with multiple spray nozzles, which are used for online wire cleaning, a normal configuration in most paper mills that use excessive freshwater. However, to ensure continuous cleaning in a cyclical manner, the Company replaced these high-pressure headers with scan showers on every wire of the board machine. This system moves back and forth across the width of the wire at regular intervals, moderating water use. Result: The Company witnessed a reduction of 450 m3 in its daily fresh water consumption.

Case study

At Emami Paper, we installed an activated carbon filter. Sand filters were installed in DIP#3 to minimise suspended solids in the dissolved air flotation filtrate outlet of the Company. The filtered water was used for wire showers in PM#3, where the wire part high-pressure showers utilised ~500m3 of fresh water/day. Result: As a result of the installation, the total suspended solids in the plant reduced from 20 parts per million to less than 5 parts per million. A reduction of an approximate 500m3/day was achieved in freshwater consumption at the plant.

Big numbers



Our Corporate Social Responsibility

Overview

Emami Paper has been deeply committed to community development for over four decades, focusing on integrated growth. We acknowledge our responsibility to society, driving us to undertake initiatives that make a significant impact on lives and promote sustainable development.

Our CSR initiatives prioritise healthcare, education, women empowerment, and livelihood enhancement. We support healthcare through medical camps and awareness programs, aiming to improve access and promote preventive care. Educationally, we enhance school infrastructure, provide scholarships, and support teacher training to empower

future generations. We also empower women through skill development and entrepreneurship support.

Collaboration with local stakeholders ensures our initiatives are relevant and sustainable. At Emami Paper, CSR is integral to our business ethos, aiming to foster equitable prosperity and a brighter future for all.

Our CSR vision

To contribute towards nurturing people around us, promoting our heritage and upgrading our environment.

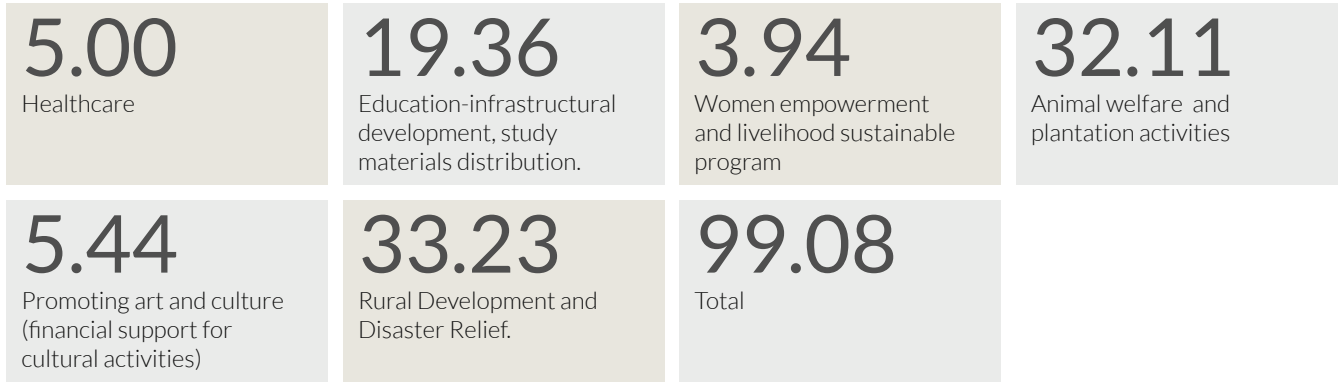


Our CSR footprint

Emami Paper preferably carries out its CSR activities in and around the factory site with a special focus on the 5 km radius of the facility. However, the Company also undertakes projects within the 10 km radius under special cases.

CSR expenditure

Total expenses (₹ Lakh)



Highlights, FY 2023-24

Education

- The Company supported about 50 tribal schools running in remote location with single teacher in association with Friends of Tribal Society.
- Emami Paper financially supported deserving students from nearby villages, providing them uninterrupted scholarship.
- The Company distributed more than 25,000 notebooks to 57 institutions, as around 12,500 people benefitted from the same.
- The Company has contributed to the infrastructural needs of multiple schools and colleges in its vicinity.

Healthcare

- The Company ran operations for nine healthcare centers in the villages nearby.
- The Company established regular health camps serving around 23,000 beneficiaries.
- Financial assistance was provided for medical treatment to the nearby villagers.
- The Company provides regular aid for operations of primary health centres in the surrounding areas

Women empowerment and livelihood

- A tailoring program has been designed to empower the rural women of nearby villages. More than 90 women have been trained thus far and are now able to earn a regular income of approximately ₹2,000 per month.
- A mushroom cultivation program was conducted, which benefitted 41 women in the Nuaapadhi village. This further helped 15 women make a regular income of about ₹1,200 per month .



Big numbers

Spending on CSR activities



Animal welfare

- The Company operates Gaushala, to support rescued and abandoned cattle.
- This Gaushala offers shelter to more than 200 rescued/abandoned cattle. Also rehabilitated Bullocks are donated to needy farmers

Environmental sustainability

- The Company planted over 21,000 saplings, contributing to environmental sustainability.

Community welfare

- The Company installed CCTV post as an initiative of Project “SAHYOG” under the leadership of Superintendent of Police, Balasore.
- An awareness campaign was launched for cybercrime and safety in association with Cyber Cell, Balasore.
- The Company distributed more than 1,500 blankets to needy people/homeless/destitutes during the winter season.
- The Company provided 13 battery-operated tricycles to the handicapped in association with the Government of Odisha.
- The Company was recognised by the Government of Odisha for supporting the nearby Government Hospital.



Board of Directors



Aditya V. Agarwal
Executive Chairman



Manish Goenka
Vice Chairman



Richa Agarwal
Non-Executive Director



H.M. Marda*
Independent Director



S. Balasubramanian*
Independent Director



J.K. Khetawat*
Independent Director



Amit Kiran Deb
Independent Director



Sumit Banerjee
Independent Director



Mamta Binani
Independent Director



Ranjit Kumar Pachnanda#
Independent Director



Niraj Jalan#
Independent Director



P.S. Patwari
Non-Executive Director



Vivek Chawla
Whole-time Director & CEO

*Till March 31, 2024
*From April 1, 2024

Leadership Team



Ashish Gupta
Senior President



Soumyajit Mukherjee
Chief Marketing Officer



Sachin Goenka
Vice President (Business
Strategy & Procurement)



Chandresh Kumar Gupta
Vice President (Operations)



Mukesh Kumar Agarwal
Assistant Vice President –
Finance (Interim CFO)



Rajesh Kumar Mittal
Assistant Vice President (BE)



Sabyasachi Chakraborty
Assistant Vice President
(Engineering)



Debendra Banthiya
Company Secretary &
General Manager (Legal)



Yusuf Ali Solanki
General Manager (Human
Resource)

Corporate information

Board of Directors

Mr. Aditya V. Agarwal
Executive Chairman

Mr. Manish Goenka
Vice Chairman

Mrs. Richa Agarwal
Non-executive Director

Mr. Amit Kiran Deb
Independent Director

Mr. Sumit Banerjee
Independent Director

Mrs. Mamta Binani
Independent Director

Mr. Ranjit Kumar Pachnanda
Independent Director

Mr. Niraj Jalan
Independent Director

Mr. P.S.Patwari
Non-executive Director

Mr. Vivek Chawla
Whole-time Director and CEO

Company Secretary

Mr. Debendra Banthiya

Interim Chief Financial Officer

Mr. Mukesh Kumar Agarwal

Bankers

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

Registrar and Transfer Agents

Maheshwari Datamatics Private Limited

Statutory Auditors

S K Agrawal and Co Chartered Accountants LLP

Chartered Accountants

Secretarial Auditors

MKB & Associates

Company Secretaries

Cost Auditors

V. K. Jain & Co.

Cost Accountants

Registered Office

687, Anandapur, 1st Floor E.M.Bypass,
Kolkata-700 107

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Website: www.emamipaper.com

CIN: L21019WB1981PLC034161

Works

Balgopalpur, Balasore - 756020, Odisha

Management discussion and analysis

Global economy

Overview: The global economy registered a decline in growth from 3.5% in 2022 to an estimated 3.1% in 2023. Asia is expected to contribute significantly to global growth in 2023-24, despite the weaker-than-expected recovery in China, sustained weakness in USA, rising energy costs in Europe, weak global consumer sentiment due to the Ukraine-Russia war, and the Red Sea crisis resulting in increased logistics costs. A tightening monetary policy translated into increased policy rates and interest rates for new loans.

Growth in advanced economies is estimated to decline from 2.6% in 2022 to 1.5% in 2023 and further, 1.4% in 2024 as policy tightening takes effect. Emerging market and developing countries are projected to report a modest decline in economic growth from 4.1% in 2022 to 4.0% in 2023 and 2024. Global inflation is projected to decline steadily from 8.7% in 2022 to 6.9% in 2023 and 5.8% in 2024 on account of a tighter monetary policy coupled with relatively lower international commodity prices. Core inflation is expected to decrease gradually, as inflation is not expected to return to its target until 2025 in most cases. The US Federal Reserve approved a much-anticipated interest rate hike that raising the benchmark borrowing costs to their highest in over 22 years.

Global trade in goods was expected to have decreased by an approximate USD 2 trillion in 2023; trade in services increased by an estimated USD 500 billion. The average cost of Brent crude oil in 2023 stood at USD 83 per barrel, a downturn as compared to USD 101 per barrel in 2022. This decrease comes on account of from Russia finding crude oil destinations outside the European Union and global crude oil demand falling short of expectations.

Global equity markets ended 2023 on a strong note, with major global equity benchmarks achieving double-digit returns. This outperformance was driven by a downturn in global inflation, slide in the dollar index, declining crude prices and higher expectations of rate cuts by the US Fed and other Central banks.

Regional growth (%)	2023	2022
World output	3.1	3.5
Advanced economies	1.69	2.5
Emerging and developing economies	4.1	3.8

(Source: UNCTAD, IMF)

Performance of major economies, 2023

United States: Reported GDP growth of 2.5% in 2023 compared to 1.9% in 2022

China: GDP growth was 5.2% in 2023 compared to 3% in 2022

United Kingdom: GDP grew by 0.4% in 2023 compared to 4.3% in 2022

Japan: GDP grew 1.9% in 2023 unchanged from a preliminary 1.9% in 2022

Germany: GDP contracted by 0.3% in 2023 compared to 1.8% in 2022

(Source: PWC report, EY report, IMF data, OECD data, Livemint)

Outlook: Asia is poised to continue leading global growth in 2024-25. Inflation is expected to ease gradually as cost pressures decrease; headline inflation in G20 countries is projected to decline. Amid high inflation and monetary tightening, the global economy has shown resilience as the growth is expected to be stabilised at previous levels over next two years (Source: World Bank).

Indian economy

Overview: The Indian economy was estimated to grow 7.8% in FY 2023-24 as against 7.2% in FY 2022-23 primarily driven by improved performance in the mining and quarrying, manufacturing and certain segments of the services sector. India has maintained its position as the fifth largest economy in the world. The Indian rupee displayed relative resilience compared to the previous year as the rupee depreciated 0.8% from ₹ 82.66 against the US dollar on the first trading day of 2023 to ₹ 83.35 on 27 December versus the greenback.

In the 11 months of FY 2023-24, the CPI inflation experienced an average of 5.4% with rural inflation exceeding urban inflation. Food inflation experienced a spike on account of lower production and erratic weather. Core inflation, on the other hand, averaged at 4.5%, down from 6.2% in FY 23, moderated by softening global commodity prices.

India's foreign exchange reserves reached a historic peak of USD 645.6 billion. The credit quality of Indian companies remained robust from October 2023 to March 2024 on account of deleveraged Balance Sheets, sustained domestic demand and government-led capital expenditure. Rating upgrades continued to surpass rating downgrades in the second half of FY 2023-24. UPI transactions in India witnessed a record 56% growth in volume and 43% growth in value in FY 2023-24.

Growth of the Indian economy

	FY 21	FY 22	FY23	FY24
Real GDP growth (%)	-6.6	8.7	7.2	8.2

Growth of the Indian economy quarter by quarter, FY 2023-24

	Q1 FY24	Q2 FY24	Q3 FY24	Q4 FY24
Real GDP growth (%)	8.2	8.1	8.4	7.8

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

India's monsoon in 2023 hit a five-year low, with August marking the driest month in a century. Despite receiving only 94% of its long-term average rainfall from June to September, wheat production estimatedly recorded 114 million tonnes in the 2023-24 crop year due to higher coverage. Rice production was anticipated to decrease to reach 106 million metric tons (MMT) in comparison to 132 million metric tonnes in the previous year. Total kharif pulses produced in 2023-24 stood at an estimated 71.18 lakh metric tonnes, which is lower than FY 2022-23 due to climatic conditions. As per the first advance estimates of national income released by the National Statistical Office (NSO), the manufacturing sector output is projected to have grown 6.5% in FY 2023-24 compared to 1.3% in FY 2022-23. The Indian mining sector experienced an estimated growth of 8.1% in FY 2023-24 compared to 4.1% in FY 2022-23. Financial services, real estate and professional services grew a projected 8.9% in FY 2023-24 compared to 7.1% in FY 2022-23.

Real GDP or GDP at constant prices increased from to ₹160.71 lakh crore in FY 2022-23 (provisional GDP estimate released on 31st May, 2023) to an estimated ₹173.82 lakh crore in FY 2023-24. Growth in real GDP during 2023-24 stood at 8.2% compared to 7.2% in FY 2022-23. Nominal GDP or GDP at current prices was estimated at ₹295.36 lakh crore in FY 2023-24 as compared to the provisional FY 2022-23 GDP estimate of ₹269.50 lakh crore. The gross non-performing asset ratio for scheduled commercial banks improved from 4.1% as of March 2023 to 2.8% as of March 2024.

India's exports of goods and services were expected to reach USD 900 billion in FY 2023-24 compared to USD 770 billion in the previous year despite global headwinds. Merchandise exports were expected to expand between USD 495 billion and USD 500 billion, while services exports were expected to touch USD 400 billion during the year. India's net direct tax collection increased 17.7% to ₹19.58 lakh crore in FY 2023-24. Gross GST collection amounted to ₹20.2 lakh crore, marking an 11.7% increase, with an average monthly collection of ₹1,68,000 crore, surpassing the previous year's average of ₹1,50,000 crore.

The agriculture sector was projectedly grew 1.8% in FY 2023-24, which is lower than the 4% expansion recorded in FY 2022-23. Trade, hotel, transport, communication and services related

to broadcasting segment are estimated to grow at 6.3% in FY 2023-24, a contraction from 14% in FY 2022-23. The Indian automobile segment was expected to close FY 2023-24 with a growth of 6-9%, despite global supply chain disruptions and rising ownership costs. The construction sector was expected to grow 10.7% year-on-year from 10% in 2023-23. Public administration, defence and other services were projected to grow by 7.7% in FY 2023-24 as against 7.2% in FY 2022-23. The growth in gross value added (GVA) at basic prices was pegged at 6.9%, down from 7% in FY 2022-23.

India entered a pivotal phase in its S-curve, marked by rapid urbanisation, industrialisation, increase in household incomes and rising energy consumption. The country emerged as the fifth largest economy with a GDP of USD 3.6 trillion and nominal per capita income of ₹123,945 in FY 2023-24.

In FY2023-24, India's Nifty 50 index experienced a 30% growth, propelling India's stock market to become the fourth largest globally with a market capitalisation of USD 4 trillion. Foreign investment in Indian government bonds saw a significant increase in the final quarter of 2023. India ranked 63rd out of 190 economies in the ease of doing business, according to the latest World Bank annual ratings. Moreover, India's unemployment rate decreased to 3.2% in 2023, down from 6.1% in 2018.

Outlook: India successfully tackled its global economic challenges in 2023 and is poised to continue as the world's fastest-growing major economy backed by a growing demand, moderate inflation, stable interest rates and robust foreign exchange reserves. The Indian economy is anticipated to surpass USD 4 trillion in 2024-25.

Union Budget FY 2024-25: The Interim Union Budget 2024-25 continued to prioritise capital expenditure spending, comprising investments in infrastructure, solar energy, tourism, medical ecosystem and technology. In 2024-25, the top 13 ministries in terms of allocations accounted for 54% of the estimated total expenditure. Of these, the Ministry of Defence received the highest allocation at ₹ 6,21,541 crore, constituting 13% of the total budgeted expenditure of the central government. Other ministries with high allocation included Road transport and highways (5.8%), Railways (5.4%) and Consumer Affairs, food and public distribution (4.5%). (Source: Times News Network, Economic Times, Business Standard, Times of India)

Global paper industry overview

The global pulp and paper market is estimated at USD 365.60 billion in 2023 and is expected to reach USD 434.36 billion with a CAGR of 2.35% between 2024 to 2031. The market has been on a growth trend in the last few years, catalysed by factors such as population growth, urbanisation, and rising consumer demand for paper-based products. Moreover, the rising trend towards sustainable and eco-friendly packaging solutions is

anticipated to propel the demand for the product in the coming years.

To remain competitive, pulp and paper industry players emphasised the development of advanced technologies and processes to enhance efficiency, moderate production costs, and improve product quality. Moreover, the industry adopted sustainable practices to moderate environmental impact and address the rising demand for eco-friendly products.

However, the pulp and paper industry faced challenges. This included increasing digitisation, leading to a downturn in the demand for paper products. Furthermore, the fluctuating availability and increasing prices of raw materials such as wood pulp and chemicals affected sectorial viability.

Regional analysis

The Asia-Pacific region is the current market leader with a 37.84% share in 2023 in the packaging industry on account of rising demand for packaging materials. The region is anticipated to witness a significant growth in the pulp and paper market over the upcoming years. This can be attributed to the rising demand for paper and packaging products in countries such as China and India, alongwith the increasing industrialisation and urbanisation in the region.

The European paper market is expected to grow at a CAGR of 4.47% for the time span - 2024 to 2029. The increasing demand from e-commerce applications provided a boost for the paper market in Europe as consumers turned to online shopping during the lockdown.

The market size of China's paper and paperboard industry stood at USD 225.27 billion in 2023.

The paper market in Japan stood at USD 16.36 billion in 2024 and expected a CAGR of 1.17% from 2024-28.

E-commerce expansion

The rise of internet and smartphone usage in emerging markets such as China, India, Southeast Asian nations, Brazil, and others, catalysed the growth of online retailing. Particularly, among younger consumers, there was a growing trend of purchasing cosmetics, food, groceries, and other products online.

Paper is an optimal choice for lightweight and efficient packaging. The escalating demand for sustainable retail packaging is aimed at countering the adverse effects of plastic waste, boosting the demand for paper-based packaging solutions. Consequently, the use of corrugated boxes and paper bags is anticipated to surge.

In response to this trend, stakeholders in the pulp and paper industry concentrated on the creation of innovative, sustainable, and cost-effective paper-based packaging options. They implemented environment-friendly practices to reduce their ecological footprint and cater to the growing consumer demand for sustainable packaging solutions. (Source: Statista, Resourcewise,

Mordor Intelligence, Statista, Industry Arc, Extrapolate, India Brand Equity Foundation)

Indian paper industry overview

The pulp and paper market in India was valued at USD 14.75 billion in 2023 and expected to reach USD 35.57 billion by 2030, growing at a CAGR of 13.4% during the time spanning 2023 to 2030. The market value of the Indian paper industry was forecast to peak USD 19.1 billion in 2033. Among the various business segments within the paper industry, the packaging industry fared well across application segments like the pharma sector and FMCG, catalysed by e-commerce.

The Indian paper industry's volume growth is expected to have declined to a 2-5% range in FY 2023-24 as against ~7% in FY 2022-23. Besides, the industry's revenues were projected to have declined by ~7-10% in FY 2023-24 amid a decline in realisations. The realisation levels in the packaging paper segment (more than 60% of total demand) witnessed a decline starting from the second quarter of FY2023, as the input prices and rising competition softened. This trend continued in FY 2023-24 as well.

Outlook

The long-term demand outlook for paper in the Indian market remained moderately positive, due to the relatively low per-capita consumption compared to global averages. The implementation of the New Education Policy (NEP) is expected to stimulate demand for printing and writing paper. The increasing use of specialised and traditional packaging in FMCG, healthcare, e-commerce, pharmaceuticals, and consumer industries is expected to drive demand; a focus on innovative and visually appealing packaging, and ongoing transition from plastic to paper-based packaging in the FMCG and food product sectors is expected to catalyse demand as well. (Source: Maximize Market Research, ICRA, Financial Express)

Global paper and paperboard packaging industry overview

The global paper and paperboard packaging market size is estimated at USD 398.65 billion in 2024, and is anticipated to reach USD 501.08 billion by 2029, growing at a CAGR of 4.68% over the time spanning from 2024 to 2029. Paperboard, commonly used in folding cartons, is a predominant material for creating containers. To manufacture paper, the paperboard undergoes several processes including pulping, optional bleaching, refining, sheet forming, drying, calendaring, and winding. Paper packaging materials are notably easier to reuse and recycle than alternatives like metals and plastics.

The growth of the market is propelled by a surge in e-commerce sales and an increasing demand for folded carton packaging. However, the presence of high-performance alternatives may limit the market growth. Paperboard packaging remains one of the top eco-friendly packaging choices, offering versatility in

size and a small footprint, which makes it adaptable for nearly all types of end-user industries.

Consumers around the world are increasingly aware of the environmental impacts of packaging and are shifting their buying habits towards more eco-friendly options. This shift is driven by pressure from consumers, governments, and the media on manufacturers to adopt greener practices in their products, packaging, and processes. People are also willing to spend more on environment-friendly packaging, which is expected to drive growth in the paperboard packaging industry.

The global food and beverages market size stood at USD 6,576.96 billion in 2023 and is further anticipated to reach USD 7,000.88 billion in 2024 at a CAGR of 6.4%. In the packaged food industry, paperboard packaging is widely favoured. It is used for various food products such as soups, seasonings, and dairy items. Typically, paperboard is coated with polymers or plastics to preserve its cleanliness and integrity. When compared to glass and metal, it significantly reduces the total weight of the final product while ensuring the freshness of the food. Its neutrality in odour and taste makes paperboard an ideal packaging material. (Source: Mordor Intelligence)

India paper and paperboard packaging industry

The India paper and paperboard packaging market was valued at USD 12.87 billion in 2024 and is forecast to reach USD 17.74 billion by 2029, growing at a CAGR of 6.63% between 2024 and 2029. The growth of the market is dependent on a shift towards flexible packaging on account of high logistics costs, growing retail demand, and increase in the demand for digitally printed packaging.

India has more than enough capacity to produce nearly all grades of paper, yet large imports are threatening the financial health of many mills. Of the over 900 paper mills in the country, only 553 are currently operational. Imports, particularly paper and paperboard from ASEAN countries, enter India duty-free under the ASEAN-India Free Trade Agreement. Additional duty concessions from ASEAN and Korean FTAs, as well as tariff concessions to China under the Asia Pacific Trade Agreement (APTA), have further stimulated paper imports. Subsidies provided to paper mills in some of these countries give them a pricing edge over Indian mills.

For the fiscal year 2023, India exported paper and paperboard products worth around USD 3.04 billion. Conversely, the export value of pulp and waste paper was the lowest at USD 3.59 million. In 2023, India's per capita paper consumption was about 15 kg. The Indian paper industry contributes 5% to global production, suggesting significant potential for growth.

The flexible packaging market in India is projected to expand by USD 15.57 billion from 2023 to 2028, with a CAGR of 12.69%. There is a growing demand for paper, particularly

in the packaging of FMCG products and ready-to-eat foods. Packaging-grade paper represents 55% of the primary types of paper produced in the domestic paper and paperboard industry. In FY 2023-24, the volume of packaging paper was expected to increase by 6-8%, driven by demand in the pharmaceutical and FMCG sectors. Meanwhile, the volume of writing and printing paper grew by a modest 3-5% due to increased digitalisation.

The sector's growth is fuelled by increases in e-commerce, food processing, pharmaceuticals, FMCG, manufacturing, and healthcare. Furthermore, various government initiatives, including 'Make in India', have positively influenced the packaging industry. The paper and packaging industry ranks as the fifth largest sector in the Indian economy. (Source: Mordor Intelligence, Technavio, Print Week India, Economic Times, Statista)

Wastepaper-based paper manufacturing in India

The demand for pulpable wood in India in FY 2022-23 stood at 11 million tons, which is expected to reach 15 million tons by 2024-25. The availability of the product is pegged at 9 million tons. However, India's wastepaper collection/recovery is a mere 38% as against 68% in the US.

The paper industry uses wood, agro residues (such as straw and bagasse) and waste paper (imported as well as domestic) as input substrates for production. Currently, in the total production, the share of wood, agro and waste paper-based mills stand at 18%, 7% and 75% respectively. Imports of wastepaper grew by 11.62% in terms of quantity and 9.90% in terms of value in FY 2022-23.

Currently out of 125 newsprint mills in India, 46 have stopped the production of newsprint. The present domestic installed capacity of newsprint stands at 2.2 million tons. The imports of newsprint in the country for FY22 and FY 2022-23 stood at 0.61 million tons and 0.62 million tons respectively. Around 50% of the required newsprint in the nation was met through imports.

75% Share of waste-paper based mills out of all paper mills in India

68% Wastepaper collection/recovery in the US

38% Wastepaper collection/recovery in India

(Source: The Pulp and Paper Times, DPIIT annual report 2022-23, INMA, IPMA)

Environment and economic benefits of wastepaper

Wastepaper consists of various environment and economic benefits:

Energy and water savings: Recycling waste paper is significantly more energy-efficient than producing paper from fresh raw materials. This efficiency comes from the fact that recycled paper fibres have already been subjected to the

energy-intensive stages of pulping, bleaching, and refining. Consequently, recycling waste paper can use up to 50% less energy than manufacturing paper from virgin pulp.

Reducing pollution and protecting the environment:

Recycling waste paper contributes to environmental protection by featuring lighter water pollution, reduced water usage, and no waste gas emissions. It also lowers the rate of timber harvesting, which supports ecological balance.

Reduction in carbon emissions: Recycling waste paper reduces energy consumption, thereby helping to decrease carbon emissions. The energy-demanding steps of paper production, including wood chipping, pulping, and drying, generate significant greenhouse gases. By choosing recycled paper, both individuals and industries play a role in curbing these emissions, which in turn helps lessen the effects of climate change.

Saving investment and reducing costs: Investing in wastewater treatment for recycled paper pulp is more cost-effective than for original pulp production. Recycled paper pulp benefits from lower raw material costs, reduced energy consumption, and minimal investment requirements, making its production cost lower than that of original pulp.

Savings

Every **1% increase in waste paper recovery** in India leads to savings of:

0.2	Million tons of raw materials
0.16	Million tons of coal
2,750	MW of power
7.7	Million cubic metre of water
0.02	Million tons of greenhouse gas emissions

(Source: Papermart, Paperpulpmachine, pulpandpapertechnology.com)

Writing and printing paper industry in India

The Indian writing and printing paper market was valued at USD 2660.00 million in 2021 and is expected to reach USD 4502.48 million by 2029, registering a CAGR of 6.80% during the forecast period of 2022 to 2029. The market has expanded significantly in recent years due to the swift adoption of packaging solutions and an increase in home delivery services across various regions. Writing, printing, and specialty paper are essential for protecting and transporting a diverse range of goods. Demand for this paper from catalogues, books, notebooks, industrial printing, stationery, newspapers, magazines, business forms, packaging, and labelling is expected to fuel the growth of the writing, printing, and specialty paper in India. (Source: Data Bridge Market Research)

Growth drivers

Growing literacy: In 2024, India's literacy rate stood at 77.7%, propelling the demand for writing and printing paper.

Food packaging and beverage: The Indian food and beverage packaging sector is undergoing significant expansion, with its market size expected to grow from USD 33.73 billion in 2023 to USD 46.25 billion by 2028. The industry is seeing innovation, especially in flexible packaging, including pouches and bags, favoured for their versatility and cost-effectiveness.

Growing population: India's population for 2024 stood at 1.44 billion. The growth in the paper industry will be utilised to cater for the needs of this growing population.

Rising income levels: India's per capita disposable income is estimated at ₹ 2.14 lakh in FY 2023-24, an increase of 8% year-on-year. Rising income has boosted consumer spending, with more people buying products with high-quality packaging solutions. The Indian paper industry has tapped into this opportunity by capitalizing on a growing demand for quality paperboard and packaging paper and paper boards.

E-commerce expansion: The booming e-commerce sector demands robust packaging solutions. As online shopping grows, so does the need for corrugated boxes, wrapping papers, and other paper-based packaging materials.

Sustainability trends: Increasing environmental concerns are pushing both companies and consumers to seek out greener alternatives to plastic packaging. Paper is often viewed as a more sustainable option, which is boosting its use in packaging applications.

Government policies and regulations: Various government initiatives that promote education and literacy can drive the demand for paper products such as textbooks, notebooks, and other educational materials. Moreover, policies encouraging sustainable packaging solutions also benefit the paper industry. (Source: Economic Times, GeeksforGeeks, Trade Promotion Council of India, Worldometer)

Company overview

Emami Paper Mills Limited, incorporated in 1981, enjoys a leading position as a manufacturer of newsprint, packaging boards writing and printing paper in India. The Company has incorporated measures to safeguard the environment. The Company has a diverse portfolio of products, augmented production capacities and achieved a strong foothold in both domestic and international markets. The Company's resolute focus on customer-centricity and its robust reputation have enabled it to reinforce its leading position in the Indian paper industry.

Opportunities

Rising sustainable packaging focus: The Government and consumers both have concerns about environmentally sustainable packaging solutions, which presents an opportunity for the Company as paper-based packaging is more eco-friendly

than plastics and other non-biodegradable materials. The Company can utilise this opportunity by investing more towards sustainable packaging solutions.

Increasing demand: The paper products in the country present a significant opportunity for the Company to grow and expand its operations as the paper products have an increasing demand. The growth-causing factors include population growth, increasing awareness among the people and expansion of the Indian economy.

Growing e-commerce sector: The Company can optimise its opportunities to capture a substantial portion of the growing e-commerce packaging market. There is an increase in the demand for packaging materials made from paper and paper-based products.

Expansion of the digital printing industry: Digital printing is gaining popularity due to its high-quality output and it also requires a specialised range of papers. The Company can tap into this growing demand for digital printing papers and cater for the needs of this industry.

Threats

Intense competition: The competition is intense in the paper industry as there is a presence of a large number of players, in particular small capacity players in the market seeking to capture market share. This creates competition between businesses vying for customers and trying to maintain their position in the market. Another threat to the domestic paper industry in India is from the rampant import of paper.

Volatile raw material costs: The Company's profit margins are dependent on the availability of raw materials such as pulp and other chemicals to manufacture products; with rising global demand and supply chain disruptions, the cost of these raw materials can increase and affect the profit margins.

Fluctuations in foreign currency rates: The Company is exposed to the risks of foreign currency fluctuations because of the import and export of raw materials and finished products. Any changes in the value of the Indian rupee against major currencies can affect the pricing of finished goods and profitability.

Digitalisation: A shift towards a paperless society can impact the demand for paper products. People are increasingly relying on electronic communication and storage, resulting in a reduced demand for paper products. This can impact the sales and profits of the Company.

Risk management

The Company faces various risks and to control these risks the Company has implemented a range of systems, review mechanisms, and procedures to detect and get through these risks.

Raw material risk: The success of the business depend on procuring imported pulp. The availability of pulp affects the Company's paper manufacturing business.

Mitigation: The Company has access to different sources of raw materials to mitigate the impact of imported raw material costs, effective hedging strategies and strategic purchases in the event of supply shortages implemented based on market conditions.

Asset utilisation risk: Fluctuations in demand could affect asset utilisation.

Mitigation: The Company's product portfolio mix offers a variety of products like packaging board, writing and printing paper, niche products as well as newsprint, responding to market movements in a flexible manner.

Talent risk: Talent attrition is a risk.

Mitigation: The Company provides an engaging workplace, which resulted in a high people retention.

Regulatory compliance risk: Non-compliance with regulations can result in penalties as the Company operates in a highly regulated industry.

Mitigation: A team to monitor compliance is appointed to ensure that regulatory compliance is done in the desired manner.

Currency risk: Fluctuations in foreign exchange rates can affect profitability as the Company exports a significant portion of products.

Mitigation: With the help of forward contracts all the foreign currency transactions, including loans, are appropriately hedged.

Economic risk: Economic downturns can affect the demand for paper products.

Mitigation: The Company has created its product mix so that excessive dependence on any one segment has been moderated.

Quality risk: If the Company doesn't fulfil the customer's demand with high-quality products then it may cause an adverse effect on the demand for its products.

Mitigation: The Company's certifications (ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018) validate its safety standards.

Liquidity risk: Excessive debt may adversely impact liquidity and profitability.

