

## Forward Looking Statement

In this Annual Report, we have disclosed forward-looking information to enable one to fully appreciate our prospects and make informed decisions. This report and other communicate - written and oral - that we periodically make contain forward-looking statements that set our anticipated results based on management plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipate', 'expect', 'project', 'intend', 'plan', 'believe' and words of similar substance. In connection with any discussion of future performance, we cannot, of course, guarantee that these forward-looking statements will be realised.

Although we believe we have been prudent in our assumptions, the achievement of results is subject to risks, uncertainties, and potentially 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.

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# Corporate Information

## Board of Directors

Mr. Chandra Kant Birla, Non-Executive Chairman  
 Mr. Ashwin J. Laddha, Managing Director & CEO  
 (Upto 20<sup>th</sup> December 2024)  
 Mr. Anant Agarwal, Managing Director & CEO  
 (From 21<sup>st</sup> December 2024)  
 Ms. Gauri Rasgotra, Independent Director  
 Mr. S. Vishvanathan, Independent Director  
 Mr. Ashwin Bishnoi, Independent Director  
 Mr. Raj Kumar Agrawal, Independent Director

## Board Committees

### Audit Committee

Mr. S. Vishvanathan, Chairman  
 Ms. Gauri Rasgotra  
 Mr. Ashwin Bishnoi  
 Mr. Raj Kumar Agrawal

### Stakeholders Relationship Committee

Ms. Gauri Rasgotra, Chairperson  
 Mr. S. Vishvanathan  
 Mr. Ashwin J. Laddha  
 (Upto 20<sup>th</sup> December 2024)  
 Mr. Anant Agarwal  
 (From 21<sup>st</sup> December 2024)

### Nomination & Remuneration Committee

Mr. S. Vishvanathan, Chairman  
 Mr. Ashwin Bishnoi  
 Mr. Raj Kumar Agrawal

### Corporate Social Responsibility Committee

Ms. Gauri Rasgotra, Chairperson  
 Mr. Ashwin Bishnoi  
 Mr. Ashwin J. Laddha  
 (Upto 20<sup>th</sup> December, 2024)  
 Mr. Anant Agarwal  
 (From 21<sup>st</sup> December, 2024)

### Risk Management Committee

Mr. Raj Kumar Agrawal, Chairman  
 Mr. S. Vishvanathan  
 Ms. Gauri Rasgotra

### Key Managerial Personnel

Mr. Ashwin J. Laddha,  
 Managing Director & CEO  
 (Upto 20<sup>th</sup> December 2024)

Mr. Anant Agarwal,  
 Managing Director & CEO  
 (From 21<sup>st</sup> December 2024)

Mr. P. K. Sonthalia  
 Chief Financial Officer  
 (Upto 31<sup>st</sup> May 2024)

Mr. Amit Poddar  
 Chief Financial Officer  
 (From 1<sup>st</sup> June 2024)

Mr. R. P. Dutta,  
 Company Secretary

### Registered Office

Unit-VIII, Plot No.7, Bhoynagar  
 Bhubaneswar - 751 012, Odisha  
 Tel: 0674 2396930

### Principal Office

Birla Building, 9<sup>th</sup> Floor,  
 9/1 R.N. Mukherjee Road  
 Kolkata - 700 001, West Bengal  
 Tel: 033 40823700/22200600  
 Email: cosec@opil.in

### Manufacturing Plant

Amlai, Madhya Pradesh

### Corporate Identification Number

L21011OR1936PLC000117

### ISIN

INE592A01026

### Scrip Code

BSE: 502420  
 NSE: ORIENTPPR

## Website

[www.orientpaper.in](http://www.orientpaper.in)

## Statutory Auditors

B S R & Co. LLP,  
 Chartered Accountants

## Internal Auditors

Deloitte Haskins & Sells LLP

## Cost Auditors

Somnath Mukherjee,  
 Cost Accountant

## Secretarial Auditors

A.K. Labh & Co.,  
 Company Secretaries

## Bankers

State Bank of India  
 HDFC Bank  
 IndusInd Bank  
 Axis Bank  
 ICICI Bank

## Registrar & Share Transfer Agent

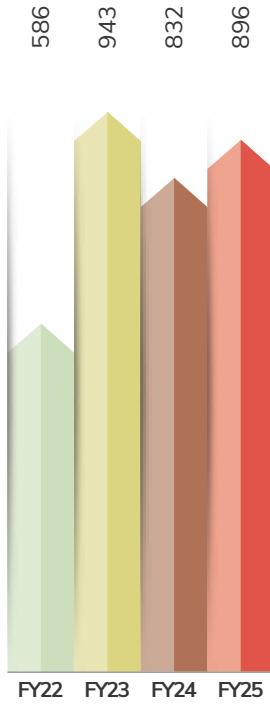
KFin Technologies Limited  
 Selenium Building, Tower - B,  
 Plots No. 31 & 32, Financial District,  
 Nanakramguda, Serilingampally,  
 Hyderabad, Rangareddy,  
 Telangana - 500032

Toll free no. 1800-309-4001  
 WhatsApp No. (91) 91000 94099  
 Email: einward.ris@kfintech.com,  
 Website: www.kfintech.com.

# Financial snapshot

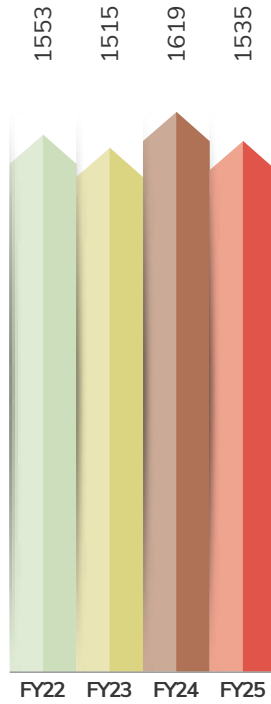
## Revenues

(Rs. crore)



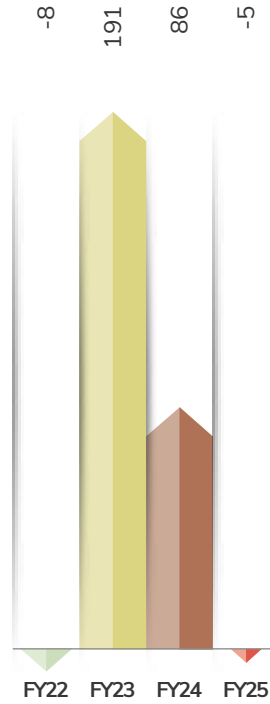
## Net Worth

(Rs. crore)



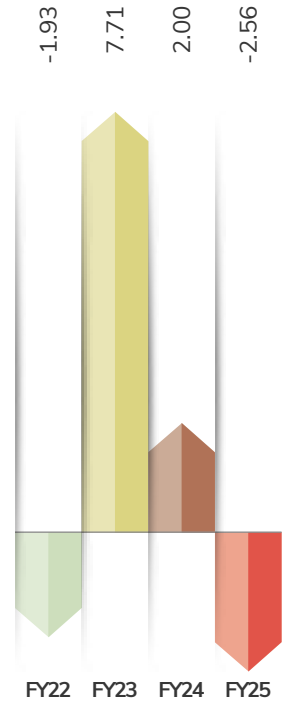
## EBITDA

(Rs. crore)



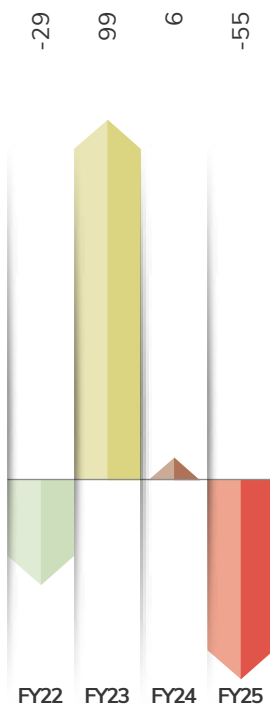
## ROCE

(%)



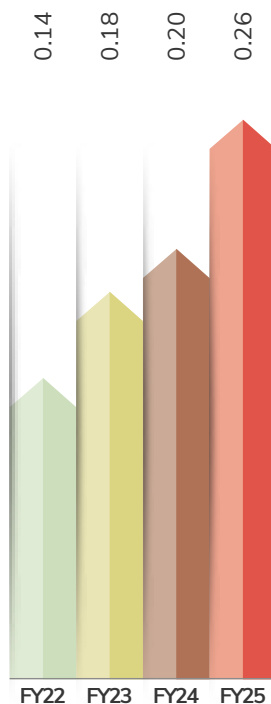
## PAT

(Rs. crore)



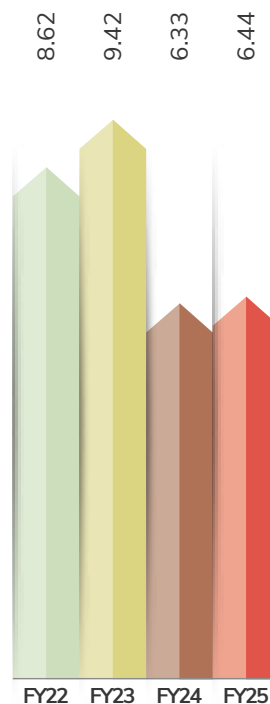
## Debt-Equity Ratio

(x)



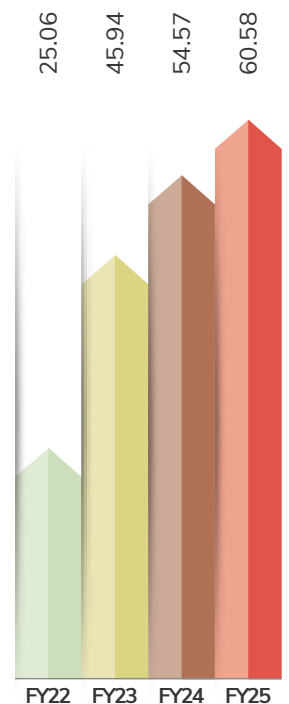
## Inventory Turnover Ratio

(x)



## Trade Receivables Turnover Ratio

(x)





## About the CKA Birla Group

For over 170 years, we have been creating long-term value through pioneering ideas and building trust.

From our origins in manufacturing, we have evolved into a service-led enterprise with technology as our core business. This is deeply integrated into how we serve our customers and strengthen our global competitiveness. It also reflects a deep commitment to empowering our people, recognising their diverse talents and leveraging their leadership as pivotal to our continued success.

Our companies include Birlasoft, GMMCO, National Engineering Industries (manufacturer of NBC Bearings), BirlaNu (formerly HIL), Orient Electric, CK Birla Healthcare Private (CK Birla Hospitals and Birla Fertility & IVF), Orient Paper & Industries, AVTEC and Neosym Industry.

Our responsibilities extend beyond business, we are committed to our communities through education, healthcare and culture with our multiple institutions.

Together we are building the future.

We are the CKA Birla Group.

### The CKA Birla Group companies

#### Technology

**Birlasoft:** Global enterprise IT services provider

#### Automotive

**NEI:** Leading manufacturer and exporter of bearings

**AVTEC:** Leading manufacturer of integrated powertrain and transmission products

**Neosym:** Leading manufacturer of Grey and SG iron machined castings

#### Home & Building

**GMMCO:** Solution providers for infrastructure, mining, and energy transport

**BirlaNu:** A leading home & building solutions provider

**IIMS:** Solution providers for world class engineering companies

**Orient Electric:** Consumer electrical brand with a diverse portfolio of fans, lighting, home appliances and switches

**Orient Paper:** Solution provider for writing, printing, hygiene and plastic substitutes

#### Healthcare

**CK Birla Hospital, Gurugram:** Multi-specialty, surgery-focused hospital

**CK Birla Hospital, Delhi:** NABH accredited multi-specialty hospital

**Birla Fertility & IVF:** Fastest-growing national fertility and IVF chain

धि. गंगा प्रसाद

मेरे आशीर्वाद बहुत मंह्ये  
रहते हैं. तो भी लो. कद्यो जनताकी  
कथा सेवा करोगे?

२१  $\frac{२}{३४}$  वर्धा बापू के  
आशीर्वादि

Dear Ganga Prasad,  
My blessings are very expensive.  
Yet take them. Tell me how you  
will serve the people?

Bapu's  
Blessings

Wardha  
21.8.34



G. P. Birla  
at the age of 12



## OPIL's legacy

Orient Paper is an Indian company with a legacy of leadership in making high-quality paper in a sustainable manner. Through our expansive product portfolio, we have been an integral part of the everyday lives of millions since 1936.

As a part of the CKA Birla Group, we have inherited a rich heritage of promoting scientific research, culture and education through various institutions. As a result, Orient Paper has many firsts to its credit:

- India's premier brand to manufacture high-quality paper; a pioneer in the manufacture and export of virgin tissue paper in India
- Adapted sustainability into every aspect of the business long before it was demanded

Today, the legacy is being revitalised with a powerful blueprint for the future. In sync with the needs of the planet, country, customers and partners, Orient Paper will lead the way in delivering new solutions and experiences in the paper sector, while fulfilling global sustainability goals.

## Our products and solutions

Orient Paper offers a product portfolio across three key categories, addressing consumer and industrial needs.

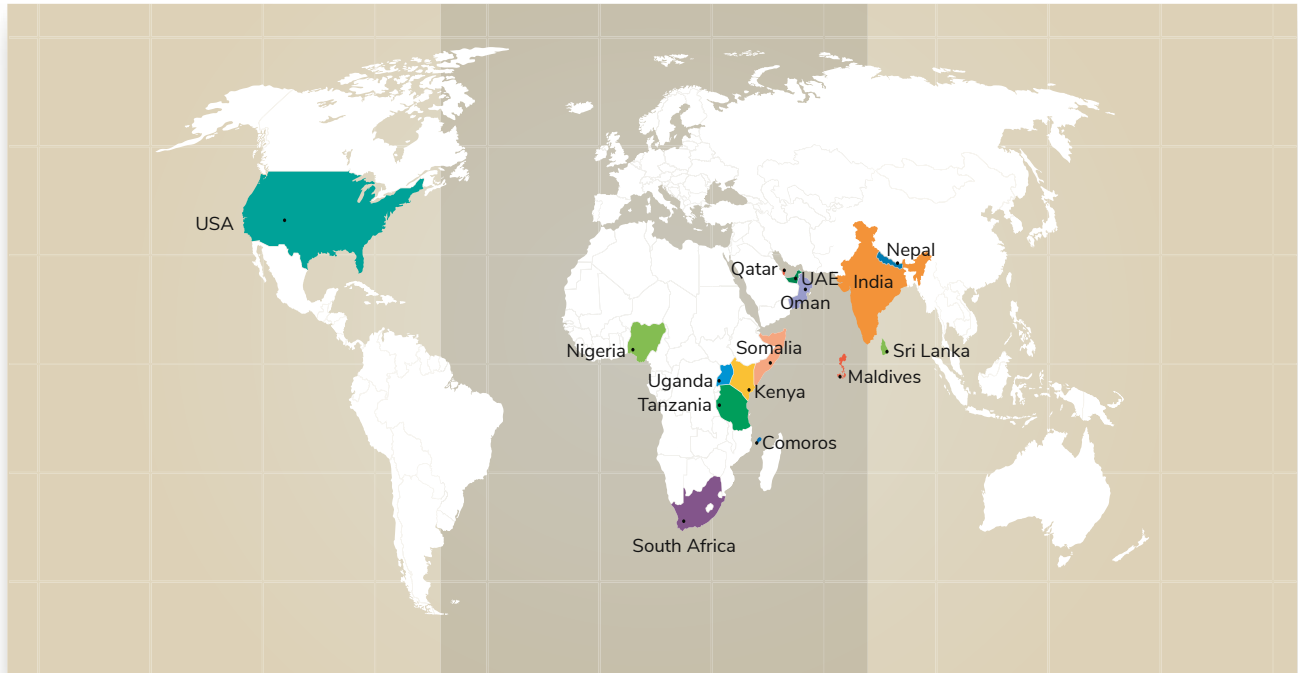
**Wellness and hygiene:** The company provides quality products designed to promote health, hygiene, and sustainability - Orient Tissue Paper, Orient Natura and Orient Bamboo Natura.

**Writing and printing:** The company provides paper with a superior finish and eco-friendly features. Orient's premium paper solution comprises Orient Platinum and Orient Peacock.

**Chemical solutions:** The company supports applications across the manufacturing, sanitation, and water treatment functions. It provides a variety of essential industrial chemicals (Caustic soda lye, Caustic soda flakes, Chlorine, Hydrochloric acid, Bleaching powder, Sodium hypochlorite and Calcium hypochlorite).

# Global recognition

## Global presence



## Certifications



### Process

- QMS 9001:2015
- BIS License of Copier Paper
- ISO 17025:2017 from NABL for R&D Laboratory
- Occupational Health & Safety System OHS 45001:2018
- Responsible Care
- Integrated Management System
- Energy Management System EnMS 5001:2018



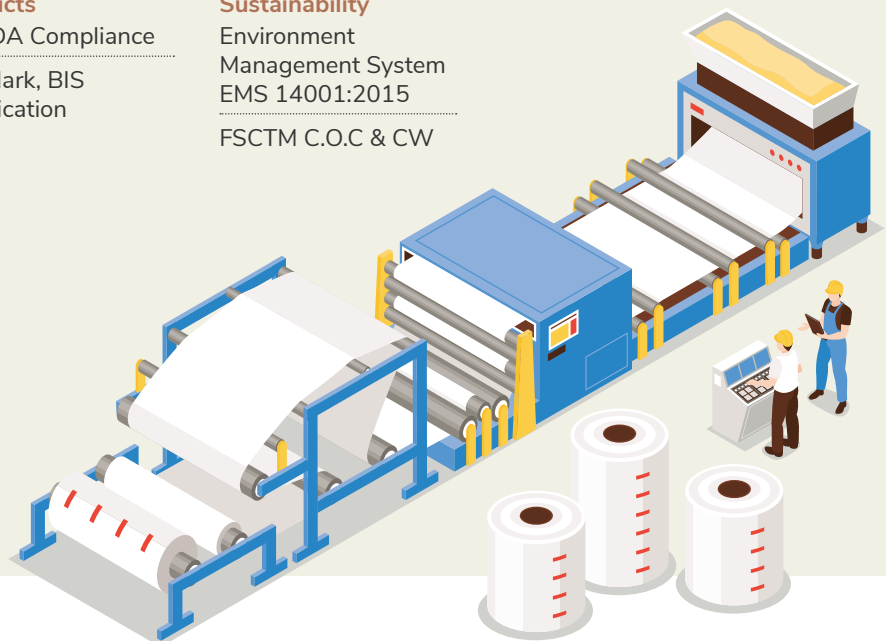
### Products

- US FDA Compliance
- Eco Mark, BIS Certification



### Sustainability

- Environment Management System EMS 14001:2015
- FSCTM C.O.C & CW



## From the Chairman's Desk



### Dear Shareholders,

I am pleased to share that we are at the beginning of a new chapter at our Group level: the CK Birla Group is now the CKA Birla Group.

This change reflects more than a name; it marks the Group's evolution. From our manufacturing roots, we have grown into a services-led enterprise with technology at its core. The new identity represents better our diversified portfolio, broader customer base and global presence. It also reaffirms our belief in people: our teams and leaders, as central to how we build, grow and create lasting value.

As we move ahead under the CKA Birla identity, we remain committed to build long-term trust with our customers and empower people across businesses.

For the paper industry, 2024-25 was a year marked by formidable challenges and measured resilience. The sector grappled with multiple headwinds: rising raw material costs, increased imports, sharper competition and evolving consumer expectations. As pricing remained under pressure and margins

tightened, companies across the board were compelled to recalibrate their strategies and re-examine their fundamentals. Orient Paper and Industries Limited (OPIL) was not insulated from these macroeconomic headwinds.

Despite testing circumstances, OPIL focused on capability building with continued investments in technological upgrades, process improvements and operational efficiency. These efforts are already contributing to improved quality consistency and cost optimisation and are expected to support stronger operational margins across the medium term.

Looking ahead to 2025-26, we expect the operating environment to remain challenging, marked by persistent margin pressures stemming from subdued realisations and escalating input costs. Nonetheless, the continued growth in tissue and value-added segments offers promising opportunities. Leveraging its strong technical expertise and unwavering focus on customer needs, OPIL is equipped to navigate the evolving landscape with resilience, agility and strategic foresight.

Our long-term vision remains rooted in sustainable and inclusive growth. Sustainability continues to guide our operations. From expanding our plantation footprint to empowering rural communities through agroforestry, we are building circular value chains that are socially inclusive and environmentally sound.

With a legacy spanning across 88 years, OPIL is entering a transformative phase. The company is working on a strategy for capacity expansion, product diversification and market development; these initiatives are designed to future-proof our business and stay ahead of customer needs.

As we step into the next phase of growth our focus will be on responsible execution, value creation for all stakeholders and long-term competitiveness. I am grateful to our shareholders, partners, employees and community stakeholders for their continued trust and support.

Warm regards,

**CK Birla**  
Chairman  
Orient Paper & Industries Limited



## Message from the Managing Director & CEO

Dear shareholders,

Your company ended the year under review with a revenue of Rs. 896 crore, which was a 7.7% increase compared with the previous year. Your company reported a net loss of Rs. 55 crore during the year under review.

The year 2024-25 was a defining chapter for Orient Paper & Industries Limited - a year marked by bold transformation, decisive execution, and meaningful progress across business verticals. Despite an external environment characterised by volatility in raw material costs, competitive pressures, and macroeconomic uncertainties, we responded with agility and focus. Through strategic recalibration, targeted investments, and deep operational discipline, we emerged stronger and future-ready.

A key highlight of the year under review was the exceptional growth in our copier paper segment, where sales surged over 4.6 times. This achievement reflects a well-executed

strategy centered around product quality enhancements, capacity expansion, and a complete overhaul of our distribution network. Our improved packaging, finish, and runnability led to strong customer acceptance across institutional and retail channels, positioning copier paper as a key pillar of our growth engine.

In parallel, our Writing and Printing Paper (WPP) output also grew, backed by operational uptime and a sharper alignment with customer needs. Product innovations like pigment-dyed WPP enhanced our aesthetic appeal, while the launch of OBA-free tissue paper not only improved quality but also delivered significant cost savings. These moves reflect our evolving brand promise - anchored in innovation, quality, and relevance.

One of the most significant milestones was the multi-fold surge in bamboo-based tissue sales. We are deeply encouraged by the growing market response to this sustainable, wood-free category. The switch to bamboo tissue at high-footfall locations such as the Mumbai International Airport demonstrates our credibility and leadership in the premium eco-conscious tissue segment.

Operational excellence remained at the core of our strategy. We implemented Advanced Process Control (APC) systems in the pulp mill to ensure consistent brightness and cost efficiency. Quality Control Systems (QCS) and Distributed Control Systems (DCS) were installed on our tissue machines, enhancing sheet consistency and machine uptime. Equipment upgrades like

synchro sheeters, centri-cleaners, refiners, and causticizing plant enhancements collectively improved output quality and reliability.

Cost optimisation remained a central focus, especially amid rising input costs. Our sourcing strategy prioritised local procurement and alternative fibre species. Notably, we introduced a mix hardwood species - significantly more cost-effective than traditional eucalyptus - into our raw material basket. The expansion of our local plantation program was equally impactful. In just three years, plantation coverage expanded from ~6,000 acres to nearly 18,000 acres, with an ambitious target of 25,000 acres under way. These efforts are expected to significantly strengthen long-term cost stability and fibre security.