Mitigation: Moderated debt through timely repayment has strengthened liquidity.

Cyber security risk: Cyber-crimes can lead to the loss of crucial information and theft of confidential data, causing substantial loss for the Company.

Mitigation: Backed with IT security policy. Access control and firewall security also safeguard endpoint systems from Malware, virus, Trojan, and Ransomware.

Financial ratios

Particulars	FY 2023-24	2022-23	Change in ratio	Explanation
Debtors' turnover	7.62	9.92	(2.30)	The variance mainly on account of reduction in turnover.
Inventory turnover	7.09	8.78	(1.69)	
Interest coverage ratio	3.55	3.10	0.45	Improved profitability strengthen this ratio.
Current ratio	1.02	0.92	0.10	Achieved the benchmark through repayment of short-term debt.
Debt-equity ratio	0.78	1.23	(0.45)	Ratio improved as a result of increase in net worth and debt repayment.
Operating EBITDA margin (%)	12.04%	9.97%	2.08%	Company is able to increase its profitability despite reduction in turnover.
Operating profit margin (%)	10.16%	9.70%	0.46%	
Net profit margin (%)	4.23%	2.91%	1.32%	
Return on net worth	11.45%	10.23%	1.21%	

Human resource

The Company has implemented numerous measures to nurture an involving and engaged workforce. The Company is committed to promoting diversity in the workplace. The Company values its human resources as they are key to its success. Regular training and development opportunities for employees, enabling them to acquire new skills and progress are also provided by the Company. The strength of the employee stood about 1,100 for the year under review.

Sustainability

The Company has always promoted environmental consciousness with recycling techniques. The Company is committed to sourcing wood pulp only through suppliers certified by the Forest Stewardship Council (FSC). The Company's dedication to responsible business practices is highlighted by its protecting and safeguarding measures towards the environment.

Internal control systems

The internal control mechanism is adopted by the Company to ensure the efficient and secure conduct of its operations. To prevent and detect frauds and errors, maintain accurate and complete accounting records as per the Management Information System (MIS). The main objective of these controls is to provide reasonable assurance regarding the proper accounting controls and monitoring of operations while protecting the Company's assets from unauthorised use or losses and ensuring compliance. The Company has engaged the services of an external and independent audit firm to act as its internal auditors. The role of these auditors is to periodically monitor the effectiveness of the Company's internal control measures. Internal auditors are in attendance to discuss their audit reports, management comments, and observations during

the meetings of the audit committee. The audit committee encompass various responsibilities including reviewing the adequacy of the internal control environment, ensuring the Company's Risk Management Systems are strengthened in compliance with statutory mandates monitoring the implementation of action plans resulting from internal audit findings. The Company operates a budgetary control system, with key performance indicators (KPIs) established for all significant operational parameters. The KPIs are regularly reviewed by the management team during Management Committee Meetings, which are chaired by the whole-time Director of the Company and attended by all departmental heads.

Cautionary statement

The MDA section may contain forward-looking statements regarding prospects. These statements involve various known and unknown risks and uncertainties, which may result in material differences between actual results and the forward-looking statements. In addition to changes in the macroenvironment, the emergence of a global pandemic like COVID-19 can introduce unforeseen, unprecedented, unascertainable, and continuously evolving risks to the Company and its operating environment. The estimates and figures presented in the report are based on certain assumptions made by the Company, considering internal and external information that is currently available. However, the factors underlying these assumptions can change over time, leading to corresponding changes in the estimates on which they are based. It should be noted that forward-looking statements only reflect the Company's current intentions, beliefs, or expectations as of the date on which they were made. The Company is not obligated to revise or update any forward-looking statements in light of new information, future events, or other factors.

Board's Report

Dear Shareholder,

Your Directors are pleased to present the Company's 42nd Annual Report on business and operations, together with the Audited Financial Statements for the financial year ended March 31, 2024.

1. FINANCIAL PERFORMANCE

(₹ in crores)

Particulars	2023-24	2022-23
Revenue from Operations	1,993.84	2,380.86
Other Income	3.32	2.46
Total Income	1,997.16	2,383.32
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	240.15	237.29
Less: Finance Cost & FEF loss (gain)	67.73	76.60
Less: Depreciation & Amortisation	60.27	67.59
Profit Before Exceptional items and Tax	112.15	93.10
Add/(Less): Exceptional Items	-	-
Profit before Tax	112.15	93.10
Less: Tax expense	27.85	23.93
Profit after Tax	84.30	69.17
Earnings per Equity Share (EPS) (face value ₹2/- each)		
- Basic (in ₹)	13.12	10.62
- Diluted (in ₹)	10.61	8.71

2. STATE OF COMPANY'S AFFAIRS AND OUTLOOK

In the dynamic landscape of the paper industry, our journey through the fiscal year 2023-24 was marked by formidable challenges and resilient responses. Geopolitical disruptions persisted, posing significant hurdles to established supply chains, while the influx of cheaper imports in various paper segments including writing & printing, packaging and specialty products, coupled with subdued demand for paperboard in export markets, tested our adaptability and strategic acumen.

Despite the prevailing headwinds, our company undertook a series of proactive initiatives aimed at mitigating risks and seizing opportunities. Focused efforts on cost savings, the development of environmentally friendly value-added products and operational enhancements to reduce downtime in paper machines were among the strategic measures undertaken. These initiatives yielded tangible results, manifesting in sustained bottom-line growth amid challenging market conditions.

While our turnover experienced a decline, we were able to achieve 7.30% increase in the Cash Profit, 20.46% increase in PBT and 21.87% increase in PAT compared to the preceding fiscal year. Our export sales, though subdued, underscore our resilience in navigating volatile global markets. Notwithstanding the challenges posed by subdued net sales realizations and escalating raw material prices, our unwavering commitment to excellence enabled us to persevere and thrive.

Central to our success is our steadfast commitment to quality, customer engagement, cost optimization, and operational efficiency. By consistently delivering high-quality products and services, engaging closely with our customers to discern their evolving needs, optimizing costs, and driving operational excellence, we remain poised for sustainable growth in the years ahead.

Innovation continues to be the cornerstone of our strategy, as we relentlessly pursue the development of cutting-edge

products tailored to meet emerging market demands. Our focus on environmentally sustainable solutions, such as oil and grease resistant paper, sublimation paper, and packaging board with specialised coatings for food applications, reflects our proactive stance in addressing evolving consumer preferences and market trends.

Looking ahead, we remain optimistic about the prospects of the paper industry, buoyed by the anticipated surge in demand driven by initiatives such as the New Education Policy and the ongoing transition from plastic to paper-based packaging. The seismic shift in consumer preferences towards eco-friendly and sustainable products post-pandemic presents a compelling opportunity for growth. Leveraging our state-of-the-art manufacturing facilities, market leadership in value-added paperboards, writing and printing paper, and newsprint, as well as our robust supply chain ecosystem, we are well-positioned to reinforce our leadership position in the Indian paper industry.

As we chart our course forward, guided by a spirit of innovation, resilience, and customer-centricity, we are confident in our ability to navigate challenges, capitalise on opportunities, and deliver enduring value to our stakeholders in the years to come.

3. DIVIDEND

Your Director's are pleased to recommend dividend of ₹8/- (i.e. 8%) per preference share of face value of ₹100/- each and ₹1.60/- (i.e. 80%) per equity share of face value of ₹ 2/- each for the financial year ended 31st March, 2024. The dividend payout is in accordance with the Company's Dividend Distribution Policy.

Dividend Distribution Policy

In order to provide a broad Dividend Distribution framework to all the Stakeholders of the Company, your Company has adopted the Dividend Distribution Policy pursuant to Regulation 43A of the SEBI (Listing

Obligations and Disclosure Requirements) Regulations, 2015, which is available on the Company's website at http://www.emamipaper.com/downloads/dividend_policy.pdf

Unclaimed Dividend

Pursuant to the provisions of Section 124 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and rules made thereunder, Unclaimed Dividend of ₹97,733 for the financial year 2015-16 has been transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 125 of the Companies Act, 2013 on 11th October, 2023. The details of Unclaimed dividend on equity shares is available on company's website at www.emamipaper.com.

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

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

During the year under review, the Company has transferred 13,000 equity shares on which dividend were unclaimed for seven consecutive years, to the demat account of IEPF maintained with NSDL within the prescribed time.

Till date, the company has transferred 1,35,142 Equity Shares to the IEPF demat account and ₹8,61,296.30 towards dividend to IEPF.

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

Financial year	Date of declaration of dividend	Unclaimed Dividend as on 31st March, 2024 (in ₹)	Due date of transfer to IEPF
2016-17	20-09-2017	1,99,544.40	20-09-2024
2017-18	09-10-2018	1,38,367.20	09-10-2025
2018-19	18-09-2019	1,31,283.60	18-09-2026
2021-22	25-09-2022	1,01,372.60	25-09-2029
2022-23	18-09-2023	1,26,385.80	18-09-2030

Note - In view of the Covid 19 and extraordinary circumstances, your Directors did not recommended any dividend for the financial year ended 31st March, 2020 and 31st March, 2021 respectively.

4. MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments, affecting the financial position of your Company which has occurred between the close of the financial year i.e. 31st March, 2024 and date of this report. There has been no change in the nature of business of your Company.

5. SHARE CAPITAL

The Company's paid-up equity share capital continues to stand at ₹12.10 crore as on 31st March, 2024. The said shares are listed on BSE Ltd. and National Stock Exchange of India Ltd. During the year under review, the Company has not issued any shares or convertible securities or shares with differential voting rights and nor granted stock options or sweat equity.

6. TRANSFER TO RESERVE

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

7. PUBLIC DEPOSITS

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

8. SUBSIDIARY / JOINT VENTURES / ASSOCIATE COMPANIES

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

9. BOARD OF DIRECTORS' & KEY MANAGERIAL PERSONNEL

a. Changes in Directors and Key Managerial Personnel

During the year under review and till the date of this report following changes took place in the composition of the Board of Directors & Key Managerial Personnel of your Company:-

- Mr. Pitamber Sharan Patwari (DIN: 00363356) has been appointed as Non-Executive Non-independent Director w.e.f. 1st April, 2023, liable to retire by rotation.
- Mr. H. M. Marda (DIN: 00855466), Mr. S. Balasubramanian (DIN: 02849971) and Mr. J. K. Khetawat (DIN: 00920819), completed their second term as an Independent Director on 31st March, 2024, and accordingly they ceased to be an Independent Director and member of the Board of Directors of the Company.

The Board of Directors places on record their deep appreciation for the contribution, guidance and leadership provided by Mr. H. M. Marda, Mr. S. Balasubramanian and Mr. J. K. Khetawat during their tenure.

- Mr. Ranjit Kumar Pachnanda, (DIN:0358887) and Mr. Niraj Jalan, (DIN:00551970) have been appointed as Independent Director of the Company for a term of 5 years w.e.f. 1st April 2024.

The shareholders of the Company approved the appointment of Mr. Ranjit Kumar Pachnanda and Mr. Niraj Jalan as an Independent Director of the Company by way of a Special Resolution passed through Postal Ballot, results whereof was declared on 11th May, 2024.

- The Board of Directors is of the opinion that the Independent Directors appointed are persons of integrity and fulfills requisite conditions as per applicable laws and are independent of the management of the Company.
- During the year under review, there has been no change in the Key Managerial Personnel.

b. Directors retirement by rotation

Mr. Aditya V. Agarwal, Whole-time Director designated as Executive Chairman (DIN:00149717) and Mr. Vivek Chawla, Whole-time Director & CEO (DIN:02696336) would retire by rotation and being eligible, offers themselves for re-appointment.

c. Declaration by Independent Director(s)

All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act. The Independent Directors have also complied with a Code of Conduct for Directors and Senior Management Personnel.

d. Meeting of Board of Directors and its Committees

During the year, 4(four) meetings of the Board of Directors were held. The details of meetings of the Board of Directors and its Committees held during the year under review, attendance of Directors thereat and composition of various Committees of Board of Directors are detailed in the Report of Corporate Governance which forms an integral part of this report and is annexed hereto.

e. Policy on Directors Appointment and Remuneration

Pursuant to Section 178 of the Companies Act, 2013, the Board of Directors of the Company has approved the Nomination and Remuneration Policy based on the recommendation of the Nomination & Remuneration Committee and the said policy is hosted on the

Company's website at http://www.emamipaper.com/downloads/epml_nrc_policy.pdf.

The Policy includes the criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under Section 178(3) of the Act.

f. Evaluation of Board, its Committees and Directors

Pursuant to the provisions of Section 134(3)(p) of the Companies Act, 2013 and relevant regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time), the Board at its meeting held on 28th May, 2024, has carried out the annual evaluation of its own performance and that of its Committees, Chairman and Individual Directors.

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

g. Separate Meeting of the Independent Directors

The Independent Directors of the Company met separately on 6th February, 2024, without the presence of Non-Independent Directors. All the Independent Directors were present at the meeting. Following matters were, *inter alia*, reviewed and discussed in the meeting:

- Performance of Non-Independent Directors and the Board of Directors as a whole.
- Performance of the Chairman of the Company after taking into account the views of Executive and Non-executive Directors.
- Assessment of the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

10. CREDIT RATING

During the year under review, your Company was assigned credit rating of IND A-/Stable for its Loan facilities by India Ratings and Research. This reaffirms the reputation and trust the Company has earned for its sound financial management and its ability to meet its financial obligations.

11. AWARDS AND RECOGNITIONS

During the year under review, your company has received prestigious recognition for its achievements, earning several notable awards in various domains which includes:

- Award of Appreciation at Odisha State Energy Conservation Award 2023
- Award for Outstanding Exporter of Paper & Paper Product for the year 2022-23

- CII HR Excellence Award 2023 (Category - Strong Commitment to HR Excellence)
- Indian Social Impact Award, 2024 for Most Impactful Education Support Initiative under CSR Activities

12. ENVIRONMENT MANAGEMENT

Your company's environmental stewardship is guided by our Environmental Policy, which underscores our commitment to a sustainable planet, a clean environment, and a healthy workplace for our employees. We prioritise environmental management not only to meet regulatory requirements but also to positively impact the communities surrounding our operations through various community initiatives, biodiversity encouragement, and natural resource conservation efforts.

Given the nature of our industry, it is crucial for us to find ways to reduce our freshwater consumption. To this end, we have set internal targets to increase the share of recycled water used in our paper production processes. We are also implementing energy-efficient practices by employing state of the art energy meters to monitor and curtail our energy usage. These initiatives reduce our carbon footprint and minimize our impact on the environment, aligning with our long-term sustainability goals.

To fulfil our environmental objectives, we adhere to the following principles:

- Strict compliance with all relevant legislative requirements.
- Minimization of pollution from liquid discharge and air emissions.
- Promotion of resource efficiency through behavioural and technological enhancements.
- Waste minimization and promotion of recycling and reuse.
- Creation of awareness among society and employees regarding environmental, health, and safety matters.
- Implementation of comprehensive programs for continuous improvement in environmental performance.
- Reduction of specific energy consumption to mitigate associated greenhouse gas emissions(GHG).

Your company has embraced one of the finest Integrated Management Systems (IMS) certified by DNV-GL, ensuring adherence to stringent standards through rigorous surveillance and certification audits. This system encompasses:

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

At Emami Paper, significant strides have been made in energy conservation through the installation of energy-efficient equipment and various other measures.

In terms of environmental control, the company has installed and maintains several vital equipment and monitoring devices, including:

- Continuous Ambient Air Quality Monitoring Systems (CAAQMS - 3 units)
- Continuous Emission Monitoring Systems (CEMS - 3 units) with remote calibration capability.
- IP surveillance cameras for stack emission visibility.
- Real-Time Effluent Monitoring System (RTEQM) for monitoring final treated effluent quality, with data uploaded to CPCB & OSPCB web servers.
- Online groundwater level monitoring system with telemetry for 12 bore wells.
- Various air pollution control measures such as ESP, Ash Conveying System, Dust Suppression System, and more.
- Decanter for secondary sludge dewatering.
- Rainwater harvesting through 20 recharge wells.
- Innovative solutions like alternate polymer for improved performance.
- Adoption of micronutrients in the Aeration system for enhanced treatment efficiency.

Additionally, we are proud to highlight that:

- The performance of the UASBR at ETP was improved substantially resulting in a reduction of pollutant loads, specifically COD levels. The reduction in COD achieved earlier was 20-25% and was improved to 35-40% in the UASBR overflow effluents.
- By refining the process efficiencies, the dosage of micro nutrients in aeration tanks was optimized, contributing to improved overall performance.
- The combined efficacy of the UASBR and Secondary clarifier was enhanced in the final treated effluent quality parameters by 10% from previous levels.
- Installed three (03) stage surface runoff water collection pits including chemical dosage facility to collect and treat surface runoff water and recycling the same for non-process applications.
- Installed wheel washing system for incoming vehicles tyre washings to control the fugitive emissions.
- Installed dry fog system for coal secondary vibrating screen house and extended water sprinkling system to further control of fugitive emissions.
- Introducing an alternative dewatering chemical at the screw press not only improved performance but also resulted in cost benefits compared to the previous chemical.

To reduce fresh water consumption, we have implemented stringent targets and initiatives, including:

1. The implementation of Scan showers in the wire section of the Board Machine has led to a water saving of approximately 450 m³/day.
2. Multimedia Filters (MMF) and Sand Filters have been installed in DIP#3 to reduce Suspended Solids (SS) in the Dissolved Air Flotation (DAF) filtrate. Achieved a reduction of approximately 400 m³/day in fresh water consumption.
3. Nozzle size reduced from 1mm to 0.6mm for Press part HP Showers on all machines and achieved reduction of water consumption by 200 m³/day.
4. Water from the re-winder and hydraulic heat exchanger of PM1 has been redirected back to the reservoir resulting in reduction of fresh water consumption by 30 m³/day.

The assets and systems described above have not only enabled us to uphold environmental standards but also to exceed statutory norms. As part of our commitment to long-term sustainable growth, we continuously allocate resources to enhance environmental protection and conserve natural resources.

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

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

14. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

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

Further, the information pursuant to Section 134(3)(o) of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014 forms a part of this Report and is annexed as **Annexure - B**.

CSR in Emami Paper is not just about this mandate but also about working towards improving the lives of the communities we touch. Emami Paper has initiated & implemented a number of CSR programs for improving the life of largely under privileged people, for Community living, Education, Health, Skill Development, Rural Development,

Environmental Sustainability, Animal Welfare, Women Empowerment, Promotion of Sports, Art & Culture etc. in and around of Mill. Our culture enables us to pursue our mission with a growth mind set. It's a continuous practice of learning and renewal.

15. AUDITORS AND AUDITORS REPORT

a. STATUTORY AUDIT

M/s S K Agrawal and Co Chartered Accountants LLP, Chartered Accountants, (Firm Registration No. 306033E/E300272) has been appointed as the Statutory Auditors of the Company, for a period of five years from the conclusion of 40th Annual General Meeting (AGM) of the Company held in year 2022 until the conclusion of the 45th Annual General Meeting of the Company to be held in year 2027.

The Auditor's Reports on the Financial Statements for the financial year ended March 31, 2024 does not contain any qualification, reservation or adverse remark requiring any explanations / comments by the Board of Directors.

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

b. COST AUDIT

Your Company has maintained cost accounts and cost records to the extent provisions under Section 148 of the Companies Act, 2013, were applicable. Your Directors have re-appointed M/s. V. K. Jain & Co., Cost Accountants as Cost Auditors of your Company for FY 2024-25. A resolution seeking approval of the shareholders for ratifying remuneration payable to the Cost Auditors for FY 2024-25 is provided in the Notice of the ensuing AGM. In this regard, your Directors recommend passing of Ordinary Resolution.

c. SECRETARIAL AUDIT

Pursuant to the provisions of Section 204(1) of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed M/s. MKB & Associates, Company Secretary in practice for the financial year 2023-24 to undertake the Secretarial Audit of the company. The Secretarial Audit Report is annexed herewith as **Annexure - C**.

The observation made in the Secretarial Auditors Report is self-explanatory and hence do not call for any further explanations or comments by the Board under Section 134 of the Companies Act, 2013.

During the year under review, none of the auditors have reported any instances of fraud committed against the Company as required to be reported under Section 143 (12) of the Act.

16. SECRETARIAL STANDARDS

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

17. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

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

18. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Your Company has formulated a Policy on Related Party Transactions, which is also available on the Company's website at https://www.emamipaper.com/downloads/rpt_policy_2022.pdf

All related party transactions that were entered into during the financial year were in the ordinary course of the business and on an arm's length basis. No material contracts or arrangements with related parties were entered into during the year under review. There were no materially significant Related Party Transactions made by the Company during the year that would have required shareholders' approval under the SEBI Listing Regulations.

Accordingly, disclosure of Related Party Transaction as required under Section 134(3)(h) of the Companies Act 2013 in form AOC-2 is not applicable.

The Related Party Transactions which are in ordinary course of business and on arms length basis, of repetitive in nature and proposed to be entered during the financial year are placed before the Audit Committee for prior Omnibus approval. All Related Party Transactions are placed before the Audit Committee for review and approval.

Your company did not enter into any related party transactions during the year which could be prejudicial to the interest of the minority shareholders. No loans/

investments to/in the related party have been written off or classified as doubtful during the year under review.

For disclosures of related party relationship and transactions as per Ind AS-24, "Related Party Disclosure", Note 2.45 to the Annual Audited Financial Statements of the Company for the FY ended 31st March 2024 may be referred to.

19. VIGIL MECHANISM AND WHISTLE BLOWER POLICY

The Company has in place a Vigil Mechanism and Whistle Blower Policy in compliance with the provisions of Section 177(9) of the Act and Regulation 22 of the Listing Regulations. The Policy provides a framework to promote responsible and secured reporting of unethical behavior, actual or suspected fraud, violation of applicable laws and regulations, financial irregularities, abuse of authority, etc. by Directors, employees and the management. The Vigil Mechanism and Whistle Blower Policy is available on the website of the Company at https://www.emamipaper.com/downloads/epml_vigil_mechanism_policy.pdf.

The Company endeavors to provide complete protection to the Whistle Blowers against any unfair practices. The Audit Committee oversees the genuine concerns and grievances reported in conformity with this Policy. It is affirmed that no personnel of the Company has been denied access to the Audit Committee and no case was reported under the Policy during the year.

20. INTERNAL FINANCIAL CONTROLS

The Corporate Governance Policies guide the conduct of affairs of the Company and clearly delineates the roles, responsibilities and authorities at each level of its governance structure and key functionaries involved in the governance. The Company's Financial Statements are prepared on the basis of the Significant Accounting Policies that are carefully selected by management and approved by the Audit Committee and the Board. These Accounting Policies are reviewed and updated from time to time.

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

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

The Board of Directors of the Company have adopted various policies such as Related Party Transactions Policy, Vigil Mechanism and Whistle Blower Policy, Corporate

Social Responsibility Policy, Risk Management Policy, Policy for determination of Materiality of any events/information, Policy for preservation of records/documents of the Company, Code of Conduct for prevention of Insider Trading Code of Practices and Procedures for Fair Disclosures and such other procedures for ensuring the orderly and efficient conduct of its business for safeguarding of its assets, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

21. RISK MANAGEMENT FRAMEWORK

In compliance with amended Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has constituted a Risk Management Committee on 1st June, 2021. The Company has adopted Risk Management Policy in accordance with the provisions of the Companies Act, 2013 and SEBI Listing Regulations.

During the year under review, two meetings of the Committee were held i.e. on 22nd June, 2023 and 18th December, 2023 respectively. The Risk Management Policy of the Company for identification and implementation of Risks and its Mitigation plans is reviewed by the Committee periodically. In the opinion of the Board, there is no such risk which may threaten the existence of the Company.

22. MANAGERIAL REMUNERATION AND PARTICULARS OF EMPLOYEES

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

Further, particulars of employees required pursuant to Section 197 read with Rule 5 (2) and (3) of the above Rules also forms part of this Report. However, in terms of the provisions of Section 136 of the said Act, the Report and Accounts are being sent to all members of the company and other entities thereto, excluding the said particular of employees. Any member interested in obtaining such particulars may write to the Company Secretary. The said information is also available for the inspection at the Registered Office of the Company during working hours for a period of twenty-one days before the date of the Annual General Meeting.

23. ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the draft Annual Return as on 31st March, 2024 is hosted on the Company's website i.e. www.emamipaper.com

24. CORPORATE GOVERNANCE

Your Company complies with the corporate governance practices as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). In compliance with the provisions in Regulation 34 of the SEBI Listing Regulations, a Report on Corporate Governance forms an integral part of this report and annexed as **Annexure - E**.

25. MANAGEMENT DISCUSSION AND ANALYSIS

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

26. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Pursuant to Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Business Responsibility and Sustainability Report of the Company for the year ended 31st March, 2024 forms part of this report and annexed as **Annexure - F**.

27. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) and 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their information and knowledge, confirms that: -

- a) In the preparation of annual financial statements, the applicable accounting standards had been followed and there are no material departures;
- b) Such accounting policies have been selected and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The annual financial statements have been prepared on a going concern basis;
- e) Proper internal financial controls were in place and such controls are adequate and operating effectively; and
- f) Proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems are adequate and operating effectively.

28. DISCLOSURE REQUIREMENTS FOR CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES UNDER REGULATION 30A(2) OF LISTING REGULATIONS

There are no agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company, among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon the and there are no material departures;

Such accounting policies have been selected and the Company as on the date of notification of clause 5A to Para A of Part A of Schedule III of Listing Regulations.

29. OTHER DISCLOSURES

During the year under review:-

- a. Your Company had cordial relation with the workers and employees at all levels.
- b. No Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in the future.
- c. No application was made or any proceedings pending against the Company under the Insolvency and Bankruptcy Code, 2016.
- d. Your Company has not received any complaint pertaining to sexual harassment. The disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are given in the **"Annexure - 'E'** to the Board's Report i.e. Report on Corporate Governance.
- e. No one time settlement with Banks/ FI,s for loans taken has been entered into by the company

30. ACKNOWLEDGEMENT

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

For and on behalf of the Board of Directors

Place: Kolkata
 Date: 28th May, 2024

Aditya V. Agarwal
 Executive Chairman
 DIN: 00149717

Annexure - A to the Board's Report

Information under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014

A. Conservation of energy:

i) Steps taken or impact on conservation of energy, steps taken for utilizing alternative sources of energy and capital investment on energy conservation equipments.

- In ETP Air Blowers No. 2 and 5 a speed reduction was implemented through the modification of both motor and blower pulley sizes, resulting in saving of 1200 kWh per day.
- A strategic measure was implemented in TG-2, whereby the delivery line of the Cooling Tower Side Stream Filter pump was ingeniously interconnected with that of the auxiliary CTCP pump. Consequently, the Side Stream Filter pump was permanently stopped, leading to a saving of 144 kWh per day.
- By optimising the flow of condensing steam in the Co-generation Plant, achieved by balancing Turbine loading and extraction steam, a reduction of 12 kcal/kWh in heat rate was achieved. This translated to an annual saving of 2308 GCal of heat energy.
- In the ETP, the replacement of two 55 kW sump pit pumps with new energy-efficient 90 kW pumps yielded significant results. As a result, the underflow pump, overflow pump, and centre drive in primary clarifier 2 were discontinued, resulting in a noteworthy power saving of 240 kWh per day.
- TG-3 achieved a power saving through an initiative where the speed of Condenser Cooling Water Circulation pump was efficiently reduced from 700 to 660 rpm, resulting in a daily power saving of 250 kW.
- Sludge Screw press:1, tower agitator motor of 11 kw is stopped due to low consistency during Writing printing run in PM-3. Saving of 135 kwh per day has been achieved during writing printing run in PM-3.

B. Technological Absorption:

i) Research & Development (R & D):

a. Product development:

- Pharma Print 40 gsm developed and stabilized in PM3 machine.
- Developed environmental friendly Oil & grease resistant (OGR) Paper in PM1, which is fluorocarbon-free and biodegradable in nature for food packaging.
- Developed Inter-leaving Paper in PM3
- Developed High Burst Factor paper in PM1
- Developed Bible Printing Paper in PM3
- Developed Hi Bulk – Novel Book paper in PM1

Trials under Study:

- 100% Recycled Duplex Board in BM4
- OGR and WBR Board in BMR

ii) Environment Management:

- The performance of the UASBR at ETP was improved substantially resulting in a reduction of pollutant loads, specifically COD levels. The reduction in COD achieved earlier was 20-25% and was improved to 35-40% in the UASBR overflow effluents.
- By refining the process efficiencies, the dosage of micronutrients in aeration tanks was optimized, contributing to improved overall performance.
- The combined efficacy of the UASBR and Secondary clarifier was enhanced in the final treated effluent quality parameters by 10% from previous levels.
- Installed three (03) stage surface runoff water collection pits including chemical dosage facility to collect and treat surface runoff water and recycling the same for non-process applications.
- Installed wheel washing system for incoming vehicles tyre washings to control the fugitive emissions.
- Installed dry fog system for coal secondary vibrating screen house and extended water sprinkling system to further control of fugitive emissions.
- Introducing an alternative dewatering chemical at the screw press not only improved performance but also resulted in cost benefits compared to the previous chemical.

iii) Environmental Compliance:

- The current Consent to Operate (CTO) under the Air Act of 1981 and Water Act of 1974 for the existing mill facilities is valid until 31.03.2026.
- Hazardous waste authorization under the Hazardous and other wastes (management and transboundary movement) rules of 2016 for the existing mill facilities is valid until 31.03.2026.
- Full compliance has been maintained with all relevant rules, acts, and legislations.
- Adherence to all directives issued by statutory authorities as mandated under environmental clearances has been ensured.
- Out of our daily fresh water intake of 9,600m³, approximately 3,000 m³ of the final treated effluent water from the mill's Effluent Treatment Plant (ETP) undergo tertiary treatment for internal reutilization.

- This reclaimed water, comprising roughly 30% of our overall consumption, fulfills diverse roles including dust suppression, floor sanitation, horticulture, and ash conditioning.
- Around 50% of the treated effluent water is being utilized for agricultural irrigation purposes and the balance is discharged through nala after meeting discharge norms as stipulated under CTO issued by SPCB.
- The results from Real Time Effluent Quality Monitoring System (RTEQMS) are being transmitted to CPCB & SPCB web servers..
- The flue gas emissions and Ambient Air Quality Monitoring (AAQM) test results are within the emission norms prescribed by CPCB & SPCB.
- The online data from Continuous emission monitoring system (CEMS) on stack emissions quality results and CAAQMS (3 Nos.) are being uploaded to CPCB & SPCB web servers..
- 100% Fly ash is being disposed to Brick manufacturing units.
- ETP primary sludge is fired in boiler and some portion is being disposed to egg tray manufacturing units based on demand.

iv) Reduction in Water Consumption:

The specific water consumption has decreased from 12.6 m³/ton in 2021-22 to 11.03 m³/ton in 2023-24 by implementation of various water conservation initiatives in the process.

- The implementation of Scan showers in the wire section of the Board Machine has led to a water saving of approximately 450 m³/day.
- Multimedia Filters (MMF) and Sand Filters have been installed in DIP#3 to reduce Suspended Solids (SS) in the Dissolved Air Flotation(DAF) filtrate. Achieved a reduction of approximately 400 m³/day in fresh water consumption.
- Nozzle size reduced from 1mm to 0.6mm for Press part HP Showers on all machines and achieved reduction of water consumption by 200 m³/day.
- Water from the re-winder and hydraulic heat exchanger of PM1 has been redirected back to the reservoir resulting in reduction of fresh water consumption by 30 m³/day.

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

a. Product development:

- Obtained higher volumes of Pharma Print, which has higher contribution.

- All other new products also yielded in higher NSR value.
- Ash increase in solitaire product helped in cost reduction.

b. Future action plan

- Continue to develop new products.
- Continue to work on improvement of yield.
- Reduction of fresh water consumption by recycling and reuse of treated process water and treated water from effluent.
- Usage of alternative chemicals for quality optimization and cost saving.
- Continual reduction of power and steam consumption in production processes.

d) Expenditure on R & D

- No separate accounting for Research and Development activities was made as the same was a part of process and product development.
- Process improvements have been mentioned for all machines individually under R & D Activities.

iv) Efforts made towards technology absorption, adoption and innovation

- Condensate recovery increased from 66% to 71% in PM-2.
- Condensate recovery increased from 70% to 80% in PM-1 by upgrading condensate recirculation loop.
- Radial packing machine installed in PM-3 reel wrapping section.
- Installed Wave control in filler layer head box of PM-4 to improve machine runnability and reduce web breaks.
- Installed de-flaker in broke street to improve the quality and formation.
- Multimedia Filters (MMF) and Sand Filters have been installed in DIP#3 to reduce Suspended Solids (SS) in the Dissolved Air Flotation (DAF) filtrate. This filtered water is then utilized for wire showers in PM#3.
- Installed Scan showers on all wires of Board machine.