We are actively investing in plant reliability, with the introduction of hot standby systems for critical equipment and the institutionalisation of preventive maintenance practices. These steps are essential to sustaining rated production levels and minimising unplanned downtime.

Our commitment to community development deepened through initiatives like Mission Khushi, which positively impacted over 100,000 people. In partnership with the ASA Foundation, we supported 21,300 families, helped form and revive self-help groups, and reinforced sustainable livelihoods through inter-cropping and water conservation. These efforts not only uplifted communities but also aligned with our long-term resource security strategy.

### Our sustainability and community impact

In 2024-25, Orient Paper continued to prioritise environmental and community well-being.

#### Water stewardship

The company partnered local communities (through Mission Khushi) to build more than 1991 water structures, capturing 19.5 billion litres of water and irrigating 13571 acres.

#### Environmental upgradation

The company planted 17058 acres, irrigated 13571 acres, and treated 12568 acres to improve soil and moisture retention.

#### Empowering livelihoods

21307 families benefited from Mission Khushi during the year under review. The Orient Paper Outreach Program (launched in 2023-24) supported income improvement for 3551 farmers through inter-cropping practices. The company also promoted Good Agricultural Practices across 12708 acres.

#### Community outreach

The company's holistic CSR programme impacted more than 1,00,000 people across villages. It provided healthcare and related services to more than 2146 community members.

On the marketing front, we continue to strengthen key account relationships while expanding into B-category towns - markets that offer attractive growth potential and higher realisation. Our product development pipeline is increasingly tailored to align with regional preferences and internal capabilities, enabling us to stay agile and relevant in a rapidly evolving marketplace.

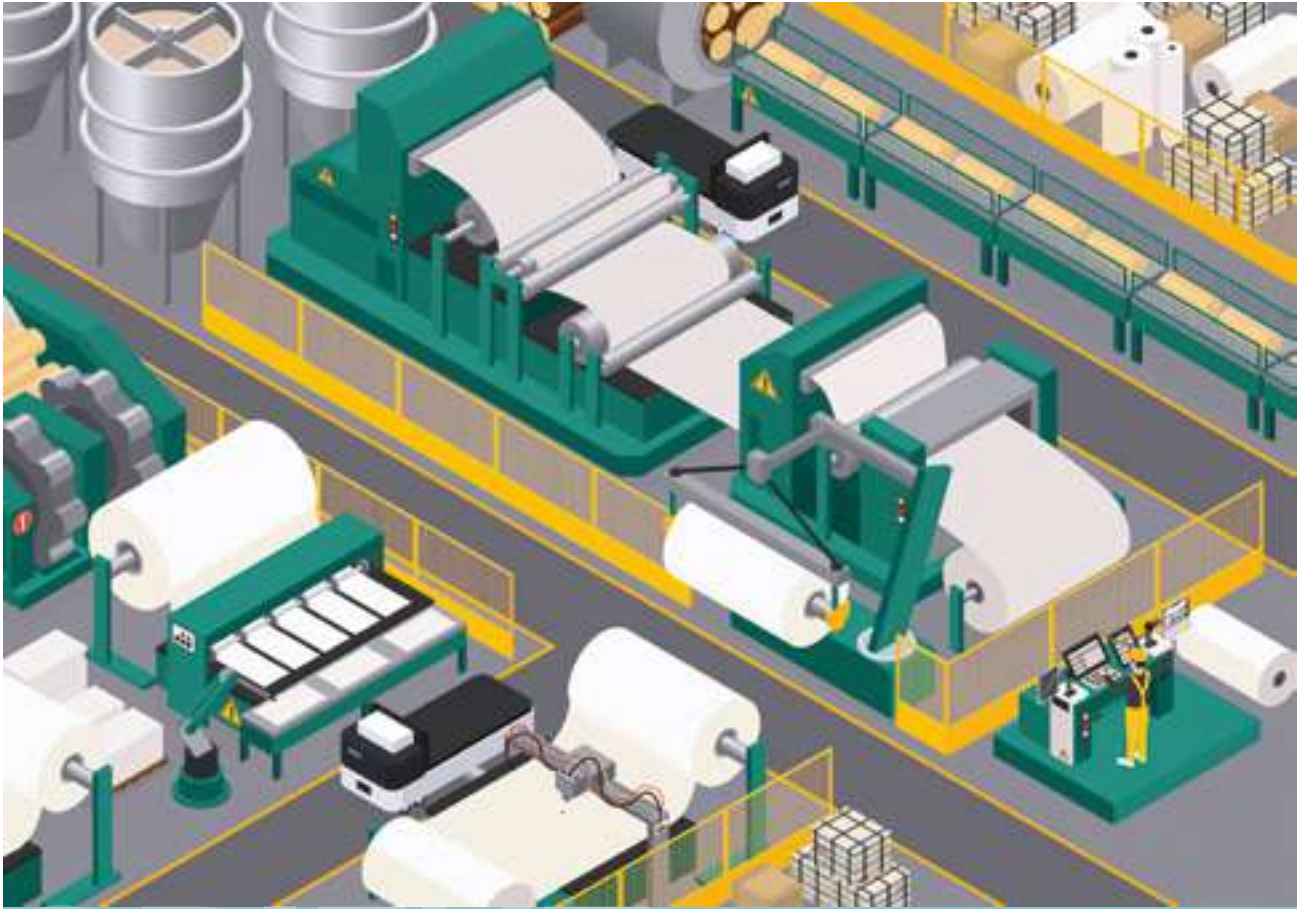
Looking forward, our strategy is rooted in sustainable scale, portfolio diversification, and value creation. We are evaluating strategic capacity expansion projects and exploring deeper plays in high-margin and value-added categories. Simultaneously, we remain open to alliances or investments that can help scale our presence in the tissue or sustainable packaging segments.

In closing, I wish to thank all our stakeholders - customers, employees, partners, communities, and shareholders - for your continued support. Your trust motivates us to work harder, innovate faster, and build an Orient Paper with deeper resilience and responsibility, leading to enduring value.

Warm regards,

**Anant Agarwal**

Managing Director & CEO  
Orient Paper & Industries Limited



# Our Vision, Mission & Values



## Vision

To be the world's most responsible, innovative and respected paper company, delivering industry-leading returns to all stakeholders.



## Mission

To build a responsible ecosystem in which all our stakeholders grow and thrive, with integrity, sustainability and community at its core.



## Values

Integrity: Being sensitive and responsible towards communities and the environment we work in.

### Excellence

Aiming for the highest quality standards in the goods and services produced.

### Respect

Showing respect and humanity towards colleagues and customers alike.

### Responsibility

Working with honesty and transparency.

### Accountability

Showing reliability in both words and deeds.

# Board of Directors



**Chandra Kant Birla**

Chairman

Chandra Kant Birla, aged 70 years, is the Chairman and Non-Executive Director of the Company. He is the Chairman of several companies of the CKA Birla Group. Under CK Birla's leadership, the CKA Birla Group has cultivated exceptional strengths across engineering, industry and healthcare. The Group is on an ambitious growth path, guided by a commitment to excellence, strategic expansion and long-term partnerships with leading global institutions.

CK Birla has shaped the Group's vision, strengthening its international presence. His approach fosters responsible growth and global engagement, while preserving the Group's core values and legacy. A strong advocate for leadership development, he ensures that the Group continues to be guided by integrity, purpose and resilience.

CK Birla also serves on the governing body of the Confederation of Indian Industry, chairs the Board at the Birla Institute of Technology (Mesra), and is a trustee of the Carnegie Endowment for International Peace.

Together with his wife Amita, he supports a range of philanthropic initiatives spanning healthcare, science and technology, education, heritage, and the arts - affirming their shared commitment to social impact and cultural enrichment.



**Anant Agarwal**

Managing Director & CEO

Anant Agarwal, aged 52 years, is an accomplished business leader and an IIT Roorkee alumnus with a B.E. in Chemical Engineering (1994). He previously served in a senior leadership role in the bulk chemicals sector, where he demonstrated strong leadership in driving P&L growth, technology transformation, and business development.

With a career marked by strategic roles across diverse industries, Mr. Agarwal has held prominent positions such as Group CEO at Surya Hospitals and Managing Director at Getinge India, a subsidiary of Getinge AB, Sweden. He has also held senior roles at Honeywell International India and SRF Limited. His leadership is defined by a collaborative approach and enriched by extensive multicultural and international experience in strategic planning, global sales, and marketing.



**Raj Kumar Agrawal**

Independent Director

Raj Kumar Agrawal, aged 68 years, has done his B. Com (Hons) from Shri Ram College of Commerce and Chartered Accountancy from the Institute of Chartered Accountants of India. Mr. Agrawal has been associated with S.R. Batliboi & Co LLP, Chartered Accountants, for more than 43 years in various capacities and retired as a senior partner of the firm on 30<sup>th</sup> June 2019.

He has over 40 years of experience of providing accounting, advisory and other services to companies in various industry sectors, including metal and mining, oil and gas, power, manufacturing, real estate, infrastructure, etc. He has held senior leadership positions as Risk Management Head and Technical Head of the firm.



### Srinivasan Vishvanathan

Independent Director

Srinivasan Vishvanathan, aged 71 years, has done M.Sc. in Physics and has completed MBA and CAIIB. He has National and International experience of 38 years in Wholesale Banking, Retail Banking and Markets. He led the largest Bank in India, State Bank of India (SBI), as the Managing Director and as a Director on its Central Board. He managed diverse businesses and stakeholders as the Managing Director (Associates & Subsidiaries) of the Bank.



### Gauri Rasgotra

Independent Director

Gauri Rasgotra, aged 56 years, is an Advocate and has a rare combination of advisory and litigation experience of more than 30 years in both academic and corporate settings. She has 25 years of active experience in litigation in the Supreme Court, as well as other courts in India on behalf of M/s Khaitan & Co LLP and Cyril Amarchand Mangaldas, Advocates and Solicitors.

She has also worked in U.S.A. at the George Washington University Law School in Washington D.C. where she was selected to be the First Director of the school's newly established India Studies Centre between 2007 and 2009. Gauri has been recognised as one of the Asia's Top 15 Litigators by Asian Legal Business and as 'Litigation Star' by Benchmark Litigation and 'Distinguished Practitioner' by Asia Law. Currently, she is running her own private practice.

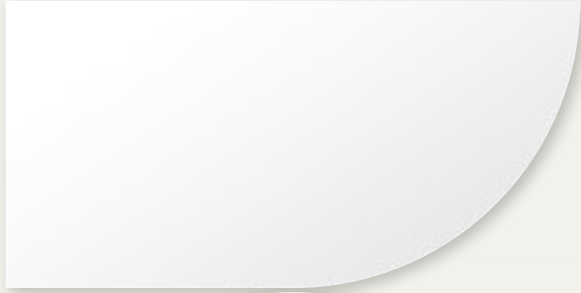


### Ashwin Bishnoi

Independent Director

Ashwin Bishnoi, aged 44 years, is an Advocate. He is a Partner in Khaitan & Co. Advocates. Prior to joining the Firm, Ashwin worked at several law firms for 4 years in their New York and London offices. He is a leading lawyer in the field of corporate insolvency and restructuring focusing on complex corporate rescues and distress M & A transactions.

He has been at the forefront of India's new bankruptcy law, including advising on its evolution and its application across a significant number of the first few corporate rescues under the new law. Ashwin Bishnoi is ranked as a 'Rising Star Lawyer' by Asia Law.



# 5P Model Overview



- Paper**
- Focus on copier-quality and volume
  - Product market mix optimisation
  - Focus on quality
  - Category development of bamboo
  - Raw material sourcing
  - Logistics

- Purpose**
- Communities
  - Customers
  - Investors
  - Employee engagement

- Planet**
- Environment management systems
  - Coal sourcing and consumption
  - Raw material
  - Water
  - Afforestation and plantation
  - Solid and hazardous waste management

- Progress**
- Operations
  - Technological development
  - Human development
  - Community

- Partnerships**
- Vendors and key suppliers
  - Regulatory authorities
  - Customers

## 5P model analysis of OPIL's business review



### Focus on copier - quality and volume

In 2024-25, Orient Paper and Industries Limited strengthened its position in the copier paper segment, delivering a 4.6-fold increase in sales. This exponential growth reflects the company's focus on quality enhancement, capacity scaling and a complete revamp of its distribution network. Copier paper, being less seasonal in nature, offers consistent demand throughout the year, contributing to operational stability and better capacity utilisation. Orient's improved product finish, runnability, and packaging quality have driven strong acceptance across institutional and retail channels, positioning copier paper as a key growth driver.



Tissue Paper



Writing and Printing Paper (WPP)



Paper bags

### Product market mix optimisation

During 2024-25, Orient Paper and Industries Limited pursued a focused strategy to optimise its product-market mix, balancing volume growth with profitability. A key achievement was the 13% year-on-year increase in Writing and Printing Paper (WPP) production, enabled by improved operational efficiencies, better plant uptime, and a sharper alignment of product offerings with customer requirements. This growth not only strengthened the Company's position in the domestic market but also enhanced its capacity utilisation.

In the tissue segment, while the entry of new players in the western region led to a short-term erosion in market share, the Company responded with agility by strengthening its presence in the central, eastern, and southern markets. In South India, a major tissue key account scaled its procurement by more than 55% per month in Q4, reflecting Orient's capability to deepen customer relationships and deliver value at scale.

The Company sharpened its focus on profitable overseas markets. By

prioritising regions with favourable margins and building long-term customer relationships, Orient is steadily positioning its export portfolio for sustainable growth. These deliberate and agile product-market interventions underscore the Company's strategic intent to build a balanced, competitive, and future-ready business portfolio.

In 2024-25, the tissue segment emerged as the principal value contributor, driven by improved net sales realisations and rising demand across retail, institutional, and export

channels. This segment played a pivotal role in enhancing margins and overall profitability. In contrast, Writing and Printing Paper (WPP) continued to act as the Company's primary volume contributor, maintaining steady demand despite relatively lower margins. This dual-segment approach enabled the Company to maintain financial and operational resilience amid a dynamic business environment.

The Company also advanced a clear strategic shift towards value-added products, concentrating on two critical areas i.e. tissue products and sustainable paper-based alternatives to plastic. The continued

emphasis on tissue reflects evolving consumer preferences for hygiene-centric products, while addressing functionality and environmental considerations. Orient is expanding its product portfolio to include innovative, paper-based solutions that can replace plastics, especially in packaging and food service applications. These steps align the Company's offerings with global sustainability trends and position it to meet emerging customer expectations more effectively.

A central element of the Company's medium-term product strategy is the optimisation of its product mix by gradually shifting volumes

from traditional WPP to copier paper. Copier paper offers superior margins and better growth potential, supported by consistent demand in the office, retail, and education segments. In contrast, WPP's primary markets such as publishing and commercial printing are experiencing sluggish or stagnant growth. This realignment is intended to enhance profitability while reducing dependence on slower-moving categories, reinforcing Orient Paper's long-term growth and competitiveness.

### Focus on quality

Orient Paper and Industries Limited maintained a sharp focus on quality enhancement across its product lines in 2024-25, ensuring customer satisfaction and operational efficiency. In the tissue segment, the Company introduced an 'OBA-free' (Optical Brightening Agent-free) variant for the domestic market. This product not only reduced shade variation but also delivered cost savings, improving aesthetics and economic outcomes.

In the Writing and Printing (W&P) paper category, a new pigment dye was successfully introduced, resulting in brilliant and stable shades. This improvement contributed to greater product consistency and stronger market acceptance. The Company adopted a new-generation enzyme in tissue manufacturing to enhance strength properties, ensuring improved durability and end-use performance. These advancements are a part of

a broader quality-first approach, aimed at delivering superior value to customers, while reinforcing Orient's reputation for innovation, reliability, and excellence in the paper industry.

### Category development of bamboo

Orient Paper and Industries Limited made significant progress in expanding its bamboo-based tissue product line in 2024-25, reinforcing its commitment to sustainability, innovation, and category leadership. Building on the Company's in-house pulping capabilities and environmentally responsible sourcing practices, bamboo-based tissue products were launched in key metropolitan markets including Bangalore and Delhi. These products received a strong market acceptance, driven by rising consumer awareness and institutional demand for eco-friendly alternatives.

The strategic thrust on bamboo as a core raw material translated into robust volume growth. Sales of bamboo tissue rose sharply by 275% in 2024-25. This performance

reflects the product's growing traction and the Company's ability to scale niche, high-potential categories.

A landmark achievement during the year was the complete switch from conventional white tissue to bamboo-based tissue at the Mumbai International Airport. This transition, made on sustainability grounds, demonstrates the product's premium positioning and acceptance in high-visibility, high-footfall locations. As bamboo tissue gains prominence, Orient continues to position itself at the forefront of sustainable paper solutions, unlocking new opportunities across the institutional, retail, and export segments.

Orient Paper is intensifying its focus on bamboo-based tissue

products as a part of its long-term sustainability and innovation agenda. The Company is exploring the potential of unbleached variants, aiming to meet the evolving preferences of environmentally conscious consumers seeking natural, chemical-free hygiene solutions. With institutional buyers increasingly prioritising eco-compliance and green procurement standards, bamboo tissue offers a compelling value proposition. Orient is leveraging this shift to carve out a distinct market position, aligning product development with broader environmental goals and strengthening its portfolio of differentiated offerings.



## Raw Material Sourcing

Ensuring a reliable and cost-effective raw material supply remained a strategic priority for Orient Paper and Industries Limited in 2024-25, particularly in the face of continued local sourcing challenges. The Company responded with a multi-pronged approach aimed at enhancing raw material security, reducing input costs, and strengthening sustainability credentials.

A milestone was the significant increase in bamboo procurement from Assam, which helped raise bamboo's contribution to the raw material mix by 1000 bps. This

not only diversified sourcing but also aligned with the Company's sustainability goals. Additionally, Orient introduced locally sourced mix hardwood - a new pulpable species nearly 60% more cost-effective than conventional eucalyptus into its raw material portfolio, opening opportunities for cost optimisation.

To expand its supply base, the Company developed new catchment areas in Odisha and onboarded over 30 small village-level suppliers, along with three large-scale vendors. This has helped decentralise sourcing and create inclusive supply chains.

The plantation program also witnessed progress, with the total plantation area expanding from roughly 6,000 acres in 2021-22 to approximately 18,000 acres by 2024-25. The roadmap now includes scaling plantations to 25,000 acres, ensuring long-term fibre availability and cost stability. These plantations shall be ready for cultivation starting 2028-29 and shall provide a significant cost upside following harvesting.

## Logistics

Our transition from ex-works delivery to Freight on Road delivery enabled a greater control and visibility across the supply chain, ensuring reliable and timely deliveries. By managing

logistics in-house, the Company has been able to proactively address transit-related challenges, reduce delivery lead times, and improve service quality. This enhanced

logistics framework has contributed directly to stronger customer satisfaction, reinforcing Orient's reputation as a dependable and responsive business partner.

## Chemical procurement

### Overview

In the paper industry, procuring quality chemicals at competitive rates has become increasingly critical due to growing quality demands and cost pressures. The focus remained on cost-effective sourcing of quality chemicals to support operational continuity.

### Key strengths

**Experienced procurement team:** In-depth analytical evaluations to meet target pricing.

**Strong supplier relationships:** Credibility as a CKA Birla Group company enhanced vendor confidence.

### Initiatives

**Vendor engagement:** Site visits and quality reviews helped align cost and specifications.

**Inventory management:** Minimum inventory strategy was launched for high-volume chemicals with regular replenishment.

### Outlook

Procurement planning for 2025-26 is based on running market prices, historical consumption trends, and industry surveys to maintain cost-efficiency and quality standards.

## Coal procurement

### Overview

Coal remains essential for captive energy needs in the paper industry. Efficient sourcing is key to controlling power costs and maintaining competitiveness. The coal procurement strategy ensured 100% linkage coal supply (FSA from Coal India), enabling uninterrupted captive power generation and supporting manufacturing stability. A strong vendor network and regional sourcing contributed to cost-effective operations.

### Key strengths

**Proximity advantage:** Around 63% of coal was sourced within a 200-km radius, reducing transportation costs.

**Integrated power setup:** On-site co-generation ensured energy self-sufficiency.

**Flexible sourcing:** The Company accessed E-auction and market coal for contingency planning.

### Initiatives

**100% linkage coal use:** Ensured long-term cost stability.

**Improved monitoring:** Enhanced coal quality control and fuel efficiency.

**Inventory optimisation:** Reduced holding days from 45 to 25 through real-time coordination.

### Outlook

Focus areas include strengthening linkage sourcing, expanding the local vendor base, and refining fuel blending strategies to ensure cost and supply stability.

**100**

% coal procurement linkage to ensure long-term cost stability.

**20**

Reduction (days) in coal inventory holding, enhancing working capital efficiency

## Raw material procurement

### Overview

In 2024-25, OPIL strengthened its raw material sourcing strategy to counter rising competition from plywood and MDF industries. Bamboo procurement from Assam was scaled up via rail, increasing its share in the raw material mix from 28% to 38%. Key processing activities were relocated to the mill, and strategic depots were established to enhance local sourcing. These measures improved cost efficiency, ensured supply continuity, and reinforced procurement resilience.

### Key strengths

**Captive plantation program:** 17,058 acres covered in 2024-25 through over 9,642 farmers.

### Inventory management

Despite supply-side constraints, OPIL maintained disciplined inventory management, closing 2024-25 with 59 days of inventory, up from 54 days in 2023-24 and significantly lower than 106 days in 2022-23. This reflects a balanced approach to procurement and consumption, supported by improved internal processing and strategic depot use, ensuring efficient material flow and operational continuity.

### Outlook

Raw material shortages are likely to persist through 2025-26, keeping procurement costs high. OPIL aims to mitigate this by strengthening local sourcing, optimising the raw material mix as per availability and scaling local mixed hardwood procurement. This shall ensure long-term cost efficiency and supply stability.

**17,058**

Acres planted in 2024-25 across 9,642 farmers to strengthen captive raw material sourcing.



### Communities

Through our flagship programme Mission Khushi, in collaboration with ASA, Orient Paper and Industries Limited continued to uplift communities around its areas of operation. In 2024-25, over 21307 families benefited from various Mission Khushi initiatives. Our holistic CSR outreach program positively impacted more than 1,00,000 people across multiple villages.

The Orient Paper Outreach Program, launched in 2023-24, supported 3,551 farmers in boosting income through inter-cropping practices, while also promoting Good Agricultural Practices (GAP) across 12,708 acres. These efforts reflect our commitment to inclusive growth, sustainable livelihoods, and long-term community empowerment.

Throughout 2023-24 and 2024-25, we supported the formation and revival of several Self-Help Groups (SHGs), enabling women to become financially independent and socially empowered. Through targeted interventions, we facilitated access to micro-credit, helping SHG members launch or scale income-generating activities.

### Customers

At Orient Paper and Industries Limited, strengthening customer relationships remains central to our growth strategy. In 2024-25, we undertook several structured initiatives to deepen engagement, gather insights, and deliver enhanced service experiences.

One of the key platforms was the HUB Meet, which brought together dealers and converters to foster closer partnerships. These interactions served as valuable forums for understanding customer needs, obtaining real-time product and service feedback, and discussing market expectations. The sessions helped align our offerings closely with customer preferences while reinforcing trust and collaboration.

Through our Orient STARS knowledge-sharing platform, we continued to engage channel partners by disseminating best practices and educating them about new and emerging industry trends. This initiative has empowered partners to grow their businesses while staying ahead of the curve.