C. Foreign exchange earnings and outgo:

Particulars	(₹ in crores)	
	2022-23	2023-24
Foreign exchange earnings	269.23	107.26
Foreign exchange outgo	1,462.47	981.56

Annexure - B to the Board's Report

Annual Report on Corporate Social Responsibility (CSR) Activities for FY 2023-24

1. Brief outline on CSR Policy of the Company

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

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

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Aditya V. Agarwal ⁵	Chairman, Executive Chairman	1	1
2	Mr. Manish Goenka ⁵	Member, Whole-time Director	1	1
3	Mrs. Richa Agarwal	Member, Non-Executive, Non-Independent Director	1	1
4	Mr. H. M. Marda ⁵	Member, Independent Director	1	1
5	Mr. P. S. Patwari [@]	Member, Non-Executive Non-Independent Director	1	1
6	Mr. Vivek Chawla	Member, Whole-time Director	1	1
7	Mr. Sumit Banerjee	Member, Independent Director	1	1
8	Mrs. Mamata Binani	Member, Independent Director	1	1

Note :

^{*}Ceased to be the Chairman of the Committee w.e.f 1st April, 2024

⁵ Ceased to be the Member of the Committee w.e.f 1st April, 2024

[@]Appointed as the Chairman of the Committee w.e.f 1st April, 2024

Mr. Ranjit Kumar Pachnanda, Independent Director, appointed as a Member of the Committee w.e.f 1st April, 2024.

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

Web link of Composition of CSR Committee: https://www.emamipaper.com/downloads/epml_committee_2024.pdf

Web link of CSR Policy: https://www.emamipaper.com/downloads/epml_csr_policy.pdf

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

4. **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.** – Not applicable
5. a) **Average net profit of the company as per sub-section (5) of section 135** - ₹ 7,955.30 Lacs
 b) **Two percent of average net profit of the Company as per sub-section (5) of section 135** - ₹ 159.11 Lacs
 c) **Surplus arising out of the CSR Projects or programmes or activities of the previous financial years** – NIL
 d) **Amount required to be set-off for the financial year, if any** – ₹60.03 Lacs
 e) **Total CSR obligation for the financial year [(b)+(c)-(d)]** – ₹ 99.08 Lacs
6. (a) **Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)** - ₹ 99.08 Lacs
 (b) **Amount spent in Administrative Overheads** - Nil
 (c) **Amount spent on Impact Assessment, if applicable.** - Not Applicable
 (d) **Total amount spent for the Financial Year [(a)+(b)+(c)].** – ₹ 99.08 Lacs
 (e) **CSR amount spent or unspent for the Financial Year:** - Nil

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per subsection (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.
₹ 99.08 Lacs	NIL	NA	NA	NIL	NA

(f) **Excess amount for set-off, if any:**

Sl. No.	Particular	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	159.11 Lacs
(ii)	Total amount spent for the Financial Year	99.08 Lacs
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Nil

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1 Sl. No.	2 Preceding Financial Year(s)	3 Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in ₹)	4 Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹)	5 Amount Spent in the Financial Year (in ₹)	6 Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		7 Amount remaining to be spent in succeeding Financial Years (in ₹)	8 Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1	FY 2020-21	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2	FY 2021-22	Nil	Nil	Nil	Nil	Nil	Nil	Nil
3	FY 2022- 23	Nil	Nil	Nil	Nil	Nil	Nil	Nil

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Yes No

If Yes, enter the number of Capital assets created/ acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner			
					CSR Registration Number, if applicable	Name	Registered address	
(1)	(2)	(3)	(4)	(5)	(6)			

NA

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

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

Date: 28th May,2024

Vivek Chawla
Whole-time Director & CEO
DIN:02696336

P.S.Patwari
Chairman, CSR Committee
DIN:00363356

Annexure - C to the Board's Report

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies

(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members,

EMAMI PAPER MILLS LIMITED

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

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

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit and considering the relaxations granted by Ministry of Corporate Affairs and Securities and Exchange Board of India, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2024 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2024, to the extent applicable, according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 and Rules made thereunder;
- iii) The Depositories Act, 1996 and Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct investment and External Commercial Borrowings;
- v) The Regulations and Guidelines prescribed under the Securities & Exchange Board of India Act, 1992 ("SEBI Act") or by SEBI, to the extent applicable:
 - a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
 - b) The Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011
 - c) The Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
 - d) The Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
 - e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
 - f) The Securities & Exchange Board of India (Issue and listing of Non-Convertible Securities) Regulations, 2021
 - g) The Securities & Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021
 - i) The Securities & Exchange Board of India (Buyback of Securities) Regulations, 2018
- vi) Other than fiscal, labour and environmental laws which are generally applicable to all manufacturing/trading

companies, the following laws/acts are also, inter alia, applicable to the Company:

- a) The Environment Protection Act 1986
- b) The Water (Prevention and Control of Pollution) Act, 1974
- c) The Air (Prevention and Control of Pollution) Act 1981
- d) Hazardous Waste (Management, Handling, and Transboundary Movement) Rules 2008, as amended from time to time.
- e) The Indian Boilers Act 1923.

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

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

We further report that

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c) None of the directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

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

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

- i. Re-appointment of Mr. Manish Goenka (DIN:00363093) as Whole-time Director, liable to retire by rotation, for a period of approx. 3 (three) years from 15th July, 2023 to 30th June, 2026, designated as Vice Chairman of the Company w.e.f. 9th August, 2023; and payment of remuneration
- ii. Revision in remuneration of Mr. Aditya V. Agarwal, Whole-time Director, designated as "Executive Chairman", with effect from 1st April, 2023 for the remaining tenure of his appointment;
- iii. Re-appointment of Mr. Vivek Chawla (DIN:02696336) as Whole-time Director, liable to retire by rotation, designated as Whole-time Director & Chief Executive Officer (CEO) for a period of 3 (three) years from 2nd December, 2023 to 1st December, 2026; and payment of remuneration
- iv. Approval under Regulation 17(6)(ca) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for payment of remuneration to Mr. Pitamber Sharan Patwari (DIN:00363356) as Non-Executive Non-Independent Director of the Company for the financial year 2023-24.
- v. Payment of remuneration to Shri Pitamber Sharan Patwari (DIN: 00363356) as Non-Executive Non Independent Director of the Company w.e.f 1st April, 2023 for a period of 3(Three) years with effect from 1st April, 2023;

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

For MKB & Associates

Company Secretaries

Firm Reg No: P2010WBO42700

Manoj Kumar Banthia

Partner

Membership no. 11470

COP no. 7596

Date: 28th May, 2024

Place: Kolkata

Peer Review Certificate No.: 1663/2022

UDIN:A011470F000466793

Annexure- I

To
The Members,
EMAMI PAPER MILLS LIMITED

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

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

For MKB & Associates

Company Secretaries

Firm Reg No: P2010WB042700

Manoj Kumar Banthia

Partner

Membership no. 11470

COP no. 7596

Peer Review Certificate No.:1663/2022

UDIN:A011470F000466793

Date: 28th May,2024

Place: Kolkata

Annexure - D to the Board's Report

Information 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.

i) Ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year 2023-24:

Name of the Director(s)/ KMP	Designation	Ratio to median remuneration	Percentage increase in remuneration in the FY 2023-24
Mr. Aditya V. Agarwal*	Executive Chairman	57:1	25%
Mr. Manish Goenka*	Vice Chairman	57:1	36%
Mr. Vivek Chawla	Whole-time Director & CEO	169:1	4%
Mr. Mukesh Kumar Agarwal	AVP – Finance (Interim CFO)	NA	11%
Mr. Debendra Banthiya	Company Secretary	NA	33%

* Excluding Commission

Note:

Mr. P.S. Patwari has been appointed as Non-executive Director w.e.f 1st April, 2023. As approved by the shareholders of the Company, remuneration of ₹ 1(one) crore per annum was paid to him during FY 2023-24. Except Mr.P.S Patwari, no other Non-executive / Independent Director of the Company received remuneration except sitting fees. The ratio and percentage increase in remuneration for Non-executive / Independent Director are therefore not considered for the above purpose.

ii) Percentage increase in the median remuneration of employees in the financial year 2023-24: 9.5%

iii) Number of permanent employees on the rolls of company as on 31st March, 2024: 1,090

iv) Explanation on:

Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year	Average percentage increase was around 9%.
Percentage increase in the managerial remuneration	Average percentage increase was around 10%.
Justification for increase in the managerial remuneration	An increase in managerial remuneration is a multi-dimensional and multi-determined outcome. It is linked to: <ul style="list-style-type: none"> a) assessment of the performance of the individual for his key responsibilities; b) industry standards of remuneration; and c) business performance of the company linked to market conditions & competition
Exceptional circumstances for increase in the managerial remuneration, if any	NA

v) Affirmation that the remuneration is as per the remuneration policy of the company:

Yes, the remuneration is as per the remuneration policy of the company which is intern linked to business results and market forces for talent demand.

Annexure - E to the Board's Report**Report on Corporate Governance**

[Pursuant to Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1) COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

2) BOARD OF DIRECTORS**A) Composition**

The Board of Directors ("Board") is composed of eminent individuals from diverse fields. As on 31st March 2024, the Board of Directors consisted of 11 (Eleven) Directors out of which 6(six) Directors were Independent Directors. The composition of the Board of Directors is in conformity with the provisions of the Companies Act, 2013 ("Act") and Regulations 17 & 17A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). The composition of the Board, directorships/committee membership positions in other companies as on year ended 31st March 2024, number of meetings held and attended during the year are as follows:

Name of the Director	DIN	Category of Directorship	No. of Board Meetings attended	Attendance at the last AGM held on 12 th September, 2023	No. of Directorship held in other Public Limited Companies	No. of Membership/ Chairmanship in Committees of other Public Ltd. Companies [#]	
						Chairman	Member
Mr. Aditya V. Agarwal	00149717	Promoter, Executive	4	Yes	1	-	-
Mr. Manish Goenka	00363093	Promoter, Executive	4	Yes	-	-	-
Mrs. Richa Agarwal	01505726	Promoter, Non-executive	4	Yes	-	-	-
Mr. H. M. Marda	00855466	Independent	4	Yes	7	-	2
Mr. S. Balasubramanian	02849971	Independent	4	Yes	2	2	3
Mr. J. K. Khetawat	00920819	Independent	4	Yes	5	-	-
Mr. Amit Kiran Deb	02107792	Independent	4	Yes	8	6	8
Mr. Sumit Banerjee	00213826	Independent	4	Yes	3	2	3
Mrs. Mamta Binani	00462925	Independent	4	Yes	8	1	5
Mr. P.S. Patwari	00363356	Non- Executive	4	Yes	1	-	-
Mr. Vivek Chawla	02696336	Executive	4	Yes	1	1	2

Note:

- 1) Mr. H.M. Marda, Mr. S. Balasubramanian and Mr. J.K. Khetawat completed their second term as an Independent Director on 31st March, 2024, and accordingly ceased to be an Independent Director of the Company.
- 2) Mr. Ranjit Kumar Pachnanda (DIN-03358887) and Mr. Niraj Jalan (DIN-00551970) have been appointed as Independent Directors for a term of 5 (five) years w.e.f. 1st April, 2024.
- 3) Mrs. Richa Agarwal is the spouse of Mr. Aditya V. Agarwal, Executive Chairman of the Company. None of the other Directors are related to any other Director on the Board.
- 4) Number of Directorship(s), Committee Membership(s)/Chairmanship(s) of all the Directors is within the respective limits as prescribed under the Act and the SEBI Listing Regulations.
- 5) # Includes only Audit Committee and Stakeholders Relationship Committee as per Regulation 26(1) of SEBI Listing Regulations.

B) Directorships in other listed entities as on 31st March, 2024

Name of the Director	Name of other Listed Companies in which concerned Director is a Director	Category of Directorship
Mr. Aditya Vardhan Agarwal	Emami Limited	Non- Executive Director
Mr. Manish Goenka	-	-
Mrs. Richa Agarwal	-	-
Mr. S. Balasubramanian	TTK Healthcare Limited	Independent Director
	UCAL Fuel Systems Limited	Independent Director
Mr. H.M. Marda	Emami Realty Ltd	Independent Director
Mr. J.K. Khetawat	RTL Logistics Limited	Whole-time Director
Mr. Amit Kiran Deb	Century Plyboards (India) Limited	Independent Director
	Skipper Limited	Independent Director
	India Power Corporation Limited	Independent Director
	Star Cement Limited	Independent Director
	B & A Limited	Independent Director
	Emami Realty Limited	Independent Director
Mr. Sumit Banerjee	-	-
Mrs. Mamta Binani	GPT Infraprojects Limited	Independent Director
	Balrampur Chini Mills Limited	Independent Director
	Ddev Plastiks Industries Limited	Independent Director
	Skipper Limited	Independent Director
	Emami Limited	Independent Director
Mr. P.S. Patwari	-	-
Mr. Vivek Chawla	Star Cement Limited	Independent Director

C) Number of board meetings conducted during the year

During the year under review, 4 (four) Board Meetings were held i.e. on 26th May, 2023, 9th August, 2023, 1st November, 2023, and 6th February, 2024 respectively. The maximum interval between any two Board Meetings was within the maximum gap as permitted under the Act and the SEBI Listing Regulations.

D) Number of shares and convertible instruments held by the non-executive directors as on 31st March, 2024.

Name of Directors	Category	No. of Equity Shares held
Mrs. Richa Agarwal	Promoter, Non-executive	1,500

No other Non-executive Director holds any shares in the Company.

The Company has not issued any Convertible Instruments.

E) Independent Directors

All the Independent Directors have confirmed in their Annual Declaration to the Board that they have complied with all the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 and Regulations 16(1) (b) and 25(8) of SEBI Listing Regulations.

None of the Independent Directors are aware of any circumstances or situations which exist or may be reasonably anticipated, that could impair or impact their ability to discharge duties with an objective independent judgment and without any external influences.

In the opinion of the Board, the Independent Directors of the Company meet the criteria of the independence conditions specified in the Act and SEBI Listing Regulations and they are Independent of the Management. Further, in terms of Section 150 of the Act read with rules framed thereunder, the Independent Directors have confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs ('IICA').

During the year under review, none of the Independent Directors of the Company have resigned from their position.

F) Separate Meeting of Independent Directors

The Independent Directors of the Company met separately on 6th February, 2024, without the presence of Non-Independent Directors. All the Independent Directors were present at the meeting. Following matters were, *inter alia*, reviewed and discussed in the meeting:

- Performance of Non-Independent Directors and the Board of Directors as a whole.
- Performance of the Chairman of the Company after taking into account the views of Executive and Non-executive Directors.
- Assessment of the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

G) Familiarisation program for Independent Directors

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

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

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

Board where Directors get an opportunity to interact with Senior Management.

Senior management personnel of the Company makes presentations to the Board Members periodically, briefing them on the operations of the Company, plans, strategy, risks involved, new initiatives, etc., and seek their opinions and suggestions on the same.

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

The details of the Familiarization Programme are available on the website: <https://www.emamipaper.com/downloads/fdirector.pdf>

H) Skills / Expertise / Competence of the Board of Directors

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

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

Name of the Director	Key Board Skills/Expertise/Competencies
Mr. Aditya V. Agarwal	A well-known Industrialist having rich and varied experience of 26 years in Marketing, Corporate Planning, Business Development, Strategy Formulation, and overall management.
Mr. Manish Goenka	A well-known Industrialist with extensive business experience of 24 years in the areas of Finance, Accounting, Corporate Planning, Business Development, Strategy Formulation, and overall management.
Mrs. Richa Agarwal	Extensive experience in the area of Social Welfare, Corporate Social Responsibility (CSR) Initiatives, Women Empowerment and overall Business Management.
Mr. H. M. Marda	A Chartered Accountant and Industrialist with extensive business experience over 3 decades in the areas of Accounting, Corporate Planning, Strategy Formulation, and overall management.
Mr. S. Balasubramanian	He is a former Chairman of the Company Law Board and has rich and varied experience in the field of Corporate Law. He is a well-known personality for his valuable contribution to the Corporate world. He was also a former member of the Indian Postal Service and has senior-level experience in the public sector.
Mr. J. K. Khetawat	An Industrialist with extensive business experience in the areas of Real Estate Development, Corporate Planning, Logistics, Strategy Formulation and overall management.

Name of the Director	Key Board Skills/Expertise/Competencies
Mr. Amit Kiran Deb	He holds a Master's Degree in Political Science from Allahabad University. He joined the Indian Administrative Service (IAS) in 1971 and was assigned to the West Bengal cadre. Thereafter he served the Governments of West Bengal and Tripura as well as the Union Government in various capacities. He served as Home Secretary and then Chief Secretary to the Government of West Bengal before his retirement.
Mr. Sumit Banerjee	He is a Mechanical Engineering graduate from IIT, Kharagpur, and has completed his MEP from IIM Ahmedabad. He has been the Vice-Chairman of Reliance Cement, and CEO at Reliance Infrastructure Ltd. He held the position of MD and CEO at ACC Limited. He is a seasoned business leader with a formidable background in manufacturing and infrastructure.
Mrs. Mamta Binani	She is an Advocate and a Fellow Member of ICSI. She is an Insolvency Professional registered with the Insolvency & Bankruptcy Board of India. She has over 27 years of experience in corporate consultation, corporate governance & advisory.
Mr. P. S. Patwari	A Chartered Accountant having extensive experience of 44 years in the areas of Finance, Accounting, Corporate Planning, Business Development, Strategy Formulations and overall management.
Mr. Vivek Chawla	An industry veteran with over four decades of experience across commercial multi-facets of organization's performance ranging from operations to management, sales, and marketing to strategy and governance and logistics. His professional skillset includes results-driven leadership, commercial relationship building, market access, strategic revenue growth, commercial acumen, contract negotiations, team management and performance optimization.
Mr. Ranjit Kumar Pachnanda	An Ex- IPS Officer and served in the senior most posts in Government, be it as Chairman of Constitutional and Statutory Commissions or as Director General/ Commissioner of Police heading several police forces in the country and have, invaluable experience in management, administration and law.
Mr. Niraj Jalan	He is a commerce graduate having rich and varied experience of over 29 years in the industry across functions such as management, operations, manufacturing, strategy sales & marketing, projects and commercial and having a wealth of expertise in the Manufacturing sector and export business.

3) COMMITTEES OF THE BOARD

A. Audit Committee

The brief terms of reference of the Audit Committee is in line with Regulation 18 of SEBI Listing Regulations and Section 177 of the Companies Act, 2013, *inter-alia*, includes:

1. Oversight of the Company's financial reporting process and the disclosure of financial information to ensure the financial statement is correct, sufficient, and credible;
2. Recommendation for appointment, remuneration, and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements, and auditor's report thereon before

submission to the board for approval, with particular reference to:

- i. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section(3) of Section 134 of the Companies Act, 2013;
- ii. changes, if any, in accounting policies and practices and reasons for the same;
- iii. major accounting entries involving estimates based on the exercise of judgment by the management;
- iv. significant adjustments made in the financial statements arising out of audit findings;
- v. compliance with listing and other legal requirements relating to financial statements;

- vi. disclosure of any related party transactions;
- vii. modified opinion(s) if any in the draft audit report;
- 5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- 6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the board to take up steps in this matter;
- 7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of the audit process;
- 8. Approval or any subsequent modification of transactions of the listed entity with Related Parties;
- 9. Scrutiny of inter-corporate loans and investments;
- 10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- 11. Evaluation of internal financial controls and risk management systems;
- 12. Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 13. Reviewing the adequacy of the internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- 14. Discussion with internal auditors of any significant findings and follow up thereon;
- 15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of material nature and reporting the matter to the Board;
- 16. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- 17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- 18. To review the functioning of the whistle blower mechanism;
- 19. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience, and background, etc. of the candidate;
- 20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- 21. As per Regulation 9(A)(4) of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Audit Committee shall also review compliance of the provisions of the Regulations at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.
- 22. To mandatorily review the following information pursuant to Part C item B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:
 - i. Management Discussion and Analysis of financial condition and results of operations;
 - ii. Management letters/letters of internal control weaknesses issued by the statutory auditors;
 - iii. Internal Audit Reports relating to internal control weaknesses; and
 - iv. The appointment, removal, and terms of remuneration of the Chief internal auditor shall be subject to review by the audit committee.
 - v. Statement of deviations:
 - a) Quarterly statement of deviation(s) including a report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - b) Annual Statement of funds utilised for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7).

Composition, Meeting and Attendance of the Audit Committee

The composition of the Audit Committee is in accordance with the requirement of Regulation 18 of SEBI Listing Regulations and Section 177 of the Companies Act, 2013.

The composition of the Committee and the meeting attended by its members during FY 2023-24 are given below:

Name of the Member	Category	Audit Committee Meetings	
		Held	Attended
Mr. H. M. Marda (Chairman)	Independent Director	4	4
Mr. S. Balasubramanian	Independent Director	4	4
Mr. J. K. Khetawat	Independent Director	4	4
Mr. Amit Kiran Deb	Independent Director	4	4
Mr. Sumit Banerjee	Independent Director	4	4

Mr. Debendra Banthiya, Company Secretary, acts as the Secretary to the Committee.

During the year under review, 4 (four) meetings of the Audit Committee were held i.e. on 26th May 2023, 9th August 2023, 1st November, 2023, and 6th February 2024 respectively.

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

In compliance with Regulation 18(1)(d) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Mr. H. M. Marda, Chairman of the Audit Committee, was present at the 41st Annual General Meeting of the Company held on 12th September, 2023.

Re-constitution of the Audit Committee w.e.f 1st April, 2024

Mr. H. M. Marda, Mr. S. Balasubramanian, and Mr. J. K. Khetawat ceased to be Chairman/Member of the Committee upon completion of their second term as Independent Director on 31st March, 2024.

The Audit Committee was reconstituted by the Board of Directors and w.e.f. 1st April, 2024, consists of the following Members as under:

Name of the Member	Category	Designation
Mr. Amit Kiran Deb	Independent Director	Chairman
Mr. Sumit Banerjee	Independent Director	Member
Mr. Ranjit Kumar Pachnanda	Independent Director	Member
Mr. Niraj Jalan	Independent Director	Member
Mr. P S Patwari	Non-Executive Director	Member

B) Nomination & Remuneration Committee

The brief terms of reference of the Nomination & Remuneration Committee (NRC), *inter-alia*, includes:

- 1) Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
- 2) Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees;
- 3) For every appointment of an Independent Director, evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director.
- 4) Formulation of the criteria for evaluation of Performance of Independent Directors and Board of Directors;
- 5) Devising a policy on diversity of the Board of Directors;
- 6) Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- 7) Recommend to the Board, all remuneration, in whatever form payable to Senior Management.

Composition, Meeting and Attendance of the NRC

The composition of the NRC is in accordance with the requirement of Regulation 19 of SEBI Listing Regulations and Section 178 of the Companies Act, 2013.

The composition of the Committee and the meeting attended by its members during FY 2023-24 are given below:

Name of the Member	Category	NRC Meetings	
		Held	Attended
Mr. S. Balasubramanian (Chairman)	Independent Director	3	3
Mr. H. M. Marda	Independent Director	3	3
Mr. J. K. Khetawat	Independent Director	3	3
Mr. Amit Kiran Deb	Independent Director	3	3

Mr. Debendra Banthiya, Company Secretary, acts as the Secretary to the Committee.

During the year under review, 3(three) meetings of the Nomination and Remuneration Committee were held i.e. on 26th May 2023, 9th August 2023, and 6th February 2024 respectively.

In compliance with Regulation 19(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Mr. S. Balasubramanian, Chairman of the Nomination & Remuneration Committee, was present at the 41st Annual General Meeting of the Company held on 12th September, 2023.

Re-constitution of the NRC w.e.f.1st April, 2024

Mr. H.M. Marda, Mr. S. Balasubramanian, and Mr. J.K. Khetawat ceased to be Chairman/Member of the Committee upon completion of their second term as Independent Director on 31st March, 2024.

The NRC was reconstituted by the Board of Directors and w.e.f. 1st April,2024, consists of the following Members as under:

Name of the Member	Category	Designation
Mr. Amit Kiran Deb	Independent Director	Chairman
Mr. Sumit Banerjee	Independent Director	Member
Mr. Ranjit Kumar Pachnanda	Independent Director	Member
Mr. Niraj Jalan	Independent Director	Member

Performance evaluation criteria for independent directors

The criteria for performance evaluation of the Independent Directors, *inter-alia*, includes:

Sl. No.	Evaluation Criteria
I.	a. Knowledge and Competency: How the person fares across different competencies as identified for the effective functioning of the entity and the Board b. Whether the person has sufficient understanding and knowledge of the entity and the sector in which it operates
II.	Fulfillment of Functions: Whether the person understands and fulfills the functions as assigned to him/her by the Board and the law
III.	Ability to function as a team: Whether the person is able to function as an effective team- member
IV.	Initiative: Whether the person actively takes initiative with respect to various areas

Sl. No.	Evaluation Criteria
V.	Availability and attendance: Whether the person is available for meetings of the Board and attends the meeting regularly and timely, without delay
VI.	Commitment: Whether the person is adequately committed to the Board and the entity
VII.	Contribution: Whether the person contributed effectively to the entity and in the Board meetings
VIII.	Integrity: Whether the person demonstrates the highest level of integrity (including conflict of interest disclosures, maintenance of confidentiality, etc.)
IX.	Independence: Whether the person is independent of the Company and other directors and there is no conflict of Interest.
X.	Independent views and judgment: Whether the person exercises his/her own judgement and voices opinion freely

Policy for selection and appointment of directors and their remuneration

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

- i. The objective is to have a Board with diverse background and experience in business, government, academics, technology and in areas that are relevant for the Company's operations.
- ii. In evaluating the suitability of individual Board members, the Committee takes into account many factors, including a general understanding of the Company's business dynamics, global business and social perspective, educational and professional background and personal achievements.
- iii. Director should possess the highest personal and professional ethics, integrity and values. They should be able to balance the legitimate interest and concerns of all the Company's stakeholders in arriving at decisions.
- iv. In addition, Directors must be willing to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

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

The detailed policy is available at the website of the Company at https://www.emamipaper.com/downloads/epml_nrc_policy.pdf

Performance evaluation of the board, its committees, and individual directors

In terms of the provisions of Section 134(3)(p) of the Companies Act, 2013 and Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board at their meeting held on 28th May 2024, had carried out an annual performance evaluation of its own performance, individual Directors including the Chairman, as well as the evaluation of the working of its Board Committees.

Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Directors being evaluated.

The criteria for evaluation are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India.

REMUNERATION OF DIRECTORS

Remuneration to Non-Executive Directors

The remuneration of Mr. P. S. Patwari, Non-executive Non-Independent Director was recommended by the NRC and subsequently approved by the Board of Directors and thereafter by the Shareholders of the Company through Postal Ballot on 15th April, 2023. Further, the Shareholders of the Company at the 41st Annual General Meeting held on 12th September, 2023, pursuant to the provisions of Regulation 17(6)(ca) of the SEBI Listing Regulations, accorded their approval for payment of remuneration to Mr. P. S. Patwari for the Financial Year 2023-24, being an amount exceeding fifty percent of the total annual remuneration payable to all the Non-Executive Directors of the Company for the Financial Year 2023-24.

During the year under review, he was paid remuneration of ₹ 1,00,00,000 (Rupees One crore only) per annum w.e.f. 1st April, 2023, by way of monthly payment. He is not entitled to sitting fees for attending the meeting of the Board and its Committees.

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

Details of sitting fees paid to Non-executive and Independent Directors for attending Board/ Committee Meetings during the Financial Year 2023-2024 are as given below:

Name of the Director	Total (in ₹)
Mrs. Richa Agarwal	1,80,000
Mr. S. Balasubramanian	3,20,000
Mr. H. M. Marda	4,40,000
Mr. J. K. Khetawat	3,60,000
Mr. Amit Kiran Deb	3,20,000
Mr. Sumit Banerjee	2,80,000
Mrs. Mamta Binani	2,00,000
Total	21,00,000

Additionally, the Non-Executive Directors are also reimbursed for expenses incurred in the performance of their official duties.

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

Remuneration to Executive Directors, Key Managerial Personnel (KMPs) & Senior Managerial Personnel (SMPs)

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

The remuneration determined for Executive Directors are approved by the Nomination and Remuneration Committee, Audit Committee, Board of Directors and shareholders at the General Meeting of the Company.

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

Payment of Commission/Incentive Remuneration to the Executive Directors

The shareholders of the Company at the 41st Annual General Meeting held on 12th September, 2023, have approved the revision in remuneration of Mr. Aditya V. Agarwal and Mr. Manish Goenka, Executive Directors of the Company. As per the revision in the remuneration, inter-alia, both Mr. Aditya V. Agarwal and Mr. Manish Goenka are eligible for Commission/Incentive Remuneration as applicable.

The Board of Directors at their Meeting held on 28th May, 2024, based on the recommendation of the Nomination & Remuneration Committee, have approved the payment of

Incentive Remuneration for the Financial Year 2023-24 to Mr. Aditya V. Agarwal and Mr. Manish Goenka, respectively.

Remuneration paid or payable to the Executive Directors for the financial year ended 31st March, 2024 are as given below:

(in ₹)

Sl. No.	Name of the Director	Salary (Fixed component)	Allowances & Other Benefits*	Bonus	Performance-linked Incentive (PLI)	Incentive Remuneration	Total	Service Contract	Notice Period
1.	Mr. Aditya V. Agarwal	1,80,00,000/-	21,60,000/-	-	-	1,80,00,000/-	3,81,60,000/-	3 years (w.e.f. 1 st November, 2021)	3 Months
2.	Mr. Manish Goenka	1,66,19,355/-	19,94,323/-	-	-	1,66,00,000/-	3,52,13,678/-	Approx 3(Three) years w.e.f 15 th July,2023	3 Months
3.	Mr. Vivek Chawla	2,31,12,000/-	3,05,43,240/-	10,080/-	1,50,48,000/-	-	6,87,13,320/-	3 Years (w.e.f. 2 nd December, 2023)	3 Months

*Other Benefits includes Retiral Benefits like LTA, Medical Reimbursement, HRA, Provident Fund, Cost of Accommodation including Rent, Maintenance and Electricity, etc.

Note:

- I. Severance Fees - No such fees paid to any of the Directors.
- II. None of the Directors have been issued any Stock Options of the Company.

C) Stakeholders Relationship Committee

The brief terms of reference of the Stakeholders Relationship Committee (SRC), *inter-alia*, includes:-

- i. Resolving the grievances of the security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of Annual Report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- ii. Review of measures taken for the effective exercise of voting rights by shareholders.
- iii. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- iv. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / Annual Reports/ statutory notices by the shareholders of the Company.

Composition, Meeting and Attendance of the SRC

The composition of the Stakeholders Relationship Committee meets the requirement of Regulation 20 (2)&(2A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013.

The composition of the Committee and the meeting attended by its members during FY 2023-24 are given below:

Name of the Member	Category	SRC Meetings	
		Held	Attended
Mr. H. M. Marda (Chairman)	Independent Director	3	3
Mr. Manish Goenka	Promoter, Executive Director	3	3
Mr. P. S. Patwari	Non-Executive Director	3	2
Mr. Vivek Chawla	Executive Director	3	3

Mr. Debendra Banthiya, Company Secretary, acts as the Secretary to the Committee and the Compliance Officer of the Company.

During the year under review, 3(three) meetings of the Stakeholders Relationship Committee was held i.e. on 13th October, 2023, 27th February, 2024 and 29th March, 2024.

In compliance with Regulation 20(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Mr. H. M. Marda, Chairman of the SRC, was present at the 41st AGM to answer the queries of the shareholders.

Shareholders Complaints received and redressed during the FY 2023-24:

During the Financial Year 2023-24, no Shareholders complaint was received. Further, there were no Shareholders complaints pending either at the beginning of the Financial Year as well as at the end of the Financial Year.

Re-constitution of the Stakeholders Relationship Committee w.e.f 1st April, 2024

Mr. H.M.Marda ceased to be the Chairman of the Committee upon completion of his second term as Independent Director on 31st March, 2024.

The SRC was reconstituted by the Board of Directors and w.e.f. 1st April,2024, consists of the following Members as under:

Name of the Member	Category	Designation
Mr. Niraj Jalan	Independent Director	Chairman
Mr. Amit Kiran Deb	Independent Director	Member
Mr. P S Patwari	Non-executive Director	Member
Mr. Vivek Chawla	Executive Director	Member

D) Corporate Social Responsibility (CSR) Committee

The terms of reference of CSR Committee, *inter-alia*, includes:-

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the CSR activities to be undertaken by the Company as specified in the Companies Act, 2013;
- Recommend the amount of expenditure to be incurred on CSR activities;
- Monitor the CSR Policy of the Company from time to time.