Under our comprehensive service excellence programme, Mission Khushi, we took strides in institutionalising a customer-first culture. A cornerstone of this initiative is the customer complaint and feedback system, wherein dedicated teams conduct regular outreach calls to access feedback and ensure swift, issue-specific resolutions. These proactive and responsive efforts have strengthened customer satisfaction, enhanced service standards, and positioned Orient as a preferred supplier in the paper and tissue segments.

## Investors

Orient Paper and Industries Limited remains committed to delivering long-term, sustainable value to its investors through prudent strategy execution and responsible capital allocation. We prioritise transparent, timely, and consistent communication

with our stakeholders, ensuring that our progress and plans are clearly articulated. In line with our focus on value creation, we are actively exploring the monetisation of non-core assets. The funds generated will be strategically deployed to support

modernisation initiatives and fuel the next phase of business expansion. These efforts underscore our resolve to build a stronger, future-ready company while rewarding the trust placed in us by our investors.

## Employee engagement

At Orient Paper and Industries Limited, we believe that an engaged and empowered workforce is essential to driving sustainable business success. 2024-25 witnessed a focused effort on enhancing employee engagement, capability development, and workplace well-being through structured programs across learning, recognition, and community building.

On the learning and development front, we partnered leading OEMs such as SKF, Valmet, Siemens, and ABB to deliver hands-on training in automation and instrumentation to our workmen and junior-to-

mid-level engineers. Additionally, we conducted extensive training programmes by external faculty for selected high potential employees to enhance digital proficiency and data literacy across functions.

Recognition of employee contributions remained a priority, with employees honoured as STAR awardees and receiving SPOT and Kaushal Awards. Quality Circles were actively promoted to drive shop-floor-led improvements and innovation.

We invested in enriching the workplace experience through

cultural and community-driven events. Republic Day and Holi celebrations, sports tournaments, and cleanliness drives helped build camaraderie and pride among employees. Regular health camps were organised in partnership with leading hospitals in Shahdol, further supporting employee well-being.

Together, these initiatives reflect our commitment to creating an inclusive, capable, and motivated workforce.





### Environment management systems

At Orient Paper and Industries Limited, environmental stewardship represented a fundamental pillar of our operational philosophy. We have implemented comprehensive Environment Management Systems that extend beyond compliance to actively preserve, restore, and enrich ecological balance.

We have maintained Zero Liquid Discharge status since February 2017, ensuring that no treated effluent is discharged to a river. This is achieved through the reuse of 250 m<sup>3</sup>/day of treated water in internal processes such as log washing and de-ashing, while 8,250 m<sup>3</sup>/day is channelled through our High-Rate Transpiration System (HRTS) to irrigate over 633 acres of plantations. We are certified with ISO 14001:2015, ISO 9001:2015, ISO 45001:2018 and ISO 50001:2018, and hold the FSC CoC and CW certifications.

Air quality control remains a key focus. All major stacks are equipped with Electrostatic Precipitators (ESPs) and Continuous Emission Monitoring Systems (CEMS) to monitor and control emissions of SO<sub>x</sub>, NO<sub>x</sub>, and particulate matter. Four Ambient Air Quality Monitoring Stations (AAQMS) across the campus provide real-time data to ensure compliance and early intervention. Dust extraction and suppression systems using sprinklers and bag filters are installed in coal and material handling areas to minimise particulate pollution.

Our Precipitated Calcium Carbonate (PCC) plant plays a dual role - capturing CO<sub>2</sub> emissions from the lime kiln exhaust and reusing approximately 6,000 m<sup>3</sup>/day as filler material in paper manufacturing. This innovation not only reduces our carbon footprint but also contributes to circular resource utilisation.

Together, these initiatives reflect our deep-rooted commitment to sustainable manufacturing and environmental conservation, ensuring that we leave a positive impact on the planet and communities around us.

To strengthen its environmental safeguards, the company deployed advanced systems for air emission control. Continuous Emission Monitoring Systems are installed across all boiler stacks to monitor levels of sulphur dioxide, nitrogen oxides, and particulate matter in real time. Electrostatic Precipitators ensure effective removal of particulate matter from flue gases, maintaining emission levels below regulatory limits. In addition, Dust Extraction and Suppression Systems, using water sprinklers and bag filters, have been installed in coal and material handling zones to reduce

dust emissions and maintain cleaner operations.

We have enhanced our environmental monitoring infrastructure to ensure air and water quality remain within prescribed norms. Ambient Air Quality Monitoring Stations at four key locations on the premises track parameters such as particulate matter PM2.5 and PM10, sulphur dioxide, and nitrogen oxides. To safeguard natural water bodies, the online monitoring of the River Sone is conducted to detect any changes in ambient water quality. Furthermore, the Company operates a round-the-clock effluent monitoring system that continuously measures chemical oxygen demand, biological oxygen demand, suspended solids, pH, temperature, and flow, ensuring a comprehensive oversight of water discharge quality.



Zero water discharge



Zero emission



Bamboo Plantation

## Coal sourcing and consumption

In 2024-25, Orient Paper and Industries Limited achieved notable improvements in coal efficiency and cost management, reflecting our ongoing focus on sustainable resource utilisation. Specific coal consumption per ton of paper reduced by approximately 7% year-on-year, supported by process optimisation and improved boiler efficiency. This, in turn, contributed to a 10% reduction in emissions intensity (tCO<sub>2</sub>e per ton of paper), reinforcing our commitment to lower

the environmental footprint of our operations.

Strategic sourcing played a critical role in these gains. Nearly 63% of our coal requirements were met from suppliers within a 200-km radius, significantly cutting down on transportation costs and associated emissions. These efforts align with our broader goal of cost competitiveness and sustainable production.

## Raw material

In 2024-25, we increased the share of bamboo in our raw material mix, aligning with our long-term strategy to promote renewable and eco-friendly fibre alternatives and thereby reduced wood consumption in our operations significantly. This demonstrates our steadfast commitment to sustainable sourcing.

## Water

Orient Paper and Industries Limited continued to prioritise water efficiency and responsible usage as part of its sustainability agenda. In 2024-25, the Company achieved a specific water consumption of 46.35 m<sup>3</sup> per ton of paper, significantly better than the 50 m<sup>3</sup>/ton benchmark set under the Water Recycling and Pollution Prevention (WRPP) Charter.

Further strengthening its water stewardship, the Company ensured

a 100% reuse of treated wastewater, with approximately 8,250 m<sup>3</sup>/day utilised for irrigating and maintaining over 600 acres of plantations within the manufacturing premises. These initiatives underline our commitment to water conservation and circular resource management. The Company operates a modern Effluent Treatment Plant, incorporating equalisation, primary, secondary (Activated Sludge Process), and tertiary treatment processes.

Through Mission Khushi, Orient Paper partnered local communities to build over 1,991 water structures, enabling the capture of 19.5 billion litres of water. These efforts have significantly enhanced groundwater recharge and supported the irrigation of 13,571 acres, strengthening water security and agricultural resilience in the region.

## Solid and hazardous waste management

At Orient Paper and Industries Limited, our approach to waste management is rooted in the principles of a circular economy, ensuring that waste streams are repurposed, recycled, or disposed in an environmentally responsible manner.

In 2024-25, we continued to ensure the efficient management of solid waste generated from our operations. Approximately 200-215 ton per day (TPD) of fly ash were reused by local cement and brick manufacturing industries, promoting industrial symbiosis. Additionally, around 65 TPD of lime sludge was recycled through re-burning in our lime kiln, while 20-25 TPD of wood and bamboo dust was utilised as boiler fuel, reducing our dependence on external energy sources.

In managing hazardous waste, we ensured a full compliance with statutory norms. Effluent Treatment Plant (ETP) sludge, amounting to 6-8 TPD, was repurposed by board manufacturers to produce egg trays and packaging materials, a sustainable disposal route. Spent oil was safely collected in sealed drums and transported to authorised re-processors, ensuring safe and compliant disposal.

Our 1 MLD sewage treatment plant continued to treat domestic waste generated from the plant and the residential township, reinforcing our commitment to hygiene, safety, and environmental care.

These integrated waste management initiatives reflect our ongoing commitment to sustainable operations and environmental stewardship.

**200-215**

TPD of fly ash is reused in the cement and brick industries.

**65**

TPD of lime sludge is recovered through re-burning in the lime kiln.

**20-25**

TPD of wood and bamboo dust is used as boiler fuel.

**6-8**

TPD of ETP sludge is repurposed into egg trays; spent oil is sent to authorised re-processors.

**1**

MLD sewage treatment plant treats domestic wastewater from the plant and township.

## Afforestation and Plantation

In 2024-25, Orient Paper and Industries Limited intensified its afforestation as a part of its long-term fibre security and environmental sustainability strategy. The Company planted 17,058 acres, irrigated 13,571 acres, and treated 12,568 acres to enhance soil health and moisture retention. These interventions are expected to yield long-term ecological and economic

benefits. Additionally, to support the rising demand for local plantations, the Company doubled the capacity of its high-quality clone production facilities, enabling faster, resilient growth cycles and improved wood yields. These initiatives underscore Orient's commitment to sustainable raw material sourcing and environmental stewardship.



## Operations

In 2024-25, Orient Paper and Industries Limited continued to strengthen its operational foundation with a focus on enhanced production, quality excellence, and technological upgrades. Paper production increased by approximately 11%, while chemical production also saw healthy growth, driven by process optimisation and better capacity utilisation. Yield and coal consumption metrics improved significantly, reflecting greater operational efficiency.

Key capacity enhancements included the expansion of Causticizing Plant capacity and Copier/Sheet Paper output through the installation of synchronised sheeters, which enabled precision cutting and superior finish quality. We upgraded the main machine approach flow and installed centric cleaners and refiners, improving paper formation,

cleanliness, and fibre bonding—translating into enhanced product strength and consistency.

In the specialty tissue segment, the Company developed ultra-soft facial and toilet papers using advanced calendaring techniques, coupled with low blade angle creping blades to improve softness in Tissue Grades (TG) and Facial Grades (FG).

Investments were made in advanced quality monitoring tools, including tear and tensile strength testers, bursting strength testers, spectrophotometers, and PFI mills, allowing for real-time quality control and consistency across batches. For Writing and Printing Paper (WPP), the introduction of new pigment dyes led to improved brightness and aesthetic appeal, enhancing customer satisfaction and brand equity.

These comprehensive improvements across machines, materials, and methods underscore Orient's commitment to operational excellence, innovation, and superior value creation for its customers across product segments.

**11**

% increase in paper production

Orient Paper sustained strong manufacturing momentum through strategic capacity enhancement, process optimisation, and segment-specific product innovation. Continued investments in debottlenecking key operations, improving energy and steam utilisation, and addressing age-related inefficiencies through targeted modernisation contributed to improved throughput and efficiency. These initiatives were supported by the Company's experienced and capable manufacturing team, which played a critical role in maintaining consistent quality and enabling plant-wise specialisation across tissue, writing and printing, and copier product lines.

To strengthen raw material security, the Company expanded pulpwood plantations to approximately 36,000 acres over the past two years, with an additional 22,000 acres targeted in 2025-26. This is part of a broader strategy to increase local sourcing from 40-45% to 80% over the next

five years, reducing a dependence on external catchments and ensuring long-term supply stability. Simultaneously, strong partnerships with key vendors ensured reliable access to high-quality raw materials and supported uninterrupted production.

Product customisation remained a strategic focus, with innovations tailored to enhance functional performance, such as improved tissue softness and superior

brightness in paper grades. These developments reflected a deep understanding of customer expectations and evolving market needs, reinforcing the Company's competitive positioning. With a strong foundation in energy-efficient manufacturing and a forward-looking modernisation roadmap, Orient Paper remains well placed to deliver differentiated, high-quality paper solutions in a dynamic and quality-conscious industry.



## Chief Operating Officer's Message

### Dear shareholders,

2024-25 was a year of operational consolidation and forward-looking investments for Orient Paper & Industries Limited. Amidst an environment of rising input costs and industry-wide competition, our focus remained steadfast on enhancing productivity, ensuring process reliability, and advancing sustainable practices across our manufacturing and sourcing verticals.

On the manufacturing front, we undertook a series of modernisation initiatives to improve process efficiency and product quality. Key upgrades included the installation of Advanced Process Control (APC) systems in our pulp mill, and the deployment of Quality Control Systems (QCS) and Distributed Control Systems (DCS) across our tissue machines. These investments have begun improving product consistency and are laying the foundation for better machine availability and long-term cost control. Additionally, improvements in the main machine approach flow, installation of synchro sheeters, refiners, and centri-cleaners enhanced fibre bonding and paper formation.

Our efforts to optimise resource use also gained traction. We reduced our specific coal consumption by 7% and water consumption to 46.35 m<sup>3</sup> per ton of paper. The continued focus on maintaining our zero liquid discharge status and re-use of treated wastewater further reinforced our water stewardship goals.

On the sourcing side, we diversified our fibre base by increasing the use of bamboo and locally sourced mixed hardwood, the latter being nearly 60% more cost-effective than conventional inputs. We also expanded our plantation footprint from ~6,000 acres to over ~18,000 acres, helping to ensure long-term raw material security.

As we move forward, our operational strategy will be anchored in continuous improvement, local integration, and environmental responsibility. We remain committed to building a manufacturing ecosystem that is efficient, adaptive, and sustainable.

### Dr. C. S. Kashikar

Chief Operating Officer  
Orient Paper & Industries Limited

## Technological development

At Orient Paper & Industries Ltd. (OPIL), technological advancement is integral to operational excellence and long-term competitiveness. In 2024-25, the company undertook key digital and automation initiatives aimed at enhancing process reliability, product quality, and cost efficiency. A milestone comprised the installation of an Advanced Process Control (APC) system in the pulp mill. This upgrade helped maintain consistent pulp brightness while

reducing chemical consumption - resulting in significant cost control and quality uniformity. Additionally, the implementation of modern Quality Control Systems (QCS) and Distributed Control Systems (DCS) on the tissue machines enabled a greater precision in sheet formation, thickness, and moisture control. These were implemented towards the end of the year; the real benefits shall start accruing in 2025-26. These initiatives not only

improved output consistency but also enhanced machine efficiency, thereby reducing operational downtime. Together, these upgrades underscore OPIL's commitment to integrate next-generation technologies to future-proof operations, strengthen product performance, and build a smarter, sustainable paper manufacturing ecosystem.

## Human development

At Orient Paper and Industries Limited, we are committed to the holistic development of our people and the communities we serve. In 2024-25, we provided healthcare access to 2,065 individuals across 30 villages through 42 wellness camps, promoting preventive care and well-being. Internally, we continued to strengthen our human capital strategy by focusing on attracting the right talent, fostering engagement, building capabilities, and rewarding performance. Structured learning programs, workshops, and mentorship initiatives were conducted to develop a skilled, customer-focused, and future-ready workforce. Safety, welfare, and continuous upskilling remain central to our people agenda, fostering a culture of growth, accountability, and care. Through these efforts, we aim to deliver a strong employer value proposition, promote meritocracy, and build future leadership pipelines - reinforcing Orient's position as a preferred employer in the industry.

### Our policy

Our talent management strategy strengthens our competitive edge by investing in internal capability and employee engagement. We promote fairness, merit-based growth, and performance-linked rewards. Key priorities include attracting top talent, enhancing leadership and managerial effectiveness, nurturing high-potential employees, and implementing a structured rewards and recognition system.

### Our initiatives

Our people are central to our success. In a competitive industry, we are strengthening our human resource systems to build a customer-focused, performance-driven, and future-ready workforce. Our efforts are geared toward aligning employees with a shared purpose and supporting sustainable growth. To attract and retain talent, we introduced focused initiatives, while fostering leadership through career advancement and cross-functional collaboration. A robust rewards and recognition framework further reinforces performance and organisational alignment.

### Technical training

The Company leveraged technology to streamline HR operations through a robust HRIS, enabling data-driven decisions and employee self-service. An online learning platform promoted continuous learning, with workshops on digitalisation, ITOT, and Leap to enhance skills and innovation.

### Negotiation skills training

A focused negotiation training program was developed using insights from call analyses and senior manager feedback. It equipped the retention team with key skills such as active listening, empathy, effective questioning, and designing win-win solutions to strengthen customer engagement.



Competitive strengths



**Employee benefits and well-being**

The Company offers competitive compensation packages and a range of benefits to support employee well-being and financial security.



**Work-life balance**

The Company prioritised work-life balance, flexibility and wellness.



**Training and development**

The Company is committed to continuous employee learning and development through programs, workshops, and mentorship initiatives.



**Employee engagement initiatives**

The Company prioritises employee engagement and satisfaction, recognising that motivated and engaged employees are key to exceptional customer service.



**Diversity and inclusion**

The Company embraces diversity and inclusion, committed to create an inclusive workplace where all employees feel respected, valued, and empowered.



**Performance management system**

The Company's performance management system is designed to align individual goals with organisational objectives, fostering accountability and performance excellence.

Training hours

Aggregate person training hours (hours/person)

FY23		8.5
FY24		18.7
FY25		22.3



## Community

At Orient Paper and Industries Limited, we are committed to inclusive and sustainable community development, with a special focus on empowering women. In 2024-25, we supported the formation and revival of self-help groups (SHGs), enabling women to become financially independent and socially empowered. Through targeted interventions, we facilitated access to micro-credit, helping SHG members launch or scale income-generating activities. These initiatives not only enhanced household incomes but also fostered a stronger sense of agency and entrepreneurship among women. Our efforts continue to focus on building resilient communities around our operational areas through

long-term, participative development models.

### Overview

Orient Paper embodies the belief that business success must go hand in hand with societal well-being. It represents the Company's deep-rooted commitment to supporting the communities where it operates, aiming to improve the quality of life for underserved populations - while fostering long-term goodwill.

Orient Paper's CSR approach extends its values beyond internal stakeholders, focusing on real-world challenges faced by local communities. The Company champions inclusive, sustainable

development through initiatives designed to drive lasting economic and social transformation.

These programmes are co-created with communities to ensure relevance and impact, with a strong emphasis on empowerment and self-reliance. CSR efforts are steered by a dedicated committee of senior leaders and professionals, operating under a comprehensive CSR policy. This governance framework ensures that all initiatives align with the Company's core values and strategic goals, strengthening its social license to operate and reinforcing its role as a responsible corporate citizen.



**CSR spend details**

**Promoting healthcare**

FY22		66
FY23		70
FY24		70
FY25		83

**Social welfare\***

FY22		-
FY23		-
FY24		138
FY25		225

**Promoting education**

FY22		18
FY23		16
FY24		7
FY25		41

**Community development#**

FY22		10
FY23		7
FY24		88
FY25		94

**Standalone CSR expenditure**

FY22		94
FY23		93
FY24		303
FY25		443

**Inclusive growth through community engagement**

Community engagement activities	# Events	Participants
Heart health awareness & screening	13	1117
Awareness on monsoon, waterborne diseases & DVD	6	583
Yoga camps	12	169
Ayurveda	3	58
Other	9	219
<b>Total</b>	<b>43</b>	<b>2146</b>

\*includes salary & admin related components of Mission Khushi.

#includes contribution to state govt. and all other components of Mission Khushi excl. salary & admin





### Vendors and key suppliers

Orient Paper and Industries Limited values its vendors and suppliers as strategic partners in delivering quality and reliability. We maintain strong relationships to ensure raw material continuity, support on-time payments, and promote long-term

collaboration. Our partnerships with leading OEMs have enabled access to the latest technologies and employee training at their Centres of Excellence (CoEs). We invest in supplier development programs, offering opportunities

for capability building and process improvement. Joint initiatives focus on enhancing product quality, operational efficiency, and supply chain resilience, reinforcing our shared commitment to sustainable and mutually beneficial growth.

### Regulatory authorities (Compliance, Certification and Governance)

At Orient Paper and Industries Limited, adherence to all applicable regulations and their compliances guides us in everything we do. We uphold a proactive and robust compliance culture that aligns with all key environmental, safety, and quality regulations. In 2024-25, the Company strengthened internal audit frameworks to ensure transparency and accountability. We worked closely with regulatory authorities to ensure that all submissions met statutory norms and reflected our longstanding track record of responsible operations.

The Company secured regulatory approval for the use of fly ash in mine backfilling, advancing our sustainability goals. Real-time monitoring systems, third-party inspections, and frequent internal audits have helped us stay ahead of evolving compliance requirements while ensuring effective risk mitigation.

We continue to maintain and renew key certifications, including Environment Management System (EMS) ISO 14001:2015, Quality Management System (QMS) ISO 9001:2015, Occupational Health

and Safety System (OHS) ISO 45001:2018, Energy Management System (EnMS) ISO 5001:2018, and FSC® COC & CW, which affirm our commitment to quality, environmental stewardship, occupational safety, and responsible sourcing.

The company also possesses the following certifications:

**Products:** US FDA Compliance and Eco Mark, BIS Certification.

**Process:** BIS License of Copier Paper and ISO 17025:2017 from NABL for R&D Laboratory.

## Customers

At OPIL, partnerships with customers are central to driving sustainable progress and mutual growth. During 2024-25, the company deepened its engagement with converters and institutional buyers to promote awareness of eco-conscious product alternatives. A key initiative focused on educating stakeholders about the advantages of the bamboo tissue category - positioned as a wood-free, fast-renewable,

and environmentally responsible solution. This collaboration helped converters appreciate its superior biodegradability and hygiene benefits, supporting a growing demand for sustainable paper products. Simultaneously, OPIL intensified efforts to shift customer preferences from recycled tissues to virgin tissue products, which offer enhanced purity, strength, and safety, especially for high-sensitivity

applications in healthcare and food service sectors. These virgin tissues also enhance margins and brand differentiation. Through targeted outreach, co-creation workshops, and product demonstrations, OPIL empowered partners to make informed choices - strengthening long-term relationships and reinforcing its leadership in the premium, sustainable tissue market.

## At Orient, we put the customer at the centre of our strategic priority

In 2024-25, we laid the groundwork for stronger customer relationships through a comprehensive engagement strategy focused on deepening understanding, enhancing responsiveness, and improving the overall customer experience. A key initiative was the end-to-end mapping of the tissue value chain,

from production to end consumption, which provided detailed insights into the needs of dealers, converters, HoReCa players, and the institutional and modern trade sectors. This stakeholder-specific understanding enabled us to customise our innovation and marketing efforts more effectively. Additionally, a

nationwide study of the converter landscape, combined with an in-depth analysis of tissue SKU sales, guided us in realigning our product mix to better match high-demand categories and optimise production efficiency.

### Driving engagement

The company created a digital-first engagement platform for converters. It tested customised communication templates through programmes like Orient Stars and Hub Meets. It supported this roll-out with rigorous training for teams and developed easy-to-use communication tools for converters to share with customers. This collaborative approach shaped the Orient Ingredient brand around customer-valued features and tangible product benefits.

### Elevating efficiency

To convert insight into innovation, the company instituted an efficiency funnel that channelised customer feedback into product development. This led to the successful launch of Bamboo Natura and two concepts addressing specific performance needs like oil and water absorption. Segment-level analyses across the tissue and writing-printing categories revealed high-growth niches.

### Customer delight at the core

This initiative empowers employees to become customer champions. By actively listening, learning, and acting on feedback, we enhance our offerings and foster customer loyalty. A dedicated call centre enhanced real-time, unfiltered insights.