Composition, Meeting and Attendance of the CSR Committee

The composition of the CSR Committee is in accordance with the requirement of Section 135 of the Companies Act, 2013.

The composition of the Committee and the meeting attended by its members during FY 2023-24 are given below:

Name of the Member	Category	CSR Committee Meeting	
		Held	Attended
Mr. Aditya V. Agarwal (Chairman)	Promoter, Executive Director	1	1
Mr. Manish Goenka	Promoter, Executive Director	1	1

Name of the Member	Category	CSR Committee Meeting	
		Held	Attended
Mrs. Richa Agarwal	Non-Executive Director	1	1
Mr. H. M. Marda	Independent Director	1	1
Mr. Sumit Banerjee	Independent Director	1	1
Mrs. Mamta Binani	Independent Director	1	1
Mr. P.S. Patwari	Non-Executive Director	1	1
Mr. Vivek Chawla	Executive Director	1	1

Mr. Debendra Banthiya, Company Secretary, acts as the Secretary to the Committee.

During the year under review, one meeting of the CSR Committee was held i.e. on 26th May, 2023 which was attended by all the members.

Re-constitution of the Corporate Social Responsibility Committee w.e.f. 1st April,2024

Mr. H.M.Marda ceased to be a Member of the Committee upon completion of his second term as Independent Director on 31st March, 2024.

The CSR Committee was reconstituted by the Board of Directors and w.e.f. 1st April,2024, consists of the following Members as under:

Name of the Member	Category	Designation
Mr. P S Patwari	Non-Executive Director	Chairman
Mrs. Mamta Binani	Independent Director	Member
Mr. Sumit Banerjee	Independent Director	Member
Mr. Ranjit Kumar Pachnanda	Independent Director	Member
Mrs. Richa Agarwal	Non-Executive Director	Member
Mr. Vivek Chawla	Executive Director	Member

E) Finance Committee

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

Composition, Meeting and Attendance of the Finance Committee

The composition of the Committee during FY 2023-24 are given below:

Name of the Member	Category
Mr. H. M. Marda (Chairman)	Independent Director
Mr. Manish Goenka	Promoter, Executive Director
Mr. J.K.Khetawat	Independent Director
Mr. P.S.Patwari	Non-Executive Director
Mr. Vivek Chawla	Executive Director

Mr. Debendra Banthiya, Company Secretary, acts as the Secretary to the Committee.

During the year under review, no meeting of the Finance Committee was held.

Re-constitution of the Finance Committee w.e.f 1st April, 2024

Mr. H. M. Marda and Mr. J. K. Khetawat ceased to be Chairman/Member of the Committee upon completion of their second term as Independent Director on 31st March, 2024.

The Finance Committee was reconstituted by the Board of Directors and w.e.f. 1st April, 2024, consists of the following Members as under:

Name of the Member	Category	Designation
Mr. Niraj Jalan	Independent Director	Chairman
Mr. Manish Goenka	Promoter, Executive Director	Member
Mr. P.S Patwari	Non-Executive Director	Member
Mr. Vivek Chawla	Executive Director	Member

F) Risk Management Committee (RMC)

The brief terms of reference of the Risk Management Committee (RMC), *inter-alia*, includes:

- 1) To formulate a detailed risk management policy which shall include:
 - a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks) information, cyber security risks or any other risk as may be determined by the Committee.
 - b) Measures for risk mitigation including systems and processes for internal control of identified risks.

c) Business continuity plan.

- 2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- 3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- 4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- 5) To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- 6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

Composition, Meeting and Attendance of the RMC

The composition of the Risk Management Committee is in accordance with the Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The composition of the Committee and the meeting attended by its members during FY 2023-24 are given below:

Name of the Member	Category	RMC Meetings	
		Held	Attended
Mr. H. M. Marda (Chairman)	Independent Director	2	2
Mr. J. K. Khetawat	Independent Director	2	2
Mr. Vivek Chawla	Executive Director	2	2

Mr. Debendra Banthiya, Company Secretary, acts as the Secretary to the Committee.

During the year under review, 2(two) meetings of Risk Management Committee were held i.e. on 26th June, 2023 and 18th December, 2023 respectively.

Re-constitution of the Risk Management Committee w.e.f 1st April,2024

Mr. H. M. Marda and Mr. J. K. Khetawat ceased to be Chairman/Member of the Committee upon completion of their second term as Independent Director on 31st March, 2024.

The RMC was reconstituted by the Board of Directors and w.e.f. 1st April, 2024, consists of the following Members as under:

Name of the Member	Category	Designation
Mr. Amit Kiran Deb	Independent Director	Chairman
Mr. Niraj Jalan	Independent Director	Member
Mr. P S Patwari	Non-Executive Director	Member
Mr. Vivek Chawla	Executive Director	Member

G) Particulars of Senior Management Personnel including changes in them since the close of previous financial year:

Pursuant to Clause 5B of Schedule V of SEBI Listing Regulations, the particulars of Senior Management as on 31st March, 2024 are given below:

Sl. No	Name	Designation	As on 31 st March, 2024	As on 31 st March, 2023		
Key Managerial Personnel						
1	Mr. Aditya V. Agarwal	Executive Chairman	No Changes (Please refer note below)			
2	Mr. Manish Goenka	Vice Chairman				
3	Mr. Vivek Chawla	Whole-time Director & CEO				
4	Mr. Mukesh Kumar Agarwal	AVP – Finance (Interim CFO)				
5	Mr. Debendra Banthiya	Company Secretary & GM (Legal)				
Senior Management Personnel						
6	Mr. Ashish Gupta	Senior President				
7	Mr. Soumyajit Mukherjee [@]	Chief Marketing Officer				
8	Mr. Sachin Goenka	Vice President (Business Strategy & Procurement)				
9	Dr. Yusuf Solanki	GM (HR)				
10	Mr. Surajit Banerjee	AGM – Information Technology				
11	Mr. Partha Ray	DGM (Import & Insurance)				

Note: [@]Resigned from the closure of business hours on 30th September, 2023 and Re-joined w.e.f. 15th February, 2024.

4) GENERAL INFORMATION FOR SHAREHOLDERS

A) General Body Meeting

Location and time of the last three Annual General Meetings (AGM):

Financial Year	Venue	Date	Time
2020-21 39 th AGM	Through Video Conference(VC)/Other Audio Visual Means (OAVM) from Emami Towers, 687, Anandapur, E.M.Bypass, Kolkata-700107	Friday, 27 th August, 2021	11.00 a.m.
2021-22 40 th AGM		Friday, 19 th August, 2022	10.30 a.m.
2022-23 41 st AGM		Tuesday, 12 th September, 2023	11.00 a.m.

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

- | | |
|---|--|
| <p>i) At 39th AGM held on 27th August, 2021 for the year 2020-21</p> <ol style="list-style-type: none"> 1) Approval of re-appointment and remuneration of Mr. Aditya V. Agarwal (DIN: 00149717) as a Whole-time Director, designated as “Executive Chairman”, liable to retire by rotation. 2) Approval of appointment and payment of remuneration of Mr. Vivek Chawla (DIN: 02696336) as a Whole-time Director, liable | <p>to retire by rotation, designated as Whole-time Director & Chief Executive Officer (CEO)</p> <p>ii) At 40th AGM held on 19th August, 2022 for the year 2021-22, no special resolution was passed.</p> <p>iii) At 41st AGM held on 12th September, 2023 for the year 2022-23</p> <ol style="list-style-type: none"> 1) Approval of re-appointment of Mr. Manish Goenka (DIN: 00363093) as a Whole-time Director, liable to retire by rotation, and payment of remuneration. 2) Approval of revision in the terms of remuneration |
|---|--|

of Mr. Aditya V. Agarwal (DIN - 00149717), Executive Chairman of the Company.

- 3) Approval of re-appointment of Mr. Vivek Chawla (DIN:02696336) as a Whole-time Director, liable to retire by rotation, designated as Whole-time Director & Chief Executive Officer (CEO) and payment of remuneration.
- 4) Approval under Regulation 17(6)(ca) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for payment of remuneration to Mr. Pitamber Sharan Patwari (DIN:00363356) as Non-Executive Non-Independent Director of the Company for the financial year 2023-24.

C) Postal ballot

During the financial year and till the date of this report the following Special Resolutions were passed by way of Postal Ballot :-

1. Appointment of Mr. Ranjit Kumar Pachnanda (DIN- 03358887) as an Independent Director of the Company.

2. Appointment of Mr. Niraj Jalan (DIN- 00551970) as an Independent Director of the Company.

The Board of Directors of the Company appointed Mr. Raj Kumar Banthia (ACS- 17190/CP-18428), Partner of M/s MKB & Associates, Company Secretaries in Practice, Kolkata, as the Scrutinizer for conducting the postal ballot voting only through remote e-voting process in a fair and transparent manner. The Postal Ballot Notice dated 29th March, 2024 along with Explanatory Statement was sent to the Equity Shareholders of the Company on 10th April, 2024. The remote E-Voting commenced on Friday, 12th April, 2024 at 09:00 a.m. (IST), and ended at 05:00 p.m. (IST) on Saturday, 11th May, 2024. Based on Scrutinizers' Report, the results of Postal Ballot were declared on 13th May, 2024. The results were intimated to BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") and was also uploaded on the website of the Company and that of Central Depository Services (India) Limited ("CDSL"), at www.evotingindia.com remote e-voting Agency.

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

Item No. 1 as a Special Resolution: To approve appointment of Mr. Ranjit Kumar Pachnanda (DIN - 03358887) as an Independent Director of the Company for a term of five years from 1st April, 2024 to 31st March, 2029.

	Voting through e-voting		Voting through Postal Ballot Form		Consolidated Voting Results		
	No. of Members who voted	No. of votes cast	No. of Ballots	No. of votes cast	No. of Members who voted	No. of votes cast	% of total number of valid votes cast
Voted in favour of the resolution	112	47,226,713	NA	NA	112	47,226,713	99.9911
Voted against the resolution	12	4,203	NA	NA	12	4,203	0.0089
Total	124	47,230,916	NA	NA	124	47,230,916	100

Item No. 2 as a Special Resolution: To approve appointment of Mr. Niraj Jalan (DIN - 00551970), as an Independent Director of the Company for a term of five years from 1st April, 2024 to 31st March, 2029.

	Voting through e-voting		Voting through Postal Ballot Form		Consolidated Voting Results		
	No. of Members who voted	No. of votes cast	No. of Ballots	No. of votes cast	No. of Members who voted	No. of votes cast	% of total number of valid votes cast
Voted in favour of the resolution	114	47,226,788	NA	NA	114	47,226,788	99.9913
Voted against the resolution	10	4,128	NA	NA	10	4,128	0.0087
Total	124	47,230,916	NA	NA	124	47,230,916	100

The aforesaid resolutions were passed by the Shareholders by requisite majority.

D) No Special Resolution is proposed to be conducted through Postal Ballot at the ensuing AGM.

E) The Postal Ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act read with Rules made thereunder and General Circular nos. 14/2020 dated April, 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 8, 2021, 3/2022 dated May 5, 2022, 11/2022 dated December 28, 2022 and 09/2023 dated September 25, 2023, respectively issued by the Ministry of Corporate Affairs.

F) MEANS OF COMMUNICATIONS

i) Quarterly results:

The quarterly/half-yearly/annual financial results along with audit/limited review report is filed with the Stock Exchanges immediately after the approval of the Board. The results are also published in accordance with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in widely circulated newspapers normally in Business Standard (English Daily in All India Editions) and Aajkaal (Bengali Regional Daily), within 48 hours from the conclusion of the meeting.

The Financial Results of the Company are also hosted on the Company's website: www.emamipaper.com

ii) The Company regularly intimates to the Stock Exchanges all price sensitive and other relevant information which are material and relevant to the shareholder.

iii) Presentations made to institutional investors or to the analysts: No Presentations were made during the FY 2023-24.

G) 42nd Annual General Meeting 2024:

Date:	Wednesday, 28 th August, 2024
Time:	11:30 a.m.
Venue/Mode:	Through Video Conferencing (VC)/Other Audio Visual Means (OAVM)

H) Financial year

- Financial Year: April to March
- First Quarter Results: 2nd week of August (Tentatively)
- Half Yearly Results: 2nd week of November (Tentatively)
- Third Quarter Results: 2nd week of February (Tentatively)
- Results for the year ending 31st March: by May (Tentatively)

I) Dividend

Your Director's are pleased to recommend dividend of ₹ 8/- (i.e. 8 %) per preference share of face value of ₹ 100/- each and ₹ 1.60/- (i.e.80%) per equity share of face value of ₹ 2/- each for the financial year ended 31st March, 2024.

The Company has fixed Wednesday, 21st August, 2024 as the 'Record Date' for determining entitlement of shareholders to receive dividend for the financial year ended 31st March, 2024, subject to the approval of the shareholders at the ensuing AGM.

The dividend, if approved, by the shareholders at the ensuing AGM, will be paid within 30 days from the date of AGM.

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

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

- **National Stock Exchange of India Ltd.,**
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (E) Mumbai - 400061
Stock Code- EMAMIPAP
- **BSE Limited**
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400001
Stock Code- 533208

The ISIN Number of Company's equity shares is INE830C01026.

The Annual Listing Fees has been paid to the respective stock exchanges.

● Market Price Data:

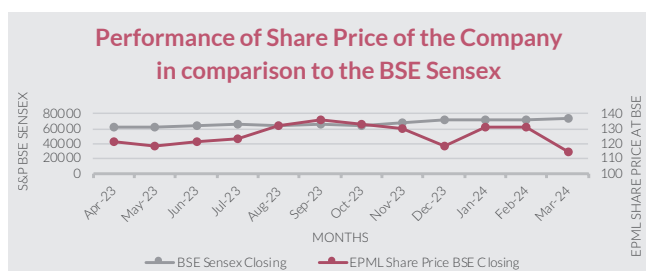
The share price movement during the FY 2023-24 at BSE and NSE:

Market Price movement on BSE:

Month	High Price	Low Price
Apr-23	125.25	112.75
May-23	133.95	117.15
Jun-23	125.70	115.00
Jul-23	130.00	116.75
Aug-23	136.00	121.10
Sep-23	149.50	131.40
Oct-23	143.75	122.70
Nov-23	137.85	112.00
Dec-23	136.80	117.00
Jan-24	134.65	118.45
Feb-24	148.90	123.65
Mar-24	134.00	110.70

Market Price movement on NSE:

Month	High Price	Low Price
Apr-23	124.50	110.40
May-23	133.60	116.35
Jun-23	125.80	117.80
Jul-23	129.80	116.25
Aug-23	136.85	120.90
Sep-23	150.00	131.05
Oct-23	142.95	123.30
Nov-23	137.00	126.55
Dec-23	136.90	118.00
Jan-24	135.00	118.00
Feb-24	149.50	123.55
Mar-24	134.60	110.00



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

• Registrars & Transfer Agents:

Maheshwari Datamatics Pvt. Ltd.

23, R. N. Mukherjee Road, 5th Floor Kolkata - 700001

Phone: 033-2243-5029/2248-2248

Fax: 033-22484787 Email: mdpldc@yahoo.com

• Shareholding details as on 31st March, 2024:

i) Shareholding Pattern :

Category	Number of shares held	% of Shareholding
A. Promoters' and Promoters' Group	4,53,58,286	74.97
B. Mutual Funds and UTI	18,22,931	3.01
C. Foreign Portfolio Investors	3,00,231	0.50
D. Bodies Corporate	72,90,499	12.05
E. Resident Individuals, H.U.F	55,48,774	9.17
F. NRI / OCBs	40,954	0.07
G. Other Member	2,233	0.01
H. Others(Investors Education & Protection Fund)	1,35,142	0.22
Total	6,04,99,050	100.00

ii) Distribution of Shareholding:

Share Holding	No of Holders	No of Shares	Percentage
Upto 50	7,476	1,33,466	0.2206
51 to 100	2,441	2,14,006	0.3537
101 to 150	792	1,03,641	0.1713
151 to 250	1,211	2,48,059	0.4100
251 to 500	1,170	4,56,562	0.7547
501 to 5000	1,151	15,98,804	2.6427
Above 5000	168	5,77,44,512	95.4470
Grand Total	14,409	6,04,99,050	100.0000

• Share Transfer System:

Pursuant to Regulation 40(1) of SEBI LODR, as amended from time to time, transfer, transmission and transposition of securities shall be effected only in dematerialised form. Further, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated all listed companies to issue securities in dematerialised form only, while processing the service request of issue of duplicate share certificate, claim from Unclaimed Suspense Account, renewal/exchange of share certificate, endorsement, sub-division/splitting of share certificate, consolidation of share certificates/ folios, transmission and transposition. After processing the service request, a letter of confirmation will be issued to the Shareholders and shall be valid for a period of 120 days, within which the Shareholder shall make a request to the Depository Participant for dematerialising those shares. If the Shareholders fail to submit the dematerialisation request within 120 days, then the Company shall credit those shares in the Suspense Escrow Demat account held by the Company. Shareholders can claim these shares transferred to Suspense Escrow Demat account on submission of necessary documentation.

The Board level Stakeholders Relationship Committee examines and redresses investors grievances. The status of investor grievances and share transfers are reported to the Board on quarterly basis.

• **Dematerialization of Shares**

99.63% of the Company's Paid-up Equity Share Capital is held in dematerialised form, out of which 90.06% are held with National Securities Depository Limited (NSDL) and 9.57% are held with Central Depository Services (India) Limited (CDSL) as on 31st March, 2024.

K) Outstanding GDR/ADR/Warrants or any convertible instruments, conversion date and likely impact on equity.

The Company has not issued any of the aforesaid instruments.

L) The Commodity Price Risk or Foreign Exchange Risk and Hedging Activities are regularly monitored and reviewed by the Management.

M) Plant Location:

Vill – Balgopalpur, Balasore - 756 020, Odisha

N) Address for correspondence:

Company Secretary
EMAMI PAPER MILLS LIMITED
687, Anandapur, 1st Floor, E.M. Bypass
Kolkata-700 107.
Phone No. : (033) 6613 6264
Email: investor.relations@emamipaper.com
Website: www.emamipaper.com

O) Credit Rating for Debt Instruments whether in India or abroad.

The Company has not issued any Debt Instrument whether in India or Abroad hence requirement of Credit rating is not applicable.

The Credit Rating for Bank Facilities availed by the Company have been disclosed in the Board's Report.

5) OTHER DISCLOSURES

i) Related Party Transactions:

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

The Company had adopted a Related Party Transaction Policy which is available on the website of the Company at https://www.emamipaper.com/downloads/rpt_policy_2022.pdf

For disclosures of related party relationship and transactions as per Ind AS-24, "Related Party Disclosure", Note 2.45 to the Annual Audited Financial Statements of the Company for the FY ended 31st March 2024 may be referred to.

ii) Compliances by the Company

During the financial year 2020-21, the Company had received Notices from both the Stock Exchanges i.e National Stock Exchange of India Ltd (NSE) and BSE Limited (BSE) alleging the Company for Non-compliance of Regulation 17 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 relating to appointment of one Independent Woman Director in the Board of Directors of the top 1,000 Listed Companies by 1st April, 2020 and proposed fine for the alleged Non-Compliance. The matter was placed before Meetings of the Board of Directors held on 13th August, 2020 and 29th October, 2020 and as per the direction of the Board, the Company submitted its clarification against the Notices issued by both NSE and BSE with an intimation of appointment of Mrs. Mamta Binani as an Independent Woman Director (Non-executive) in the meeting of the Board of Directors of the Company held on 13th August, 2020.

The Company submitted its' application for waiver of fine imposed by NSE and BSE, as the Non-compliance caused, inter-alia, due to Pandemic COVID-19. The Empowered Committee of NSE took personal hearing on the matter on 11th November, 2020. The decision of the relevant Committee of the NSE was unfavorable. Accordingly, Company has paid a fine of ₹7,90,600/-, under protest levied by NSE and has applied to NSE for review. The NSE through their letter dated 13th September, 2023 informed the Company that the application for the waiver of the fine was placed before the relevant authority of the Exchange and the request for the waiver of the fine was considered favorable. Subsequently, NSE has refunded the fine paid in this regard and the matter has been closed in favor of the Company.

Earlier, BSE vide their email dated 5th July, 2021 have accepted the Company's bona-fide request for waiver of fine and approved the waiver.

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

iii) Vigil Mechanism and Whistle Blower Policy:

Pursuant to Section 177 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has adopted Vigil mechanism in the form of whistle blower policy which is available at the website of the Company at https://www.emamipaper.com/downloads/epml_vigil_mechanism_policy.pdf

The Objectives and Scope of the Policy are as follows:

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

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

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

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

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

The final decision would be taken by the Chairman of the Audit Committee in consultation with the Management.

This Policy would help to draw the Company's attention to unethical, inappropriate or incompetent conduct which has or may have detrimental effects either for the organization or for those affected by its functions.

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

iv) Dividend Distribution Policy:

The policy is and also available on the website of the Company at weblink https://www.emamipaper.com/downloads/dividend_policy.pdf

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

The Company does not have any subsidiary Company and hence the said requirement is not applicable to the Company.

vi) The Commodity Price Risk and Commodity hedging

activities are regularly monitored and reviewed by the Management.

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

The Company has not raised any funds through Preferential Allotment or Qualified Institutional Placement during the Financial Year ended 31st March, 2024.

viii) Certificate from Company Secretary in Practice:

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

ix) Disclosure of Non-Acceptance of the Recommendation of any Committee of the Board:

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

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

Given below are the details of fees paid to Statutory Auditors of the Company M/s. S K Agrawal and Co. Chartered Accountants LLP, Chartered Accountants during the Financial Year ended 31st March, 2024:

		(₹ in lakh)
Sl. No.	Particulars of Fees	Amount
1.	Statutory Audit Fees	18.00
2.	Tax Audit Fees	3.00
3.	Certification Fees & Other Services	3.00
Total:		24.00

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

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

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

The details of complaints are given under:-

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

xii) The Company has complied with the requirements of Corporate Governance Report as prescribed under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

to discretionary requirements, the Company has adopted clauses relating to the following:

- i. Board: The Company has an Executive Chairperson.
- ii. Shareholders' Rights – Half yearly results
As the Company's quarterly, half yearly and yearly results are published in one English national newspaper having circulation all over India and in regional newspaper (Bengali) having circulation in Kolkata, the same are not sent separately to the shareholders, but hosted on the website of the Company.
- iii. Audit Qualification
There are no qualifications contained in the audit report.
- iv. The Chairman and the CEO of the Company are not related as per the definition of term 'relative' defined under Companies Act, 2013.
The positions of the Chairperson and the CEO are separate.
- v. Reporting of Internal Auditor: The Internal Auditors report directly to the Audit Committee of the Company.

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

Regulation	Particulars of Regulation	Compliance Status
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	Yes
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to a subsidiary of the listed entity	NA
25	Obligations with respect to Independent Directors	Yes
26	Obligations with respect to employees including senior management, key managerial personnel, directors and promoters.	Yes
27	Other Corporate Governance requirements as specified in Part E of Schedule- II of Regulation 27(1) & 27(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	Yes
46	Website	Yes

xv) Disclosure of certain types of agreements binding listed entities

There are no agreements that require disclosure under clause 5A of paragraph A of Part A of Schedule III of the SEBI Listing Regulations.

xvi) Code of Conduct of Board of Directors and Senior Management

As per the requirement of Regulation 17(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Board has adopted the revised Code

of Conduct of Board of Directors and Senior Management in its meeting held on 5th February, 2019.

Pursuant to Regulation 34(3) read with Clause D of Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, a Certificate is annexed to this Report signed by the Whole-time Director & CEO, certifying that all Members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management.

xvii) Code of Conduct for Prevention of Insider Trading

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

Web link of Code of Conduct at the website of the Company at <https://www.emamipaper.com/downloads/revised-code-of-conduct-sebi-lodr.pdf>

xviii) CEO/CFO Certification

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

xix) Disclosure with respect to the unclaimed dividends

The unclaimed dividend for the year prior to and including the financial year, 2015-16 have been transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.

Shareholders who have not encashed their dividend warrants to the financial year(s) up to and including 2015-16 may claim such dividend from the IEPF Authority by applying in the prescribed Form No. IEPF-5. This Form may be downloaded from the website of the IEPF Authority.

The dividend for the year 2016-17, if remaining unclaimed for 7 years, will be statutorily transferred by the Company to Investor Education and Protection Fund (IEPF).

Attention is drawn that the unclaimed dividend for the financial year 2016-17 is due for transfer to IEPF on 20th September, 2024. Once the unclaimed dividend is transferred to IEPF, no claim shall lie in respect thereof on the Company. Details of Unclaimed Dividend is available on the Company's website at www.emamipaper.com.

xx) Transfer of unclaimed shares to the Investor Protection Fund (IEPF) account as per Section 124(6) of Companies Act, 2013:

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

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

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

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

As on 31st March, 2024,

- 1,35,142 equity shares of the Company are lying in the IEPF Account of Central Government maintained with National Securities Depository Limited (NSDL) and
- total amount of ₹ 8,61,296.30 transferred to the IEPF as Unclaimed Dividend.

xxi) Disclosures with respect to demat suspense account/ unclaimed suspense account:

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

xxii) Policy for preservation of records/ documents of the company:

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

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

The policy is available at the website of the Company i.e. <https://www.emamipaper.com/downloads/policyrecords.pdf>

xxiii) Code for prevention of insider- trading practices and fair disclosures:

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

Further, the Audit Committee and the Board of Directors at their respective meetings held on 5th February, 2019 have reviewed and approved the Revised Code including the Policy for Prevention of Insider Trading in securities of the Company as well as Code for Corporate Fair Disclosure Practices, considering certain amendments issued by SEBI vide its Notification No. SEBI/LAD-NRO/GN/2018/59 dated 31st December, 2018.

This Revised Code for Prevention of Insider Trading in Securities of the Company as well as Code for Corporate Fair Disclosure Practices are applicable to all the Directors/ Officers, Insiders, Designated Persons of the Company and is in effect from 1st April, 2019 onwards.

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

The Code of Corporate Fair Disclosures Practices is also displayed on the Website of the Company at <http://www.emamipaper.com>.

xxiv) Policy for determination of materiality of any events/ information:

The Company has adopted the Policy for Determination of Materiality of any Events/Information of the Company

and was approved by the Board of Directors in their meeting held on 29th November, 2015.

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

The policy is available at the website of the Company i.e. <https://www.emamipaper.com/downloads/policyinformation.pdf>

xxv) Policy for archiving of documents which are hosted on the website of the company:

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

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

The Policy is available at the website of the Company i.e. <https://www.emamipaper.com/downloads/policywebsite.pdf>

xxvi) The Company has not given any loans and advances in the nature of Loans to Firms/companies in which Directors are interested.

xxvii) In compliance with the provisions of the Companies Act, 2013 and SEBI Listing Regulations, the Company has taken a Directors & Officers Liability Insurance (D&O) Policy on behalf of all Directors including Independent Directors and Officers of the Company for such quantum and for such risks as determined by the Board of Directors.

Compliance Certificate on Corporate Governance:

The Company has obtained a compliance certificate on Corporate Governance from the Statutory Auditor, and the same is attached as an annexure to this report.

For and on behalf of the Board of Directors

Aditya V. Agarwal
Executive Chairman
DIN: 00149717

Place: Kolkata
Date: 28th May, 2024

COMPLIANCE CERTIFICATE

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

We, Vivek Chawla, Whole-time Director & CEO and Mukesh Kumar Agarwal, AVP-Finance (Interim CFO) certify that:

- A. We have reviewed financial statements and the cash flow statement for the year ended 31st March 2024 and to the best of our knowledge and information:
- 1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- B. We also certify that based on our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or proposed to be taken to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit Committee :
- 1) That there are no significant changes in the internal control over financial reporting during the year;
 - 2) There are no significant changes in the Accounting Policies during the year and financial statements; and
 - 3) There are no instances of significant fraud of which we have become aware.

For Emami Paper Mills Limited

For Emami Paper Mills Limited

Date: 28th May, 2024
Place: Kolkata

Vivek Chawla
Whole-time Director & CEO

Mukesh Kumar Agarwal
AVP-Finance (Interim CFO)

COMPLIANCE WITH CODE OF CONDUCT

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

This is to declare that as of 31st March, 2024, all Board Members and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct as laid down in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For Emami Paper Mills Limited

Date: 28th May, 2024
Place: Kolkata

Vivek Chawla
Whole-time Director & CEO

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

The Members of Emami Paper Mills Limited

1. The Corporate Governance Report prepared by Emami Paper Mills Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) and (t) of sub - regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended March 31, 2024, and the said Report will be submitted by the Company to the Stock Exchanges as part of the Annual Report.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include:

Management's Responsibility

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

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
- i. Read and understood the information prepared by the Company and included in its Corporate Governance Report;
- ii. Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;
- iii. Obtained and read the Register of Directors as on March 31, 2024 and verified that atleast one independent woman director was on the Board of Directors throughout the year;
- iv. Obtained and read the minutes of the following committee meetings / other meetings held from April 01, 2023 to March 31, 2024:
 - (a) Board of Directors;
 - (b) Audit Committee;
 - (c) Annual General Meeting (AGM);
 - (d) Nomination and Remuneration Committee;
 - (e) Stakeholders Relationship Committee;
 - (f) Risk Management Committee
- v. Obtained necessary declarations from the directors of the Company.
- vi. Obtained and read the policy adopted by the Company for related party transactions.

- vii. Obtained the schedule of related party transactions during the year and balances at the year-end.
 - viii. Obtained and read the minutes of the audit committee meeting wherein such related party transactions have been pre-approved by the audit committee.
 - ix. Performed necessary inquiries with the management and also obtained necessary specific representations from management.
8. The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

9. Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2024, referred to in paragraph 4 above.

Other matters and Restriction on Use

10. This report 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.

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

For S K Agrawal and Co Chartered Accountants LLP

Chartered Accountants

Firm Reg. No.: 306033E/E300272

Sandeep Agrawal

Partner

Place- Kolkata

Membership No: 058553

Dated- 28th May 2024

UDIN-24058553BKAEQB5775

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To
The Members,
Emami Paper Mills Limited
687, Anandapur, 1st Floor,
E M Bypass, Kolkata - 700107

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Emami Paper Mills Limited (CIN: L21019WB1981PLC034161) having its Registered office at 687, Anandapur, 1st Floor, E M Bypass, Kolkata - 700107 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications [including Directors Identification Number (DIN)] status at the portal www.mca.gov.in as considered necessary and explanations furnished to us by the Company and its officers, we certify that following are the Directors on the Board of the Company as on 31st March 2024:

Sl. No.	DIN	Name	Designation	Date of appointment
1	00149717	Aditya Vardhan Agarwal	Executive Chairman	23/10/2000
2	00363093	Manish Goenka	Vice Chairman, Whole-time Director	01/02/2000
3	01505726	Richa Agarwal	Non-Executive & Non-Independent Director	27/01/2015
4	00855466	Hari Mohan Marda*	Independent Director	27/01/2009
5	02849971	Sundaram Balasubramanian*	Independent Director	05/05/2010
6	00920819	Jugal Kishore Khetawat*	Independent Director	11/08/2011
7	02107792	Amit Kiran Deb	Independent Director	20/01/2022
8	00213826	Sumit Banerjee	Independent Director	20/01/2022
9	00462925	Mamta Binani	Independent Director	13/08/2020
10	00363356	Pitamber Sharan Patwari	Non-Executive & Non-Independent Director	28/11/1994
11	02696336	Vivek Chawla	Whole-time Director & CEO	02/12/2020

* Ceased to be Directors of the Company from the closure of business hours on 31st March 2024 upon completion of their second term as Independent Directors.

We further certify that none of the aforesaid Directors on the Board of the Company for the financial year ended on 31st March 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

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

For MKB & Associates

Company Secretaries

Firm Reg No: P2010WB042700

Manoj Kumar Banthia

Partner

Membership no. 11470

COP no. 7596

Peer Review Certificate No.:1663/2022

UDIN: A011470F000466861

Date: 28th May, 2024

Place: Kolkata

Annexure - F to the Board's Report

Business Responsibility & Sustainability Report (BRSR)

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1	Corporate Identity Number (CIN) of the Listed Entity	L21019WB1981PLC034161
2	Name of the Listed Entity	EMAMI PAPER MILLS LIMITED
3	Year of Incorporation	1981
4	Registered office address	687, Anandapur, 1 st Floor, E.M. Bypass, Kolkata - 700107
5	Corporate address	687, Anandapur, 1 st Floor, E.M. Bypass, Kolkata - 700107
6	E-mail	investor.relations@emamipaper.com
7	Telephone	033-6613-6264
8	Website	www.emamipaper.com
9	Financial year for which reporting is being done	2023-24
10	Name of the Stock Exchange(s) where shares are listed	<ul style="list-style-type: none"> The National Stock Exchange of India Limited (NSE) BSE Limited (BSE)
11	Paid-up Capital	<ul style="list-style-type: none"> Equity share capital - ₹ 12.10 crores Optionally Convertible Redeemable Preference Shares - ₹ 243.52 crores
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Vivek Chawla, Whole-time Director & CEO Contact No. - 033-6613-6264 Email : investor.relations@emamipaper.com
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
14	Name of assurance provider	Not Applicable
15	Type of assurance obtained	Not Applicable

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

Sl. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing of paper and paperboard including newsprint.	Paper and Paper Products	100.00%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sl. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Paper and paperboard including newsprint	1701	100.00%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	1	4	5
International	-	-	-

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	26
International (No. of Countries)	20

b. What is the contribution of exports as a percentage of the total turnover of the entity?

5.77%

c. A brief on types of customers

The company specializes in the production of newsprint, writing and printing paper, as well as Multilayer Coated Packaging Board. We serve Business-to-Business (B2B) customers. Our customer base consists of front-line printers/converters, renowned brands, end-use customers, Indian Media houses, as well as retail and institutional customers

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	694	677	97.55%	17	2.45%
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total employees (D + E)	694	677	97.55%	17	2.45%
WORKERS						
4.	Permanent (F)	396	396	100%	-	-
5.	Other than Permanent (G)	1,811	1,811	100%	-	-
6.	Total workers (F + G)	2,207	2,207	100%	-	-

b. Differently abled Employees and workers:

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	-	-	-	-	-
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total employees (D + E)	-	-	-	-	-
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	-	-	-	-	-
5.	Other than Permanent (G)	-	-	-	-	-
6.	Total workers (F + G)	-	-	-	-	-

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	11	2	18.18%
Key Management Personnel (including Whole-time Directors)	5	-	-

22. Turnover rate for permanent employees and workers
 (Disclose trends for the past 3 years)

	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	10%	-	10%	10.00%	-	10.00%	14.00%	-	14.00%
Permanent Workers	1.00%	-	1.00%	-	-	-	-	-	-

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. 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)
The Company does not have any subsidiary or Joint Venture or Associate Company				

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) - Yes

(ii) Turnover (in ₹) - ₹ 19,88,31,04,280

(iii) Net worth (in ₹) - ₹ 7,74,11,29,627

VII. Transparency and Disclosures Compliances

25. 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 - 2023 -24			FY - 2022-23		
		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, the Company has a structured process to understand and address the concerns of the communities. The CSR team interacts with the Community Leaders to understand their concerns.	NIL	NIL	NA	NIL	NIL	NA
Investors (other than shareholder)	Yes, the Company has engaged the services of a Registrar & Share Transfer Agent (RTA), who is registered with the SEBI as a Share Transfer Agent. The RTA has effective systems and processes in place to guarantee timely resolution of any investor grievances. Link : https://www.emamipaper.com/downloads/rta_website.pdf	NIL	NIL	NA	NIL	NIL	NA
Shareholders							

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 - 2023 -24			FY - 2022-23		
		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
Employees and workers	Yes, the Company has a Vigil Mechanism and Whistle Blower Policy. Link: https://www.emamipaper.com/downloads/epml_vigil_mechanism_policy.pdf	NIL	NIL	NA	NIL	NIL	NA
Customers/ Value Chain Partners	Yes, there is a structured process to continuously gather feedback and address the customers' concerns. The same is covered in contracts/ arrangements entered with dealers/ Agents of the Company. A dedicated team is in place to understand and resolve any product related query/grievance. Link : www.emamipaper.com	227	NIL	All complaints have been resolved for FY 2023-24.	359	NIL	All complaints have been resolved for FY 2022-23.

26. 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)
Please refer to, the " Management Discussion and Analysis" section and "Environment Management" section of the Board's Report for the Financial Year ended 31 st March,2024, which forms part of the Company's Annual Report.					

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section describes the structures, policies and processes aligned to nine principles of business responsibility. These briefly are as follows:

Principle 1	Business should conduct and govern themselves with Ethics, Transparency and Accountability
Principle 2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
Principle 3	Businesses should promote the wellbeing of all employees
Principle 4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
Principle 5	Businesses should respect and promote human rights
Principle 6	Business should respect, protect, and make efforts to restore the environment
Principle 7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
Principle 8	Businesses should support inclusive growth and equitable development
Principle 9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

Policy and management processes

Disclosure	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Questions									
Policy and management processes									
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
	All the statutory policies are approved by the Board of Directors upon recommendation of the Board Committees (as applicable). All other policies are approved by the Whole-time Director & CEO.								
c. Web link of Policy, if available -	www.emamipaper.com								
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.	1. ISO 45001:2018 - Occupational Health & Safety Management System 2. ISO 14001:2015 - Environment Management System 3. ISO 9001:2015 - Quality Management System 4. Great Place to Work Certified 5. Book Chain Project Certification 6. Forest Stewardship Council COC Certification 7. USFDA Certificate of Conformity 8. BIS Certification 9. 5 Star Rating on PREPS Data Base. (PREPS : Publishers Data Base for Responsible Environmental Paper Sourcing)								

Disclosure	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	At Emami Paper Mills Limited, we prioritises investments in Environment, Social and Governance (ESG) strengthening holistic business growth, quality, sustainability and respect. The details are given under each of the principles. The long term sustainability goals and targets have been identified and the action plan for achieving the same is reviewed periodically by the Senior Management Team. Please also refer, "Environment Management" Section of the Board's Report for the Financial year ended 31 st March, 2024, which forms part of the Company's Annual Report.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.									

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

At Emami Paper Mills Ltd., we progressively manufactures paper and paperboard using responsible alternatives, having made significant investments in low-carbon technologies. These investments have resulted in improved resource and energy efficiency. The Company has outlined risk mitigation policies that align with its long-term vision while promoting enhanced sustainability-driven prosperity. Moreover, the Company prioritizes reducing its environmental footprint, preserving the planet, and practicing moderated resource consumption. This commitment is demonstrated through proactive investments in modern technologies, practices, methodologies, and standards .

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Vivek Chawla, Whole-time Director & CEO,(DIN-02696336), under the guidance of the Board of Directors and various Committees is responsible for implementation and oversight of the Business Responsibility Policies. He reports to the Board and updates them on the business performance review and ESG updates.
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.	

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)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	All the statutory policies are reviewed periodically or a need basis by the concern Committees of the Board of Directors and recommended to the Board for its approval. All other policies are reviewed periodically or on a need basis by the senior management team and recommended to the Whole-time Director & CEO for approval. The Company complies with the regulations and principles as are applicable.																	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances																		

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	The Policies/Codes and its implementation are regularly evaluated/ assessed by the independent internal and Statutory Auditors of the Company.								

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)									
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)									

Not Applicable

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible

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 Key Managerial Personnel		During the year, the Board of Directors & KMP's of the Company dedicated significant time to staying informed and updated on various matters related to the business, regulations, environmental issues, social responsibility, and governance matters. These topics provided valuable insights that align with the Principles and Core Elements. The updates and discussions conducted by the Board of Directors & KMP's encompassed:	
		<p>1. Business Updates:</p> <ul style="list-style-type: none"> - Reviewing and analysing the company's financial performance, strategic initiatives, and market trends. - Assessing the impact of industry developments and technological advancements on the company's operations and competitiveness. <p>2. Regulatory Compliance:</p> <ul style="list-style-type: none"> - Monitoring changes in regulations and laws relevant to the company's industry. - Ensuring the company's activities and practices align with legal requirements and regulatory frameworks. <p>3. Environmental Considerations:</p> <ul style="list-style-type: none"> - Examining the company's environmental footprint and identifying opportunities for reducing environmental impact. - Reviewing sustainability practices, such as resource conservation, waste management, and energy efficiency. 	

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
	<p>4. Social Responsibility:</p> <ul style="list-style-type: none"> - Discussing initiatives related to corporate social responsibility, community engagement, and philanthropic endeavours. - Evaluating the company's social impact and exploring ways to contribute positively to society. <p>5. Governance Matters:</p> <ul style="list-style-type: none"> - Assessing the effectiveness of corporate governance practices and procedures. - Discussing board composition, independence, transparency, and accountability. <p>Through these discussions and updates, the Board of Directors aimed to enhance their understanding of the Principles and Core Elements, integrate them into the company's decisionmaking processes, and ensure alignment with social, environmental, and ethical responsibilities.</p> <p>The insights gained from these discussions and updates informed the Board's strategic direction, policies, and initiatives, further reinforcing the company's commitment to being socially, environmentally, and ethically responsible.</p>		
Employees other than BoD and KMPs	700	Safety, Behavioural & Functional	85.00%
Workers	228	Safety, Behavioural & Functional	81.00%

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	NIL				
Settlement					
Compounding fee					

Non-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)
Imprisonment	Not Applicable				
Punishment					

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 robust policies in place to deal with issues associated with ethics, bribery and corruption. The company has implemented Vigil Mechanism and Whistleblower Policy to effectively address these issues. the Policy can be accessed on the Company's website at https://www.emamipaper.com/downloads/epml_vigil_mechanism_policy.pdf

The Company has a, "Code of Conduct" on its website, the weblink of which is <https://www.emamipaper.com/downloads/revised-code-of-conduct-sebi-lodr.pdf>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

NIL

6. Details of complaints with regard to conflict of interest:

	FY 2023-24		FY 2022-23	
	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	Nil	NA	Nil	NA

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

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 2023-24	FY 2022-23
Number of days of accounts payables	29	33

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	42.93% (Pulp & Wastepaper)	37.36% (Pulp & Wastepaper)
	b. Number of trading houses where purchases are made from	54 (Pulp & Wastepaper)	86 (Pulp & Wastepaper)
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	79.15% (Pulp & Wastepaper)	63.48% (Pulp & Wastepaper)
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	72.65%	61.34%
	b. Number of dealers / distributors to whom sales are made	63	50
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	66.13%	68.80%

Parameter	Metrics	FY 2023-24	FY 2022-23
Share of RPTs in	a. Purchases(Purchases with related parties / Total Purchases)	NIL	NIL
	b. Sales (Sales to related parties / Total Sales)	NIL	NIL
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	NIL	NIL
	d. Investments (Investments in related parties / Total Investments made)	NIL	NIL

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 2023-24	FY 2022-23	Details of improvements in environmental and social impacts
R&D	7.72%	1.77%	Efficient equipment for testing and quality control improve environmental and social impact of products and processes.
Capex	32.31%	57.67%	Technological advancement in Product process, water management and waste management improve environmental and social impact of products and processes.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

b. If yes, what percentage of inputs were sourced sustainably?

Yes, the company is steadfast in its commitment to sustainability by sourcing its primary raw material from waste paper, thereby promoting environmental stewardship. It has implemented comprehensive procedures for sustainable sourcing, including the utilization of FSC-certified imported wood pulp to ensure the replenishment of forests and greenery affected by pulpwood use.

The company leverages abundant coal resources from Talcher and other proximate MCL collieries, ensuring a sustainable fuel supply with minimal transportation costs. Furthermore, the company actively advocates for local sourcing of inputs to mitigate Scope-3 GHG emissions, provided that the materials meet stringent quality standards. It places significant emphasis on selecting suppliers who exhibit a resolute dedication to the sustainable sourcing of resources.

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) (b) E-waste (c) Hazardous waste and (d) other waste.

The company has established comprehensive procedures for waste management at its plant site. It recognizes that waste generated during operations can serve as a valuable resource for various other activities. Consequently, the company has strategically shifted its focus towards maximizing the utilization of this potential resource by optimizing existing processes. This approach reinforces its commitment to minimizing the environmental impact of its business activities through effective waste reduction and reuse.

- Plastic rejects and oil contaminated cotton waste is being disposed to authorized cement plants for co-processing in lime kilns.
- E-waste is being disposed for recycling through CPCB/SPCB authorized agencies.
- Hazardous waste like Used oil is being disposed to authorized recyclers.
- All the ETP sludge is utilised as fuel with coal in the power boiler. All fly ash generated from the boiler is supplied to brick manufacturing plants.
- Other waste like imported waste paper is being utilized as raw material for Paper and Paperboard manufacturing.

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.

The company is registered under the Extended Producer Responsibility (EPR) program for Plastic Packaging (PP) in the “Importer” category, covering the import of plastic packaging, products with plastic packaging, carry bags, multi-layered packaging, or plastic sheets. The unit has obtained a registration certificate from the Central Pollution Control Board (CPCB) as an importer, as documented in the letter dated 11.03.2023, under the Plastic Waste Management Rules, 2016, as amended, for the disposal of plastic waste generated from the plastic packaging introduced by us into the market. It should be noted that EPR registration for E-Waste (Electric & Electronic) is not applicable to us.

The generation, collection, and disposal practices for plastic waste and e-waste at the mill adhere to the directives of the State Pollution Control Board, as stipulated in the CTO order dated 28.03.2023, which is valid up to 31.03.2026. These practices comply with the Plastic Waste Management Rules, 2016, and the E-Waste Management Rules, 2016. Specifically:

- Plastic waste is disposed of at authorized cement plants for incineration.
- E-Waste is channeled and disposed of for recycling through CPCB/SPCB authorized agencies.

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	677	677	100.00%	677	100.00%	NA	NA	-	-	-	-
Female	17	17	100.00%	17	100.00%	17	100.00%	NA	NA	17	100.00%
Total	694	694	100.00%	694	100.00%	17	100.00%	-	-	17	100.00%
Other than Permanent employees											
Male	NIL										
Female											
Total											

b. Details of measures for the well-being of workers:

Category	% of workers 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	396	396	100.00%	396	100.00%	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	396	396	100.00%	396	100.00%	-	-	-	-	-	-
Other than Permanent workers											
Male	1,811	1,811	100.00%	1,811	100.00%	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	1,811	1,811	100.00%	1,811	100.00%	-	-	-	-	-	-

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	FY 2023-24	FY 2022-23
Cost incurred on well- being measures as a % of total revenue of the company	0.68%	0.55%

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2023-24			FY 2022-23		
	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.)
Provident Fund	100.00%	100.00%	Y	100%	100%	Yes
Gratuity*	100.00%	100.00%	NA	100%	100%	NA
ESI	100.00%	100.00%	Y	100%	100%	Yes

*For the purpose of Gratuity the Company has obtained a Policy from the Life Insurance Corporation of India.

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.

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.

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	NIL			
Female				
Total				

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes, Works Committee, Sparsh Help desk (Grievance Portal)
Other than Permanent Workers	Yes, Sparsh Help desk (Grievance Portal)
Permanent Employees	Yes, Sparsh Help desk (Grievance Portal)
Other than Permanent Employees	Yes, Sparsh Help desk (Grievance Portal)

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2023-24			FY 2022-23		
	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	-	-	-	-	-	-
- Male	-	-	-	-	-	-
- Female	-	-	-	-	-	-
Total Permanent Workers	396	396	100.00%	421	421	100.00%
- Male	396	396	100.00%	421	421	100.00%
- Female	-	-	-	-	-	-

8. Details of training given to employees and workers:

Category	FY 2023-24					FY 2022-23				
	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	677	547	80.80%	586	86.56%	674	437	64.84%	972	144.21%
Female	17	12	70.59%	17	100.00%	16	11	68.75%	11	68.75%
Total	694	559	80.55%	603	86.89%	690	448	64.93%	983	142.46%
Workers										
Male	396	254	64.14%	325	82.07%	421	290	68.88%	170	40.38%
Female	-	-	-	-	-	-	-	-	-	-
Total	396	254	64.14%	325	82.07%	421	290	68.88%	170	40.38%

9. Details of performance and career development reviews of employees and worker:

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	677	548	80.95%	674	641	95.10%
Female	17	15	88.24%	16	16	100.00%
Total *	694	563	81.12%	690	657	95.22%
Workers						
Male	396	396	100%	421	421	100.00%
Female	-	-	-	-	-	-
Total	396	396	100%	421	421	100%

* Rest of the employees were not eligible for performance appraisal as per HR policy of the Company.

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 maintains a safe and healthy workplace culture by enforcing rules and procedures that ensure a secure and incident-free working environment. Additionally, the company has successfully implemented the ISO 45001:2018 Occupational Health & Safety Management System, emphasizing its commitment to prioritizing employee well-being and effectively managing occupational health and safety

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 implemented various effective methods such as safety audits, work permit system, risk assessments at different locations and periodic evaluations of the health and environmental status in strict compliance with statutory provisions. The company has also taken prompt remedial measures as recommended by experts ensuring the well-being of its employees and the environment.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Yes, the Company has established Standard Operating Procedures (SOP) and Standard Maintenance Procedures (SMP) for all its processes. The company has assigned the responsibility of ensuring the safety and health of workers under the influence to all sectional heads. In order to facilitate coordination between sectional and unit heads on matters related to safety, the Company has appointed safety officers as coordinators. These safety officers act as catalysts in safety-related issues.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	1	-
	Workers	1	12
Total recordable work-related injuries	Employees	1	-
	Workers	1	12
No. of fatalities	Employees	-	-
	Workers	-	-
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.

The Company's senior leadership at manufacturing unit actively engages in reviewing safety measures during the daily production meeting. Strict adherence to all necessary and statutory provisions is mandatory. Throughout the year, the Company organizes employee engagement, awareness, and participation programs on a mass level, with suitable rewards given to employees and teams on a monthly basis. Employees are equipped with online tools to report and halt any unsafe acts or conditions. Emphasis is placed on housekeeping, the use of personal protective equipment (PPE), risk assessment, and the implementation of work permits to ensure the safe execution of work. Regular cross-functional and third-party audits are conducted.

13. Number of Complaints on the following made by employees and workers:

Category	FY 2023-24			FY 2022-23		
	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	24	NIL	-	851	-	-
Health & Safety	46	NIL	-	89	-	-

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.

The company possesses an online reporting and tracking system, which is reviewed by the Senior leadership and Plant Safety Committee on a monthly basis.

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 key stakeholders of the Company includes Customers, Regulatory Authorities including Government, Employees, Vendors, Contractors, Bankers, Shareholders and local communities. At Emami Paper, the process of identifying key stakeholder groups involves an in-depth analysis of the Company's operations, legal and regulatory requirements, impact assessment and industry best practices.

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 & marginalised group (Yes/ No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Others)	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	Annual performance reviews, One-to-one meetings/ briefings, Team meetings	Continuous	HR Policies, Trainings, etc.
Shareholders	No	Annual General Meeting, Annual Reports, Stock Exchange website	Quarterly, Half Yearly, Annually as and when required	Financial Performance, Company's Strategies and growth prospect, etc.
Vendors	No	Contractual meetings, Tender quotations	Continuous	Quality, cost and long term business relationship, etc
Customers	No	Dealer's Meet, Company websites, Email, telephone	Continuous	To take customer feedback and resolve grievances, order placements, etc
Communities	Yes	Awareness Program, Corporate Social Responsibility, One-to-one meetings	Periodically	CSR & Community engagement, etc.
Government Authorities and Regulatory Bodies	No	Industry associations, Meetings	Periodically, as and when required	Statutory compliance, Policy advocacy, etc

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 2023-24			FY 2022-23		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	694	694	100%	690	690	100%
Other than permanent	-	-	-	-	-	-
Total Employees	694	694	100%	690	690	100%
Workers						
Permanent	396	396	100%	421	421	100%
Other than permanent	1,811	1,811	100%	-	-	-
Total Workers	2,207	2,207	100%	421	421	100%

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023-24					FY 2022-23				
	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	694	-	-	694	100%	690	-	-	690	100%
Male	677	-	-	677	100%	674	-	-	674	100%
Female	17	-	-	17	100%	16	-	-	16	100%
Other than Permanent	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Workers										
Permanent	396	-	-	396	100%	421	-	-	421	100%
Male	396	-	-	396	100%	421	-	-	421	100%
Female	-	-	-	-	-	-	-	-	-	-
Other than Permanent	1,811	342	18.88%	1,469	81.12%	1,838	347	18.88%	1,491	81.12%
Male	1,811	342	18.88%	1,469	81.12%	1,838	347	18.88%	1,491	81.12%
Female	-	-	-	-	-	-	-	-	-	-

3. Details of remuneration/salary/wages

a. Median remuneration / wages:

Category	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	3	2,10,30,000	-	-
Key Managerial Personnel	2	53,00,000	-	-
Employees other than BoD and KMP	672	4,50,000	17	4,70,000
Workers	396	3,40,000	-	-

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	1.25%	1.13%

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, to address any potential human rights impact or issues arising from the business operations, the company enables its employees and workers to approach the Works Committee, Safety Committee, and POSH Committee. These committees serve as avenues for employees and workers to voice their concerns and seek appropriate resolutions.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company actively promotes a positive and inclusive workplace culture that celebrates diversity and embraces the uniqueness of each employee. It firmly believes in the fundamental rights of all individuals and ensures that these rights are upheld throughout its operations. The Company addresses human rights issues through its Works Committee and Grievance Committee. These committees serve as mechanisms for addressing and resolving concerns related to human rights within the company.

6. Number of Complaints on the following made by employees and workers:

Category	FY 2023-24			FY 2022-23		
	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						
Discrimination at workplace						
Child Labour						
Forced Labour/ Involuntary Labour						
Wages						
Other human rights related issues						

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	-	-
Complaints on POSH as a % of female employees / workers	-	-
Complaints on POSH upheld	-	-

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company has implemented comprehensive policies including a robust vigil mechanism and whistle blower policy to address any concerns regarding discrimination and harassment cases. Furthermore, the Company ensures complete anonymity is maintained, and the matter is reviewed by the top management with due seriousness. These initiatives reflect the company's optimistic and proactive approach towards fostering a safe and inclusive work environment for all employees.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	The Company is in compliance with applicable laws.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

Note: The Internal & external Auditors conduct assessments as per the Audit schedule. Assessments are also carried out by respective Government authorities and the Company has not received any non-compliance certification.

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 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	FY 2023-24	FY 2022-23
From renewable sources		
Total electricity consumption (A)	-	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C) through other	-	-
Total energy consumed from renewable sources (A+B+C)	-	-
From non-renewable sources		
Total electricity consumption (D)	1664.00 TJ	1492.00 TJ
Total fuel consumption (E)	2038.00 TJ	1961.00 TJ
Energy consumption through other sources (F)	113.00 TJ	195.00 TJ
Total energy consumed from non- renewable sources (D+E+F)	3815 TJ	3648 TJ
Total energy consumed (A+B+C+D+E+F)	3815 TJ	3648 TJ
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	0.05	0.05
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	1.19	0.98
Energy intensity in terms of physical output GJ/Ton	12.48	12.28

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

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, Target achieved.

(PAT-VII , Target-0.3038 Mtoe (2021 – 2025) Achieved- 0.264 Mtoe till FY 2023-24.)

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	34,66,865	39,19,034
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	34,66,865	39,19,034
Total volume of water consumption (in kilolitres)	34,66,865	39,19,034
Water intensity per rupee of turnover (Total water consumption / Revenue from operations) liters/rupee of turnover	0.1735	0.1706
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	3.89	3.78
Water intensity in terms of physical output KL/ton of product	11.30	13.20

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, Groundwater for both process and domestic purposes is drawn from 12 borewells. Water consumption data for each purpose is captured online via digital flow meters and transmitted to the Central Ground Water Authority (CGWA) web server. This data is then verified monthly by the irrigation division.

4. Provide the following details related to water discharged:

Parameter	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	8,38,560	10,60,913
- No treatment	-	-
- With treatment – please specify level of treatment (Primary, Secondary and tertiary treatments)	8,38,560	10,60,913
(ii) To Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) To Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties - To farmers for cultivation purposes	14,17,898	14,17,898
- No treatment	-	-
- With treatment – please specify level of treatment	14,17,898	14,17,898
(v) Others - Recycling purpose	620,691	13,90,072
- No treatment	-	-
- With treatment – please specify level of treatment	6,20,691	8,81,095
Total water discharged (in kilolitres)	28,77,149	33,32,080

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

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Approximately 30% of treated effluents are recycled for both process and non-process applications, while 50% are discharged for agricultural use. The remaining treated effluents are released into the river, in accordance with the CTO directives issued by the OSPCB vide order dated 28.03.2024.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2023-24	FY 2022-23
NOx	Kg/Ton of Product	0.29	0.32
SOx	Kg/Ton of Product	3.18	3.24
Particulate matter (PM)	Kg/Ton of Product	2.37	2.44
Persistent organic pollutants (POP)	Tonnes per year	-	-
Volatile organic compounds (VOC)	Tonnes per year	-	-
Hazardous air pollutants (HAP)	Tonnes per year	-	-
Others - please specify	NA	-	-

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, The gaseous parameters(NOx, SOx & PM) concentrations were monitored and reported once in six months by NABL accredited laboratory i.e M/s Mitra S.K.Pvt.Ltd, Bhubaneswar in the month of June.2023 and M/s WCS, Cuttack, Odisha in the month of Dec,2023.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	384.50	396.60
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	0.025	0.013
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	MT CO2e/ Revenue (₹ in crore)	0.192	0.166
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Million Tonnes of CO2e/Revenue from operations adjusted for PPP (₹ in crore)	4.31	3.77
Total Scope 1 and Scope 2 emission intensity in terms of physical output	Tons of CO2e/ ton of product	0.711	0.616

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

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

- Yes, 4MW Solar Power installation is under progress.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24	FY 2022-23
Total Waste generated (in metric tonnes)		
Plastic waste (A)	116.00	134.00
E-waste (B)	1.24	2.935
Bio-medical waste (C)	0.005	0.004
Construction and demolition waste (D)	-	-
Battery waste (E)	5.53	2.345
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	25.364	16.136
a) Used Oil	15.709	14.861
b) Spent Resin	0.22	-
c) Waste Containing Oil	0.435	1.275
d) Empty container/liners	9.00	-
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	1,45,109	1,52,782
a) Fly ash	1,27,151	1,29,441
b) Bottom ash	6,768	9,823
c) ETP Sludge	11,190	13,518
Total (A+B + C + D + E + F + G + H)	1,45,257.139	1,52,937.42
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations) kgs/rupees of turnover	0.0072	0.0066
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP) kgs/ rupee of turnover adjusted for Purchasing Power Parity (PPP)	0.163	0.147
Waste intensity in terms of physical output Kg/ton of product	475.06	514.75
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	-	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	-	-
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0.00501	0.0045
(ii) Landfilling	-	-
(iii) Other disposal operations	100,117.095	152,940.485
Total	100,117.100	152,940.4895

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,

1. A yearly hazardous waste audit is conducted by M/s Sun Consultancy and Services, Bhubaneswar, an ISO 14001 certified third party. The audit report is submitted to the Board office of the OSPCB in Bhubaneswar.
2. An annual compliance audit for ash disposal is carried out by a professor from IIT Bhubaneswar.

10. 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.

- a) Concrete roads within the plant premises minimize the generation of fugitive emissions.
- b) Adequate green belts have been established in and around the plant.
- c) Fly ash handling includes an ash conditioning system.
- d) Solid Waste Management:
 - (i) Hazardous Waste Management:
 - a) Plastic waste is disposed of to cement plants for incineration.
 - b) Used oil is disposed of to CPCB & OSPCB authorized agencies.
 - c) Used lead-acid batteries are disposed of based on a buyback policy.
 - d) E-waste is disposed of to authorized recycling units.
 - (ii) Non-Hazardous Waste Management:
 - a) All fly ash is directed to brick manufacturing units.
 - b) ETP primary sludge is either utilized as fuel in boilers or disposed of to egg tray manufacturing units as per demand.
 - c) The company recognizes the potential value of waste generated by its operations and has shifted its focus towards maximizing its utilization within its processes. This strategic realignment aims to minimize environmental impact by reducing waste generation and promoting reuse.

11. 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 thereof and corrective action taken, if any.
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Not applicable. No operations/offices were established in/around ecologically sensitive areas such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.

12. 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
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No new projects were envisaged in the FY 2023-24. Hence, no environmental impact assessment study was conducted in the current financial year. However, Study on Ground water levels monitoring around Balgopalpur village is being conducted by external agency M/s.Ecoimage Systems Pvt.Ltd.

13. 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, 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.
- Complied with all the conditions stipulated under Environmental Clearance(EC) order dated 17.05.2007, EC order dated 13.01.2012 and EC amendment order dated 14.03.2022.
- Complied with all directions stipulated under Consent to Operate(CTO) order dated 28.03.2023, valid up to 31.03.2026.

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
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No such non-compliances to the law / regulation / guidelines/ conditions and fines / penalties / action taken by pollution control boards or by courts

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 - 7 (seven)
- 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	Indian Paper Manufacturers Association (IPMA)	National
2	Indian Newsprint Manufacturers Association (INMA)	National
3	Federation of Indian Export Organisations (FIEO)	National
4	Confederation of Indian Insustry (CII)	National
5	North Orissa Chamber of Commerce & Industry (NOCCI)	National
6	Balasure Chamber of Industry & Commerce (BCIC)	National
7	The Utkal Chamber of Commerce and Industry Ltd. (UCCI)	National

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.

Not Applicable

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's Corporate Social Responsibility (CSR) Committee diligently conducts regular visits to the villages, ensuring active engagement with the community. This approach emphasizes the company's commitment to understanding and resolving the challenges faced by the community, fostering a strong and sustainable relationship with them.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/small producers	3.17%	0.56%
Directly from within India	4.18%	3.36%

5. Job creation in smaller towns - Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost:

Location	FY (2023-24)	PY (2022-23)
Rural	68%	67%
Semi-urban	7%	6%
Urban	18%	20%
Metropolitan	7%	7%

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.

Yes, the Company has a robust system in place to address the consumer complaints.

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 Safe and responsible usage Recycling and/or safe disposal	100%. The Company has an uncompromising commitment to provide best in-class products and customer satisfaction. The Company complies with all laws and regulations concerning marketing communications. In line with this, the required information as mandated by law is inscribed on the product label of the Company.

3. Number of consumer complaints in respect of the following:

	FY 2023-24			FY 2022-23		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	NIL	NIL		NIL	NIL	
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						
Other						

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	-	-
Forced recalls	-	-

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 has detailed framework on cyber security and risks related to data privacy, A detailed presentation is given periodically on the cyber security risk in the Risk Management Committee Meetings.

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 such instance.

7. Provide the following information relating to data breaches:

- a. **Number of instances of data breaches:** NIL
- b. **Percentage of data breaches involving personally identifiable information of customers :** NIL
- c. **Impact, if any, of the data breaches :** NA

INDEPENDENT AUDITOR’S REPORT

To the Members of
Emami Paper Mills Limited

Report on the Audit of IND AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Emami Paper Mills Limited (“the Company”), which comprise the Balance Sheet as at 31st March 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash flow statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements and a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, 2024, and its profit, total comprehensive income, its cash flows and the changes in equity 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 Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Ind AS Financial Statements section of our report. We are

independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note no. 2.18 of the financial statements, which describes the term and rights attached to the optionally convertible redeemable preference shares (OCRPS). The company has classified the same as equity instrument in its financial statement pursuant to its evaluation supported by views of an independent expert on the basis that there are no triggering events to revisit the accounting classification.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the 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.

The Key Audit Matters	Auditors response
<p>Revenue from Sale of Goods</p> <p>Revenue from the sale of goods (hereinafter referred to as “Revenue”) is recognised when the Company performs its obligation to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such revenue recognition in case of sale of goods is when the control over the same is transferred to the customer, which is mainly upon delivery. The timing of revenue recognition is relevant to the reported performance of the Company. The management considers revenue as a key measure for evaluation of performance. There is a risk of revenue being recorded before control is transferred.</p> <p>Refer Note 2 to the Ind AS Financial Statements – Material Accounting Policies and Note 2.33</p>	<p>Our audit procedures included the following:</p> <p>Assessed the Company’s revenue recognition accounting policies in line with Ind AS 115 (“Revenue from Contracts with Customers”) and tested thereof.</p> <ul style="list-style-type: none"> ➤ Evaluated the integrity of the general information and technology control environment and testing the operating effectiveness of key IT application controls over recognition of revenue. ➤ Evaluated the design, implementation and operating effectiveness of Company’s controls in respect of revenue recognition. ➤ Tested the effectiveness of such controls over revenue cut off at year-end.

The Key Audit Matters	Auditors response
	<ul style="list-style-type: none"> ➤ On a sample basis, tested supporting documentation for sales transactions recorded during the year which included sales invoices, customer contracts and shipping documents. ➤ Performed an increased level of substantive testing in respect of sales transactions recorded during the period closer to the year end and subsequent to the year end. ➤ Compared revenue with historical trends and where appropriate, conducted further enquiries and testing. ➤ Assessed disclosures in financial statements in respect of revenue, as specified in Ind AS 115.

Information Other than the Ind AS Financials 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 Management Discussion and Analysis and Board's Report but does not include the financial statements and our auditors' report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters 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.

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate

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

- Obtain an understanding of internal 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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.