**We Listen:** Understanding customer needs is central to our solution design.

**We Learn:** Insights drive product development and service refinement.

**We Act:** Actions lead to a zero-defect manufacturing approach and faster resolution of concerns.

# Testimonials

## Hear from our Partner Network

Our partnership with Orient Paper began in 1974, and over the years, it has evolved into a strong and harmonious relationship based on mutual trust and efficient collaboration.

The company's diverse product range includes writing and printing paper, colour board, A4 pack, cup stock, drawing paper, and tissue paper. These products have consistently met our business needs with quality and reliability. Considering the market fluctuations and situation, we have especially appreciated Orient Paper's ability of maintaining optimal delivery schedules and pricing, ensuring a seamless exchange for us.

Looking at the current market demand, if OPIL can also provide us with surface sizing it will help us to penetrate even further into the publication sector.

We extend our sincere wishes to Orient Paper Mills for future success and growth. May they reach greater milestones under the able leadership of Chairman Mr. C.K. Birla and the dedicated efforts of the entire OPIL team.

**Krishna Kumar Kabra and Achyut Kabra**  
Vedant Traders, Varanasi

I am personally associated with Orient Paper since 1991.

I have visited its Amlai and Brajajnagar units multiple times.

They have been manufacturing premium paper products since the beginning, and they enjoy a loyal clientele who still use their products on a monthly basis.

We are proud to be associated with CKA Birla Group and are looking forward to continued partnership in the future.

**Hari Goenka**  
Shree Vinayak Udyog, Kolkata

Orient Paper and Ankit Dealers have been business partners for the past 30 years, fostering a relationship built on trust, reliability, and mutual growth. Over the decades, Ankit Dealers has been a consistent and valued distributor of Orient Paper's products, catering to the needs of customers across various regions. This long-standing partnership has not only enabled Ankit Dealers to expand its business operations but also allowed Orient Paper to strengthen its market presence. Through numerous challenges and opportunities, both parties have demonstrated a commitment to their collaboration, adapting to industry changes and evolving customer demands.

The partnership between Orient Paper and Ankit Dealers has yielded significant benefits

for both organisations. Ankit Dealers has gained a reputation for providing high-quality paper products, backed by Orient Paper's renowned manufacturing expertise. Meanwhile, Orient Paper has benefited from Ankit Dealers' extensive distribution network and customer relationships, enabling the company to reach a broader audience. This fruitful relationship has led to increased sales, improved customer satisfaction, and a strong market position for both parties. As they continue to work together, Orient Paper and Ankit Dealers are poised to explore new opportunities and drive further growth in the industry.

**Ankit Bansal**  
Ankit Dealers and Distributors, Gwalior

# Celebrating the moments of unity



Beach Volleyball



Confluence



Customer Giving Speech



Customer receiving award



Customer receiving award



Lamp Lighting Ceremony



Addressing the august gathering of Confluence Season 3 by MD & CEO Mr. Anant Agarwal



OPIL Team



OPIL Family

# Value creation

## Strengthening value across capitals



### Financial Capital

The company's financial resilience is driven by contributions from investors, promoters, banks, and financial institutions, with funding sourced through equity, debt, and internal accruals.



### Manufactured Capital

The company leverages advanced infrastructure, state-of-the-art technology, and modern equipment to strengthen its manufacturing capabilities, supported by an efficient logistics system that ensures seamless raw material procurement and timely product delivery.



### Human Capital

A skilled and dedicated workforce propels the company's performance including management, permanent staff, and contractual employees who are central to its operational success and growth trajectory.



### Intellectual Capital

The company capitalises on proprietary expertise and in-depth industry insights to enhance cost efficiency and achieve operational excellence.



### Natural Capital

Committed to environmental stewardship, the company engages in sustainable practices, including responsible sourcing, eco-friendly procurement, and afforestation efforts to minimise its ecological impact.



### Social Capital

The company builds and nurtures meaningful relationships with communities, suppliers, vendors, and customers, upholding ethical standards and promoting inclusive development.

## Value we created in 2024-25

### Financial capital

**896**

Rs. crore, turnover

**-5**

Rs. crore EBITDA

**-2.58**

Rs. Earnings per share

**-55**

Rs. crore PAT

### Manufacturing capital

**92.7**

%, average capacity utilisation for paper

### Human capital

**1291**

Employees

**22.3**

Hours per employee training imparted

### Natural capital

**151.8**

Lacs, estimated trees planted in 2024-25.

**3.8**

%, per unit of output, decline in power consumption

**5.8**

%, per unit of output, decline in water consumption

**7**

%, per unit of output, decline in coal consumption

# Directors' Report

*Dear Shareholders*

The Board of Directors are pleased to present the Annual Report along with the Audited Financial Statements of your Company for the financial year ended 31<sup>st</sup> March, 2025.

## 1. FINANCIAL PERFORMANCE

The financial performance of the Company for the financial year ended 31<sup>st</sup> March, 2025 is summarized below:

	(Rs. in crores)	
Particulars	2024-25	2023-24
Revenue from Operations	895.79	831.94
Other Income	15.77	25.19
Total Income	911.56	857.13
<b>Earnings before Interest, Depreciation, Amortization &amp; Taxation</b>	<b>(5.07)</b>	<b>86.27</b>
Interest/Finance costs	32.48	28.89
<b>Profit/(Loss) before Depreciation and Taxation</b>	<b>(37.55)</b>	<b>57.38</b>
Depreciation	51.35	43.62
<b>Profit/(Loss) before Taxation</b>	<b>(88.90)</b>	<b>13.76</b>
Taxation	(34.24)	7.53
<b>Profit/(Loss) for the year</b>	<b>(54.66)</b>	<b>6.23</b>
Other Comprehensive Income	(23.88)	118.21
<b>Total Comprehensive Income</b>	<b>(78.54)</b>	<b>124.44</b>

## 2. COMPANY'S PERFORMANCE

During the year under review, Orient Paper continued its journey to improve its operations. Multiple initiatives were launched to improve plant sustainability which led to paper production volumes growing by approximately 11% Y-o-Y.

The Company also optimized its portfolio mix towards more value-added and greener varieties, improving realizations and market acceptability. The Company actively keeps evaluating new and niche evolving market trends and aligns its development and production capabilities to meet the evolving market needs.

The Company deepened its engagement with micro markets through Hub Meets and the Orient Stars digital platform. The Company widened its presence across new products like bamboo tissue. The Company strengthened its offerings and value chain across growing segments like health and hygiene, education, and sustainable products.

The Company introduced 7 new products: 3 in the Writing and Printing segment, 3 in the Wellness and Hygiene segment and 1 in the Sustainable Product category.

The Company continued to debottleneck its existing capacities and invested Rs ~ 60 Crs in FY25. Amongst key projects were the modernization and digitalization of processes in the pulp-mill and paper machines. This was done to improve reliability.

Value-added products represented ~51% of the company's product mix. The Company sustained Mission Khushi, its initiative to empower employees to become customer champions and build deeper customer relationships.

The Company remains steadfast on its commitments of achieving net-neutrality targets in its Carbon & Water footprints. During the last financial year, the Company widened its plantation coverage by 17,058 acres and implemented Good Agricultural Practices benefiting 21,307 families. The Company maintained the proportion of renewables in its energy mix at ~40%.

The Company sustained a comprehensive upgrade of its manufacturing control systems after transitioning to a fully equipped QCS set-up on its Tissue machines in the previous financial year. Amongst major upgrades are Valmet DCS of main machine and systems upgrade in Tissue 2. The Company also added new field instruments to strengthen control systems. The

Company embarked on its digital transformation journey by implementing state-of-the-art Advanced Process Control in its facilities that shall lead to cost efficiency. Major benefits from APC would start trickling from Q1FY26.

### 3. SUSTAINABLE DEVELOPMENT AND ENVIRONMENT

Orient Paper is committed towards environmental protection and has thus implemented robust systems in place to ensure effective monitoring and treatment of waste. Some of these include zero liquid discharge, online stack emission monitoring system, ambient air quality monitoring system, dust extraction & suppression systems and effluent treatment plant (ETP).

We have a robust plan for reducing our carbon footprint per ton of product by ~10% over last year. This shall be achieved by the installation of an efficient steam & condensate recovery system along with increased production. We are keenly following the developments as the National Carbon market formalizes and starts operating in India.

Our extensive work on water conservation across our supply chain and surrounding ecosystem will help conserve more water than what we consume in our operations.

### 4. SHARE CAPITAL

During the year under review, there has been no change in the Authorised and Paid-up share capital of the Company. As on 31<sup>st</sup> March, 2025, the Authorised Share Capital of the Company was Rs. 100,00,00,000/- divided into 75,00,00,000 equity shares of Re. 1 each and 25,00,000 preference shares of Rs. 100 each. As on 31<sup>st</sup> March, 2025, the Paid-up Share Capital of the Company was Rs. 21,21,85,502/- divided into 21,21,85,502 equity shares of Re.1 each.

### 5. CHANGE IN NATURE OF BUSINESS

During the year under review, there has been no change in the nature of business of your Company.

### 6. DIVIDEND

The Directors have not recommended any dividend on the equity shares of the Company.

### 7. CASH FLOW ANALYSIS

In conformity with the provisions of Regulation 34 of the Listing Regulations and Section 2(40) of the Companies Act, 2013, the cash flow statement for the financial year ended 31<sup>st</sup> March, 2025 is included in the annual accounts.

### 8. PUBLIC DEPOSITS

The Company has not accepted any deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

### 9. PARTICULARS OF LOANS, GUARANTEE AND INVESTMENTS

The Company has not given any loans, provided any guarantees / securities or made investments that are covered under the provisions of Section 186 of the Companies Act, 2013, during the financial year ended 31<sup>st</sup> March, 2025.

### 10. CORPORATE SOCIAL RESPONSIBILITY

Pursuant to the requirement of Section 135 of the Companies Act, 2013, a Corporate Social Responsibility ("CSR") Committee was constituted. Details of the CSR activities as required under Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, are provided in the Annual Report as **Annexure I**. The Company's Policy on Corporate Social Responsibility is available on the website of the Company at <https://orientpaper.in/wp-content/assets/investors/code-and-policy/CSR-Policy.pdf>

### 11. ANNUAL RETURN

Pursuant to the provisions of Section 92 of the Companies Act, 2013 and rules framed thereunder a copy of the Annual Return has been placed on the Company's website at <https://orientpaper.in/investor-relations-announcements/>

### 12. DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### (i) Changes in Directors

- Mr. Anant Agarwal (DIN: 02640025) has been appointed as the Managing Director & CEO of the Company for a period of five years with effect from 21<sup>st</sup> December, 2024, on the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company. The appointment was duly approved by the Shareholders through a Postal Ballot on 18<sup>th</sup> March, 2025.
- Mr. Ashwin J. Laddha (DIN: 09538310) resigned from his position as the Managing Director & CEO of the Company with effect from the close of business hours of 20<sup>th</sup> December, 2024.

The Board placed on record its appreciation for the valuable services rendered by Mr. Ashwin J. Laddha as the Managing Director & CEO of the Company during his tenure.

- Mr. Raj Kumar Agrawal (DIN: 00177578) was appointed as an Independent Director for a period of five years from 27<sup>th</sup> January, 2020 to 26<sup>th</sup> January, 2025. On the recommendation of the Nomination & Remuneration Committee and the Board of Directors, the Shareholders of the Company approved re-appointment of Mr. Raj Kumar Agrawal as Independent Director of the Company for a second term of five years commencing from 27<sup>th</sup> January, 2025 upto 26<sup>th</sup> January, 2030, by way of a special resolution passed through Postal Ballot on 18<sup>th</sup> March, 2025.

#### **(ii) Changes in Key Managerial Personnel**

- Mr. P. K. Sonthalia retired from his position as the Chief Financial Officer of the Company from the close of business hours on 31<sup>st</sup> May, 2024.
- Mr. Amit Poddar who was appointed as the Head-Finance & Accounts with effect from 3<sup>rd</sup> April, 2024, was designated as the Chief Financial Officer of the Company with effect from 1<sup>st</sup> June, 2024 by the Board of Directors of the Company based upon the recommendations of the Nomination & Remuneration Committee and Audit Committee.

#### **(iii) Retirement by rotation**

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Chandra Kant Birla (DIN: 00118473), Non-Executive Director of the Company, is liable to retire by rotation and being eligible, has offered himself for re-appointment.

#### **(iv) Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, of the directors individually as well as the evaluation of its various Committees. The process of evaluation has been explained in the Corporate Governance Report.

#### **(v) Board Meetings**

Details of the eight meetings of the Board and its various committees are provided in the Corporate Governance Report.

None of the Directors are disqualified under Section 164 of the Companies Act, 2013.

All the Independent Directors have submitted declarations confirming that they meet the criteria

of independence as specified under Section 149(6) of the Companies Act, 2013, read with Regulations 16 and 25 of the Listing Regulations. They have also confirmed compliance with the provisions of Section 150 of Companies Act, 2013, read with Rule 6 of Companies (Appointment and Qualifications of Directors) Rules, 2014, with respect to registration in the data bank of Independent Directors.

The Board of Directors affirm that the Independent Directors appointed during the year under review, possess requisite expertise, experience (including proficiency), and integrity necessary for their effective participation on the Board.

## **13. AUDITORS & AUDIT REPORTS**

### **(i) Statutory Auditors**

Pursuant to the provisions of Section 139 of the Companies Act, 2013, the Shareholders of the Company at the Annual General Meeting held on 10<sup>th</sup> August, 2022, appointed M/s. B S R & Co. LLP, Chartered Accountants (Firm Registration no. 101248W/W-100022) as the Auditors of the Company for a period of 5 years, from the conclusion of 86<sup>th</sup> Annual General Meeting to the conclusion of 91<sup>st</sup> Annual General Meeting.

The Auditors' Report for the financial year 2024-25 does not contain any qualification, reservation or adverse remark.

The Auditors have also confirmed that during their audit process for the financial year 2024-25, they did not observe any event indicating fraud committed by the officers or employees of the Company. Therefore, no instances of fraud were reported to the Audit Committee, Board, or the Central Government, as the case may be, under Section 143(12) of the Companies Act, 2013.

Note no. 48 appearing in the Notes to Financial Statements referred to in the Auditors' Report is self-explanatory.

### **(ii) Cost Auditor**

In accordance with Section 148(1) of the Companies Act, 2013, read with the Companies (Cost Records and Audit) Rules, 2014, the Company has maintained proper cost records pertaining to the products under audit, as required, which have been duly audited by the Cost Auditor.

The Cost Audit for the financial year ended 31<sup>st</sup> March, 2024 was conducted by Mr. Somnath Mukherjee, Cost Accountant in Practice (Membership no. 5343), and the Cost Audit Report was duly filed with the Ministry of Corporate Affairs, Government of India (MCA). The Audit of the Cost Records for the financial year ended 31<sup>st</sup> March, 2025 is being conducted by the said Cost

Auditor and the Report will also be filed with the MCA.

The Board of Directors of the Company, on the recommendation of the Audit Committee has appointed Mr. Somnath Mukherjee, Cost Accountant as Cost Auditor for auditing the cost accounts of the Company for the financial year 2025-26. The Auditor has confirmed his eligibility under Section 141 of the Companies Act, 2013 and the rules framed there under for appointment as Cost Auditor of the Company. Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor requires ratification by the shareholders. Therefore, the Board recommends the ratification of the remuneration payable to the Cost Auditor by the shareholders at the ensuing Annual General Meeting. The requisite resolution for ratification of remuneration of Cost Auditor by the shareholders of the Company has been set out in the Notice of AGM.

### (iii) Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company appointed Mr. A. K. Labh, Company Secretary in Practice (CP Regn. No. 3238), to undertake the Secretarial Audit of the Company for the financial year 2024-25. The Report of the Secretarial Auditor is annexed to this report as **Annexure II**. The Secretarial Audit Report for the financial year 2024-25 does not contain any qualification, reservation or adverse remark.

The Board of Directors of the Company have recommended the appointment of M/s. Labh & Labh Associates, Company Secretaries (FRN-P2025WB105500), for a period of 5 years commencing from the Financial Year 2025-26 to undertake the Secretarial Audit of the Company, subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company, in terms of Regulation 24A of the Listing Regulations read with SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/CIR/P/2024/185 dated 31<sup>st</sup> December, 2024. All the partners of the firm are having peer review certificate issued by the Institute of Company Secretaries of India. The Auditor has confirmed his eligibility for appointment as Secretarial Auditor of the Company as per the said Listing Regulations.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is attached herewith as **Annexure III** and forms part of this annual report.

## 15. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013, your directors, to the best of their knowledge and belief, confirm that:

- (a) in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2025, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the period;
- (c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the directors have prepared the annual accounts on a going concern basis;
- (e) the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 16. PARTICULARS OF DIRECTORS AND EMPLOYEES

Disclosure of the ratio of the remuneration of each Director to the median employee's remuneration and other requisite details pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration

of Managerial Personnel) Rules, 2014, is annexed to this Report as **Annexure IV** and forms part of it. Further, particulars of employees pursuant to Rule 5 (2) & (3) of the above Rules, also form part of this Report. However, in terms of the provisions of Section 136 of the Companies Act, 2013, the Annual Report for the financial year 2024-25 is being sent to the shareholders excluding the information required under Rules 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The said information is available for inspection from the date of circulation of the Notice of AGM until the date of the AGM.

## 17. EMPLOYEE STOCK OPTION SCHEME

The Company has adopted 'Orient Paper & Industries Limited - Employee Stock Option Scheme-2023' ("**ESOP Scheme**"), during the financial year 2023-24, as part of its Long Term Incentive Programme. The Company's ESOP Scheme is in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("**ESOP Regulations**") and Listing Regulations. During the year under review, no stock options were granted under the said ESOP Scheme, while 11,50,277 stock options lapsed. Further, no equity shares were allotted under the ESOP Scheme during the financial year under review. Other details on ESOPs are provided in the notes to accounts of the financial statements for the financial year 2024-25, forming part of the Annual Report.

There was no change in the ESOP Scheme 2023 since its adoption by the shareholders of the Company.

Disclosures pursuant to ESOP Regulations are uploaded on the website of the Company and can be accessed at the Weblink: <https://orientpaper.in/wp-content/assets/investors/DISCLOSURE-UR/ESOP-Disclosure-Mar2024.pdf>

M/s. A. K. Labh & Co., Practicing Company Secretaries (CP Regn. No. 3238), Secretarial Auditors of the Company, has certified that the Company's ESOP Scheme has been implemented in accordance with the ESOP Regulations, and the resolutions passed by the shareholders approving the ESOP Scheme. The said certificate from the Secretarial Auditors of the Company shall be available for inspection by the shareholders at the ensuing AGM.

## 18. PARTICULARS OF CONTRACTS OR ARRANGMENTS WITH RELATED PARTY

During the financial year under review, all the contracts or arrangements or transactions entered by the Company with its Related Parties were in the ordinary course of business and on arm's length basis and were in compliance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations. All the related party transactions are quarterly reviewed by the Audit Committee

All Related Party Transactions are presented to the Audit Committee and the Board. Prior omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. The Related Party Transaction Policy, can be accessed at the website of the Company at: <https://orientpaper.in/wp-content/assets/investors/DISCLOSURE-UR/OPIL%20Amended%20Related%20Party%20Transaction%20Policy.pdf>

During the period under review, there were no material related party transactions and accordingly the declaration in Form AOC-2 under Section 134(3) (h) of the Companies Act, 2013 is not applicable.

## 19. CORPORATE GOVERNANCE

The Company believes that good Corporate Governance is essential for achieving long term corporate goals and enhancing stakeholders' value. The Company's business objective and that of its management and employees is to manufacture and market the Company's products in such a way so as to create value that can be sustained on a long term basis for all its stakeholders, including shareholders, employees, customers, government and the lenders. In addition to compliance with the regulatory requirements, the Company endeavours to ensure the highest standards of ethical conduct throughout the organization.

The Company is in full compliance with the Corporate Governance requirements in terms of the Listing Regulations.

A report on Corporate Governance and a certificate from the auditors confirming compliance with the Corporate Governance requirements are attached and forms part of this Annual Report.

## 20. MANAGEMENT DISCUSSION AND ANALYSIS

In terms of Regulation 34 of the Listing Regulations, the Management Discussion and Analysis Report for the year under review is presented in a separate section, forming an integral part of this Annual Report.

## 21. NOMINATION & REMUNERATION POLICY

The Board has on the recommendation of its Nomination & Remuneration Committee, framed a policy for selection and appointment of Directors, Key Managerial Personnel and Senior Management and their remuneration. The salient features of the Nomination & Remuneration Policy are outlined in the Corporate Governance Report which forms part of the Annual Report. Web link for the policy on the website is <https://orientpaper.in/wp-content/assets/investors/code-and-policy/Nomination-Remuneration-Policy.pdf>

## 22. RISK MANAGEMENT

The Board of Directors of the Company have formed a Risk Management Committee, inter alia, to frame, implement and monitor the risk management plan for the Company.

Pursuant to Section 134 of the Companies Act, 2013 and Regulation 17 of the Listing Regulations, the Company has a Risk Management Policy. The Policy comprises of a robust business risk management framework to identify, evaluate and mitigate potential business risks. The business risk framework defines the risk level including documentation and reporting.

Details of the Risk Management Committee and the Risk Management Policy are given in the Corporate Governance Report. Web link for the policy on the website is- <https://orientpaper.in/wp-content/assets/investors/code-and-policy/Risk%20Management%20Policy.pdf>

## 23. WHISTLE BLOWER POLICY

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. In line with these objectives, the Company has a Vigil Mechanism named Whistle Blower Policy to deal with instances of fraud and mismanagement.

Details of the Whistle Blower Policy are stated in the Corporate Governance Report. Web link for the policy on the website is <https://orientpaper.in/wp-content/assets/investors/code-and-policy/Whistle-Blower-Policy.pdf>

## 24. PROTECTION OF WOMEN AT WORKPLACE

It has been an endeavor of the Company to support women professionals through a safe, healthy and conducive working environment by creating and implementing proper policies to tackle issues relating to safe and proper working conditions for them.

The Company as required under the provisions of the Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013 has framed a Policy on Prohibition, Prevention and Redressal of Sexual Harassment of Women at Workplace and matters connected therewith or incidental thereto.

The Company has not received any complaint under the said policy during the year. Web link for the policy on the website is <https://orientpaper.in/wp-content/assets/investors/code-and-policy/POSH.pdf>

## 25. INTERNAL FINANCIAL CONTROLS

The Company has adequate internal financial control procedures commensurate with its size and nature of business. The Company has identified and documented

all key internal financial controls, which impact on the financial statements, as part of its Standard Operating Procedures (SOPs). The SOPs are designed for all critical processes across all its plants and offices wherein financial transactions are undertaken. The financial controls are tested for operating effectiveness through ongoing monitoring and review process by the management and independently by the Internal Auditors. In our view the Internal Financial Controls, affecting the financial statements are adequate and are operating effectively.

## 26. OTHER DISCLOSURES

- (i) There were no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.
- (ii) There were no material changes and commitments affecting the financial position of the Company which occurred between the end of the financial year of the Company i.e., 31<sup>st</sup> March, 2025 and the date of this Report.
- (iii) No application was made or any proceedings pending against the Company under the Insolvency and Bankruptcy Code, 2016.
- (iv) During the year under review, your Company has not made any one-time settlement with any bank or financial institution.
- (v) During the year under review, the Company has not transferred any amount to the General Reserve.
- (vi) The 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.