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 in terms of section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order
2. As required by Section 143(3) of the Act, based on our audit, we report to the extent applicable that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of 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 Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and according to the information and explanation given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is in excess of the limit laid down under Section 197 of the Act and the Company has taken approval of the same through

special resolution in general meeting. The Ministry of Corporate Affairs has not prescribed other details under section 197 (16) which are required to be commented upon by us.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, 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 as at 31st March 2024 on its financial position in its financial statements – Refer Note No.- 2.44 of the financial statements.
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring the amounts required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. a) The management has represented that, to the best of its knowledge and belief, no funds 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 or entity, 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 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, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person or entity, 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 the audit procedures that have been 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 (i) and (ii) of Rule 11 (e) as provided under (a) and (b) above, contain any material misstatement

v. The dividend paid by the Company during the current year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

As stated in note 2.62 to the financial statements, the Board of Directors of the Company have proposed final dividend for the current year, which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

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. Based on our examination which included test checks, the company has used accounting software for maintaining its books of account, which have a feature of recording audit trail and it is capable of creating an edit log for each change made in books. The same has operated throughout the year for all relevant transactions recorded in the respective software.

Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered.

For S K Agrawal and Co Chartered Accountants LLP
Chartered Accountants
Firm Reg. No.: 306033E/E300272

Sandeep Agrawal
Partner

Place- Kolkata
Dated- 28th May 2024

Membership No: 058553
UDIN-24058553BKAEQA4945

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - (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) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has a regular programme of verification to cover all the items of Property, Plant and Equipment in a phased manner over a period of three years. In accordance with this programme certain property, plant and equipment were physically verified by the management during the year. In our opinion this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of these assets. No material discrepancies were noticed on such verification.
 - (c) With respect to immovable properties (other than 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, according to the information and explanations given to us and based on the examination of the registered sale deed / title deed provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date.
 - (d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
 - (e) According to the information and explanations given to us and on the basis of our examination of the records of the company, no proceedings have been initiated during the year or are pending against the Company as at 31 March 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The inventories were physically verified during the year by the management at reasonable intervals. 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. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of accounts.
- (b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets during the year. We have examined the statements filed by the company with banks or financial institutions and reconciled the same with books of accounts. We didn't find any material discrepancies and are in agreement with the book of account of the Company.
- iii. In our opinion and according to the information and explanations give to us, the Company has not made investments in, provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships, or any other parties during the year, hence reporting under paragraph 3(a),(b),(c),(d),(e) and (f) of the Order is not applicable.
- iv. According to the information and explanations given to us and as per records examined by us, the Company has not granted any loans , not made any investments and has not provided guarantees and securities as applicable with the provisions of Section 185 and 186 of the Companies Act,2013.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposit within the meaning of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Hence, reporting under clause 3 (v) of the Order is not applicable.
- vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies(Cost Records and Audit) Rules, 2014,as amended prescribed

by the Central Government under section 148(1) of the Companies Act, 2013 and are of the opinion that, prima facie the prescribed cost records have been made and maintained.

- vii. According to the information and explanations given to us in respect of statutory dues:
- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Duty of custom, Cess and other material statutory dues

applicable to it with the appropriate authorities during the year.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Duty of custom, Cess and other statutory dues in arrears as at 31st March, 2024 for a period of more than six months from the date they became payable.

- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes are given below:

Name of the Statute	Nature of Dues	Amount (₹ in crores)	Period to which the amount relates (Financial Year)	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty	0.01	1994-95	Commissioner of Central Excise (Appeal)
Finance Act, 1994	Service Tax	0.04	2011-12	CESTAT
		0.03	2012-13 to 2014-15	Commissioner (Appeal 1)
		0.26	2016-17	Deputy Commissioner
Entry Tax Laws (West Bengal)	Entry Tax	3.14	2013-14 to 2017-18	High Court
Sales Tax	CST	0.01	2004-05	DCCT
		0.17	2009-10	Commissioner (Appeal)
		0.01	2015-16	Tribunal

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

- ix. (a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender. Hence reporting under clause (ix)(a) of the Order is not applicable.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the information and explanation given to us and on the basis of our examination of the records of the company, the Company has utilized the loan amount taken during the year for intended purpose.
- (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) The Company does not have any subsidiary, associate or joint venture. Hence, reporting under paragraph 3(ix)(e) and (f) of the Order is not applicable to the company.

- x. (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (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 (x)(b) of the Order is not applicable.
- xi. (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality as outlined in the Standards on Auditing, we report that no fraud by the Company or 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) To the best of our knowledge and according to the information and explanations given to us there were no whistle-blower complaints, received during the year by the Company.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, clause (xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable Indian Accounting Standards.
- xiv. (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 for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with its 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. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi) (a) (b) and (d) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us by the Management, there are two companies forming part of the group which have applied for registration as Core Investment Company (CIC) with the Reserve Bank of India.
- xvii. The Company has not incurred cash losses during the financial year and the immediately preceding financial year. Hence reporting under paragraph 3(xvii) of the Order is not applicable to the Company.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. According to the information and explanation given to us and on the basis of the financial ratios, ageing and expected dates of realisation 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. 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) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of section 135 of the said Act. Accordingly reporting under paragraph 3(xx)(a) is not applicable for the year.
- (b) There are no ongoing projects under sub-section (5) of section 135. Accordingly reporting under paragraph 3(xx)(b) is not applicable.
- xxi. The Company is not required to prepare consolidated financial statements and hence, reporting under clause (xxi) of the Order is not applicable.

For SK Agrawal and Co Chartered Accountants LLP

Chartered Accountants

Firm Reg. No.: 306033E/E300272

Sandeep Agrawal

Partner

Place- Kolkata

Membership No: 058553

Dated- 28th May 2024

UDIN-24058553BKAEQA4945

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(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 Over Financial Reporting under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 (“the Act”)

Opinion

We have audited the internal financial controls over financial reporting of **Emami Paper Mills Limited** (“the Company”) as of March 31, 2024 to the extent of records available with us in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the criteria for internal financial control over financial reporting 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 .

Management’s Responsibility for Internal Financial Controls

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

timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Financial Statements.

Inherent limitations of Internal Financial Controls Over Financial Reporting

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

For S K Agrawal and Co Chartered Accountants LLP

Chartered Accountants

Firm Reg. No.: 306033E/E300272

Sandeep Agrawal

Partner

Place- Kolkata

Membership No: 058553

Dated- 28th May 2024

UDIN-24058553BKAEQA4945

Balance Sheet as at 31st March, 2024

(₹ in crores)

Particulars	Note No.	As at 31 st March, 2024	As at 31 st March, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	2.1	1,082.32	1,143.58
Capital work-in-progress	2.2	9.72	3.70
Other intangible assets	2.3	3.16	4.61
Financial assets			
Investments	2.4	44.95	38.84
Loans	2.5	0.08	0.05
Others	2.6	4.14	2.58
Other non-current assets	2.7	5.26	6.88
		1,149.63	1,200.24
Current assets			
Inventories	2.8	247.07	408.81
Financial assets			
Trade receivables	2.9	261.03	262.57
Cash and cash equivalents	2.10	5.08	0.12
Bank balance other than cash and cash equivalents	2.11	0.23	0.22
Loans	2.12	0.33	0.53
Derivative assets	2.13	0.46	0.13
Others	2.14	6.98	2.67
Current tax asset (net)	2.15	-	9.09
Other current assets	2.16	33.24	91.74
		554.42	775.88
Assets held for sale		10.37	-
Total Assets		1,714.42	1,976.12
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	2.17	12.10	12.10
Convertible preference shares	2.18	243.52	243.52
Other equity	2.19	518.49	443.10
		774.11	698.72
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	2.20	230.02	275.27
Other financial liabilities	2.21	6.56	7.13
Provisions	2.22	19.80	18.92
Deferred tax liabilities (net)	2.23	135.00	127.88
Deferred revenue	2.24	5.36	5.36
		396.74	434.56
Current liabilities			
Financial liabilities			
Borrowings	2.25	376.27	583.14
Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises	2.26	11.01	10.56
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	2.27	105.91	198.69
Derivative liability	2.28	0.02	1.84
Other financial liabilities	2.29	36.88	37.13
Other current liabilities	2.30	7.90	7.78
Provisions	2.31	3.88	3.70
Current tax liabilities (net)	2.32	1.70	-
		543.57	842.84
Total Equity and Liabilities		1,714.42	1,976.12
Material accounting policies	1		
Notes forming part of the financial statements	2.1 - 2.63		

The accompanying notes are an integral part of these financial statements

In terms of our attached report of even date

For S K Agrawal and Co Chartered Accountants LLP

Chartered Accountants

Firm Registration Number : 306033E/ E300272

Sandeep Agrawal

Partner

Membership No. - 058553

Aditya V. Agarwal

Executive Chairman

DIN : 00149717

For and on behalf of the Board

Manish Goenka

Vice Chairman

DIN : 00363093

Vivek Chawla

Whole-time Director & CEO

DIN : 02696336

Mukesh Kumar Agarwal

Asst. Vice President (Finance)

& Interim CFO

D. Banthiya

Company Secretary

M.No. : F - 7790

Place: Kolkata

Date: 28th May, 2024

Statement of Profit and Loss for the year ended 31st March, 2024

(₹ in crores)

Particulars	Note No.	Year ended 31 st March, 2024	Year ended 31 st March, 2023
REVENUES			
I Revenue from operations	2.33	1,993.84	2,380.86
II Other income	2.34	3.32	2.46
III Total income (I + II)		1,997.16	2,383.32
IV EXPENSES			
Cost of materials consumed	2.35	1,361.07	1,696.07
Changes in inventories of finished goods and work-in-progress	2.36	(25.06)	(14.81)
Power and fuel	2.37	130.92	164.79
Employee benefits expense	2.38	83.01	80.51
Finance costs	2.39	67.24	63.43
Depreciation, amortization and impairment	2.1, 2.3	60.27	67.59
Other expenses	2.40	207.56	232.64
Total expenses (IV)		1,885.01	2,290.22
V Profit/(loss) before tax (III - IV)		112.15	93.10
VI Tax expense			
Current tax	2.41	20.94	10.43
Deferred tax	2.42	6.91	13.50
Total tax expenses		27.85	23.93
VII Profit/(loss) for the year (V - VI)		84.30	69.17
VIII Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement gain/(loss) on employees defined benefit plans		(0.13)	(0.14)
Less: Income tax effect on above		0.03	0.04
Fair value changes of investment in equity shares		6.10	(9.82)
Less: Income tax effect on above		(0.27)	0.82
Items that will be reclassified to profit or loss			
Net fair value changes of cash flow hedges		(0.09)	0.28
Less: Income tax effect on above		0.03	(0.07)
IX Total other comprehensive income		5.67	(8.89)
X Total comprehensive income for the year (VIII + IX)		89.97	60.28
XI Earning per equity share (Face value ₹ 2/- each)	2.53		
(1) Basic (in ₹)		13.12	10.62
(2) Diluted (in ₹)		10.61	8.71
Material accounting policies	1		
Notes forming part of the financial statements	2.1 - 2.63		

The accompanying notes are an integral part of these financial statements

In terms of our attached report of even date

For S K Agrawal and Co Chartered Accountants LLP

Chartered Accountants

Firm Registration Number : 306033E/ E300272

Sandeep Agrawal

Partner

Membership No. - 058553

Aditya V. Agarwal

Executive Chairman

DIN : 00149717

For and on behalf of the Board

Manish Goenka

Vice Chairman

DIN : 00363093

Vivek Chawla

Whole-time Director & CEO

DIN : 02696336

Mukesh Kumar Agarwal

Asst. Vice President (Finance)
& Interim CFO

D. Banthiya

Company Secretary
M.No. : F - 7790

Place: Kolkata

Date: 28th May, 2024

Statement of changes in equity for the year ended 31st March, 2024

A. Equity share capital

(₹ in crores)

Particulars	Balance at the beginning of the reporting year	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the reporting year	Changes during the reporting year	Balance at the end of the reporting year
For the year ended 31.03.2023	12.10	-	12.10	-	12.10
For the year ended 31.03.2024	12.10	-	12.10	-	12.10

B. Convertible preference shares classified as equity

(₹ in crores)

Particulars	Balance at the beginning of the reporting year	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the reporting year	Changes during the reporting year	Balance at the end of the reporting year
For the year ended 31.03.2023	243.52	-	243.52	-	243.52
For the year ended 31.03.2024	243.52	-	243.52	-	243.52

C. Other equity

(₹ in crores)

Particulars	Reserve and surplus				Items of other comprehensive income			Total
	Capital reserve	Securities premium	General reserve	Retained earnings	Not re-classifiable to profit and loss		Re-classifiable to profit & loss	
					FVTOCI of Equity investment	Remeasurement of defined benefit plans	Cash flow hedge reserve	
Balance on 01.04.2022	1.33	17.93	140.00	199.69	44.12	(5.52)	(0.15)	397.40
Profit for the year 2022-23				69.17				69.17
Other comprehensive income for the year					(9.00)	(0.10)	0.21	(8.89)
Dividend				(14.58)				(14.58)
Balance on 31.03.2023	1.33	17.93	140.00	254.28	35.12	(5.62)	0.06	443.10
Profit for the year 2023-24				84.30				84.30
Other comprehensive income for the year					5.83	(0.10)	(0.06)	5.67
Dividend				(14.58)				(14.58)
Balance on 31.03.2024	1.33	17.93	140.00	324.00	40.95	(5.72)	-	518.49

The accompanying notes are an integral part of these financial statements

In terms of our attached report of even date

For S K Agrawal and Co Chartered Accountants LLP

Chartered Accountants

Firm Registration Number : 306033E/ E300272

Sandeep Agrawal

Partner

Membership No. - 058553

Aditya V. Agarwal

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Whole-time Director & CEO

DIN : 02696336

Mukesh Kumar Agarwal

Asst. Vice President (Finance)
& Interim CFO

D. Banthiya

Company Secretary
M.No. : F - 7790

Place: Kolkata

Date: 28th May, 2024

Cash Flow Statement for the year ended 31st March, 2024

(₹ in crores)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Profit before tax	112.15	93.10
Adjustment for :		
Depreciation, amortization and impairment	60.27	67.59
Fair value Loss / (Gain) on derivatives	(2.24)	1.74
Provision for Earned Leave & Gratuity (Net)	0.93	2.42
Provision for expected credit loss	0.02	0.05
Interest and financial charges	67.24	63.43
Foreign exchange loss / (gain)	2.73	11.37
Dividend income	(0.75)	(0.75)
(Profit) / loss on disposal of property, plant and equipment and termination of lease	(0.26)	(0.12)
Operating profit before working capital changes :	240.09	238.83
Add: Decrease / Increase in Working Capital		
Inventories	161.74	(181.71)
Bank Balances (except cash and cash equivalent)	(0.01)	1.37
Trade receivables, loans, advances and other current assets	53.18	(55.68)
Trade and other payables	(93.51)	47.68
Cash generated from operations	361.49	50.49
Income tax payments / refunds	(10.15)	(18.03)
Net Cash from / (used in) Operating Activities (A)	351.34	32.46
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Payments for property, plant and equipment	(19.82)	(26.15)
Proceeds from sale of property, plant and equipment	8.84	1.88
Dividend income	0.75	0.75
Net Cash from / (used in) investing activities (B)	(10.23)	(23.52)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Disbursement of non-current borrowings	62.13	66.00
Repayment of non-current borrowings	(142.59)	(131.94)
Increase/(decrease) in current borrowings	(175.69)	127.52
Repayment of lease liability	(0.09)	-
Interest and other finance cost paid	(65.33)	(55.98)
Dividend paid	(14.58)	(14.58)
Net Cash used in Financing Activities (C)	(336.15)	(8.98)
Net increase/(decrease) in Cash & Cash Equivalents (A+B+C)	4.96	(0.04)
Cash & Cash Equivalents (Opening Balance)	0.12	0.16
Cash & Cash Equivalents (Closing Balance)	5.08	0.12

The accompanying notes are an integral part of these financial statements

In terms of our attached report of even date

For S K Agrawal and Co Chartered Accountants LLP

Chartered Accountants

Firm Registration Number : 306033E/ E300272

For and on behalf of the Board

Sandeep Agrawal

Partner

Membership No. - 058553

Aditya V. Agarwal

Executive Chairman

DIN : 00149717

Manish Goenka

Vice Chairman

DIN : 00363093

Vivek Chawla

Whole-time Director & CEO

DIN : 02696336

Mukesh Kumar Agarwal

Asst. Vice President (Finance)

& Interim CFO

D. Banthiya

Company Secretary

M.No. : F - 7790

Place: Kolkata

Date: 28th May, 2024

Notes to the financial statements for the year ended 31st March, 2024

1. THE COMPANY INFORMATION

Emami Paper Mills Limited (the 'Company'), is a public limited Company incorporated and domiciled in India with its registered office in Kolkata, West Bengal. The Company is listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The Company is India's one of the largest producer of Newsprint, Writing & Printing Paper and Multilayer Coated High-end Packaging Boards. The Company has operating plants at Balasore location.

The functional and presentation currency of the Company is Indian Rupee ("₹") which is the currency of the primary economic environment in which the Company operates. All amounts have been rounded-off to the nearest crores, unless otherwise indicated.

The financial statements for the year ended March 31, 2024 have been approved by the Board of Directors and authorised for issue on 28th May, 2024.

2. MATERIAL ACCOUNTING POLICIES

a) Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

b) Basis of Preparation

The financial statements have been prepared on accrual and going concern basis and under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values as per Ind AS.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

c) Use of estimates and critical accounting judgements

In preparation of the financial statements, the Company makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

Significant judgements and estimates relating to the carrying values of assets and liabilities includes useful lives of property, plant and equipment and intangible assets, impairment of property, plant and equipment, intangible assets and investments, provisions for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

d) Property, Plant and Equipment

An item of property, plant and equipment is recognised as an asset if it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. Property, plant and equipment are carried at cost, less accumulated depreciation and impairment. Cost of an item of property, plant and equipment is the cash price equivalent at the recognition date; if payment is deferred beyond normal credit terms, the difference between cash price equivalent and the total payment is recognized as interest over the period of credit. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use. Trial run expenses (net of revenue) are capitalised. Borrowing costs incurred during the period of construction is capitalised as part of cost of the qualifying assets. Capital work-in-progress comprises the cost of fixed assets that are not ready for their intended use at the reporting date.

Notes to the financial statements for the year ended 31st March, 2024

Property, plant and equipment includes spare parts, stand-by equipment and servicing equipment which are expected to be used for a period more than twelve months and meets the recognition criteria of plant, property and equipment.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the costs to the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gain or losses are recognized in the statement of profit and loss.

e) Intangible assets

Intangible assets are recognised, only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably. The intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

f) Depreciation and amortization of property, plant and equipment and intangible assets

Depreciation on property, plant and equipment is provided to the extent of depreciable amount on pro-rata basis over the useful life of respective assets as prescribed under schedule-II to the Companies Act, 2013. The estimated useful life, residual value and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimates accounted for on prospective basis.

- a. On straight-line method in respect of
 - i) Buildings of Paper machine-II, III, IV, ETP-II, Power Generation Unit-II & III at Balasore.
 - ii) Plant & machinery of Paper Machine III, IV, ETP-II, Power Generation unit-II & III at Balasore.
- b. On written down value method in respect of other assets.
- c. Leasehold land is amortised over the period of lease.
- d. Software licenses are amortised over the period of license.

Freehold land is not depreciated.

Addition to an asset, is depreciated over the remaining useful life of that asset, except when such addition retains a separate identity and is capable of being used after the asset is disposed of, such additions are depreciated independently over its own useful life.

Depreciable value of fixed asset is its cost of acquisition as reduced by estimated residual value.

g) Inventories

- a. Finished goods, stock-in-process, raw materials, stores, chemicals and spare parts are valued at lower of cost or net realisable value. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value is the price at which the inventories can be realised in the normal course of business after allowing for the cost of conversion from their existing state to a finished condition and for the cost of marketing, selling and distribution.
- b. Valuation of inventory is done under weighted average cost formula.
- c. Inventories do not include items of spare parts which meets the recognition criteria of plant, property and equipment and be treated as such.

Provisions are made to cover slow moving and obsolete items based on historical experience.

h) Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, demand deposits with banks, other short term highly liquid investments with original maturities of three months or less.

Notes to the financial statements for the year ended 31st March, 2024

i) Financial Instruments

Financial Assets:

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

Financial assets are subsequently classified as measured at

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

Trade Receivables:

A Receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. Trade receivables are initially recognized at transaction price, and subsequently measured at amortized cost by providing loss allowance at an amount equal to lifetime expected credit losses. For some trade receivables the Company may obtain security in the form of guarantee, security deposit or letter of credit which can be called upon if the counterparty is in default under the terms of the agreement.

The company recognizes loss allowance on trade receivable, which does not contain a significant financing component, using "simplified approach" at an amount equal to Lifetime Expected Credit Loss (ECL) considering the risk or probability that a credit loss may occur, even if the possibility of a credit loss occurring is very low, time value of money based on reasonable and supportable information that are available.

Loss allowances on trade receivable are recognized in the Statement of Profit and Loss within other expenses.

Debt Instruments:

Debt instruments are initially measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

a) Measured at amortised cost:

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

b) Measured at fair value through other comprehensive income:

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

c) Measured at fair value through profit or loss:

A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

Notes to the financial statements for the year ended 31st March, 2024

Equity Instruments:

All investments in equity instruments classified under financial assets are measured at fair value. The company in respect of equity investments, which are not held for trading made an irrevocable election based on its judgment to present in other comprehensive income subsequent changes in the fair value (FVOCI) of such equity instrument.

The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

Impairment of Financial Asset

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financials assets in FVTPL category.

For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

Financial Liabilities and Equity Instruments:

Classification as debt or equity

Debt and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs. While equity instruments are issued to extinguish all or part of a financial liability, those are recognized at the fair value of the equity instrument issued.

Preference shares

Preference shares issued by the company are considered as equity when those are convertible either mandatorily or at the option of the company into pre-determined fixed number of equity shares of the company. In all other cases, preference shares are classified as debt.

Contingent settlement conditions if any attached with the preference shares that may require redemption of preference shares in cash, are evaluated according to the substance of the conditions as well as considering operation, performance and outlook of the company. Contingent settlement conditions, which have no genuine possibility of occurring or have an extremely rare chance of occurrence, does not affect classification of preference shares.

Financial Liabilities-

Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest method.

Notes to the financial statements for the year ended 31st March, 2024

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

j) Provisions and Contingent Liabilities:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

k) Revenue Recognition

Sales represents amounts received and receivable from the goods supplied to the customers. Sales are recognized when control of the goods has been transferred to the customer. Controls are transferred by satisfying the performance obligation of the contract. Revenue towards satisfaction of a performance obligation is measured at the transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of the goods sold is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

Income from export incentives such as duty drawback and premium on sale of import licenses are recognised on accrual basis. Incentives are recognized when there is reasonable assurance that the Company will comply with the conditions and the incentive will be received. Duties and taxes waivers for capital assets purchased under Export Promotion Credit Guarantee (EPCG) schemes are recorded as deferred revenue and recognized in Statement of Profit and Loss on a systematic basis over the periods in which the related performance obligations are fulfilled.

Dividend income is recognized when the unconditional right to receive the income is established. Income from interest on deposits, loans and interest bearing securities is recognized on a time proportionate method using underlying interest rates.

Insurance claims are recognised when there exists no significant uncertainty with regard to the amounts to be realised and the ultimate collection thereof.

l) Government grants:

Government grants related to expenditure on property, plant and equipment are credited to the statement of profit and loss over the useful lives of qualifying assets or other systematic basis representative of the pattern of fulfilment of obligations associated with the grant received. Government grants received is subject to any condition to be fulfilled by the Company, recognition of grant in the statement of profit and loss is made on a systematic basis in proportion to fulfillment of such condition. Total grants received less the amounts credited to the statement of profit and loss at the balance sheet date are included in the balance sheet as deferred income.

Notes to the financial statements for the year ended 31st March, 2024

m) Expenditure:

Expenses are accounted on accrual basis.

n) Employee Benefits:

Defined contribution plans

Contributions to defined contribution schemes such as employees' state insurance, labour welfare fund, superannuation scheme, employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution, in respect of certain employees, is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

Defined benefit plans

The Company's Liabilities on account of Gratuity and Earned Leave on retirement of employees are determined at the end of each financial year on the basis of actuarial valuation certificates obtained from Registered Actuary in accordance with the measurement procedure as per Indian Accounting Standard (Ind AS)-19., 'Employee Benefits' These liabilities are funded on year-to-year basis by contribution to respective funds. The costs of providing benefits under these plans are also determined on the basis of actuarial valuation at each year end. Actuarial gains and losses for defined benefit plans are recognized through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

The Defined Benefit Plan can be short term or Long terms which are defined below:

a. Short-term Employee Benefit

All employees' benefits payable wholly within twelve months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognized during the period in which the employee renders related service.

b. Long-term Employee Benefits

Compensated absences which are not expected to occur within 12 months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date.

o) Impairment of Non-Financial Assets:

At each balance sheet date, the Company reviews the carrying values of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. An impairment loss is recognised in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying value of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised in the statement of profit and loss immediately.

p) Extinguishment of financial liabilities with equity instrument

When any financial liability is extinguished in exchange of equity instruments; the difference if any, between the carrying amount of the financial liability extinguished and the fair value of equity instrument issued or exchanged (whether explicitly or constructively) is recognized in profit and loss statement in the period in which such extinguishment takes place.

Notes to the financial statements for the year ended 31st March, 2024

q) **Income Taxes:**

Income tax expense for the year comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent it relates to an item which is recognised directly in equity or in other comprehensive income.

Current tax

Current tax is the expected tax payable/receivable on the taxable income/ loss for the year using applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of previous years.

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at reporting date. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT is recognised as deferred tax assets in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

r) **Leases:**

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Emami's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

s) **Foreign Currency Transactions and Translations**

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions are recognised in the Statement of Profit and Loss at the end of each reporting period.

In accordance with Ind AS 101, the company has continued capitalization of exchange differences arising on long-term foreign currency monetary items outstanding as on 31st March, 2016 in accordance with paragraph 46A of Accounting Standard 11, "The Effect of Changes in Foreign Exchange Rates". Accordingly, exchange differences arising from such long term foreign currency monetary items relating to the acquisition of a depreciable asset are added to or deducted from the cost of the depreciable capital asset. Other exchange differences are recognized as income or expenses in the Statement of Profit & Loss.

Monetary Assets and Liabilities in foreign currency that are outstanding at the year end are translated at the year end exchange rates and the resultant gain/loss is accounted for in the Statement of Profit & Loss.

t) **Derivatives and Hedge Accounting**

Derivatives are initially recognised at fair value and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gains / losses is recognised in the Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of recognition in profit or loss /

Notes to the financial statements for the year ended 31st March, 2024

inclusion in the initial cost of non-financial asset depends on the nature of the hedging relationship and the nature of the hedged item.

The Company complies with the principles of hedge accounting where derivative contracts are designated as hedge instruments. At the inception of the hedge relationship, the Company documents the relationship between the hedge instrument and the hedged item, along with the risk management objectives and its strategy for undertaking hedge transaction, which can be a fair value hedge or a cash flow hedge.

a. Fair value hedges –

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in fair value of the hedged item attributable to the hedged risk are recognised in the Statement of Profit and Loss in the line item relating to the hedged item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

b. Cash flow hedges –

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income. The gains / losses relating to the ineffective portion is recognised in the Statement of Profit and Loss.

Amounts previously recognised and accumulated in other comprehensive income are reclassified to profit or loss when the hedged item affects the Statement of Profit and Loss. However, when the hedged item results in the recognition of a non-financial asset, such gains / losses are transferred from equity (but not as reclassification adjustment) and included in the initial measurement cost of the non-financial asset.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gains/losses recognised in other comprehensive income and accumulated in equity at that time remains in equity and is reclassified when the underlying transaction is ultimately recognised. When an underlying transaction is no longer expected to occur, the gains / losses accumulated in equity is recognised immediately in the Statement of Profit and Loss.

u) Segment Reporting:

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

v) Earnings Per Share:

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

w) Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or

Notes to the financial statements for the year ended 31st March, 2024

expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

x) **Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Discounts or premiums and expenses on the issue of debt securities are amortised over the term of the related securities and included within borrowing costs. Premiums payable on early redemptions of debt securities, in lieu of future finance costs, are written off as borrowing costs when paid.

y) **Non -Current Assets Held for Sale**

The Company classifies assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use and a sale is considered highly probable.

The sale is considered highly probable when the management has a committed plan for selling those assets and the sale is expected to be completed within one year from the date of classification as held for sale. The actions required to complete the plan of sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Assets held for sale and disposal groups are measured at the lower of their carrying amount and the fair value less cost of disposal.

Immediately before the initial classification of the asset (or disposal group) as held for sale, the carrying amounts of the asset (or all the assets and liabilities in the group) are measured in accordance with applicable Ind AS.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

z) **Fair value measurements**

The Company measures financial instruments such as derivatives and certain investments, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability.

Or

- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;

Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Notes to the financial statements for the year ended 31st March, 2024

2.1 PROPERTY, PLANT AND EQUIPMENTS (CURRENT YEAR)

Particulars	(₹ in crores)										
	Gross Block as at 01.04.23	Addition	Disposal/ adjustment	Gross Block as at 31.03.24	Accumulated Depreciation as at 01.04.23	Depreciation for the year	Impairment loss/ (reversal)	Disposal/ adjustment	Accumulated Depreciation as at 31.03.24	Net Block as at 31.03.24	Net Block as at 01.04.23
Tangible Assets											
Free-hold land	7.28	-	-	7.28	-	-	-	-	-	7.28	7.28
Leasehold land	19.44	0.23	-	19.67	2.19	0.13	-	-	2.32	17.35	17.25
Factory building	179.65	0.01	-	179.66	40.84	6.07	-	-	46.91	132.75	138.81
Non factory building	127.77	0.01	-	127.78	24.61	3.88	-	-	28.49	99.29	103.16
Plant & Equipment	1,260.08	12.89	41.10	1,231.87	389.70	39.73	8.00	24.89	412.54	819.33	870.38
Furniture & Fittings	10.98	0.14	0.03	11.09	5.70	0.44	-	0.02	6.12	4.98	5.28
Vehicles	3.70	0.38	0.20	3.88	2.87	0.31	-	0.17	3.01	0.87	0.83
Office equipment	1.18	0.04	-	1.22	0.99	0.07	-	-	1.06	0.16	0.19
Computers	2.57	0.12	0.07	2.62	2.17	0.19	-	0.06	2.30	0.32	0.40
Total	1,612.65	13.82	41.40	1,585.07	469.07	50.82	8.00	25.14	502.75	1,082.32	1,143.58

2.1 PROPERTY, PLANT AND EQUIPMENTS (PREVIOUS YEAR)

Particulars	(₹ in crores)										
	Gross Block as at 01.04.22	Addition	Disposal/ adjustment	Gross Block as at 31.03.23	Accumulated Depreciation as at 01.04.22	Depreciation for the year	Disposal/ adjustment	Accumulated Depreciation as at 31.03.23	Net Block as at 31.03.23	Net Block as at 01.04.22	
Tangible Assets											
Free-hold land	7.28	-	-	7.28	-	-	-	-	-	7.28	7.28
Leasehold land	19.44	-	-	19.44	1.86	0.33	-	2.19	17.25	17.25	17.58
Factory building	177.96	1.69	-	179.65	34.79	6.05	-	40.84	138.81	143.17	143.17
Non factory building	127.66	0.11	-	127.77	20.70	3.91	-	24.61	103.16	106.96	106.96
Plant & Equipment	1,215.40	48.89	4.21	1,260.08	336.14	56.08	2.52	389.70	870.38	879.26	879.26
Furniture & Fittings	10.88	0.10	-	10.98	5.62	0.08	-	5.70	5.28	5.28	5.26
Vehicles	3.51	0.26	0.07	3.70	2.67	0.26	0.06	2.87	0.83	0.83	0.84
Office equipment	0.81	0.37	-	1.18	0.47	0.52	-	0.99	0.19	0.19	0.34
Computers	2.82	0.17	0.42	2.57	2.19	0.34	0.36	2.17	0.40	0.40	0.63
Total	1,565.76	51.59	4.70	1,612.65	404.44	67.57	2.94	469.07	1,143.58	1,143.58	1,161.32

Notes to the financial statements for the year ended 31st March, 2024

2.2 CAPITAL WORK-IN-PROGRESS (CURRENT YEAR)

Particulars	(₹ in crores)				
	Opening as at 01.04.23	Addition	Disposal/ adjustment	Closing as at 31.03.24	
Projects in progress	3.70	8.72	2.70	9.72	
Total	3.70	8.72	2.70	9.72	
CWIP ageing schedule					
Less than 1 year				8.72	
1 year to 2 year				1.00	
Total				9.72	

2.2 CAPITAL WORK-IN-PROGRESS (PREVIOUS YEAR)

Particulars	(₹ in crores)				
	Opening as at 01.04.22	Addition	Disposal/ adjustment	Closing as at 31.03.23	
Projects in progress	30.53	3.28	30.11	3.70	
Total	30.53	3.28	30.11	3.70	
CWIP ageing schedule					
Less than 1 year				3.27	
1 year to 2 year				0.43	
Total				3.70	

2.3 OTHER INTANGIBLE ASSETS (CURRENT YEAR)

Particulars	Gross Block as at 01.04.23	Addition	Disposal/ adjustment	Gross Block as at 31.03.24	Accumulated Depreciation as at 01.04.23	Depreciation for the year	Disposal/ adjustment	Accumulated Depreciation as at 31.03.24	Net Block as at 01.04.23	Net Block as at 31.03.24
Computer Software	5.07	-	-	5.07	0.46	1.45	-	1.91	4.61	4.61
Total	5.07	-	-	5.07	0.46	1.45	-	1.91	3.16	4.61

2.3 OTHER INTANGIBLE ASSETS (PREVIOUS YEAR)

Particulars	Gross Block as at 01.04.22	Addition	Disposal/ adjustment	Gross Block as at 31.03.23	Accumulated Depreciation as at 01.04.22	Depreciation for the year	Disposal/ adjustment	Accumulated Depreciation as at 31.03.23	Net Block as at 01.04.22	Net Block as at 31.03.23
Computer Software	0.49	4.58	-	5.07	0.44	0.02	-	0.46	4.61	4.61
Total	0.49	4.58	-	5.07	0.44	0.02	-	0.46	4.61	4.61

2.3 (A) INTANGIBLE ASSETS UNDER DEVELOPMENT (PREVIOUS YEAR)

Particulars	(₹ in crores)				
	Opening as at 01.04.22	Addition	Disposal/ adjustment	Closing as at 31.03.23	
Project in Progress	0.80	3.78	4.58	-	
Total	0.80	3.78	4.58	-	

Notes to the financial statements for the year ended 31st March, 2024

2.4 NON-CURRENT INVESTMENTS

(₹ in crores)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Investment measured at fair value through other comprehensive income		
Quoted equity shares fully paid up		
Emami Ltd: Face value ₹1/- each	40.02 (9,33,000 nos)	33.44 (9,33,000 nos)
Emami Realty Ltd: Face value ₹2/- each	0.01 (833 nos)	0.01 (833 nos)
Aggregate amount and market value of quoted investment	40.03	33.45
Unquoted 8% Non-Cumulative optionally convertible redeemable preference shares fully paid up		
Pan Emami Cosmed Ltd (Formerly Midkot Investment Pvt. Ltd): Face value ₹10/- each (Refer note - 2.61)	4.91 (3,07,300 nos)	5.38 (3,07,300 nos)
Aggregate amount of unquoted investment	4.91	5.38
Investment carried at amortized cost		
Investment in Government securities (Lodged with government authorities)		
Investment in national saving certificates	0.01	0.01
Total	44.95	38.84

2.5 NON-CURRENT LOANS

(₹ in crores)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Unsecured, considered good		
Loans to employees	0.08	0.05
Total	0.08	0.05

2.6 OTHER NON-CURRENT FINANCIAL ASSETS

(₹ in crores)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Security deposit	4.13	2.57
Fixed deposit with banks with remaining maturity more than 12 months	0.01	0.01
Total	4.14	2.58

2.7 OTHER NON-CURRENT ASSETS

(₹ in crores)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Unsecured, considered good		
Capital advances	1.25	2.69
Prepaid expenses	0.09	0.27
Indirect tax deposits under litigation	3.92	3.92
Total	5.26	6.88

Notes to the financial statements for the year ended 31st March, 2024

2.8 INVENTORIES (At lower of cost or net realisable value)

(₹ in crores)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Raw materials and chemicals*	134.34	318.78
Work in progress	29.70	12.09
Finished goods	32.86	25.41
Stores and spares	45.20	48.09
Packing materials	4.97	4.44
Total	247.07	408.81
*Includes following inventories in transit		
Raw materials and chemicals - in transit	7.74	32.42
Total	7.74	32.42

2.9 TRADE RECEIVABLES

(₹ in crores)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Unsecured, considered good		
Due from related parties	-	-
Due from others	261.15	262.67
	261.15	262.67
Less: Allowance for expected credit loss	0.12	0.10
Total	261.03	262.57

TRADE RECEIVABLES AGEING SCHEDULE AS AT 31st MARCH 2024

(₹ in crores)

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	
Undisputed trade receivables - considered good	215.33	45.11	0.55	0.10	0.06	0.00	261.15
Sub-Total	215.33	45.11	0.55	0.10	0.06	0.00	261.15
Less: Allowance for expected credit loss							0.12
Total							261.03

TRADE RECEIVABLES AGEING SCHEDULE AS AT 31st MARCH 2023

(₹ in crores)

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	
Undisputed trade receivables - considered good	212.18	49.57	0.65	0.25	0.01	0.01	262.67
Sub-Total	212.18	49.57	0.65	0.25	0.01	0.01	262.67
Less: Allowance for expected credit loss							0.10
Total							262.57

Notes to the financial statements for the year ended 31st March, 2024

2.10 CASH AND CASH EQUIVALENTS

(₹ in crores)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Balance with banks - current accounts	0.02	0.05
Cash on hand	0.06	0.07
Fixed deposit with original maturity of less than 3 months	5.00	-
Total	5.08	0.12

2.11 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in crores)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Unclaimed dividend account	0.07	0.07
Fixed deposit with scheduled banks*	0.16	0.15
Total	0.23	0.22

* Margin money with banks

2.12 CURRENT LOANS

(₹ in crores)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Unsecured, considered good		
Loans to employees	0.33	0.53
Total	0.33	0.53

2.13 CURRENT DERIVATIVE ASSETS

(₹ in crores)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Unsecured, considered good		
Interest rate swap	-	0.10
Currency swap / forward cover / currency option	0.46	0.03
Total	0.46	0.13

2.14 OTHER CURRENT FINANCIAL ASSETS

(₹ in crores)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Interest receivable	0.34	0.10
Insurance claim receivable	0.21	0.28
Security deposits	6.43	2.21
Others*	-	0.08
Total	6.98	2.67

* Receivable from banks towards bank and other charges

2.15 CURRENT TAX ASSETS (NET)

(₹ in crores)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Advance Income Tax/ TDS (Net of Provision)	-	9.09
Total	-	9.09

Notes to the financial statements for the year ended 31st March, 2024

2.16 OTHER CURRENT ASSETS

(₹ in crores)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Unsecured, considered good		
Advances other than Capital Advances		
Advance to suppliers	19.39	42.88
Advance to employees against expenses	0.01	0.01
Indirect tax credit	4.34	36.77
Indirect tax deposits under litigation	0.28	0.47
Export incentive receivable	0.55	0.33
IGST/Cess refundable	0.60	2.08
Prepaid expenses	4.44	5.57
Income tax refundable	0.01	0.01
Others*	3.62	3.62
Total	33.24	91.74

* Deposit with government authorities

2.17 EQUITY SHARE CAPITAL

(₹ in crores)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Authorised		
Equity Shares of ₹ 2/- each	16.00	16.00
Number of equity shares	8,00,00,000	8,00,00,000
Issued, Subscribed & Paid up		
Equity Shares of ₹ 2/- each fully paid up		
At the beginning of the year		
Number of equity shares	6,04,99,050	6,04,99,050
Amount	12.10	12.10
Changes during the year		
Number of equity shares	Nil	Nil
Amount	Nil	Nil
At the end of the year		
Number of equity shares	6,04,99,050	6,04,99,050
	12.10	12.10

Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 2/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting and payment of dividend to the preference shareholders.

Notes to the financial statements for the year ended 31st March, 2024

Shareholders holding more than 5% equity shares in the company

Name of shareholders	As at 31 st March, 2024 Number and % of holding	As at 31 st March, 2023 Number and % of holding
Diwakar Finvest Private Limited (Formerly Sneha Enclave Private Limited)	1,71,03,710 (28.27%)	1,71,03,710 (28.27%)
Suraj Finvest Private Limited (Formerly Sneha Gardens Pvt. Ltd)	1,45,26,450 (24.01%)	1,45,26,450 (24.01%)
Emami Limited	79,46,000 (13.13%)	79,46,000 (13.13%)

Shares held by promoters at the end of the year

Name of Promoter	As at 31 st March, 2024 No. of shares and % of total shares	As at 31 st March, 2023 No. of shares and % of total shares
Diwakar Finvest Private Limited (Formerly Sneha Enclave Private Limited)	1,71,03,710 (28.27%)	1,71,03,710 (28.27%)
Suraj Finvest Private Limited (Formerly Sneha Gardens Pvt. Ltd)	1,45,26,450 (24.01%)	1,45,26,450 (24.01%)
Emami Limited	79,46,000 (13.13%)	79,46,000 (13.13%)
Priti A Sureka	15,20,926 (2.51%)	15,20,926 (2.51%)
Radheshyam Goenka	11,61,250 (1.92%)	11,61,250 (1.92%)
Rajkumar Goenka	8,19,200 (1.35%)	8,19,200 (1.35%)
Sushil Kumar Goenka	7,26,750 (1.2%)	7,26,750 (1.2%)
Santosh Goenka	2,39,550 (0.4%)	2,39,550 (0.4%)
Saroj Goenka	1,37,000 (0.23%)	1,37,000 (0.23%)
Amitabh Goenka	1,25,000 (0.21%)	1,25,000 (0.21%)
Ritu Goenka	1,24,813 (0.21%)	1,24,813 (0.21%)
Shruti Goenka	1,24,813 (0.21%)	1,24,813 (0.21%)
Amitabh Goenka HUF	1,24,812 (0.21%)	1,24,812 (0.21%)
Ashish Goenka HUF	1,24,812 (0.21%)	1,24,812 (0.21%)
Indu Goenka	1,11,400 (0.18%)	1,11,400 (0.18%)
Mohan Goenka	1,02,000 (0.17%)	1,02,000 (0.17%)
Sushil Kumar Goenka HUF	1,00,500 (0.17%)	1,00,500 (0.17%)
Manish Goenka	87,000 (0.14%)	87,000 (0.14%)
Ashish Goenka	75,000 (0.12%)	75,000 (0.12%)
Dhiraj Agarwal	25,000 (0.04%)	25,000 (0.04%)
Aditya Vardhan Agarwal	12,500 (0.02%)	12,500 (0.02%)
Harsha Vardhan Agarwal	10,750 (0.02%)	10,750 (0.02%)
Puja Goenka	10,500 (0.02%)	10,500 (0.02%)
Usha Agarwal	8,300 (0.01%)	8,300 (0.01%)
Radheshyam Agarwal	3,500 (0.01%)	3,500 (0.01%)
Pramod Bajoria	1,750 (0.003%)	1,750 (0.003%)
Laxmi Devi Bajoria	1,750 (0.003%)	1,750 (0.003%)
Shanti Devi Agarwal	1,750 (0.003%)	1,750 (0.003%)
Richa Agarwal	1,500 (0.002%)	1,500 (0.002%)

In the year 2023-24, there is no change in promoters' share-holding.

Notes to the financial statements for the year ended 31st March, 2024

2.18 CONVERTIBLE PREFERENCE SHARES

(₹ in crores)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Authorised		
Preference Share of ₹ 100/- each	61.25	61.25
Number of preference shares	61,25,000	61,25,000
Issued, Subscribed & Paid up		
8% Non-Cumulative Redeemable Optionally Convertible Preference Shares of ₹ 100/- each fully paid up		
At the beginning of the year		
Number of preference shares	61,25,000	61,25,000
Face value	61.25	61.25
Fair value	243.52	243.52
Changes during the year		
Number of preference shares	-	-
Face value	-	-
Fair value	-	-
At the end of the year		
Number of preference shares	61,25,000.00	61,25,000
Face value	61.25	61.25
Fair value	243.52	243.52

Terms and rights attached to preference shares

In the F.Y 2020-21, the company has changed the terms attached to existing 61,25,000 Redeemable Preference Shares bearing 8% cumulative dividend (CRNPS) after obtaining approval from preference shareholders as well as that from equity shareholders through e-voting ended on 26.03.2021, so as to alter those CRNPS into equal number of Optionally Convertible Preference Shares (OCRPS), which are convertible into fixed number of equity shares at the option of the company and bears 8% non-cumulative dividend. Those preference shares were issued in three series from 28.03.2013 to 17.09.2014 and convertible or redeemable after 12 years from their respective date of issue.

Out of total above, 50,00,000 OCRPS are convertible into 3 equity shares each at the option of the company or redeemable at a premium of ₹500 per share; and 11,25,000 OCRPS are convertible into 3.5 equity shares each at the option of the company or redeemable at a premium of ₹600 per share on the expiry of 12 years from the date of issue with an option to convert or redeem it earlier to be decided mutually between the Company and the OCRPS holders at a meeting of OCRPS holders called for this purpose.

Brief changes in the terms attached to Preference Shares are given hereunder: -

- i) Convertible into equity shares at the option of the company; conversion ratio is as below: -

Conversion year	No. of shares	Conversion ratio	Redemption value per share (₹)
2026-27	11,25,000	3.5 : 1	700
2026-27	7,50,000	3 : 1	600
2025-26	22,50,000	3 : 1	600
2024-25	20,00,000	3 : 1	600

The option available with the company to convert OCRPS into equity shares at the ratio given above is not exercisable on happening of knock-out-event, that is, if average market price of the equity shares during 26 weeks immediately preceding the redemption / conversion is less than ₹180/share. On happening of the knock-out-event the company has to redeem those Preference Shares at predetermined redemption value.

- ii) Dividend rights attached to the preference shares are changed from cumulative to non-cumulative.
- iii) All other terms and conditions as were applicable to NCRPS would apply to OCRPS.

The OCRPS is classified as equity instrument and the status is evaluated at each year end. Based on the company's evaluation supported by views from an independent expert no change in classification is required.

The Company declares and pays dividends in Indian rupees on pro-rata basis from the date of allotment. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Holders of OCRPS have voting rights on matters pertaining to OCRPS.

In the event of liquidation of the Company before conversion or redemption of OCRPS, the holders of OCRPS will have priority over equity shares in the repayment of capital.

Shareholders holding more than 5% preference shares in the company / promoters holding.

Name of shareholders	As at 31.03.2024 Number and % of holding	As at 31.03.2023 Number and % of holding
Diwakar Finvest Private Limited (Formerly Sneha Enclave Private Limited)	28,49,750 (46.53%)	28,49,750 (46.53%)
Suraj Finvest Private Limited (Formerly Sneha Gardens Pvt. Ltd)	28,49,750 (46.53%)	28,49,750 (46.53%)

In the year 2023-24, there is no change in promoters' share-holding.

2.19 Other Equity

(₹ in crores)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Capital reserve	1.33	1.33
Securities premium	17.93	17.93
General reserve	140.00	140.00
Retained earnings	324.00	254.28
Items of other comprehensive income (not re-classifiable to profit and loss)		
Fair value through other comprehensive income of equity investment	40.95	35.12
Remeasurement of defined benefit plans	(5.72)	(5.62)
Items of other comprehensive income (re-classifiable to profit and loss)		
Cash flow hedge reserve	-	0.06
Total	518.49	443.10

Retained earnings

This represents the cumulative profits that the company has earned till date, less any transfers to General reserve, dividends or other distributions paid to shareholders and can be utilized in accordance with the provisions of the Companies Act, 2013.

Securities premium

This reserve represents the amount of premium received on issue of shares, which may be utilised for purposes specified under the Companies Act, 2013.

General reserve

This represents free reserves of the Company created through transfer of profits from retained earnings.

Capital reserve

This represents the excess of net assets purchased over consideration paid against the identifiable assets.

Notes to the financial statements for the year ended 31st March, 2024

2.20 NON-CURRENT BORROWINGS

(₹ in crores)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Secured loans		
Term loans from banks	340.60	417.69
Less: Current maturities of long term borrowings	110.58	142.42
Total	230.02	275.27

Nature of Security

Non-current borrowings are secured by deposit of title deeds in respect of present and future immovable properties and hypothecation of present and future movable plant and equipment on a pari-passu basis and second charge on current assets on pari-passu basis except assets of Kolkata unit.

(₹ in crores)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Terms of repayment of non-current borrowings		
Exim Bank		
RTL repayable in quarterly installments from Mar'2022 to Jul'2024	3.72	18.60
RTL repayable in quarterly installment from Jul'2024 to Oct'2027	49.77	37.38
Axis Bank		
RTL repayable in quarterly installments from Jan'2022 to Jul'2023	-	13.49
DCB Bank		
RTL repayable in quarterly installments from Oct'2021 to Jul'2025	12.83	21.39
IDFC Bank		
FCNR(B) repayable in quarterly installments from Mar'2019 to Mar'2024	-	13.10
ICICI Bank		
RTL repayable in quarterly installments from Mar'2023 to Mar'2027	35.15	46.81
FCNR(B) repayable in quarterly installments from Jun'2019 to Sep'2024	7.66	22.63
RTL repayable in quarterly installments from Jun'2022 to Mar'2026	47.70	71.35
RTL repayable in quarterly installments from Sep'2023 to Sep'2027	55.61	67.37
RTL repayable in quarterly installments from Sep' 2024 to Jun'2027	49.52	-
Indusind Bank		
RTL repayable in quarterly installments from Jan'2022 to Dec'2026	54.28	75.63
HDFC Bank		
RTL repayable in quarterly installments from Jun'2023 to Mar'2027	24.35	29.95

2.21 OTHER NON-CURRENT FINANCIAL LIABILITIES

(₹ in crores)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Retention money	1.06	1.47
Trade deposits	5.38	5.66
Lease liability	0.12	-
Total	6.56	7.13

Notes to the financial statements for the year ended 31st March, 2024

2.22 NON-CURRENT PROVISIONS

(₹ in crores)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Provision for Employee Benefits		
Gratuity	18.67	17.87
Earned leave	1.13	1.05
Total	19.80	18.92

2.23 DEFERRED TAX LIABILITIES (NET)

(₹ in crores)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Deferred tax liabilities		
Difference in tax base of property, plant and equipment	138.30	131.28
Fair valuation of investment	3.41	3.14
Deferred tax assets		
Deferred allowances under Income Tax Act	(6.71)	(6.54)
Net deferred tax liabilities	135.00	127.88

Movement in deferred tax balance for the period ended 31st March, 2024

(₹ in crores)

Particulars	As at 31 st March, 2023	Recognised in OCI	Recognised in profit and loss	As at 31 st March, 2023
Deferred tax liabilities				
Difference in tax base of property, plant and equipment	131.28	-	7.02	138.30
Fair valuation of investment	3.14	0.27	-	3.41
Total deferred tax liabilities	134.42	0.27	7.02	141.71
Deferred tax assets				
Deferred allowances under Income Tax Act	(6.54)	(0.06)	(0.11)	(6.71)
Total deferred tax assets	(6.54)	(0.06)	(0.11)	(6.71)
Net deferred tax liabilities	127.88	0.21	6.91	135.00

Movement in deferred tax balance for the period ended 31st March, 2023

(₹ in crores)

Particulars	As at 31 st March, 2022	Recognised in OCI	Recognised in profit and loss	As at 31 st March, 2023
Deferred tax liabilities				
Difference in tax base of property, plant and equipment	122.02	-	9.26	131.28
Fair valuation of investment	3.96	(0.82)	-	3.14
Total deferred tax liabilities	125.98	(0.82)	9.26	134.42
Deferred tax assets				
Unabsorbed tax depreciation	(5.85)	-	5.85	-
Deferred allowances under Income Tax Act	(4.96)	0.03	(1.61)	(6.54)
Total deferred tax assets	(10.81)	0.03	4.24	(6.54)
Net deferred tax liabilities	115.17	(0.79)	13.50	127.88

Notes to the financial statements for the year ended 31st March, 2024

2.24 DEFERRED REVENUE

(₹ in crores)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Import duty savings (EPCG) attributable to pending export obligation	5.36	5.36
Total	5.36	5.36

Grants relating to property, plant and equipment relate to duty saved on import of capital goods and spares under the EPCG scheme. Under such scheme, the Company is committed to export prescribed times of the duty saved on import of capital goods over a specified period of time. In case such commitments are not met, the Company would be required to pay the duty saved along with interest to the regulatory authorities. Such grants recognised are released to the statement of profit and loss based on fulfilment of related export obligations.

2.25 CURRENT BORROWINGS

(₹ in crores)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Secured		
Loan repayable on demand from banks	194.58	164.53
Buyer's/suppliers' credit facilities from banks	-	101.18
Current maturities of long term borrowings	110.58	142.42
Unsecured		
Demand loan from banks	71.11	81.62
Buyer's/Suppliers' credit facilities from banks	-	93.39
Total	376.27	583.14

Nature of security

Short term borrowings are secured by hypothecation of present and future stock of materials, stock-in-progress, finished goods, stores and spares, book debts, outstanding money, claims receivable and further secured by way of second charge on all immovable and movable properties / fixed assets both present and future on a pari-passu basis except asstes of Kolkata unit.

2.26 TRADE PAYABLES - TOTAL OUTSTANDING DUES OF MICRO ENTERPRISES AND SMALL ENTERPRISES

(₹ in crores)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
- Payables for goods	6.69	3.26
- Payables for services	4.32	7.30
- Payable to related parties	-	-
Total	11.01	10.56

2.27 TRADE PAYABLES -

TOTAL OUTSTANDING DUES OF CREDITORS OTHER THAN MICRO ENTERPRISES AND SMALL ENTERPRISES

(₹ in crores)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
- Payables for goods	86.91	174.10
- Payables for services	19.00	24.59
- Payable to related parties	-	-
Total	105.91	198.69

TRADE PAYABLES AGEING SCHEDULE AS AT 31st MARCH 2024

(₹ in crores)

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	
Undisputed dues - MSME	11.01	-	-	-	-	11.01
Undisputed dues - Others	98.36	5.09	1.42	0.98	0.06	105.91
Total trade payables						116.91

TRADE PAYABLES AGEING SCHEDULE AS AT 31st MARCH 2023

(₹ in crores)

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	
Undisputed dues - MSME	10.56	-	-	-	-	10.56
Undisputed dues - Others	183.68	13.98	0.98	0.04	0.02	198.69
Total trade payables						209.25

2.28 CURRENT DERIVATIVE LIABILITY

(₹ in crores)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Currency swap / forward cover / currency option	0.02	1.84
Total	0.02	1.84

2.29 OTHER CURRENT FINANCIAL LIABILITIES

(₹ in crores)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Interest accrued but not due	1.30	2.77
Accrued employee benefits	3.56	0.07
Unclaimed dividend	0.07	0.07
Retention money	0.12	0.11
Trade deposits	1.12	0.51
Lease liability	0.01	-
Outstanding liabilities for expenses	30.70	33.60
Total	36.88	37.13

2.30 OTHER CURRENT LIABILITIES

(₹ in crores)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Advance from customers	2.82	1.22
Statutory dues payable	5.08	6.56
Total	7.90	7.78

Notes to the financial statements for the year ended 31st March, 2024

2.31 CURRENT PROVISIONS

(₹ in crores)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Provision for Employee Benefits		
Gratuity	2.65	2.67
Earned leave	1.23	1.03
Total	3.88	3.70

2.32 CURRENT TAX LIABILITIES (NET)

(₹ in crores)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Provision for Income tax (Net of Advance income tax/TDS)	1.70	-
Total	1.70	-

2.33 REVENUE FROM OPERATION

(₹ in crores)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Sale of paper and paperboard	1,988.31	2,370.73
Other operating revenues		
Scrap sales	3.11	4.15
Export incentives	2.42	5.98
Total	1,993.84	2,380.86

2.34 OTHER INCOME

(₹ in crores)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Dividend income	0.75	0.75
Insurance claim	0.65	0.93
Interest	0.95	0.17
Profit on disposal of property, plant and equipment	0.26	0.12
Profit on Sale of current investments	-	0.01
Others	0.71	0.48
Total	3.32	2.46

2.35 COST OF MATERIAL CONSUMED

(₹ in crores)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Pulp and waste paper	1,162.56	1,478.39
Chemicals	168.89	183.24
Packing materials	29.62	34.44
Total	1,361.07	1,696.07

Notes to the financial statements for the year ended 31st March, 2024

2.36 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ in crores)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Inventories at the beginning of the year		
Finished goods	25.41	15.90
Work-in-progress	12.09	6.79
Total (A)	37.50	22.69
Inventories at the end of the year		
Finished goods	32.86	25.41
Work-in-progress	29.70	12.09
Total (B)	62.56	37.50
(Increase) / Decrease [A - B]	(25.06)	(14.81)

2.37 POWER AND FUEL

(₹ in crores)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Consumption of coal	108.56	128.27
Grid power	22.36	36.52
Total	130.92	164.79

2.38 EMPLOYEE BENEFIT EXPENSES

(₹ in crores)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Salaries and wages	72.99	70.73
Contribution to provident and other funds	4.34	4.44
Staff welfare expenses	5.68	5.34
Total	83.01	80.51

2.39 FINANCE COSTS

(₹ in crores)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Interest expenses on borrowings	60.81	54.47
Other interest expenses	0.48	0.36
Exchange difference regarded as adjustment to borrowing cost	1.81	3.61
Bank charges and other borrowing costs	4.14	4.99
Total	67.24	63.43

Notes to the financial statements for the year ended 31st March, 2024

2.40 OTHER EXPENSES

(₹ in crores)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Consumption of stores and spares	34.76	30.13
Rent	0.83	0.82
Repairs to buildings	0.23	0.42
Repairs to plant and machinery	6.73	5.35
Repair to others	0.75	1.56
Insurance	5.61	5.46
Manufacturing expenses	34.49	31.22
Freight outward	68.21	84.21
Selling expenses	19.63	26.85
Donation	0.19	0.33
Directors' sitting fee	0.21	0.25
Rates and taxes	16.26	14.81
Foreign exchange fluctuation	0.49	13.17
CSR expenditures	0.99	1.07
Miscellaneous expenses	18.18	16.99
Total	207.56	232.64

2.41 CURRENT TAX

(₹ in crores)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Current income tax for the year	21.33	10.43
Current income tax for the previous year(s)	(0.39)	-
Total	20.94	10.43

2.42 DEFERRED TAX

(₹ in crores)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Deferred tax for the year	6.91	13.50
Total	6.91	13.50

Reconciliation of estimated income tax to income tax expense is as below:

Profit/(loss)before tax	112.15	93.10
Enacted tax rate	25.168%	25.168%
Expected income tax expense at statutory income tax rate	28.23	23.43
a) Non-deductible expenses	0.20	0.31
b) Effect of assessment on deffered tax	-	0.19
c) Exemptions / Deductions	(0.19)	-
d) Current tax of earlier years	(0.39)	-
Tax expenses reported	27.85	23.93
Current tax	20.94	10.43
Deferred tax	6.91	13.50
Total tax expenses as per profit and loss statement	27.85	23.93

Notes to the financial statements for the year ended 31st March, 2024

2.43 EMPLOYEE BENEFITS

The Company's obligation towards the gratuity fund and leave encashment fund are defined Benefit Plans (funded). The details of actuarial valuation are given below -

(All amounts in ₹ crores, unless otherwise stated)

Sl. No.	Particulars	2023-24		2022-23	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
I.	Change in present value of obligation during the year				
	Present value of obligation at the beginning of the year	21.66	4.99	20.52	4.74
	Included in profit and loss:				
	- Current Service Cost	1.78	0.40	1.71	0.54
	- Interest Cost	1.55	0.36	1.42	0.33
	- Past Service Cost	-	-	-	-
	- Actuarial (Gain)/Loss	-	-	-	-
	Included in OCI:				
	Actuarial losses/(gains) arising from:				
	- Experience adjustments	(0.22)	(0.32)	0.52	(0.33)
	- Financial assumption	0.34	0.06	(0.44)	(0.08)
	Others				
	Benefits Paid	(1.37)	(0.10)	(2.07)	(0.21)
	Present Value of obligation as at year end	23.74	5.39	21.66	4.99
II.	Change in Fair Value of Plan Assets during the year				
	Plan assets at the beginning of the year	1.11	2.91	2.28	2.92
	Included in profit and loss:				
	Interest Income	0.08	0.21	0.16	0.20
	Expected return on plan assets	-	-	-	-
	Included in OCI:				
	- Actuarial Gain/(Loss) on plan assets	(0.01)	0.01	(0.06)	-
	Others:				
	Employer's contribution	2.60	-	0.80	-
	Benefits Paid	(1.37)	(0.10)	(2.07)	(0.21)
	Plan assets at the end of the year	2.42	3.03	1.11	2.91
	Current Liabilities	2.65	1.23	2.67	1.03
	Non-Current Liabilities	18.67	1.13	17.88	1.05
	Total Liability	21.32	2.36	20.55	2.07
	Weighted Average Asset Allocations at the year end				
	Equities	-	-	-	-
	Bonds	-	-	-	-
	Gilts	-	-	-	-
	Insurance Policies	100%	100%	100%	100%
	Total	100%	100%	100%	100%

Notes to the financial statements for the year ended 31st March, 2024

(All amounts in ₹ crores, unless otherwise stated)

Sl. No.	Particulars	2023-24		2022-23	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
III.	Reconciliation of Present value of Defined Benefit Obligation and Fair Value of Plan Assets				
	1. Present Value of obligation as at year-end	23.74	5.39	21.66	4.99
	2. Fair Value of plan assets at year end	2.42	3.03	1.11	2.91
	3. Funded status [Surplus/(Deficit)]	(21.32)	(2.36)	(20.55)	(2.07)
	Net Asset/(Liability)	(21.32)	(2.36)	(20.55)	(2.07)
IV.	Expenses recognised in the Statement of Profit and Loss				
	Current Service Cost	1.78	0.40	1.71	0.54
	Interest Cost	1.55	0.36	1.42	0.33
	Past Service Cost	-	-	-	-
	Actuarial (Gain)/Loss	-	-	-	-
	Expected return on plan assets	(0.08)	(0.21)	(0.16)	(0.20)
	Total Expense	3.25	0.55	2.97	0.67
V.	Expenses recognised in the Statement of Other Comprehensive Income				
	Net Actuarial (Gain)/Loss	0.12	(0.26)	0.08	(0.41)
	Expected return on plan assets excluding interest income	0.01	(0.01)	0.06	-
	Total Expense	0.13	(0.27)	0.14	(0.41)
VI.	Actuarial Assumptions				
	Discount Rate	6.97%	6.97%	7.15%	7.15%
	Salary Escalation - First Year	6.00%	6.00%	6.00%	6.00%
	Salary Escalation - After First Year	6.00%	6.00%	6.00%	6.00%
	Expected Rate of Return on Plan Assets	6.97%	6.97%	7.15%	7.15%
	Mortality Table	ALM (2012-14)	ALM (2012-14)	IALM (2012-14)	IALM (2012-14)

VII. The best estimate contribution for the next year would be ₹ 1.86 crores for Gratuity and ₹ 0.65 crores for Leave Encashment.

VIII. Experience Adjustments

(All amounts in ₹ crores, unless otherwise stated)

Particulars	Year ended 31.03.24		Year ended 31.03.23	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
(Gain) / Loss on Plan Liabilities	(0.22)	(0.32)	0.52	(0.33)
% of Opening Plan Liabilities	-1.00%	-6.44%	2.56%	-6.96%
Gain / (Loss) on Plan Assets	(0.01)	0.01	(0.06)	-
% of Opening Plan Assets	-0.72%	0.29%	-2.55%	0.00%

IX. Sensitivity Analysis

(All amounts in ₹ crores, unless otherwise stated)

Gratuity	Year ended 31.03.24		Year ended 31.03.23	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(2.04)	1.77	(1.87)	1.62
Future salary growth (1% movement)	1.81	(2.04)	1.66	(1.87)
Withdrawal Rates (1% movement)	0.30	(0.24)	0.32	(0.25)

Notes to the financial statements for the year ended 31st March, 2024

(All amounts in ₹ crores, unless otherwise stated)

Leave Encashment	Year ended 31.03.24		Year ended 31.03.23	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(0.36)	0.32	(0.35)	0.31
Future salary growth (1% movement)	0.35	(0.39)	0.34	(0.39)
Withdrawal Rates (1% movement)	0.05	(0.04)	0.06	(0.05)

X. Maturity Profile of Defined Benefit Obligations (value on undiscounted basis)

(All amounts in ₹ crores, unless otherwise stated)

Year	Year ended 31.03.24		Year ended 31.03.23	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
1 Year	2.65	1.23	2.67	1.03
2 to 5 Years	8.31	1.44	7.40	1.40
6 to 10 Years	10.90	2.78	10.07	2.70
More than 10 Years	25.93	4.01	24.51	4.06

2.44 CONTINGENT LIABILITIES AND COMMITMENTS

(All amounts in ₹ crores, unless otherwise stated)

Sl. No.	Particulars	As at 31 st March, 2024	As at 31 st March, 2023
A.	CONTINGENT LIABILITIES		
	Claims against the Company not acknowledged as debts		
	(Net of Advances) :		
	Sales tax matters	0.19	0.19
	Entry tax matters	3.14	3.27
	Excise duty, service tax, GST and customs duty matters	0.33	1.07
	Total	3.66	4.53
B.	Contingent liabilities disclosed above represent possible obligations that has arisen from past events and where the likelihood of an outflow of resources depends upon occurrence or non-occurrence of uncertain future event(s). In addition, the company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The company's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the company's results of operations and financial conditions.		
	Outstanding guarantees and letters of credit furnished by the bankers on behalf of the Company	176.55	93.19
C.	COMMITMENTS		
	Capital commitments		
	Estimated value of contracts in capital account remaining to be executed and not provided for (net of capital advances)	3.22	9.80
	Total	3.22	9.80

Notes to the financial statements for the year ended 31st March, 2024

2.45 Related party disclosures

Related Parties Relationship

(1) Entities having significant influence over the Company

Suraj Finvest Private limited (Formerly known as Sneha Gardens Pvt.Ltd.)