## 27. ACKNOWLEDGEMENTS

The Board of Directors take this opportunity to thank all the stakeholders of the Company for their continued support and place on record their sincere gratitude to the shareholders, customers, bankers, financial institutions, government agencies and supply chain partners for their co-operation and support in the Company's endeavors to achieve continuous growth and progress and look forward to their support in future. The Board of Directors wish to place on record their sincere appreciation for the contribution made by the employees at all levels and applaud them for their dedication and commitment towards the Company.

By Order of the Board of Directors

Place: London  
Date: 22<sup>nd</sup> May, 2025

**C. K. Birla**  
Chairman  
(DIN: 00118473)

## Annexure - I

## Annual Report on CSR Activities

## 1. Brief outline on CSR Policy of the Company

Corporate Social Responsibility (“CSR”) at Orient Paper & Industries Limited portrays the deep symbiotic relationship that the Company enjoys with the communities it is engaged with. As a responsible corporate citizen, the Company endeavours to contribute towards social and economic development on regular basis. We believe that to succeed, an organization must maintain highest standards of corporate behaviour towards its employees, consumers and societies in which it operates. The Company is of the opinion that CSR underlines the objective of bringing about a difference and adding value in our stakeholder’s lives.

The Company has framed a CSR Policy as required under Section 135 of the Companies Act, 2013 and more explicitly covered in the Corporate Governance Report.

## 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
(i)	Ms. Gauri Rasgotra	Chairperson Non-Executive Independent Director	1	1
(ii)	Mr. Ashwin Bishnoi	Member – Non- Executive Independent Director	1	-
(iii)	Mr. Ashwin J. Laddha *	Member - Managing Director & CEO (Former)	1	1
(iv)	Mr. Anant Agarwal*	Member - Managing Director & CEO	1	NA

\*Mr. Ashwin J. Laddha ceased to be a member of the Committee with effect from 20<sup>th</sup> December, 2024, post his resignation as the Managing Director & CEO of the Company. Mr. Anant Agarwal, Managing Director & CEO of the Company has been inducted as the member of the Committee with effect from 21<sup>st</sup> December, 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. :
- Composition of CSR Committee : <https://orientpaper.in/board-and-committee/>
  - CSR Policy: <https://orientpaper.in/wp-content/assets/investors/code-and-policy/CSR-Policy.pdf>
  - CSR Projects: <https://orientpaper.in/wp-content/assets/investors/other-disclosures/CSR%20Budget%202024-25.pdf>
4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. :
- The Company’s average CSR obligation, during the last three financial years, does not cross the limit of Rs. 10 crores or more as prescribed under Rule 8(3) of Companies (Corporate Social Responsibility Policy) Rules, 2014, therefore the requirement of undertaking impact assessment of CSR projects was not applicable on the Company during the financial year 2024-25.

5. (a) Average net profit of the company as per sub-section (5) of section 135. : Rs. 2710.01 lacs
- (b) Two percent of average net profit of the company as per sub-section (5) of section 135. : Rs. 54.20 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. : Nil
- (e) Total CSR obligation of the financial year [(b)+(c)-(d)] : Rs. 54.20 lacs
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project). : Rs. 443.01 lacs
- (b) Amount spent on Administrative Overheads. : Nil
- (c) Amount spent on Impact Assessment, if applicable. : N.A.
- (d) Total amount spent for the Financial Year [(a)+(b)+(c)] : Rs. 443.01 lacs
- (e) **CSR amount spent or unspent for the Financial Year:**

Total Amount Spent for the Financial Year (Rs. in lacs)	Amount Unspent (Rs. in lacs)				
	Total amount transferred to Unspent CSR account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to sub section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
443.01	-	Not applicable	Not applicable	-	Not applicable

(f) **Excess amount for set off, if any:** Rs. 447.88 lacs from preceding financial years

Sl No.	Particulars	Amount (Rs. in lacs)
(i)	Two percent of average net profit of the company as per sub section (5) of section 135	54.20
(ii)	Total amount spent for the Financial Year	443.01
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	388.81
(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)	388.81

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

1	2	3	4	5	6		7	8
Sl No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Amount spent in the Financial Year (in Rs.)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in Rs.)	Deficiency, if any
					Amount (in Rs)	Date of transfer		
1.	FY -1	-	-	-	-	-	-	
2.	FY -2	-	-	-	-	-	-	
3.	FY -3	-	-	-	-	-	-	

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 particular of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/Authority/beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration no., if applicable	Name	Registered Address
						-	-

9. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per sub-section (5) of Section 135.

Pursuant to sub-section (5) of Section 135 of the Companies Act, 2013, the Company was required to spend Rs. 54.20 lacs for the Financial Year 2024-25, towards Corporate Social Responsibility. However, the Company Voluntary spent Rs. 443.01 lacs for the said financial year.

Place: New Delhi  
Date: 19<sup>th</sup> May, 2025

**Gauri Rasgotra**  
Chairperson – CSR Committee  
(DIN: 06862334)

**Anant Agarwal**  
Managing Director & CEO  
(DIN:02640025)

## Annexure - II

## Secretarial Audit Report

### For the Financial Year ended 31.03.2025

[Pursuant to Section 204(1) of the Companies Act, 2013 read with Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To  
The Members,  
**Orient Paper & Industries Limited**  
Unit VIII, Plot No. 7  
Bhoinagar, Bhubaneswar – 751 012  
Odisha

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Orient Paper & Industries Limited having its Registered Office at Unit VIII, Plot No. 7, Bhoinagar, Bhubaneswar – 751 012, Odisha (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31.03.2025 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.

#### Auditors' Responsibility

Maintenance of Secretarial Records is the responsibility of the management of the Company. Our responsibility is to express an opinion on existence of adequate Board process and compliance management system, commensurate to the size of the Company, based on these secretarial records as shown to us during the said audit and also based on the information furnished to us by the officers' and the agents of the Company during the said audit.

We have followed the audit practices and processes as were appropriate to the best of our understanding 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.

We have not verified the correctness, appropriateness and bases of financial records, books of accounts and decisions taken by the Board and by various committees of the

Company during the period under audit. We have checked the Board process and compliance management system to understand and to form an opinion as to whether there is an adequate system of seeking approval of respective committees of the Board, of the Board, of the members of the Company and of other authorities as per the provisions of various statutes as mentioned hereinafter.

Wherever required we have obtained the management representation about the compliance of the laws, rules and regulations and happening of events, etc.

The Compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of compliance procedures on test basis.

Our report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness or accuracy with which the management has conducted the affairs of the Company.

**We report that**, we have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31.03.2025 according to the provisions of (as amended) :

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) Secretarial Standards as issued by The Institute of Company Secretaries of India;
- (iii) The Securities Contracts (Regulation) Act, 1956 and the rules made there under;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (v) Foreign Exchange Management Act, 1999 and the rules and regulation made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (as amended) :

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (iii) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (iv) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

**We further report that :**

**We further report that,** having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has specifically complied with the provisions of the following Acts :

- (i) The Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008;
- (ii) The Petroleum Act, 1934 and The Petroleum Rules, 2002;
- (iii) Explosives Act, 1884
- (iv) The Indian Forest Act, 1927
- (v) The Forest (Conservation) Act, 1980

to the extent of its applicability to the Company during the financial year ended 31.03.2025 and our examination and reporting is based on the documents, records and files as produced and shown to and the information and explanations as provided to us by the Company and its management and to the best of our judgment and understanding of the applicability of the different enactments upon the Company. Further, to the best of our knowledge and understanding there are adequate systems and processes in the Company commensurate with its size and operation to monitor and ensure compliances with applicable laws including general laws, labour laws, competition law, environmental laws, etc.

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

During the period under review, provisions of the following regulations/guidelines/standards were not applicable to the Company:

- (i) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018;
- (ii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

- (i) 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.
- (ii) 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.
- (iii) Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.
- (iv) 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 :**

- (i) There was an instance wherein a Designated Person ("DP") failed to obtain prior approval from the Compliance Officer of the Company for the sale transaction in violation of the Company's "Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons" in terms of Regulation 9 of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and based on the recommendation of the Audit Committee of the Company the penalty paid by him was deposited with SEBI-IPEF.

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

For **A. K. LABH & Co.**  
Company Secretaries

**(CS A. K. LABH)**

Proprietor

FCS : 4848 / CP No. : 3238

UIN : S1999WB026800

PRCN : 1038/2020

Place : Kolkata

Dated : 22<sup>nd</sup> May, 2025

UDIN : F004848G000385943

## Annexure – A

To,  
The Members,  
**Orient Paper & Industries 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 **A. K. LABH & Co.**  
Company Secretaries

**(CS A. K. LABH)**  
Practicing Company Secretary  
FCS : 4848 / CP No. : 3238  
UIN : S1999WB026800  
PRCN : 1038/2020  
UDIN : F004848G000385943

Place : Kolkata  
Dated : 22<sup>nd</sup> May, 2025

## Annexure III

## Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo Pursuant to Provisions of Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014

**(A) CONSERVATION OF ENERGY**

Energy conservation measures taken in FY 2024-25

S. No.	Description of Initiatives Implemented	Qty.
1	Installation of VFDs 315 Kw and 400 Kw on centricleaner pumps, Saving @ 180 Kw /Hr	1 No. each
2	Installation of VFDs in Tissue machine water pumps Saving @ 15 Kw/Hr	3
3	Installation of an Online Energy Monitoring system for online monitoring of electrical energy parameters	1
4	Installation of VFD for Fire jockey pumps to maintain desired pressure and energy saving @ 10 Kw/Hr	1
5	Optimization of compressor operation in CPP saving 92 Kw/Hr	1
6	Arresting leakage of HP heater in CPP saving @ 29 Kw/Hr	1
7	Stopped one ACW pump in CPP saving @ 54 Kw/Hr	1
8	Remembrance of Electrolysers (EL-8, EL-19, E-21 & EL-3) to reduce Rectifier AC per ton of power and energy saving of 28.5 KWh/MT per Electrolyser. (Total Saving 114KWh/MT of Caustic Production)	4
9	Installation & Commissioning of 1 No. Outdoor 3860KVAr 11KV Capacitor Bank for maintaining Grid PF>0.998 in Tap-1 of Rectifier Transformer to maintain PF Incentive in MPEB Electricity Bill.	1

**(B) ADDITIONAL INVESTMENT & PROPOSAL, IF ANY, BEING IMPLEMENTED FOR REDUCING CONSUMPTION OF ENERGY**

S. No.	Energy Conservation Proposal	Estimated Investments (Rs. Lacs )
1	Capacity Optimization of Tissue-3 Machine	200
2	Capacity Enhancement of Paper Machine	2000
3	Capacity Enhancement of Recovery Boiler from 600 TPD – 750 TPD	2600
4	Conversion of stoker boiler to AFBC boiler (90 TPH)	2800
5	Upgradation of 30 MW and 25 MW turbines	2000
6	Installation of VFD in Different Drives against valve throttling	60
7	Upgradation of blow heat recovery in the Pulp Mill along with NCG	800
8	Installation of New Steam and Condensate System for the Paper Machine	1000
9	Installation of MV Drives for FD Fans in CPP	165
10	Installation of MV Drives for MCW Pump	120
11	Upgradation of the Paper Machine drive from line shaft to sectional drives at the Paper Machine	1200
12	Replacement of Old and Rewound motors with IE4 energy-efficient motors	45
13	Remembraning of Electrolysers (EL-11 & EL-22) to reduce Rectifier AC per ton of power and energy saving of 28.0 KWh/MT per Electrolyser.	156
<b>TOTAL INVESTMENTS</b>		<b>13146</b>

**(C) IMPACT OF MEASURES (A) ABOVE FOR REDUCTION OF ENERGY AND CONSEQUENT IMPACT ON COST OF PRODUCT**

S No.	Energy Form	Unit	2021-22	2022-23	2023-24	2024-25
1	Power (Excl. colony, Aux. & export power)*	KWH/MT of paper	1959	1926	1886	1874
2	Steam (excl. Own cons.)	MT/MT of paper	20.05	18.81	18.32	17.06
3	Water (excl. Own cons.)	M3/MT of paper	49	48.4	49.2	47
4	Coal	MT/MT of paper	2.91	2.69	2.26	2.06
5	AC Rectification Power	KWh/MT of CS Lye	2268.78	2340.91	2379.61	2269.06
6	AC Rectification Power	KWh/MT of Equivalent Production.	2073.34	2144.52	2186.85	2084.32
7	AC Auxiliary Power	KWh/MT of Equivalent Production	265.45	251.11	308.117	292.58
8	Total Energy Consumed (OPM-CSU)	MKCal/MT of Equivalent Production	7.937	8.130	8.467	8.06

**(D) TECHNOLOGY ABSORPTION**

**RESEARCH & DEVELOPMENT**

**I. Specific area in which R&D is carried out by the company.**

- The Department of Scientific and Industrial Research, Ministry of Science and Technology, New Delhi, recognizes In-house R&D. Application for renewal of accreditation with all necessary documents and project works have been successfully submitted for recertification.
- R&D Environmental Lab is the first lab among Indian Pulp and Paper Industries, which is accredited to NABL (ISO/IEC 17025:2017) in wastewater treatment, under which 23 scope parameters of wastewater testing are covered.
- NABL has recommended continuation of accreditation after the desktop audit dated 20.03.2025 of OPIL R&D Environmental Lab till April'2026.
- OPIL R&D Environmental lab has initiated participation in 2 proficiency test programs in the year 2024-25 organized by an external agency covering 11 parameters. Proficiency test results are satisfactory for all 11 parameters.
- Moisture determination of fibrous raw materials of Lot on a BD basis.
- Chips classification before and after knife change (DC-1, 2 & 3) of chipper house.
- Pulping study of various hardwoods such as Eucalyptus, Palash, Acacia, Indian beech (Karanj wood) and Assam Bamboo.
- Comparative pulping analysis of hardwood species and Bamboo using different alkali charges and different proportions of raw material along with the Avantha Centre for Industrial Research & Development, Patiala (ACIRD).
- Evaluation of the pulping characteristic of the silo mixed chips feed to the digester in the plant in lab to ensure the pulp quality and its suitability for paper manufacturing.
- Pulping analysis of eucalyptus wood for one year, by doing monthly analysis to confirm the ageing effect of eucalyptus wood.
- Troubleshooting of the stickies problem generating holes in paper at the tissue machine.
- Bleached pulp evaluation twice in a week through the PFI mill to ascertain the pulp quality.
- Comparative studies of the fiber morphology of various species and different bleaching stages of pulp.
- Fiber classification of the bleached pulp was done on the Bauer McNett fiber classifier to

monitor the length of fibers through a specific mesh screen.

15. DCM Analysis of pulp sheet for detecting pitch% in different stages of mill pulp.
16. Determine the chemical oxygen demand of unbleached pulp from the 4<sup>th</sup> Press process to ensure the efficiency of washing during the process & chemical carryover with the pulp in the bleaching section.
17. To ensure the healthiness of the process at the paper machine and white-water clarifier, micro-biological analysis is being done on a regular basis to check and control the bacterial growth.
18. Analysis of drinking water, well water, piezo, effluent, sewage treatment plant samples parameters on regular basis.
19. Analysis of heavy metal in treated effluent samples by atomic absorption spectrophotometer instrument.
20. Soil and Air analysis from various locations of the plant periodically.
21. OPIL has a technical collaboration with the National Environmental Engineering Research Institute (NEERI).

## II. Benefit derived as a result of the above efforts i.e. product improvement, cost reduction, product development and import substitution.

1. Our In-House R&D unit has been recognized by the Department of Scientific and Industrial Research (DSIR), Ministry of Science & Technology, New Delhi, from 01.04.2022 to 31.03.2025. Application for renewal of accreditation successfully submitted for recertification period of 01.04.2025 to 31.03.2028.
2. NABL Accreditation to R&D Lab has 23 scope parameters. Testing of all parameters is covered continuously to comply with NABL certification. The laboratory has prepared a proficiency testing plan for 2024-2025 & actions will be initiated for compliance in the agreed time frame.
3. A desktop audit of NABL ISO: 17025-2017 of the environmental lab was conducted on 20.03.2025 for the year 2024-25 to comply with the norms of NABL. Documents submitted by the laboratory were evaluated by National Accreditation Board for Testing and Calibration Laboratories (NABL), Gurgaon (A Constituent Board of Quality Council of India) based on which NABL Gurgaon informed us regarding the continuation of accreditation to our laboratory under ISO/IEC 17025:2017

in the field of chemical discipline of testing for the existing scope of accreditation till 08.04.2026.

4. The laboratory has participated in a proficiency testing program organized by an external agency in 2024-2025 in 11 Wastewater parameters. The Z-score calculated by the PT provider for the above parameter is very low against the standard of  $\pm 2.0\%$ . A lower Z-score indicates the high testing accuracy/efficiency of our R&D staff.
5. Fibrous raw material lot moisture % measurement guides us to control the pulp mill process parameters to get the desired pulp strength and yield%.
6. Chips classification before and after knife change (DC-1, 2 & 3) for the chipper's house for better control in the cooking condition and evaluation of the chipper's performance.
7. The detailed pulping study of ECP (with dark, debarked, girth-wise) Palash, Acacia and Assam Bamboo provides valuable findings into optimizing the raw material selection and process conditions. It supports improvement in pulp yield, better pulp quality and cost effectiveness while helping set data-driven industry benchmarks. This initiative strengthens operational performance and enhances the Company's competitive and sustainable positioning.
8. Comprehensive, detailed comparative pulping studies for various hardwood species and bamboo, utilizing different alkali charges and raw material proportions alongside ACIRD standards, were conducted to generate fundamental data for cost effectively producing high quality pulp. The resulting pulping reports help validate consistency between our experimental outcomes and Avantha Centre for Industrial Research & Development, Patiala (ACIRD) benchmarks, supporting data reliability and process alignment.
9. Pulping characteristic of the silo chips for better control of process parameters.
10. The study presents a comprehensive, year-long monthly analysis of Eucalyptus wood pulping to assess the impact of ageing on key parameters. By systematically evaluating changes in screen yield, kappa number and viscosity over the time period. The study provides actionable insights that can support optimized raw material management, enhance process control and improve overall efficiency in pulp production operations.

11. A systematic investigation was conducted to troubleshoot the stickies causing holes in the paper during tissue machine operation. The study involved detailed wood resin analysis and assessment of relevant chemical interactions contributing to sticky formation. The report provides comprehensive data and insights to accurately identify the root causes and recommend effective mitigation strategies.
12. Bleached pulp evaluation helps us to establish the ECF bleaching process with optimization of chemical and cost, along with higher brightness and viscosity gain.
13. Comparative studies of fiber morphology help us to understand the fiber length of various species and the impact on the fiber length of different bleaching stages.
14. Fiber classification of the bleached pulp indicates fines and long fiber proportion in pulp, which helps to predict refining requirements as well as final product properties. This is useful to optimize the refining process of the pulp at the paper machine and tissue machines.
15. DCM Analysis of pulp sheet for detecting pitch % in different stages of the own mill pulp helps for pulp mill process parameters optimization.
16. Measurement of the unbleached pulp COD of the 4<sup>th</sup> press guides better control to wash plant to improve the washing efficiency and to reduce chemical carryover in pulp.
17. Microbiological analysis of the paper machine helps to ascertain the bacterial growth in the system.
18. Analysis of drinking water, well water, piezo, effluent, and sewage treatment plant samples parameters on a regular basis for process control and to comply with CPCB & MPPCB norms.
19. Heavy metal analysis of effluent results helps ETP for better control.
20. Analysis of soil and air of various locations inside the plant and the nearby plant periphery to determine the healthiness of the plantation laid down, supported by HRTS and the surrounding environment.
21. OPIL collaboration with NEERI has been done to optimize and rejuvenate HRTS (High-Rate Transpiration System).

**III. Training:**

1. All the laboratory personnel have attended training under Digital Transformation Programs on MS Excel and MS Power Point in the year 2024-25 conducted on company premises by an external trainer.
2. All the laboratory personnel have attended training program on IMS in the year 2024-25 conducted in company premises by an external trainer.
3. All the laboratory personnel have attended awareness training on “P.O.S.H.” and EHS in the year 2024-25 conducted in Company premises by internal faculty/trainer.
4. All laboratory personnel attended a training program on Laboratory Quality Management Systems and internal Audit aligned with NABL IS/ISO 17025:2017 in 2024-25 under the Internal training program given by GM (QC and R&D).

**IV. Papers published during the year 2024-25.**

Nil

**V. Future plan of action:**

We are planning to publish 02-03 papers in a National/ International publication

**VI. Expenditure of R&D**

Sl. No.	Details	2024-25
a)	Salary (Rs. In lacs)	267.55
b)	Expenditures (Rs. In lacs)	7.06
c)	Capital (Rs. In lacs)	47.96
<b>Total R&amp;D (Rs. In lacs)</b>		<b>322.57</b>

**VII. Technology absorption and Innovation:**

Efforts in brief made towards absorption, adoption, and innovation:

**1. Pulp Mill**

- One additional Bleached pulp storage tower for Tissue pulp supply was constructed and commissioned.
- Pro ODL chemical started at the ODL stage to achieve the 90° brightness and further optimization of the bleaching chemicals.
- Replaced virgin sulphuric acid with spent acid to reduce the chemical cost.
- APC (Advanced Process Control) supplied by M/s BTG was installed and commissioned for bleaching chemicals optimization and consistent pulp quality.

- Online moisture meter installed at chips feeding to the digester line.
- Digester automation jobs (Blow valves, liquor charging, and LCP) completed.

## 2. Chemical Recovery, Chlorine Dioxide Plant, and Rotary Lime Kiln:

- Field instruments and local control commissioned for new causticizer plant.
- Replacement of the cooling tower at the CLO2 plant for sustainability.
- A new chemical was started for the improvement of lime sludge dryness.
- Started neutralization of spent acid to recover the sodium sulphate to reduce cost.
- New stationary slacker with re-causticizing and third-stage lime mud washer installed and commissioned for causticising efficiency improvement.

## 3. Paper Machine:

- New DCS supplied by M/s Valmet installed and commissioned successfully.
- Valmet supplied a centricleaning system, installed and commissioned to reduce the fibre loss and improve the paper cleanliness.
- Started high-E-value OBA to reduce the OBA consumption and to maintain the high brightness in paper.
- One new conflow refiner installed and commissioned for energy efficiency and quality improvement.

## 4. Tissue Machine # 01 & 02:

- Upgradation of Toschi rewinder to run in auto operation completed for Tissue #01 to improve the product quality and productivity.
- Siemens DCS upgradation job completed at Tissue #02.
- Started new generation enzyme at tissue machines to optimize the refining for dust reduction and enhance the surface properties.

## 5. Tissue Machine # 03:

- A trial of new creping taken for high bulk and self-creeping impression.
- Ultra soft Facial and Toilet grade paper developed with state-of-the-art online calendaring technology.

## 6. New Product Development:

- High-brightness paper with brilliant shade, with pigment dye, has been developed

successfully to enhance the paper's aesthetic look.

- The specifications of the Tissue paper products have been revised with improved strength properties to increase customer confidence.
- Ultra-soft facial and toilet grades of paper were developed.
- Developed Lollipop Stick successfully.
- A carry bag (SOS) in lower GSM was developed successfully.
- Bamboo-rich towel-grade tissue paper developed.

## (E) Awards & Certification:

- Desktop audit certification to continue NABL accreditation for Environmental Lab Research Division ISO 17025:2017 by M/s Quality Council of India, New Delhi.
- Renewal of BIS License for A-4 copier paper.
- Renewal of BIS License for Eco Mark paper.
- Surveillance audit for FSC-COC by M/s NEPCON.
- US- FDA compliance for all the products produced by OPIL.
- Surveillance audit for Quality Management System QMS 9001:2015 by M/s Rina Italy.
- Surveillance audit for Environment Management System EMS 14001:2015 by M/s Rina Italy.
- Surveillance audit for Occupational Health & Safety System OHS 45001:2018 by M/s Rina Italy.
- Surveillance for Energy Management System EnMS 5001:2018 by M/s Rina Italy.

## (F) Foreign Exchange Earnings & Outgo

The Foreign Exchange earned in terms of actual inflows during the year is Rs. 7474.18 lacs and the Foreign Exchange outgo during the year is Rs. 1105.31 lacs.

In case of imported technology (imported during the last three years reckoned from the beginning of the financial year), following information may be furnished.

- |   |   |                |
|---|---|----------------|
| <ul style="list-style-type: none"> <li>(a) Technology imported</li> <li>(b) Year import</li> <li>(c) Has technology been fully absorbed</li> <li>(d) if not absorbed, areas where this has not taken place</li> </ul> | } | Not applicable |
|---|---|----------------|

## Annexure IV

## Details of Remuneration as per Section 197 of the Companies Act, 2013 ('Act'), and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

### Details as per Section 197 of the Act and Rule 5(1):

**(i) Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2024-25:**

Name of the Director	Designation	Ratio of Remuneration to median remuneration of employees
Mr. Ashwin J. Laddha	Managing Director & CEO (up to 20-12-2024)	48.31
Mr. Anant Agarwal	Managing Director & CEO (from 21-12-2024)	10.14

**(ii) Percentage increase/(decrease) in the remuneration of Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary in the financial year 2024-25 is as follows:**

Sl. No	Name of the Directors / KMP's	Designation	Percentage increase/ (decrease) in remuneration in the financial year 2024-25 <sup>^</sup>
1	Mr. Ashwin J. Laddha	Managing Director & CEO (up to 20-12-2024)	Not comparable
2	Mr Anant Agarwal	Managing Director & CEO (from 21-12-2024)	Not comparable
3	Mr. P. K. Sonthalia	President (Finance) & CFO (up to 31-05-2024)	Not comparable
4	Mr. Amit Poddar	CFO (from 01-06-2024)	Not comparable
5	Mr. R. P. Dutta	Company Secretary	9.72

<sup>^</sup> Since non-executive and independent directors received no remuneration except sitting fees in FY 24-25, the above details in para (i) and (ii) are not applicable.

<sup>^</sup> remuneration not comparable owing to appointment/cessation during FY 24-25.

**(iii) Percentage increase in the Median remuneration of employees in the financial year:**

During the financial year 2024-25, median remuneration of employees increased by 11.49% over the previous financial year.

**(iv) Number of permanent employees of the company:**

The Company had 1291 permanent employees as on 31<sup>st</sup> March, 2025.

**(v) Average percentiles increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in managerial remuneration and justifications thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

Average percentile increase in the salaries of employees other than the managerial personnel during the financial year 2024-25 was 12.31%. Any increase in the remuneration of CFO and Managing Director & CEO are not applicable as the present CFO and Managing Director & CEO took the office w.e.f. 01-06-2024 and 21-12-2024 respectively .

**(vi) The Company affirms that the remuneration to directors and employees during the financial year 2024-25 is as per its Nomination and Remuneration Policy.**

# Management Discussion & Analysis

## GLOBAL MACROECONOMIC LANDSCAPE

The macroeconomic and geopolitical environment remains increasingly complex, presenting multifaceted challenges to global stability and economic growth. The conflict in Ukraine and in Middle East along with geopolitical instability in the South China Sea are contributing to the increased levels of instability. Tariff wars have further disrupted global trade and damaged business sentiment, leading to downgraded growth forecasts. Climate related natural disasters, societal polarization and supply chain disruptions further compound the sense of global uncertainty and ambiguity.

Countries in Europe and Central Asia grew at a modest rate of 3.6% in CY2024. Global uncertainty, economic fragmentation, and weak expansion among key trading partners will make it difficult to sustain this growth rate in the near term. Growth in China declined to 5.0% in 2024 due to slower consumption growth and struggling real estate markets. Oil price volatility, high inflation, and ongoing conflicts are weighing down the MENA countries. In view of this, World Bank projected global economic growth at 2.7 % for 2025 and 2026, factoring in various economic uncertainties.

In a global environment marked by uncertainty and subdued growth, India's resilience stands out, reinforcing its role as a key driver of global economic activity. India continues to be the fastest growing major economy globally and is estimated to have grown at a rate of 6.2% in FY25. With inflation softening towards benign territory, the RBI has cut interest rates twice this calendar year. With monsoons expected to be in line with the long-term average, the economy is projected to grow at 6.3-6.5% in FY26.

Supported by strong fundamentals and strategic government initiatives, the country is well positioned to navigate the challenges ahead. With reforms in infrastructure, innovation, and financial inclusion, India continues to enhance its role as a key driver of global economic activity. The paper industry is a major contributor and employer in the Indian economy. While the global pulp and paper market registered weak 1-3% growth in CY24, the Indian pulp and paper industry grew by 6-7%. This growth was driven by several factors, including:

- **Digitization and New Education Policy:** On one hand, the onset of rapid digitization has been a deterrent to the growth of writing and printing segment. On the other hand, increased government spending on education, along with the implementation of the NEP, has boosted demand from the education sector.

- **Focus on Health and Hygiene:** Rising disposable incomes, increased awareness post-COVID, urbanization, and the growth of hospitality and tourism in India bode well for the tissue paper segment in households and public spaces.
- **Shift towards Sustainable Packaging:** Increased environmental awareness and the ban on single use plastics have driven demand for paper based alternatives in packaging.
- **Growth of e-Commerce:** The Indian e-commerce market is poised for continued rapid expansion, with projections estimating a CAGR of 21%. This will benefit various segments within the paper industry.

(Source: NSO-MoSPI, World Bank Report, WEF Report, ADB Report, Crisil Intelligence)

## GLOBAL PAPER INDUSTRY OVERVIEW

Global demand for paper and board is estimated to grow by 1-2% in CY24-26. The Writing and Printing (W&P) segment which witnessed a 0-1% decline, is expected to see further demand reduction due to digitisation. Newsprint demand is also experiencing a contraction of 1-3%. Demand is expected to decline further with the rise of e-paper readership. The paperboard segment is expected to grow by 2-4% in CY24-26 due to rising demand from e-commerce and pharmaceutical industries. Long term demand for the paper industry will be driven by the paperboard sub-segment.

In CY24, the global pulp industry witnessed firming up of prices. Softwood and hardwood pulp prices increased by ~7% and 8% respectively. Supply chain disruptions can cause volatility in pulp prices in the short term; however, prices are expected to remain range-bound in the long term.

In India, the paper industry relies primarily on agro-based raw materials and wastepaper due to limited availability of pulpwood. In 2024, wastepaper prices increased by approximately 20% year-on-year on account of increasing freight costs due to disruptions in the Red Sea.

The pulp and paper industry is undergoing structural changes, driven by growing environmental awareness and digital disruption. Rising demand for sustainable, recyclable packaging has prompted companies to innovate eco-friendly products and enhance supply chain transparency. Simultaneously, declining demand for traditional paper due to digital adoption is shifting industry focus toward packaging and specialty paper segments.

Sustainability remains a key priority, with investments in recycling technologies such as de-inking and fibre recovery aimed at improving recycled pulp quality and reducing reliance on virgin materials while also reducing the carbon footprint. These initiatives support the industry's transition to a circular economy and promote long term resource efficiency.

(Source: CRISIL Research, Fortune Business Insights, Grand View Research, Technavio, Statista, Mordor Intelligence, Vector Solutions)

## INDIAN PAPER INDUSTRY OUTLOOK

The demand for paper and paperboard is estimated to have grown by 6-7% year-on-year in fiscal 2025. Healthy demand from end-use industries like FMCG, e-commerce and pharma bodes well for the packaging segment. The newsprint segment witnessed a de-growth of 0-1% in 2025. Specialty paper, which includes tissue, thermal paper, and other niche applications, is expected to grow at a health rate of 11-13% CAGR from fiscal 2025 to fiscal 2027. This growth is partly driven by increased awareness post-Covid, rising disposable incomes, rapid growth in the tourism and hospitality industry. The writing and printing segment has maintained steady growth rate at 2-3% versus global de-growth of approximately -0.5%.

The industry is expected to face margin pressures due to increasing input costs, cheaper imports, and new capacity additions. Despite short-term margin contractions and high import volumes impacting domestic manufacturers, long-term prospects remain positive.

## TISSUE PAPER

India's tissue paper market is experiencing a strong growth of 11-13 %, driven by rising hygiene awareness, increasing disposable incomes, and changing lifestyles. Urbanization and the growth of hospitals, hotels and restaurants are strengthening the demand for tissue products like facial tissues, toilet rolls, and kitchen towels. End customers are increasingly becoming environmentally conscious, leading to the rapid growth of eco-friendly options.

## WRITING & PRINTING

Despite the rapid move towards digitization, the printing and writing paper market is expected to grow at a modest CAGR of 2-3% from 2023 to 2027. Most of this growth will come from the expanding 'copier' segment. Consumers are expected to adopt a 'print and digital' approach.

Over the medium term, newspaper demand is expected to decline by a 4-6 % CAGR from fiscals 2025 - 2027 due to the shift to digital media for news consumption.

Higher enrolment of students in schools, implementation of the National Education Policy (NEP), and increased government spending on education through initiatives like the Sarva Shiksha Abhiyaan will drive the demand for cream wove and maplitho paper.

Demand for copier paper is expected to grow at a healthy 5-7% CAGR through fiscal 2027, while growth for coated paper is expected to remain moderate at 2-4% CAGR during the same period.

Capacity additions are expected to take place primarily in the paperboard segment among organised players, due to better demand prospects, lower capital intensity, and relatively easier availability of raw materials.

## CAUSTIC SODA

The Company also operates a caustic soda manufacturing unit adjacent to the paper manufacturing unit at Amlai. Various chemicals such as caustic soda lye, flakes, hydrochloric acid, chlorine, and stable bleaching powder are manufactured for various industrial applications, including iron and steel, alumina, FMCG, and others.

The Indian caustic soda market has demonstrated steady growth, bolstered by capacity expansions and increasing domestic demand. Caustic soda is projected to witness a demand increase, with a CAGR of 3-4% in the short to medium term.

Significant demand and strategic positions in the global supply chain allow India to play a key role in the international market. However, close attention must be paid to rising energy costs and capacity utilisation as new capacities are added.

(Source: CRISIL Research, Alkali Manufacturers' Association of India (AMAI))

## REVIEW AND ANALYSIS OF ORIENT PAPER'S PERFORMANCE

During the year under review, Orient Paper continued its journey to improve its operations. Multiple initiatives were launched to enhance plant sustainability, which led to production volumes growing by 11% year-on-year.

The Company also optimised its portfolio mix towards more value-added and greener varieties, improving realisations and market acceptability. The Company actively evaluated emerging and niche market trends, aligning its development and production capabilities to meet the evolving market needs.

Orient Paper deepened its engagement with micro-markets through Hub Meets and the Orient Stars digital platform. It widened its presence across new product categories such as bamboo tissue. The Company strengthened its offerings and value chain across growing segments like health and hygiene, education, and sustainable products.

In FY25, the Company introduced seven new products: three in the Writing and Printing segment, three in the Wellness and Hygiene segment, and one in the Sustainable Products category.

The Company continued to debottleneck its existing capacities and invested approximately Rs. 60 Crs. in FY25.

Key projects included the modernisation and digitalisation of processes in the pulp mill and paper machines to improve operational reliability.

In FY25, the Company's product mix comprised 62% Writing & Printing paper and 38% tissue products. Value-added products represented approximately 51% of the overall product mix.

The Company sustained Mission Khushi, its initiative to empower employees to become customer champions and build deeper customer relationships.

The Company remains steadfast in its commitment of achieving net neutrality targets in both carbon and water footprints. During the last financial year, the Company expanded its plantation coverage by 17,058 acres and implemented Good Agricultural Practices across 12,708

acres, benefitting 21,307 families. The proportion of renewables in the energy mix was maintained at approximately 40%.

The Company continued a comprehensive upgrade of its manufacturing control systems after transitioning to a fully equipped QCS set-up on Tissue machines in the previous financial year. Major upgrades included the Valmet DCS of the main machine and systems upgrade in Tissue 2. It also added new field instruments to strengthen control systems.

Orient Paper embarked on its digital transformation journey by implementing state-of-the-art Advanced Process Control (APC) in its facilities, aimed at achieving cost efficiency. Major benefits from APC would start trickling from Q1FY26.

Below is a snapshot of your company's SWOT analysis:

STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
Established brand and reputation	Technological gap due to legacy equipment	Abundant regional land availability for expanding plantations	Rising global pulp production capacity
Strategic presence in high-growth market segments	Inadequate manufacturing scale	Rapid growth potential in the health and hygiene segment	Oversupply from countries such as Indonesia and Latin America
Experienced leadership with deep domain expertise	Elevated labour cost per ton of output	Growth prospects driven by the New Education Policy	Uncertainty due to potential changes in government policies
Robust and transparent corporate governance	High energy consumption and associated costs per ton	Rising demand for value-added products as plastic substitutes	Imminent surplus domestic capacity in the tissue segment
Scalable infrastructure supporting seamless expansion	Need for optimization in product mix strategy	Supportive government policies promoting agroforestry	

While on one hand we strive to maintain our strengths in the long run, on the other hand, we have a robust plan to address our weaknesses and threats and become future ready to capitalize on the opportunities.

We have developed our strengths over decades of doing business in an ethical and sustainable manner. These strengths will support us as we expand our capacities, add more value-added products, and continue to focus on high-growth segments.

The company is fully aware of its weaknesses and remains steadfast in its resolve to address them. We continue to invest in the modernisation of our facilities by partnering with OEMs and prioritising high impact areas that will improve our plant reliability and debottleneck capacities. This will help us sweat our assets further and improve our margins.

We are also in advanced stages of discussion and implementation of AI-led technological enhancements to our transportation and production planning processes. These will significantly reduce wastages and help us become more efficient and effective.

We continue to actively engage with the regulatory authorities to effectively counter both external and internal threats. International pulp prices continue to remain volatile, and we are continuously evaluating make-versus-buy opportunities.

### ORIENT PAPER'S FINANCIAL PERFORMANCE FOR FY 2024-25

**Revenues:** Revenue during the year stood at Rs. 895.79 Crores, marking an increase of 7.67 % compared to Rs. 831.94 Crores in FY24.

**Net Profit after tax:** The Company's profit / (loss) after tax stood at Rs. (54.66) Crores compared to Rs. 6.23 Crores in the previous year.

**Projects investment:** The Company invested Rs. 66.99 Crores on capital projects during the year.

### Key Ratios

Particulars	FY 2024-25	FY 2023-24
Debtors' turnover ratio	60.58	54.57
Inventory turnover ratio	6.44	6.33
Interest coverage ratio	-0.15	2.87
Current ratio (x)	0.80	0.49
Debt-Equity ratio	0.26	0.20
Operating Profit margin (%)	-0.57	10.37
Return on Net worth (%)	-3.47	0.40

Reason for significant change in the ratios have been explained in Note No. 50 to the financial statements, except for the Interest Coverage Ratio and Operation Profit Margin where variation is due to lower operating profit as compared to previous financial year.

### ENVIRONMENT PROTECTION & COMPLIANCE

Orient Paper is committed to environmental protection and has implemented robust systems in place to ensure the effective monitoring and treatment of waste. Some of these include: zero liquid discharge, online stack emission monitoring systems, ambient air quality monitoring systems, dust extraction and suppression systems, effluent treatment plant (ETP), etc.

We have a robust plan to reduce our carbon footprint per ton of product by approximately 10% compared to last year. This would be achieved through the installation of an efficient steam and condensate recovery system, along with increased production.

We are keenly following the developments as the National Carbon Market formalises and begins operating in India.

Our extensive work on water conservation across our supply chain and the surrounding ecosystem will help us conserve more water than what we consume in our operations.

### HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company continues to focus on continuous training and motivation to achieve greater efficiencies and competencies. The total number of permanent employees as of 31<sup>st</sup> March 2025 was 1291.

Company is working on multiple initiatives to enhance employee engagement levels. Industrial relations were harmonious. Safety, welfare and training at all levels of our employees continue to be the areas of major focus for the Company.

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company's internal audit system is regularly monitored and updated to safeguard its assets, ensure compliance with regulations and promptly resolve outstanding issues. The Audit Committee regularly reviews reports from internal auditors, documenting audit observations and implementing corrective actions as necessary. Continuous and sustained communication is maintained with statutory and internal auditors to ensure the operational efficiency of internal control systems.

### CAUTIONARY STATEMENT

Statements in this report on Management Discussion and Analysis relating to the company's objectives, projections, estimates, expectations, or predictions, may be forward looking statements within the meaning of applicable security laws or regulations. These statements are based on certain assumptions and expectations of future events. Actual results could, however, differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and domestic demand-supply conditions, selling prices, raw material costs and availability, changes in government regulations and tax structure, general economic developments in India and abroad, factors such as litigation, industrial relations, and other unforeseen events.

The Company assumes no responsibility in respect of forward looking statements made herein which may undergo changes in future based on subsequent developments, information or events.

# Corporate Governance Report

## 1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company believes that good Corporate Governance is essential for achieving long term corporate goals and enhancing stakeholders' value. The Company's business objective and that of its management and employees is to manufacture and market the Company's products in such a way so as to create value that can be sustained on a long term basis for all its stakeholders, including shareholders, employees, customers, government and the lenders. In addition to compliance with the regulatory requirements, the Company endeavours to ensure the highest standards of ethical conduct throughout the organization.

## 2. BOARD OF DIRECTORS

### 2.1 Board's Composition, Category and other relevant details of Directors

The Board of Directors of the Company consists of six members, including five Non-Executive Directors, who constitute over 80% of the Board's total strength exceeding the minimum requirement of 50% as prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Among the six Directors, four are Independent Directors. The Non-Executive Directors are distinguished professionals with extensive experience across various fields, including business and industry, finance, law, and public enterprises.

Eight meetings of the Board of Directors were held during the financial year ended 31<sup>st</sup> March, 2025 on 3<sup>rd</sup> April, 2024, 29<sup>th</sup> May, 2024, 19<sup>th</sup> July, 2024, 8<sup>th</sup> August, 2024, 11<sup>th</sup> November, 2024, 20<sup>th</sup> December, 2024, 21<sup>st</sup> January, 2025 and 10<sup>th</sup> February, 2025.

Details regarding the composition, category, and other relevant information of the Board as on 31<sup>st</sup> March, 2025 are as follows:

Sl. No.	Name of the Directors	Category	No. of Board Meetings attended	Whether attended last AGM (02.08.2024)	No. of other Directorships and Committee Memberships/Chairmanships held in Companies (including the Company)		
					Other Directorships *	Other Committee Memberships **	Other Committee Chairmanships **
1	Mr. Chandra Kant Birla (DIN: 00118473)	Promoter, Non-Executive Chairman	8	Yes	8 <sup>^</sup>	-	1
2	Ms. Gauri Rasgotra (DIN: 06862334)	Non-Executive Independent	1	Yes	1	1	1
3	Mr. Srinivasan Vishvanathan (DIN: 02255828)	Non-Executive Independent	8	Yes	1	1	1
4	Mr. Ashwin Bishnoi (DIN: 06862466)	Non-Executive Independent	6	No	1	1	-
5	Mr. Raj Kumar Agrawal (DIN: 00177578)	Non-Executive Independent	8	Yes	2	1	2
6	Mr. Ashwin J. Laddha (DIN: 09538310) <sup>#</sup>	Executive – Managing Director & CEO (Former)	5	Yes	-	-	-
7	Mr. Anant Agarwal (DIN: 02640025) <sup>##</sup>	Executive - Managing Director & CEO	2	NA	1	1	-

<sup>\*</sup> Excluding Directorships in Private Limited Companies, Foreign Companies and Section 8 Companies.

<sup>\*\*</sup> Includes the membership/chairmanship only of Audit Committee(s) and Stakeholders' Relationship Committee(s).

<sup>#</sup> Resigned as the Managing Director & CEO of the Company with effect from 20<sup>th</sup> December, 2024.

<sup>##</sup> Appointed as the Managing Director & CEO of the Company with effect from 21<sup>st</sup> December, 2024.

<sup>^</sup> Includes the Directorship & Chairmanship of Mr. C.K. Birla at Orient Cement Limited, from which he has resigned. w.e.f. 22<sup>nd</sup> April, 2025.

**2.2. The names of the other listed entities where Directors of the Company are Directors are as follows:**

Name of the Directors	Name of the other Listed Companies	Category
Mr. Chandra Kant Birla	Birlasoft Limited	Director
	Orient Electric Limited	Promoter, Non-executive Chairman
	BirlaNu Limited (Formerly, HIL Limited)	Promoter, Non-executive Chairman
	Orient Cement Limited *	Promoter, Non-executive Chairman
Ms. Gauri Rasgotra	-	-
Mr. Srinivasan Vishvanathan	-	-
Mr. Ashwin Bishnoi	-	-
Mr. Raj Kumar Agrawal	Indag Rubber Limited	Independent Director
Mr. Ashwin J. Laddha #	-	-
Mr. Anant Agarwal ##	-	-

\*Resigned as the Director and Chairperson of Orient Cement Ltd. w.e.f. 22<sup>nd</sup> April, 2025.

# Resigned as the Managing Director & CEO of the Company w.e.f. 20<sup>th</sup> December, 2024.

## Appointed as the Managing Director & CEO of the Company w.e.f. 21<sup>st</sup> December, 2024.

**2.3. Details of sitting fees and remuneration paid to Directors**

- a) The Non-Executive Directors were paid sitting fees of Rs. 1,00,000/- for attending meeting of the Board/Audit Committee and sitting fees of Rs. 50,000/- was paid for attending meeting of other committees.

Sl. No.	Name of the Director	Remuneration paid during the FY 2024-25 for attending meetings of the Board and/or Committees thereof (amount in Rupees)		
		Fee	Commission	Total
1.	Mr. Chandra Kant Birla	8,00,000	-	8,00,000
2.	Ms. Gauri Rasgotra	3,50,000	-	3,50,000
3.	Mr. Srinivasan Vishvanathan	17,50,000	-	17,50,000
4.	Mr. Ashwin Bishnoi	11,50,000	-	11,50,000
5.	Mr. Raj Kumar Agrawal	17,00,000	-	17,00,000
	<b>Total</b>	<b>57,50,000</b>	<b>-</b>	<b>57,50,000</b>

- b) The details of remuneration paid to Mr. Ashwin J. Laddha, the Former Managing Director & CEO (resigned with effect from 20<sup>th</sup> December, 2024) from 01<sup>st</sup> April, 2024 to 20<sup>th</sup> December, 2024, are as follows:

Particulars	Remuneration * (Amount in Rupees)
Salary	50,10,597
Perquisites & other benefits	1,75,24,017
Performance linked incentive**	89,07,896
Contributions to P.F./ National Pension Scheme	11,02,332
<b>Total</b>	<b>3,25,44,823</b>

\*The above Remuneration does not include taxable value of perquisites considered for tax purposes.

\*\* Performance linked incentives include Rs. 53,15,514 paid for the FY 2023-24 and Rs. 35,92,362 paid for part of the FY 2024-25, up to 20<sup>th</sup> December 2024, the date of his resignation.