Diwakar Finvest Pvt. Ltd. (Formerly known as Sneha Enclave Pvt.Ltd.)

(2) Key managerial personnel & relatives of key managerial personnel

Key Management Personnel

Shri A.V. Agarwal, Executive Chairman

Shri Manish Goenka, Whole Time Director

Shri Vivek Chawla, Whole Time Director & CEO

Shri Debendra Banthiya, Company Secretary

Shri Mukesh Kumar Agarwal (Interim CFO) (w.e.f. 28.11.2022)

Other Directors

Shri S. Balasubramanian, Independent Director

Shri H. M. Marda, Independent Director

Shri J.K. Khetawat, Independent Director

Smt Richa Agarwal, Non Executive Director

Smt Mamta Binani, Independent Director

Shri Amit Kiran Deb, Independent Director

Shri Sumit Banerjee, Independent Director

Shri P.S. Patwari, Non Executive Non Independent Director (w.e.f-01-04-2023)

Promoters and their relatives.

Shri Radheshyam Agarwal	Ms. Ritu Goenka
Ms. Usha Agarwal	Ms. Shruti Goenka
Shri Harsha Vardhan Agarwal	Shri Amitabh Goenka
Ms. Priti A Sureka	Amitabh Goenka HUF
Shri Dhiraj Agarwal	Ashish Goenka HUF
Ms. Shanti Devi Agarwal	Sushil Kumar Goenka HUF
A V Agarwal HUF	Shri Ashish Goenka
Shri Vibhash Vardhan Agarwal	Ms. Puja Goenka
Ms. Vidhi Agarwal	Shri Sachin Goenka, Vice President (Business Strategy & Procurement)
Ms. Vidula Agarwal	Shri Advay Goenka
Shri Radheshyam Goenka	Ms. Jyoti Goenka
Ms. Saroj Goenka	Manish Goenka HUF
Shri Mohan Goenka	Ms. Nimisha Goenka
Ms. Indu Goenka	Ms. Rachana Bagaria
Shri Rajkumar Goenka	Shri Pramod Bajoria
Shri Sushil Kumar Goenka	Ms. Laxmi Devi Bajoria
Shri Santosh Goenka	

Notes to the financial statements for the year ended 31st March, 2024

(3) Enterprise where Key Management Personnel and their relatives are able to exercise significant influence

Emami Limited
Pan Emami Cosmed Ltd (Formerly Midkot Investment Pvt Ltd. till 07.12.2023)
Premier Ferro Alloys & Securities Limited
Dev Infracity Pvt.Ltd
Emami Art Pvt.Ltd
Madhvi Exim Pvt Ltd
Emami Foundation
Emami Agrotech Ltd.
Emami Frank Ross Ltd.
Emami Realty Ltd.
Emami Group of Companies Pvt.Ltd.

Disclosure of transactions between the Company and related parties

(All amounts in ₹ crores, unless otherwise stated)

Particulars	Key Management Personnel		Relatives of Key Management Personnel		Enterprise described in (3) above		Total	
	31 st March 2024	31 st March 2023	31 st March 2024	31 st March 2023	31 st March 2024	31 st March 2023	31 st March 2024	31 st March 2023
Remuneration to Key Management Personnel								
- Short Term Employment benefits*	16.24	12.66	0.56				16.80	12.66
- Post Employment benefits		4.78					-	4.78
Sitting Fees Paid to Independent Director	0.21	0.25					0.21	0.25
Rent Maintenance & Other Charges Payable (Emami Limited)					0.86	0.85	0.86	0.85
Sale of Painting and other charges (Emami Art Pvt.Ltd)					0.01		0.01	-
Purchase of Painting and other charges (Emami Art Pvt.Ltd)					0.00		0.00	-
Reimbursement for SAP maintenance (Emami Limited)						0.61	-	0.61
Royalty and Subscription Charges Paid (Emami Limited)					0.67	0.80	0.67	0.80
Interest Paid						0.78	-	0.78
Dividend Paid	0.02	0.02	0.47	0.91	11.09	11.09	11.58	12.02
Dividend Received (Emami Limited)					0.75	0.75	0.75	0.75
Rent Received (Emami Limited)					0.16	0.16	0.16	0.16
Commission to Madhvi Exim Pvt Ltd					0.03	0.46	0.03	0.46
Balance as on 31 st March								
- Investment -Emami Ltd					40.02	33.44	40.02	33.44
- Investment -Pan Emami Cosmed Ltd.					4.91	5.38	4.91	5.38
- Security Deposit Given - Emami Ltd					0.08	0.08	0.08	0.08
- Security Deposit received					0.03	0.03	0.03	0.03
Employment benefit payable	0.09	2.62					0.09	2.62
Sitting fees payable	0.00					-	0.00	-
Creditor- Commission Payable to Madhvi Exim Pvt Ltd						0.01	-	0.01
Creditor -Emami Ltd					0.00		0.00	-

* Post employment benefits, which are actuarially determined on overall basis are not separately provided.

Notes to the financial statements for the year ended 31st March, 2024

2.46 DISCLOSURES ON FINANCIAL INSTRUMENTS

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of material accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2 (i) to the financial statements.

(a) Financial assets and liabilities

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at 31st March, 2024 and 31st March, 2023.

As at 31st March, 2024

(All amounts in ₹ crores, unless otherwise stated)

Particulars	Amortised cost	Fair Value through other comprehensive income	Derivative instruments designated as hedging	Derivative instruments not designated as hedging	Fair Value through statement of profit and loss	Total carrying value	Total fair value
Financial assets:							
Cash and bank balances	5.31	-	-	-	-	5.31	5.31
Trade receivables	261.03	-	-	-	-	261.03	261.03
Investments	0.01	44.94	-	-	-	44.95	44.95
Derivatives	-	-	0.46	-	-	0.46	0.46
Loans	0.41	-	-	-	-	0.41	0.41
Other financial assets	11.12	-	-	-	-	11.12	11.12
	277.88	44.94	0.46	-	-	323.28	323.28
Financial liabilities:							
Trade and other payables	116.92	-	-	-	-	116.92	116.92
Borrowings	606.29	-	-	-	-	606.29	606.29
Derivatives	-	-	0.02	-	-	0.02	0.02
Other financial liabilities	43.44	-	-	-	-	43.44	43.44
	766.65	-	0.02	-	-	766.67	766.67

As at 31st March, 2023

(All amounts in ₹ crores, unless otherwise stated)

Particulars	Amortised cost	Fair Value through other comprehensive income	Derivative instruments designated as hedging	Derivative instruments not designated as hedging	Fair Value through statement of profit and loss	Total carrying value	Total fair value
Financial assets:							
Cash and bank balances	0.34	-	-	-	-	0.34	0.34
Trade receivables	262.57	-	-	-	-	262.57	262.57
Investments	0.01	38.83	-	-	-	38.84	38.84
Derivatives	-	-	0.13	-	-	0.13	0.13
Loans	0.58	-	-	-	-	0.58	0.58
Other financial assets	5.25	-	-	-	-	5.25	5.25
	268.75	38.83	0.13	-	-	307.71	307.71
Financial liabilities:							
Trade and other payables	209.25	-	-	-	-	209.25	209.25
Borrowings	858.41	-	-	-	-	858.41	858.41
Derivatives	-	-	1.84	-	-	1.84	1.84
Other financial liabilities	44.26	-	-	-	-	44.26	44.26
	1,111.92	-	1.84	-	-	1,113.76	1,113.76

Notes to the financial statements for the year ended 31st March, 2024

(All amounts in ₹ crores, unless otherwise stated)

(b) Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Net gain/(loss) on financial assets and liabilities measured at fair value through profit and loss	2.25	(1.74)

2.47 CAPITAL MANAGEMENT

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company.

The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations, long term and short term bank borrowings and issue of convertible/non-convertible debt securities.

(All amounts in ₹ crores, unless otherwise stated)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Debt (A)	606.29	858.41
Equity (B)	774.11	698.72
Debt to Equity Ratio (A / B)	0.78	1.23

2.48 FINANCIAL RISK MANAGEMENT

The company's business activities are exposed to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework. The Company has established a Risk Management system, which is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Audit Committee of the Company.

A. MANAGEMENT OF LIQUIDITY RISK

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended 31st March, 2024 and 31st March, 2023. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis.

The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on on-going basis to meet operational needs. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and other highly marketable debt investments with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

The following table shows the maturity analysis of the Company's financial liabilities and financial asset based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

Notes to the financial statements for the year ended 31st March, 2024

(i) Maturities of financial liabilities

(₹ in crores)

Particulars	Carrying amount	Undiscounted Amount			Total
		On demand	Payable within 1 year	More than 1 years	
As at 31st March, 2024					
Non-derivative liabilities					
Trade payables	116.92	-	116.92	-	116.92
Borrowings	340.60	-	110.58	230.02	340.60
Borrowings - Repayable on demand	265.69	265.69	-	-	265.69
Security deposits	6.50	-	1.12	5.38	6.50
Others	36.94	-	35.76	1.18	36.94
Derivative liabilities					
Swaps/Forward cover/Options	0.02	-	0.02	-	0.02

(₹ in crores)

Particulars	Carrying amount	Undiscounted Amount			Total
		On demand	Payable within 1 year	More than 1 years	
As at 31st March, 2023					
Non-derivative liabilities					
Trade payables	209.25	-	209.25	-	209.25
Borrowings	612.26	-	336.99	275.27	612.26
Borrowings - Repayable on demand	246.15	246.15	-	-	246.15
Security deposits	6.17	-	0.51	5.66	6.17
Others	38.09	-	36.62	1.47	38.09
Derivative liabilities					
Swaps/Forward cover/Options	1.84	-	1.84	-	1.84

(ii) Maturities of financial assets

(₹ in crores)

Particulars	Carrying amount	Undiscounted Amount			Total
		On demand	Receivable within 1 year	More than 1 years	
As at 31st March, 2024					
Non-derivative assets					
Trade receivable	261.03	-	261.03	-	261.03
Cash and bank balance	5.31	5.31	-	-	5.31
Investment	44.95	-	-	44.95	44.95
Loans	0.41	-	0.33	0.08	0.41
Security deposits	10.56	-	6.43	4.13	10.56
Others	0.56	-	0.55	0.01	0.56
Derivative assets					
Swaps/Forward cover/Options	0.46	-	0.46	-	0.46

Notes to the financial statements

 for the year ended 31st March, 2024

(₹ in crores)

Particulars	Carrying amount	Undiscounted Amount			
		On demand	Payable within 1 year	More than 1 years	Total
As at 31st March, 2023					
Non-derivative assets					
Trade receivable	262.57	-	262.57	-	262.57
Cash and bank balance	0.34	0.34	-	-	0.34
Investment	38.84	-	-	38.84	38.84
Loans	0.58	-	0.53	0.05	0.58
Security deposits	4.78	-	2.21	2.57	4.78
Others	0.47	-	0.46	0.01	0.47
Derivative assets					
Swaps/Forward cover/Options	0.13	-	0.13	-	0.13

B. MANAGEMENT OF MARKET RISK

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

- currency risk;
- price risk; and
- interest rate risk

The above risks may affect the Company's income and expenses, or the value of its financial instruments. The Company has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the board of directors.

(i) Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

a) Foreign currency exchange rate risk:

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit and loss and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency.

Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates. The risks primarily relate to fluctuations in U.S. dollar, Euro and GBP against the functional currencies of the Company.

The Company, as per its risk management policy, uses forward cover and other derivative instruments primarily to hedge foreign exchange exposure. Any weakening of the functional currency may impact the Company's imports, exports and cost of borrowings and consequently may impact profitability of the company.

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. It hedges a part of these risks by using derivative financial instruments in accordance with its risk management policies.

Notes to the financial statements for the year ended 31st March, 2024

The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of a currency and a simultaneous parallel foreign exchange rates shift in the foreign exchange rates of each currency by 1%.

The following table sets forth information relating to foreign currency exposure as at March 31, 2024:

(₹ in crores)

	in U.S. D	in Euro	Total
a) Financial assets			
Outstanding	21.01	0.77	21.78
Unhedged exposure	21.01	0.77	21.78
b) Financial liabilities			
Outstanding	86.53	0.01	86.53
Unhedged exposure	1.52	0.01	1.53

1% appreciation/depreciation on the of the respective foreign currencies with respect to functional currency of the Company would result in decrease/increase in the Company's net profit/(loss) before tax by approximately ₹ 0.22 crores and ₹ 0.02 crores for financial assets and financial liabilities respectively for the year ended March 31, 2024.

The following table sets forth information relating to foreign currency exposure as at March 31, 2023:

(₹ in crores)

	in U.S. D	in Euro	Total
a) Financial assets			
Outstanding	18.38	2.91	21.30
Unhedged exposure	18.38	2.91	21.30
b) Financial liabilities			
Outstanding	386.13	0.55	386.68
Unhedged exposure	11.04	0.55	11.59

1% appreciation/depreciation of the respective foreign currencies with respect to functional currency of the Company would result in decrease/increase in the Company's net profit/(loss) before tax by approximately ₹ 0.21 crores and ₹ 0.12 crores for financial assets and financial liabilities respectively for the year ended March 31, 2023.

b) Interest rate risk

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs.

The Company is subject to variable interest rates on some of its interest bearing liabilities. The Company's interest rate exposure is mainly related to debt obligations. The Company also uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like short-term loans.

Interest Rate Risk Exposure

	As at 31.03.2024		As at 31.03.2023	
	(₹ in crores)	% of Total	(₹ in crores)	% of Total
Fixed Rate Borrowings	254.66	42%	304.92	36%
Variable Rate Borrowings	351.62	58%	553.50	64%
Total Borrowings	606.29	100%	858.41	100%

Notes to the financial statements for the year ended 31st March, 2024

Sensitivity on variable rate borrowings (₹ in crores)

	Impact on Profit & Loss Account		Impact on Equity	
	31/03/24	31/03/23	31/03/24	31/03/23
Interest rate increase by 0.25%	(0.88)	(1.38)	(0.88)	(1.38)
Interest rate decrease by 0.25%	0.88	1.38	0.88	1.38

c) Equity Price risk

Equity Price Risk is related to the change in market reference price of the investments in equity securities. The company is not an active investor in equity markets; it continues to hold certain investments in equity for long term value accretion which are accordingly measured at fair value through Other Comprehensive Income.

The fair value of Company's investment in quoted equity securities as at March 31, 2024 and March 31, 2023 was ₹ 40.03 crores, and ₹ 33.45 crores, respectively. A 10% change in equity price as at March 31, 2024 and March 31, 2023 would result in an impact of ₹ 4.00 crores and ₹ 3.35 crores, respectively. (Note: The impact is indicated on equity before consequential tax impact, if any).

(ii) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations. The Company is exposed to credit risk mainly from trade receivables and other financial assets. The Company only deals with parties which has good credit ratings / worthiness based on company's internal assessment.

Trade receivables

Concentration of credit risk with respect to trade receivables are limited, due to the Company's customer base being large and diverse. All trade receivables are reviewed and assessed for default on a quarterly basis.

Our historical experience of collecting receivables is that credit risk is low. Hence, trade receivables are considered to be a single class of financial assets.

Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks, investments in treasury bills, government securities, money market liquid mutual funds and derivative instrument with financial institutions. The Company has set counter-parties limits based on multiple factors including financial position, credit rating, etc.

The Company's maximum exposure to credit risk as at 31st March, 2024 and 31st March, 2023 is the carrying value of each class of financial assets.

C. COMPETITION AND PRICE RISK MANAGEMENT

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.

D. COMMODITY PRICE RISK MANAGEMENT

Commodity price risk for the Company is mainly related to fluctuations in raw material prices linked to various external factors, which can affect the production cost of the Company. Since the raw material costs is one of the primary costs drivers, any fluctuation in raw material prices (pulp and waste paper etc.) can lead to variability in operating margin.

The company has developed sustainable relation with leading domestic and international suppliers of raw material, which enable procurement at most competitive rates. Dedicated expert team and market intelligence supports the company procurement functions.

Notes to the financial statements for the year ended 31st March, 2024

E CAPITAL RISK MANAGEMENT

The Company's policy is to maintain an adequate capital base with the objective to create value for the shareholders along with maintaining creditor and market confidence. 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.

(All amounts in ₹ crores, unless otherwise stated)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Borrowings	606.29	858.41
Less: Cash and cash equivalents including bank balance	5.31	0.34
Net debt	600.98	858.07
Equity	774.11	698.72
Capital and Net debt	1,375.09	1,556.79
Gearing Ratio	44%	55%

2.49 CARRYING VALUE AND FAIR VALUE OF FINANCIAL INSTRUMENTS IS AS FOLLOWS

(All amounts in ₹ crores, unless otherwise stated)

	Carrying Value		Fair Value	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
Financial Assets :				
Investments in equity instruments	40.03	33.45	40.03	33.45
Investments in preference shares	4.91	5.38	4.91	5.38
Loans	0.41	0.58	0.41	0.58
Trade Receivables	261.03	262.57	261.03	262.57
Cash and Cash Equivalents	5.08	0.12	5.08	0.12
Other Financial Assets	11.82	5.61	11.82	5.61
Total	323.28	307.71	323.28	307.71
Financial Liabilities :				
Borrowings	606.29	858.41	606.29	858.41
Trade & Other Payables	116.92	209.25	116.92	209.25
Other Financial Liabilities	43.46	46.10	43.46	46.10
Total	766.67	1,113.76	766.67	1,113.76

2.50 FAIR VALUE HIERACHY

Level 1 - Quoted Prices (Unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Notes to the financial statements for the year ended 31st March, 2024

The following tables presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis -

(All amounts in ₹ crores, unless otherwise stated)

Particulars	As at 31.03.2024	Fair value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3
Assets :				
Investments in equity instruments	40.03	40.03	-	-
Investments in preference shares	4.91	-	-	4.91
Derivative financial instruments	0.46	-	0.46	-
Liabilities :				
Derivative financial instruments	0.02	-	0.02	-

(All amounts in ₹ crores, unless otherwise stated)

Particulars	As at 31.03.2023	Fair value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3
Assets :				
Investments in equity instruments	33.45	33.45	-	-
Investments in preference shares	5.38	-	-	5.38
Derivative financial instruments	0.13	-	0.13	-
Liabilities :				
Derivative financial instruments	1.84	-	1.84	-

2.51 DETAILS RELATED TO CSR ACTIVITIES

(All amounts in ₹ crores, unless otherwise stated)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Amount required to be spent by the company during the year	1.59	0.89
Amount of expenditure incurred	0.99	1.07
Brought forward surplus from previous 3 financial years	0.77	0.58
Surplus available for set off in succeeding financial years	0.17	0.77
Reason for shortfall	N.A.	N.A.
Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	NIL	NIL
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	N.A.	N.A.

Notes to the financial statements for the year ended 31st March, 2024

2.52 DISCLOSURES REQUIRED UNDER THE MICRO SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT.

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:

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Principal amount and Interest due thereon remaining unpaid to any supplier as on	NIL	NIL
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
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
The amount of interest accrued and remaining unpaid.	NIL	NIL
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 this Act.	NIL	NIL

2.53 EARNINGS PER SHARE (EPS)

BASIC EARNINGS PER SHARE (EPS)

(All amounts in ₹ crores, unless otherwise stated)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Net Profits after tax (₹ in crore)	84.30	69.17
Less: Preference Dividend	4.90	4.90
Net Profit/ (Loss) after Tax available to Equity Shareholders	79.40	64.27
Number of equity shares (Nos. in crore)	6.05	6.05
Basic earnings per share (in ₹)	13.12	10.62
Nominal Value per share (₹)	2.00	2.00

DILUTED EARNINGS PER SHARE (EPS)

(All amounts in ₹ crores, unless otherwise stated)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Net Profit/ (Loss) after Tax available to Equity Shareholders	79.40	64.27
Add: Preference Dividend	4.90	4.90
Net Profit/ (Loss) after Tax available to Equity Shareholders and Potential Equity Shares	84.30	69.17
Weighted Average number of Equity Shares and Potential Equity Shares	7.94	7.94
Diluted earnings per share (in ₹)	10.61	8.71
Nominal Value per share (₹)	2.00	2.00

2.54 PAYMENT TO STATUTORY AUDITORS

(All amounts in ₹ crores, unless otherwise stated)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
As auditors		
Statutory audit fees	0.18	0.18
Tax audit fees	0.03	0.03
In other capacity		
Certification and other services	0.03	0.02
Total	0.24	0.23

Notes to the financial statements for the year ended 31st March, 2024

2.55 The Company's business activity falls within a single primary business segment which is "Manufacture of Paper and Paper Board" and the Company primarily operates in India. As per Ind AS 108 "Operating Segments", specified under Section 133 of the Companies Act, 2013, there are no reportable operating or geographical segments applicable to the Company.

2.56 FINANCIAL RATIOS:

(All amounts in ₹ crores, unless otherwise stated)

Ratio	Numerator	Denominator	F.Y. 2023-24	F.Y. 2022-23	% Variance	Remarks for variance
Current ratio (in times)	Current Assets	Current Liabilities	1.02	0.92	10.80%	
Debt-equity ratio (in times)	Total Debt	Shareholder's equity	0.78	1.23	36.25%	Ratio improved due to increase in net worth and debt repayment
Debt service coverage ratio (in times)	EBITDA	Debt service obligation	1.16	1.17	-1.34%	
Inventory turnover ratio (in times)	Turnover	Average inventory	7.09	8.78	19.24%	
Trade receivables turnover ratio (in times)	Turnover	"Average trade receivables	7.62	9.92	23.19%	
Trade payables turnover ratio (in times)	Cost of goods and services	Average trade payables	10.01	11.01	9.11%	
Net capital turnover ratio (in times)	Turnover	Working capital	183.76	35.56	416.76%	Improved position of net working capital
Net profit ratio (%)	Net profit after tax	Turnover	4.23%	2.91%	45.53%	Company is able to increase its profitability despite reduction in turnover
Return on equity (%)	Profit after preference dividend	Average shareholders equity	16.11%	14.87%	8.37%	
Return on capital employed (%)	Earning before interest and tax	Capital employed	15.79%	15.40%	2.53%	
Return on investment (%)	Dividend Income	Average investment	1.79%	1.71%	4.44%	

2.57 ASSETS HELD FOR SALE AND IMPAIRMENT

(All amounts in ₹ crores, unless otherwise stated)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Plant, machineries, equipment's and spares (disposal group)	10.37	-
Total	10.37	-

- The company has provided an impairment loss of ₹8.00 crores on plant and machineries and spares of plant and machineries. The said loss is shown in the statement of profit and loss under the head 'Depreciation, amortisation and impairment'. Since, the value of the impaired assets would be recovered by way of sale, those are shown under the heading "Assets held for sale" in the Balance Sheet.
- The impaired plant and machineries of the unit at Kolkata, decided to be disposed off. This Kolkata unit, which comprises less than 5% of the company's overall production capacity, has been discontinued and ceased operation since March 2020 and the company has obtained factory license cancellation from the Directorate of Factories, GoWB after mutual separation of all the employees through Voluntarily Retirement Scheme. Closure of this unit does not have any material impact on the operation of the company. The spares which are impaired are no more required by the company. Disposal of the above items are expected to be completed in the financial year 2024-25.

Notes to the financial statements for the year ended 31st March, 2024

2.58 The Company depreciates its Property, Plant & Equipment over the useful life in the manner prescribed in Schedule II to the Act. Depreciation is provided on pro-rata basis based on the method specified in the material accounting policies using the rates arrived on the basis of useful life of assets specified in Part C of Schedule II to the Act and during this financial year, the company has re-estimated useful life of its Paper Manufacturing machines based on past experiences, industry standards and opinion of external experts, thereby increasing the remaining useful life. As a result depreciation for the year ended 31st March 2024 has experienced a reduction with corresponding increase in 'profit before tax'. Depreciation and amortisation expenses (excluding impairment charges) in the current financial year is lesser by ₹15.32 crore than that of corresponding previous financial year and both are not comparable

2.59 The Company had foreign exchange earnings from export of ₹114.97.crores during the F.Y.2023-24 (last year - ₹ 269.23 crores).

2.60 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) The Company does not have any transactions with companies which are struck off under Section 288 of the Companies Act 2013 or Section 560 of Companies Act, 1956 during the financial year.
- 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 has not traded or invested in crypto currency or virtual currency during the financial year.
- d) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the:
 - i) 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
 - ii) Provide any Guarantee, Security, or the like to or on behalf of the Ultimate Beneficiaries.
- e) The Company has not received any fund from any Person(s) or Entity(ies), including Foreign Entities (Funding Party) with the understanding (whether):
 - i) 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
 - ii) Provide any Guarantee, Security, or the like on behalf of the ultimate beneficiaries.
- f) The Company have sanctioned borrowings/facilities from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks and financial institutions are in agreement with the books of accounts and there are no material discrepancies between them.
- 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 has not been declared willful defaulter by any Banks or any other Financial Institution at any time during the financial year.
- i) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

Notes to the financial statements for the year ended 31st March, 2024

2.61 Vide Order of the Hon'ble National Company Law Tribunal ("NCLT"), Kolkata Bench, order No. C.P. (CAA) No. 89/KB/2021 connected with C.A. (CAA) No. 1237/KB/2020 dated 15/11/2021 ("Order"), Pan Emami Cosmed Limited, Emami Capital Markets Ltd., TMT Viniyogan Ltd., Newway Constructions Ltd., Karan Business Pvt. Ltd., Zen Business Pvt. Ltd., Sundew Finance Private Limited, Medal Chemical & Research Works Ltd., Sneha Abasan Pvt. Ltd., Sneha Niketan Pvt. Ltd., Ramshila Enterprise Pvt. Ltd., and EFL Foods Limited ("Transferor Companies") have been amalgamated into and with Midkot Investments Private Limited ("Company"), with the appointed date of closing hours of business on 31st March, 2020, and effective date is 9th December, 2021.

As on 31st March, 2022, the Company was holding 3,07,300 nos. of equity shares of face value of ₹10/- each of Pan Emami Cosmed Limited. Pursuant to the said scheme of amalgamation, the Company while exercising its option has opted for 3,07,300 nos. of Class B 8% Non Cumulative Optionally Convertible Redeemable Preference Shares (NCOCRPS) of face value of ₹ 10/- each. During this financial year the fully paid up preference shares of face value of ₹ 10/- each of Midkot Investments Private Limited has been allotted to the company and later the Midkot Investments Private Limited has changed its name to PAN Emami Cosmed Limited.

2.62 The Board of Directors has recommended a dividend of ₹1.60/- per equity share (80%) having face value of ₹ 2 each and ₹8/- per preference shares (8%) having face value of ₹100/- each for the financial year 2023-24.

2.63 Corresponding figures of the previous period have been regrouped/ rearranged wherever necessary.

The accompanying notes are an integral part of these financial statements

In terms of our attached report of even date

For S K Agrawal and Co Chartered Accountants LLP

Chartered Accountants

Firm Registration Number : 306033E/ E300272

Sandeep Agrawal

Partner

Membership No. - 058553

Place: Kolkata

Date: 28th May, 2024

Aditya V. Agarwal

Executive Chairman

DIN : 00149717

Mukesh Kumar Agarwal

Asst. Vice President (Finance)
& Interim CFO

For and on behalf of the Board

Manish Goenka

Vice Chairman

DIN : 00363093

D. Banthiya

Company Secretary

M.No. : F - 7790

Vivek Chawla

Whole-time Director & CEO

DIN : 02696336

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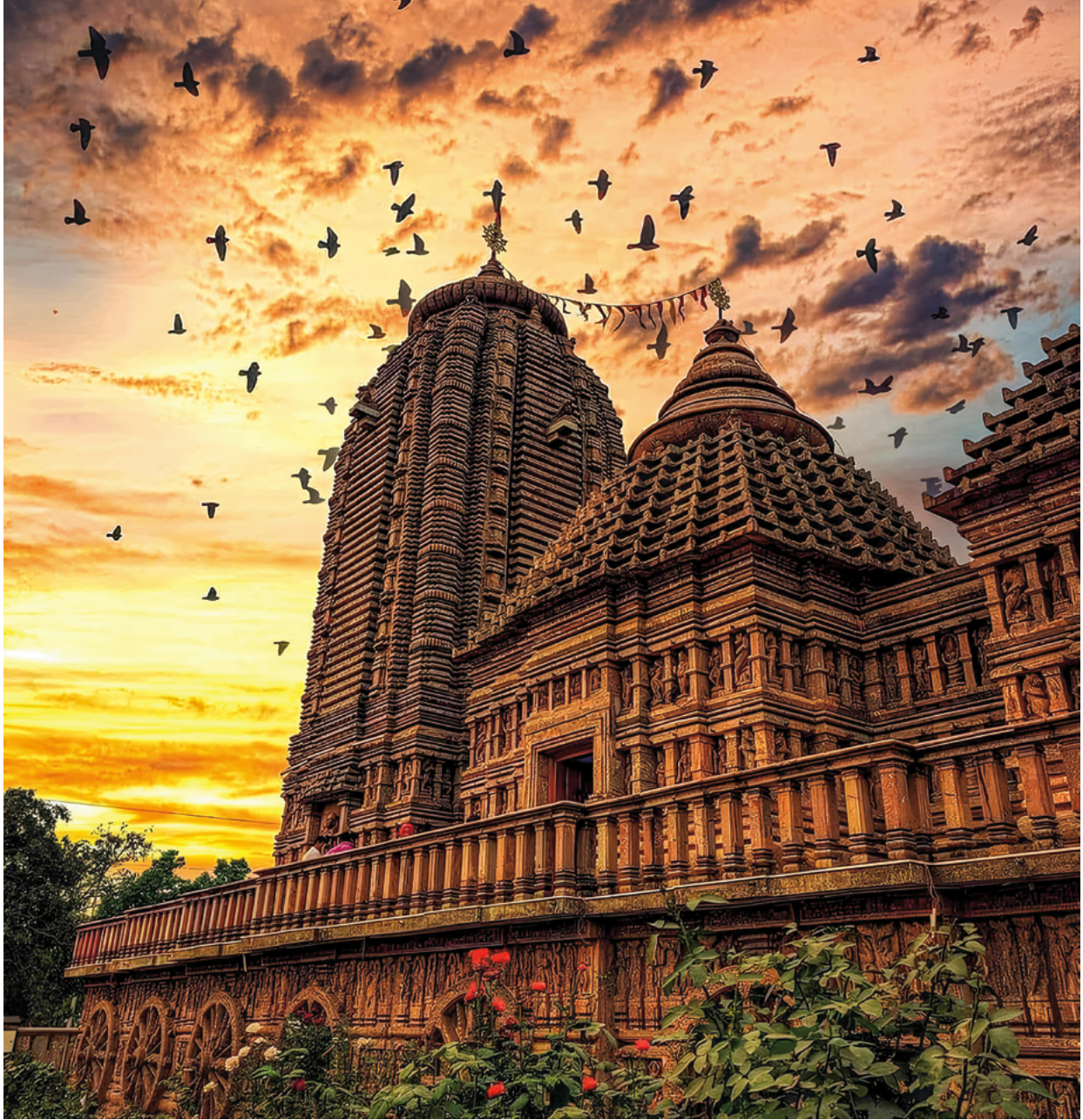
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Glimpse of the Shree Shree Jagannath Mandir, Emami Nagar, Balgopalpur, Balasore, Odisha



687, Anandapur, 1st floor, E.M Bypass, Kolkata - 700107, West Bengal

www.emamipaper.com

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