- c) Details of remuneration paid to Mr. Anant Agarwal, Managing Director & CEO from 21<sup>st</sup> December, 2024 till 31<sup>st</sup> March, 2025, are as follows:

Particulars	Remuneration * (Amount in Rupees)
Salary	21,66,666
Perquisites & other benefits	48,00,910
Performance linked incentive	NIL
Contributions to P.F./ National Pension Scheme	5,63,333
<b>Total</b>	<b>75,30,909</b>

\*The above Remuneration does not include contribution to Gratuity Fund and taxable value of perquisites considered for tax purposes.

The appointment of Managing Director & CEO is contractual in nature for a period of five years with effect from 21<sup>st</sup> December, 2024, as approved by the shareholders through postal ballot dated 18<sup>th</sup> March, 2025 and is terminable by either side on six months' notice.

The Managing Director & CEO shall be entitled to a severance payment of 6 months of Fixed Salary and prorated Variable Salary in the event of closure of business, change of control/ change of ownership and redundancy.

(d) Details of Stock Options granted to Directors:

Name	Grant of Options under 'OPIL ESOP Scheme - 2023' during the year.	Options exercised during the year.	Balance options as on 31 <sup>st</sup> March, 2025
Mr. Ashwin J. Laddha (Managing Director & CEO upto 20 <sup>th</sup> December, 2024)	Nil	NIL	Lapsed*

\* The options granted lapsed as Mr. Laddha was not employed with the company until the vesting date.

None of the Independent Directors of the Company have been granted stock options under the "OPIL ESOP Scheme, 2023".

## 2.4. Disclosure of relationships between directors inter-se

There is no relationship between directors inter-se.

## 2.5. Details of shares held by Directors as on 31<sup>st</sup> March, 2025

Name of the Director	Number of shares held
Mr. Chandra Kant Birla	34,05,893
Ms. Gauri Rasgotra	Nil
Mr. Srinivasan Vishvanathan	Nil
Mr. Ashwin Bishnoi	Nil
Mr. Raj Kumar Agrawal	Nil
Mr. Anant Agarwal	10,000
Mr. Ashwin J. Laddha (upto 20 <sup>th</sup> December, 2024)	Nil

## 2.6. Familiarisation Programme

At the time of appointing a Director, a formal letter of appointment is given to the Director, which inter alia explains the role, functions, duties and responsibilities expected from the Individual as a Director of the Company. The Director is also explained in detail the compliances required from him under the Companies Act, 2013, and the Listing Regulations and relevant Acts, Rules and Regulations. With a view to familiarise him with the Company's operations, the

Managing Director has a personal discussion with the newly appointed Director.

At various Board meetings during the year, quarterly presentations are made on operations that include information on business performance, operations, projects, market share, financial parameters, working capital management, fund flows etc.

The above initiatives help the Director to understand the Company, its business and the regulatory framework in which the Company operates and equips the individual to effectively fulfil the role as a Director of the Company. Details of the familiarization programme imparted to the Independent Directors are displayed on the website of the Company at the weblink: [https://orientpaper.in/wp-content/assets/investors/DISCLOSURE-UR/Familiarisation\\_.pdf](https://orientpaper.in/wp-content/assets/investors/DISCLOSURE-UR/Familiarisation_.pdf)

## 2.7. The skills/expertise/competence of the Board of Directors required for the Company can be broadly categorised as follows:

• Knowledge of Industry	• Financial Experience	• Risk Management
• Effective leadership	• Corporate Sustainability and Responsibility	• Innovation and Research and Development

The Board is skill based comprising of Directors who collectively have the skills, knowledge and competencies to effectively govern and direct the organization.

The skills, knowledge and competencies required on the Board will change as the organisation evolves.

The eligibility of a person to be appointed as a Director of the Company is dependent on whether the person possesses the requisite skill sets identified by the Board as above. All the Directors of the Company have the skills, knowledge and competencies to effectively govern and direct the organization.

On the basis of declarations/certificates received, the Board confirms that in its opinion, the Independent Directors fulfil the conditions specified in the Listing Regulations and are independent of the Management.

## 3. COMMITTEES

The Board Committees are set up under the formal approval of the Board to carry out the specific activities as specified in the terms of reference which exhibit the scope, composition, tenure, functioning and reporting parameters. The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/ activities which concern the Company and need a closer review. The minutes of the meetings of all the Committees are placed before the Board for noting. The constitution, terms of reference

and the functioning of the existing committees of the Board are explained hereunder:

### 3.1. AUDIT COMMITTEE

- a. The Board has constituted a well-qualified Audit Committee. The terms of reference of the Audit Committee cover the matters specified for audit committees under the Listing Regulations, as well as provisions of the Companies Act, 2013, which broadly includes:
- i. Review of financial reporting processes;
  - ii. Review of risk management, internal control and governance processes;

- iii. Review of quarterly, half yearly and annual financial statements;
- iv. Recommend appointment, remuneration and removal of auditors;
- v. Review and monitor the auditor's independence and performance and effectiveness of audit process;
- vi. Interaction with statutory, internal and cost auditors;
- vii. Review of related party transactions;
- viii. Review functioning of the whistle blower mechanism.

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

Name	Position	Category	No. of Meetings attended
Mr. Srinivasan Vishvanathan	Chairperson	Non-Executive Independent Director	5
Ms. Gauri Rasgotra	Member	Non-Executive Independent Director	1
Mr. Ashwin Bishnoi	Member	Non-Executive Independent Director	4
Mr. Raj Kumar Agrawal	Member	Non-Executive Independent Director	5

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

Dates of meetings	No. of Members attended
29 <sup>th</sup> May, 2024	2
8 <sup>th</sup> August, 2024	3
11 <sup>th</sup> November, 2024	3
31 <sup>st</sup> January, 2025	4
10 <sup>th</sup> February, 2025	3

d. At the invitation of the Company, Statutory Auditors and Internal Auditors attended the meetings. The Managing Director & CEO, CFO and the Head of internal audit attended the Audit Committee Meetings, as and when required, to brief the Committee and to answer and clarify queries raised at the Committee meetings. The Company Secretary acts as the Committee's Secretary. In addition, other concerned officers of the Company / external / agencies / professionals also attended the Audit Committee meetings to brief the Committee and clarify any queries raised by the Committee, as and when required.

- i. formulating criteria for determining qualifications, positive attributes and independence of a Director for the purpose of this Policy;
- ii. advising the Board on issues concerning principles for remuneration and other terms of employment including remuneration for the Directors (including Non-Executive Directors), KMPs and the Senior Management Personnel;
- iii. monitoring and evaluating programs for variable remuneration, both on-going and those that have ended during the year, for the Directors (including Non-Executive Directors), KMPs and the Senior Management;
- iv. monitoring and evaluating the application of this Policy;
- v. monitoring and evaluating current remuneration structures and levels in the Company;
- vi. Monitor & implement Employee Stock Option Scheme of the Company.

### 3.2. NOMINATION & REMUNERATION COMMITTEE

a. The composition and terms of reference of the Nomination & Remuneration Committee are in conformity with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations. The terms of reference of the Committee broadly includes:

- b. In reviewing the overall remuneration of the Board of Directors and Senior Management, efforts are made to ensure that remuneration of the Non-Executive Directors and the Executives matches the level in comparable companies, whilst also taking into consideration their required competencies, effort and the scope of the work and/or responsibility as the senior management.

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

Name	Position	Category	No. of Meetings attended
Mr. Srinivasan Vishvanathan	Chairperson	Non-Executive Independent Director	3
Mr. Ashwin Bishnoi	Member	Non-Executive Independent Director	2
Mr. Raj Kumar Agrawal	Member	Non-Executive Independent Director	3

The Company Secretary is the Secretary to the Committee.

- d. Dates of the meetings and number of Members attended are:

Dates of meetings	No. of Members attended
28 <sup>th</sup> May, 2024	2
20 <sup>th</sup> December, 2024	3
21 <sup>st</sup> January, 2025	3

### 3.2.1. Nomination & Remuneration Policy

The Board based on the recommendation of the Nomination & Remuneration Committee has adopted a Nomination & Remuneration Policy which, inter alia, deals with manner of selection and determining remuneration of the Directors and Executives of the Company.

The Policy is available on our website at: <https://orientpaper.in/wp-content/assets/investors/code-and-policy/Nomination-Remuneration-Policy.pdf>

#### a) Criteria for selection of Directors, Key Managerial Personnel and Senior Managerial Personnel

- The Nomination & Remuneration Committee identifies and ascertains the integrity, qualification, expertise and experience of the candidate for appointment as a Director, KMP and at Senior Management Level.
- The Nomination & Remuneration Committee ensures that the candidate possesses adequate qualifications, expertise and experience for the position he/ she is considered for appointment as a Director, Key Managerial Personal or Senior Management Personnel. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
- The Nomination & Remuneration Committee ensures that the candidate proposed for appointment as Director, KMP or Senior Management Personnel is compliant with the provisions of the Companies Act, 2013 and of the Listing Regulations.

- The candidate's appointment as recommended by the Nomination & Remuneration Committee requires the approval of the Board in cases where such approval is specified in the Companies Act, 2013, and of the Listing Regulations.

#### b) Remuneration to Executive Directors and Key Managerial Personnels (KMPs):

The remuneration structure of the Executive Directors and KMPs may include the following components:

##### Fixed Salary:

- Executive Directors and KMP shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder, and / or Listing Regulations, for the time being in force. The monthly remuneration shall include basic salary, special pay, house rent allowance (as per statutory limits) and other components as may be considered appropriate.
- The breakup of the pay scale and quantum of perquisites including, employer's contribution to provident fund, gratuity, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee within the statutory limits, wherever applicable and approved by the shareholders and Central Government, wherever required.

##### Variable components:

- The Executive Director and KMP participate in a performance linked variable pay scheme which will be based on the individual and Company's

performance for the year as per Company Policy, pursuant to which the Executive Director and KMP are entitled to performance based variable remuneration.

**Reimbursement of Expenses:**

- The Executive Directors and KMPs are also entitled for reimbursement of several work-related expenses, including car, telephones, broadband at home and work-related newspapers and magazines as per Company's Policy/statutory provisions. However, reimbursement of these expenses incurred for official purposes shall not be part of the remuneration.

**Subsequent Change / Increments:**

- Any subsequent change / increments in the remuneration of Executive Directors shall be approved by the Board in accordance with the recommendation of the Nomination & Remuneration Committee, subject to the statutory provisions and the approval of the shareholders and Central Government, wherever required.

**c) Remuneration to Non-Executive Directors:**

Remuneration to Non-Executive Directors (including independent Directors) on the Board may consist of the following components:

**Sitting Fees:**

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof.

Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013 for per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

**Profit related commission:**

The Non-Executive Directors are entitled to profit related commission at such percentage, not exceeding the limit prescribed in the Companies Act, 2013 of the net profits of the Company, as shall be approved by the shareholders of the Company.

However, the Board, on the recommendation of the Committee, shall review and approve the remuneration payable to Non-Executive Directors (including Independent Directors)

of the Company within the overall limits approved by the shareholders (excluding sitting fees), wherever such approval is required. The approval of shareholders by special resolution shall be obtained every year, in which the annual remuneration payable to a single Non-Executive Director exceeds fifty per cent of the total annual remuneration payable to all Non-Executive Directors, giving details of the remuneration thereof.

**Reimbursement of expenses:**

The Non-Executive Directors shall be reimbursed with the expenses in connection with Board and committee meetings.

**d) Provisions for excess remuneration:**

If any Director draws or receives, directly or indirectly by way of remuneration any such sum in excess of the limits prescribed under the Act or without approval as may be required under the Act, he/she shall refund such sum to the Company within a period of two years or such lesser period as may be specified by the Board, and until such sum is refunded, hold it in trust for the Company.

**e) Remuneration to Senior Management Personnel:**

- i. The Board, on the recommendation of the Committee, shall review and approve the remuneration payable to the Senior Management Personnel of the Company, which shall include all remuneration payable, in whatever form.
- ii. Where any insurance is taken by the Company on behalf of its Senior Management Personnel for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.
- iii. Remuneration to Senior Management Personnel may consist of the following components:

**Fixed pay:**

- Senior Management shall be eligible for monthly remuneration as may be approved by the Board on the recommendation of the Committee.
- The break-up of the pay scale and quantum of perquisites including employer's contribution to P.F. pension

scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee.

**Variable components:**

- The Senior Management Personnel participate in a performance linked variable pay scheme which will be based on the individual and Company's performance for the year, pursuant to which the Senior Management Personnel may be entitled to performance based variable remuneration.

**f) Evaluation of Performance of Directors, Board as a whole and Committees thereof**

Performance Evaluation criteria of Directors, Board as a whole and Committees thereof is as follows:

1. At least one meeting of the Independent Directors be held in a financial year.
2. Independent Directors, in their meeting, shall:
  - (i) review the performance of non-independent directors and the Board as a whole;
  - (ii) review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
  - (iii) assess the quality, quantity and timeliness of flow of information between the Company's management and the Board, that is necessary for the Board to effectively and reasonably perform their duties.

Independent Directors shall do the above evaluation based on structured questionnaires.
3. Report of performance evaluation done by the Independent Directors to be submitted to the Chairman of the Board / authorised Director / official in sealed envelope.
4. Board of Directors shall evaluate the performance of the Board, its Committees

and the Executive, Non-Executive and Independent Directors in the financial year. The Director being evaluated shall not participate in his own evaluation process. Set of structured questionnaires to be circulated to the Board / Committee Members. Evaluation to be carried based on responses of individual Directors / Committee Members on the questionnaires.

5. The final report of performance evaluation as stated above shall be kept either in the custody of the Chairman of the Board or such other official as may be so authorized.
6. Committee shall review the performance evaluation process.

**3.3. STAKEHOLDERS' RELATIONSHIP COMMITTEE**

3.3.1. The composition and terms of reference of the Committee are in conformity with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations. The Committee has been constituted to monitor and review investors' grievance, overseeing the functioning of the Registrar and Share Transfer Agent of the Company and specifically look into various aspects of interests of shareholders and other security holders. The scope/terms of reference to the Stakeholders Relationship Committee are as under:

- a. Resolving the grievances of 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.
- b. Review of measures taken for effective exercise of voting rights by shareholders.
- c. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent.
- d. 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.

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

Name	Position	Category	No. of Meetings attended
Ms. Gauri Rasgotra	Chairperson	Non-Executive Independent Director	-
Mr. Srinivasan Vishvanathan	Member	Non-Executive Independent Director	1
Mr. Anant Agarwal *	Member	Managing Director & CEO	NA
Mr. Ashwin J. Laddha *	Member	Managing Director & CEO (Former)	1

\*Mr. Ashwin J. Laddha ceased to be a member of the Committee with effect from 20<sup>th</sup> December, 2024, post his resignation as the Managing Director & CEO of the Company. Mr. Anant Agarwal, Managing Director & CEO of the Company has been inducted as the member of the Committee with effect from 21<sup>st</sup> December, 2024.

Mr. R. P. Dutta, the Company Secretary is the Compliance Officer.

During the year ended 31<sup>st</sup> March, 2025, 50 (fifty) complaints were received from the shareholders and were attended in time and there were no grievances pending as on 31<sup>st</sup> March, 2025. There were no share transfers pending for registration for more than 15 days as on 31<sup>st</sup> March, 2025.

3.3.3. Date of the meeting and number of Members attended are:

Dates of meetings	No. of Members attended
8 <sup>th</sup> November, 2024	2

**3.4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

Corporate Social Responsibility (“CSR”) at Orient Paper & Industries Limited portrays the deep symbiotic relationship that the Company enjoys with the communities it is engaged with. As responsible corporate citizens, we try to contribute for social and economic development on regular basis. We believe that to succeed, an organization must maintain the highest standards of corporate behaviour towards its employees, consumers and societies in which it operates. We are of opinion that CSR underlines the objective of bringing about a difference and adding value in our stakeholder’s lives.

3.4.1. The Scope of the CSR Committee broadly includes -

- (i) Formulate and review the CSR Policy;

- (ii) Formulate and recommend to the Board for its approval, an annual action plan every financial year outlining the following:

- a) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- b) the manner of execution of such projects or programmes;
- c) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
- d) monitoring and reporting mechanism for the projects or programmes; and
- e) details of need and impact assessment, if any, for the projects undertaken by the Company.

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

Name	Position	Category	No. of Meetings attended
Ms. Gauri Rasgotra	Chairperson	Non-Executive Independent Director	1
Mr. Ashwin Bishnoi	Member	Non-Executive Independent Director	-
Mr. Anant Agarwal *	Member	Managing Director & CEO	NA
Mr. Ashwin J. Laddha *	Member	Managing Director & CEO (Former)	1

\*Mr. Ashwin J. Laddha ceased to be a member of the Committee with effect from 20<sup>th</sup> December, 2024, post his resignation as the Managing Director & CEO of the Company. Mr. Anant Agarwal, Managing Director & CEO of the Company has been inducted as the member of the Committee with effect from 21<sup>st</sup> December, 2024.

The Company Secretary acts as the Secretary to the Committee.

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

Dates of meetings	No. of Members attended
22 <sup>nd</sup> May, 2024	2

### 3.5. RISK MANAGEMENT COMMITTEE

The Board of Directors of the Company have constituted a Risk Management Committee ('RMC') in terms of the requirements under Regulation 21 of the Listing Regulations. The Risk Management Committee, inter alia, shall frame, implement and monitor the Risk Management Plan for the Company.

3.5.1. The Scope/Terms of Reference of RMC broadly includes –

The Risk Management Policy provides a structured and disciplined approach to the ERM process and facilitates informed decision-making on risks. The scope/terms of reference of RMC are mentioned below:

- Mandate an ERM Framework and the process for early identification, assessment, risk response, monitoring, and reporting on risks

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

Name	Position	Category	No. of Meetings attended
Mr. Raj Kumar Agrawal	Chairperson	Non-Executive Independent Director	4
Ms. Gauri Rasgotra	Member	Non-Executive Independent Director	1
Mr. Srinivasan Visvanathan	Member	Non-Executive Independent Director	4

The Company Secretary acts as the Secretary to the Committee.

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

Dates of meetings	No. of Members attended
27 <sup>th</sup> April, 2024	2
28 <sup>th</sup> May, 2024	2
8 <sup>th</sup> October, 2024	3
17 <sup>th</sup> March, 2025	2

## 4. MEETING OF THE INDEPENDENT DIRECTORS

4.1. The Composition and attendance of the Independent Directors at the Meeting are as follows:

Name	Position	Category	No. of Meetings attended
Mr. Raj Kumar Agrawal	Member	Non-Executive Independent Director	1
Ms. Gauri Rasgotra	Member	Non-Executive Independent Director	1
Mr. Srinivasan Visvanathan	Member	Non-Executive Independent Director	1
Mr. Ashwin Bishnoi	Member	Non-Executive Independent Director	1

arising out of internal as well as external factors.

- Establish a structured program that engages stakeholders across the Company to identify, prioritize and respond to risks and opportunities.
- Ensures appropriate ownership and accountability by providing clarity on the roles and responsibilities in relation to risk management.
- Facilitate identification and assessment of risks that may impact the business continuity of the Company and define its response plans for such risks.
- Facilitate identification and assessment of risks associated with significant capex and investment decisions as per the risk appetite of the Company.
- Ensures monitoring and reporting on status of Key Risks to the Risk Management Committee and the Board of Directors.
- Facilitate compliance with the applicable regulatory requirements related to risk management and reporting.

**4.2. Date of the meeting and number of Members attended are:**

Dates of meetings	No. of Members attended
17 <sup>th</sup> March, 2025	4

**4.3. The Independent Directors discussed the following in their meeting dated 17<sup>th</sup> March, 2025:**

- Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
- Evaluation of the quality, quantity and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

**4.4.** On the basis of declarations/certificates received, the Board confirms that in its opinion, the Independent Directors fulfil the conditions specified in the Listing Regulations and are independent of the Management.

**5. PARTICULARS OF SENIOR MANAGEMENT PERSONNEL AND CHANGES THEREOF DURING THE FINANCIAL YEAR 2024-25:**

Sl. No.	Name	Designation
1.	Mr. Amit Poddar*	Chief Financial Officer
2.	Mr. C. S. Kashikar	Chief Operating Officer
3.	Mr. Hirender Goyal #	Head-Engineering & Utilities
4.	Mr. Pankaj Sharma **	Head- Engineering & Project
5.	Mr. P.K. Sonthalia ##	President Finance & Chief Financial Officer
6.	Mr. Saikat Basu	Head – Marketing & Sales
7.	Mr. Rajnish Sinha	Chief Information Officer
8.	Mr. R. P. Dutta	Company Secretary
9.	Mr. Vinod Rai ###	Chief Human Resources Officer

\*Appointed as Head-Finance & Accounts w.e.f. 3<sup>rd</sup> April, 2024 and re-designated as Chief Financial Officer w.e.f. 1<sup>st</sup> June, 2024.

\*\* Appointed w.e.f. 16<sup>th</sup> September, 2024.

# Resigned w.e.f. 17<sup>th</sup> August, 2024.

## Retired w.e.f. 31<sup>st</sup> May, 2024

### Resigned w.e.f. 29<sup>th</sup> July, 2024.

**6. DIVIDEND DISTRIBUTION POLICY**

Pursuant to Regulation 43A of the Listing Regulations, the Dividend Distribution Policy duly approved by the Board is available on the website of the Company and can be accessed at <https://orientpaper.in/wp-content/assets/investors/code-and-policy/Dividend-Distribution-Policy.pdf>

**7. WHISTLE BLOWER POLICY**

The Company has a Vigil Mechanism named Whistle Blower Policy to deal with instance of fraud and mismanagement in line with the objective of strengthening the Governance mechanism and to report to the Audit Committee instances of illegal or unethical practices, behaviour, actual or suspected fraud or violation of the Company’s Code of Conduct.

All stakeholders including directors and employee(s) and their representative bodies are eligible to make Protected Disclosures under this Policy. The policy is also posted on the website of the Company at the weblink-

<https://orientpaper.in/wp-content/assets/investors/code-and-policy/Whistle-Blower-Policy.pdf>

All protected disclosures should be addressed to the designated officer or in exceptional circumstances to the Chairman of the Audit Committee.

**The contact details of the Designated Officer are:**

The Company Secretary  
Orient Paper & Industries Limited  
Birla Building, 9<sup>th</sup> floor, 9/1, R. N. Mukherjee Road  
Kolkata 700001  
email: cosec@opil.in

**The contact details of the Chairman of the Audit Committee are:**

The Chairman of the Audit Committee  
C/o The Company Secretary  
Orient Paper & Industries Limited  
Birla Building, 9<sup>th</sup> floor, 9/1, R. N. Mukherjee Road  
Kolkata 700 001

Protection is given to Whistle Blowers against any unfair practice. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Disclosure. During the year under review, no person was denied access to the Audit Committee.

## 8. GENERAL BODY MEETINGS

### 8.1. The details of Annual General Meeting held in last three years are as under:

During the previous three years, the Annual General Meetings (AGM) were held through video conferencing/other audio-visual means

Year	Date & Time	Details of special resolution(s) passed at the AGM, if any
2021-22	Wednesday, 10 <sup>th</sup> August, 2022 at 11 A.M.	NIL
2022-23	Tuesday, 8 <sup>th</sup> August, 2023 at 11 A.M.	<ol style="list-style-type: none"> <li>Revision in remuneration payable to Mr. Ashwin J. Laddha, Managing Director &amp; CEO of the Company with effect from 1<sup>st</sup> April, 2023.</li> <li>Waiver of excess remuneration paid to Mr. Ashwin J. Laddha, Managing Director &amp; CEO of the Company.</li> </ol>
2023-24	Friday, 2 <sup>nd</sup> August, 2024 at 3:00 P.M.	<ol style="list-style-type: none"> <li>Re-appointment of Mr. Ashwin Bishnoi (DIN: 0682466) as an Independent Director.</li> <li>Revision in remuneration payable to Mr. Ashwin J. Laddha (DIN: 09538310), Managing Director &amp; Chief Executive Officer of the Company.</li> </ol>

All the resolutions proposed by the Board were passed with requisite majority by the shareholders.

### 8.2. Postal Ballot

During the FY 2024-25, the Company had sought approval of the members through postal ballot and the details of the same are given below:

Sl. No.	Description of Resolutions	Type of Resolutions	No. and % of votes in favour	No. and % of votes in against	Date of passing of the resolution
i.	Re-appointment of Mr. Raj Kumar Agrawal (DIN: 00177578) as an Independent Director	Special	10,99,81,848 (97.5816%)	27,25,744 (2.4184%)	18 <sup>th</sup> March, 2025
ii.	Appointment of Mr. Anant Agarwal (DIN: 02640025) as a Director of the Company	Ordinary	11,23,68,776 (99.6997%)	3,38,516 (0.3003%)	18 <sup>th</sup> March, 2025
iii.	Appointment of Mr. Anant Agarwal (DIN: 02640025) as the Managing Director & Chief Executive Officer of the Company	Ordinary	11,23,69,136 (99.6997%)	3,38,456 (0.3003%)	18 <sup>th</sup> March, 2025
iv.	Approval of terms of remuneration of Mr. Anant Agarwal (DIN: 02640025) as the Managing Director & Chief Executive Officer of the Company	Special	10,87,37,158 (96.4775%)	39,70,134 (3.5225%)	18 <sup>th</sup> March, 2025

Mr. Atul Kumar Labh, Practicing Company Secretary (Membership No. FCS 4848), of M/s. A.K. Labh & Co., Company Secretaries, Kolkata, was appointed as the Scrutinizer to scrutinize the Postal ballot voting process in a fair and transparent manner.

The Company has followed the procedure prescribed for conduct of Postal ballot under the provisions of the Companies Act, 2013, rules made thereunder along with the circulars issued by the Ministry of Corporate Affairs read with the Listing Regulations.

## 9. MEANS OF COMMUNICATION

Quarterly/half yearly and annual financial results are normally published in one English daily newspaper circulating in the whole/substantially the whole of India and in one daily newspaper published in Oriya language and are promptly furnished to the stock exchanges for display on their respective websites. The results are also displayed on the website of the company <https://orientpaper.in/>

Presentations made to institutional investors or to the analysts, if any, are promptly furnished to the Stock Exchanges for display on their respective websites and are also made available on the website of the Company and along with transcripts of calls.

## 10. FINANCIAL CALENDAR (Financial Year 2025-26)

First quarterly results	Before 14 <sup>th</sup> August, 2025
Second quarterly results	Before 14 <sup>th</sup> November, 2025
Third quarterly results	Before 14 <sup>th</sup> February, 2026
Audited yearly results for the year ending 31 <sup>st</sup> March, 2026	Before 30 <sup>th</sup> May, 2026

## 11. CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

A Code of Conduct as applicable to the Directors and the members of the senior management was approved by the Board and the same is being duly abided by all of them. Declaration to this effect was obtained from the Managing Director & CEO of the Company and is annexed herewith as Annexure I.

## 12. CEO/CFO Certificate

The Managing Director & CEO and Chief Financial Officer have issued certificate pursuant to the Regulation 17(8) of the Listing Regulations, confirming that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed herewith as Annexure II.

## 13. COMPLIANCE CERTIFICATE

A certificate has been issued by Mr. A. K. Labh, Company Secretary in Practice (CP Regn. No. 3238) confirming that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority, is annexed herewith as Annexure III.

Compliance certificate for Corporate Governance from auditors of the Company is annexed herewith as Annexure IV.

## 14. GENERAL SHAREHOLDER INFORMATION

### 14.1. Annual General Meeting ("AGM")

Day & Date: Friday, 29<sup>th</sup> August, 2025

Time: 3:00 P.M.

Mode: Video Conferencing/Other Audio Visual Means

### 14.2. Financial Year

The Company follows 1<sup>st</sup> April to 31<sup>st</sup> March as Financial year.

### 14.3. Dividend Payment Date

The Board has not recommended any dividend for the financial year 2024-25.

### 14.4. Listing on stock exchanges

The equity shares of the Company are listed at the following stock exchanges:

- (i) BSE Limited  
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001
- (ii) National Stock Exchange of India Limited  
"Exchange Plaza", C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai – 400051

The Annual Listing fee for the year 2024-25 has been paid to the aforesaid stock exchanges. The Company has also paid the Annual Listing fees to the stock exchanges for the year 2025-26.

### 14.5. Book Closure

From 23<sup>rd</sup> August, 2025 to 29<sup>th</sup> August, 2025 (both days inclusive).

### 14.6. Share Transfer System

In terms of Regulation 40(1) of the Listing Regulations, securities of listed companies can be transferred only in dematerialised form.

Further, SEBI vide its Circular dated 25<sup>th</sup> January, 2022, mandated all listed companies to issue securities in dematerialised form only, while processing the service request of issue of duplicate securities certificate, claim from Unclaimed Suspense Account, renewal/ exchange of securities certificate, endorsement, sub-division/ splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition.

In view of the same and to eliminate all risks associated with physical shares and avail benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form.

**14.7. Distribution of shareholding as on 31<sup>st</sup> March, 2025**

Category	Shareholders		Shares held	
	No. of holders	% of holders	No. of Shares	% of total shares
1-5000	1,03,121	97.62	4,24,90,324	20.03
5001- 10000	1,372	1.30	1,03,48,500	4.88
10001- 20000	601	0.57	88,95,675	4.19
20001- 30000	198	0.19	50,07,883	2.36
30001- 40000	79	0.07	27,86,525	1.31
40001- 50000	53	0.05	24,81,280	1.17
50001- 100000	100	0.09	71,89,264	3.39
100001& Above	111	0.11	13,29,86,051	62.67
<b>Total</b>	<b>1,05,635</b>	<b>100.00</b>	<b>21,21,85,502</b>	<b>100.00</b>

**14.8. Shareholding pattern as on 31<sup>st</sup> March, 2025**

Category	No. of holders	No. of shares	% of total shares
1. Promoter and Promoter Group	17	8,21,93,294	38.74
2. Public			
<b>2.A. Institution</b>			
Mutual funds	1	3,000	0.000
Foreign Portfolio Investors	20	17,97,190	0.85
Banks	9	1,47,660	0.06
Overseas Corporate Bodies	2	38,13,748	1.80
<b>2.B. Non-Institutions</b>			
Resident Individuals	1,02,512	8,23,52,085	38.82
Directors & KMP	2	10,205	0.00
NBFC	2	13,362	0.01
Trusts	5	8,06,440	0.38
Non-Resident Indians	478	10,04,308	0.47
Clearing Members	4	1,069	0.00
Non-Resident Indian Non Repatriable	401	7,38,349	0.35
Bodies Corporate	466	3,44,20,564	16.22
Qualified Institutional Buyer	1	4,49,538	0.21
IEPF	1	9,39,124	0.44
HUF	1,714	34,95,566	1.65
<b>Total</b>	<b>1,05,635</b>	<b>21,21,85,502</b>	<b>100.00</b>

**14.9. Dematerialisation of equity shares and liquidity**

As on 31<sup>st</sup> March 2025, 99.75% of the Paid-up equity share capital is held in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

	NSDL	CDSL	Physical	Total
Shares (nos.)	15,70,36,767	5,46,10,096	53,8639	21,21,85,502
Share (%)	74.01%	25.74%	0.25%	100

Under the depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE592A01026.

**14.10. Commodity price risk or foreign exchange risk and hedging activities**

The Company is not having much exposure to foreign exchange and there is a natural hedge available in terms of exports made by the Company.

The Company manages fluctuations in raw materials prices through stocking by advance procurement when prices are perceived to be low and also by entering into periodic buying contracts as strategic sourcing initiative to keep raw material availability and prices in check.

The Company does not have any exposure hedged through commodity derivative.

**14.11. Unclaimed Shares in demat suspense account/unclaimed suspense account**

The Company does not have any shares in the demat suspense account or unclaimed suspense account.

**14.12. Payment of fees to the Statutory Auditors**

BSR & Co. LLP, Chartered Accountants, are the statutory auditors of the Company. Total fees paid by the Company to the auditors are given below:

Sl. No.	Particulars of Fees	Fees Paid in Rs. FY 2024-25
1.	Statutory Audit Fees	18,00,000
2.	Fees for Limited Review	9,00,000
3.	Certification Fess	3,50,000
4.	Out of Pocket Expenses	4,62,025
<b>Total:</b>		<b>35,12,025</b>

**14.13. Plant location**

The Company has plants located at the following address:

- Orient Paper Mills, P.O. Amlai, Dist. Shahdol, Madhya Pradesh - 484117
- Orient Paper Mills, P.O. Brajrajnagar, Dist. Jharsuguda, Odisha -768216 (non-operational)

**14.14. Address for correspondence**

The Shareholder can correspond with the Company and the Share Transfer Agent at the following addresses:

<u>Address of Company Secretary &amp; Compliance Officer</u>	<u>Address of Share Transfer Agent</u>
<p><b>Mr. R. P. Dutta</b>  <b>Orient Paper &amp; Industries Limited</b>            Birla Building, 9<sup>th</sup> floor            9/1, R. N. Mukherjee Road            Kolkata – 700 001 (W.B.)            Tel no. (033) 4082 3700/ 2220 0600 (ext. 2332)            Email: cosec@opil.in            Website: <a href="http://orientpaper.in/">http://orientpaper.in/</a></p>	<p><b>KFin Technologies Limited</b>            Selenium Building, Tower-B,            Plot No. 31-32, Financial District,            Nanakramguda, Serilingampally            Hyderabad, Rangareddi, Telangana,            India-500032            Email: <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a>            Toll Free/ Phone Number: 1800 309 4001            WhatsApp Number: (91) 910 009 4099            KPRISM (Mobile Application): <a href="https://kprism.kfintech.com/">https://kprism.kfintech.com/</a>            KFINTECH Corporate Website : <a href="http://www.kfintech.com">www.kfintech.com</a>            RTA Website : <a href="https://ris.kfintech.com">https://ris.kfintech.com</a>            Investor Support Centre (DIY Link) : <a href="https://ris.kfintech.com/clientservices/isc">https://ris.kfintech.com/clientservices/isc</a></p>

**14.15. Credit ratings**

Care Ratings Limited has given the credit rating of CARE A (Single A)/Stable for long term bank facilities and CARE A1(A One) for short-term bank facilities. The details of Credit Ratings are available on the website at <https://orientpaper.in/investor-relations-announcements/>. The Company has neither issued any debt instruments nor undertaken any fixed deposit program or any scheme or proposal involving mobilization of funds, whether in India or abroad. Therefore, no credit ratings were required to be obtained for these securities.

## 15. OTHER DISCLOSURES

- i) There were no material related party transactions that may have potential conflict with the Company's interest at large.

In line with the requirements of the Companies Act, 2013 and the Listing Regulations, as amended from time to time, the Company has formulated a Policy on Related Party Transactions for identifying, reviewing, approving and monitoring Related Party Transactions. The Company's policy relating to dealing with Related Party Transactions is uploaded on the website of the Company and can be accessed through the web link: <https://orientpaper.in/wp-content/assets/investors/DISCLOSURE-UR/OPIL%20Amended%20Related%20Party%20Transaction%20Policy.pdf>

- ii) No penalties or strictures were imposed on the Company by stock exchanges or the SEBI or any statutory authority on any matter related to capital markets during the last three years.
- iii) During the year under review, there were no instances wherein recommendation of any Committee of the Board, which is mandatorily required for approval of the Board, were not accepted by the Board.
- iv) Disclosures under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
- No. of complaints filed during the year: Nil
  - No. of complaints disposed by the committee during the year: Nil
  - No. of complaints pending before the committee as on end of the financial year: Nil
- v) The Board of Directors periodically reviews compliance reports pertaining to all laws applicable to the Company and takes steps to rectify instances of non-compliances, if any.
- vi) The Company has plans in place for orderly succession for appointment to the Board of Directors and senior management.
- vii) The Company does not have any Subsidiary/Joint Venture/Associate Companies.
- viii) The Company does not have any outstanding GDRs/ ADRs/ Warrants or any convertible instruments.

- ix) The Company has disseminated all the information on its website [www.orientpaper.in](http://www.orientpaper.in) in terms of the Regulation 46 of the Listing Regulations.
- x) All the information required to be placed in terms of the Part A of Schedule II to the Listing Regulations are regularly placed before the Board of Directors of the Company.
- xi) The Company did not rank within the top 1000 companies based on market capitalization as of 31<sup>st</sup> March, 2025. Consequently, the Business Responsibility and Sustainability Report has not been disclosed.
- xii) The Company has complied with all the applicable requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.
- xiii) The Company has not entered into any agreement as mentioned under Clause 5A of paragraph A of Part A of Schedule III of the Listing Regulations.
- xiv) The Company has not provided Loans and advances in the nature of loans to firms/companies in which Directors are interested.
- xv) Management Discussion & Analysis Report forms a part of the Annual Report.

## 16. DISCRETIONARY REQUIREMENTS:

The status of compliance with discretionary requirements specified in Part E of Schedule II of the Listing Regulations is provided below:

- i) **Shareholders' Rights:** As the quarterly and half yearly financial results are published in the newspapers and are also posted on the Company's website, the same are not being sent separately to the shareholders.
- ii) **Modified opinion in Audit Report:** The Company's Financial Statement for the year ended 31<sup>st</sup> March, 2025 does not contain any modified audit opinion. The Company always endeavors to present unmodified Financial Statements.
- iii) **Separate posts of Chairman and CEO:** The positions of Chairman and Chief Executive Officer (CEO) are separate
- iv) **Reporting of Internal Auditor:** The Internal Auditors directly report to the Audit Committee.

The above report was placed before the Board at its meeting held on 22<sup>nd</sup> May, 2025 and was approved.

## Annexure I

# Declaration Regarding Code of Conduct

The Board of Directors  
Orient Paper & Industries Limited

This is to confirm that the Company has received affirmation of compliance with “The Code of Conduct for Directors and Senior Executives” from all the Directors and Senior Executives of the Company to whom the same is applicable, for the year ended 31<sup>st</sup> March, 2025.

Place: Kolkata  
Date: 22<sup>nd</sup> May, 2025

**Anant Agarwal**  
Managing Director & CEO  
(DIN:02640025)

## Annexure II

## CEO/CFO Certificate

The Board of Directors  
Orient Paper & Industries Limited

We hereby certify that:

- a) We have reviewed Financial Statement and the Cash Flow Statement for the Financial Year 2024-25 and that to the best of our knowledge and belief:
  - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - ii) these statements, present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the Financial Year 2024-25 which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept the responsibility of establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the 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 internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee:
  - i) Significant changes in internal control during the said Financial Year;
  - ii) Significant changes in accounting policies during the said Financial Year and that the same have been disclosed in the notes to the Financial Statements; and
  - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Thanking you,

Place: Kolkata  
Date: 22<sup>nd</sup> May, 2025

**Amit Poddar**  
Chief Financial Officer  
(ACA 060247)

**Anant Agarwal**  
Managing Director & CEO  
(DIN: 02640025)

## Annexure III

## 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 of  
**Orient Paper & Industries Limited**  
Unit VIII, Plot No. 7  
Bhoinagar, Bhubaneswar – 751 012  
Odisha

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Orient Paper & Industries Limited having CIN : L21011OR1936PLC000117 and having registered office at Unit VIII, Plot No. 7, Bhoinagar, Bhubaneswar – 751 012, Odisha (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Chandrakant Birla	00118473	29.09.1978
2.	Raj Kumar Agrawal	00177578	27.01.2020
3.	Srinivasan Vishvanathan	02255828	25.03.2019
4.	Gauri Rasgotra	06862334	26.09.2014
5.	Ashwin Bishnoi	06862466	01.08.2019
6.	Anant Agarwal	02640025	21.12.2024

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 has been issued relying on the documents and information as mentioned herein above and as were made available to us or as came to our knowledge for verification without taking any cognizance of any legal dispute(s) or sub-judice matters which may have effect otherwise, if ordered so, by any concerned authority(ies). This certificate is also 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.

Place : Kolkata  
Date : 22<sup>nd</sup> May, 2025

Name : **CS Atul Kumar Labh**  
Membership No. : FCS 4848  
CP No. : 3238  
PRCN : 1038/2020  
UIN : S1999WB026800  
UDIN : F004848G000385932

## Annexure IV

# Independent Auditors' Certificate on Compliance with the Corporate Governance Requirements Under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To  
The Members of  
**Orient Paper and Industries Limited**

1. This certificate is issued in accordance with the terms of our engagement letter dated May 08, 2023 and addendum to the engagement letter dated May 02, 2025.
2. We have examined the compliance of conditions of Corporate Governance by Orient Paper and Industries Limited ("the Company"), for the year ended 31 March 2025, as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchanges.

### Management's Responsibility

3. The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

### Auditors' Responsibility

4. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31 March 2025.
6. We conducted our examination of the above corporate governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note

on Certification of Corporate Governance both issued by the Institute of the Chartered Accountants of India (the "ICAI"), in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

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

### Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

### Restriction on use

10. The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations 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 for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **B S R & CO LLP**  
Chartered Accountants  
Firm's Registration No: 101248W/W-100022

**Jayanta Mukhopadhyay**  
Partner

Place: Kolkata  
Date: 22<sup>nd</sup> May, 2025

Membership No: 05575  
UDIN: 25055757BMNSHN3661



# Financial Statements

# Independent Auditor's Report

To  
The Members of  
**Orient Paper & Industries Limited**

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of Orient Paper & Industries Limited (the "Company") which comprise the balance sheet as at 31 March 2025, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including 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 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its loss and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules 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 obtained by us is sufficient and appropriate to provide a basis for our opinion on the financial statements.

### Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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.

## Litigations

See Note 48 to the financial statements

The key audit matter	How the matter was addressed in our audit
<p>As at 31 March 2025, the Company has exposures towards litigations relating to various matters including water tax and cess on captive power consumption as set out in the aforesaid Note.</p> <p>The Company assesses the need to make a provision or to disclose a contingent liability on a case-to-case basis considering the underlying facts of each litigation. The outcome of the litigations is uncertain and estimation at balance sheet date involves significant judgement by the Company to assess such matters and determine recognition, measurement and disclosure of provisions for these proceedings. These judgements are based on inputs from legal counsel in certain cases.</p> <p>Due to uncertainty of outcome of these legal proceedings and application of significant judgement, it is considered to be a Key Audit Matter.</p>	<p>In view of the significance of the matter, our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Tested design and operating effectiveness of key controls over identification of litigations and recording of related provisions and disclosures.</li> <li>• Obtained a list of litigations from the Company and performed inquiries with the Company for developments and the status of significant litigations.</li> <li>• Assessed the objectivity and competence of the Company's legal counsels involved in the process.</li> <li>• Rolled-out enquiry letters to Company's external legal counsels and considered their responses in our evaluation.</li> <li>• Performed our assessment on a test basis on the underlying details of the contingent liabilities disclosed in the financial statements.</li> </ul>

**Litigations** (Contd.)

See Note 48 to the financial statements

The key audit matter	How the matter was addressed in our audit
	<ul style="list-style-type: none"> <li>• Tested completeness of litigations and claims recorded by assessing the Company's legal expenses and the minutes of the Board meetings.</li> <li>• Evaluated the disclosures related to provisions and contingent liabilities in the financial statements.</li> </ul>

**Other Information**

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

**Management's and Board of Directors' Responsibilities for the Financial Statements**

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The Management and Board of Directors of the Company are responsible for 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors are responsible for assessing

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

**Auditor's Responsibilities 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 judgment and maintain professional skepticism 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements 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 the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 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 of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

- 2 A. As required by Section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the following matters, (i) the back-up of the books of account and other relevant books and papers in electronic mode has not been kept on servers physically located in India on a daily basis pertaining to the unit at Brajrajnagar and (ii) the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on 01 April 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.
- f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3) (b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

- a. The Company has disclosed the impact of pending litigations as at 31 March 2025 on its financial position in its financial statements - Refer Note 48 to the financial statements.
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- d.
  - (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 53 to the financial statements, 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(s) or entity(ies), 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.
  - (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 53 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (iii) 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 (i) and (ii) above, contain any material misstatement.
- e. The final dividend paid by the Company during the year, in respect of the same declared

for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

The Company has not declared any dividend during the year.

- f. Based on our examination which included test checks, the Company has used accounting softwares for maintaining its books of account which has a feature of recording audit trail (edit log) facility except that (i) In the absence of relevant evidences, we are unable to comment whether the audit trail feature to log any direct data changes to database was operating through out the year for the accounting software used for maintaining general ledger and (ii) the feature of recording audit trail (edit log) facility has not been enabled for an accounting software used for maintaining general ledger pertaining to the unit at Brajrajnagar. Further, where audit trail (edit log) facility was enabled and operated throughout the year, we did not come across any instance of audit trail feature being tampered with during the course of our audit.

Additionally, except where audit trail (edit log) facility was not enabled and operated in previous year, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 read with Schedule V of the Act. The remuneration paid to a whole time director is in excess of the limit laid down under Section 197 read with Schedule V of the Act, however, necessary approval with respect to the same has been obtained by the Company (refer note 44 to the financial statements). The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

**For B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

**Jayanta Mukhopadhyay**

Partner

Place: Kolkata

Membership No.: 055757

Date: 22 May 2025 ICAI UDIN:25055757BMNSHM9283

## Annexure A to the Independent Auditor's Report on the Financial Statements of Orient Paper & Industries Limited for the year ended 31 March 2025

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (i) (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 physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified 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 its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company, except for the following which are not held in the name of the Company:

Description of property	Gross carrying value (Rs. lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
Freehold Land	254.31	Hukum Chand Jute and Industries Limited	No	2008	Order from Tehsildar for registration of property awaited
Leasehold Land	2.17	Hukum Chand Jute and Industries Limited	No	2008	Order from Tehsildar for registration of property awaited
Investment properties (Refer Note 4 to the financial statements)	432.94	The Embassy of Union of Soviet Socialist Republic	No	1989	The process for transfer of property in the name of the Company is in progress

- (d) 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 not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both 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, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory, except good-in-transit, has been physically verified by the management during the year. For goods-in-transit, subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory

- (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 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. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.
- (iii) 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 not made any investments, provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. The Company has granted loans to other parties, in respect of which the requisite information is as below. The Company has not granted any loans to companies, firms or limited liability partnerships.
- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans to employees as below:

Particulars	Loans (Amount in Rs lakhs)
Aggregate amount during the year	11.88
– Others	
Balance outstanding as at balance sheet date	8.62
– Others	

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the terms and conditions of the grant of loans (which are interest free) during the year are, prima facie, not prejudicial to the interest of the Company, considering that these have been granted to employees.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal has been stipulated and the repayments have been regular. Repayment of interest is not applicable as these employee loans are interest free in nature. Further, the Company has not given any advances in the nature of loans to any party during the year.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party 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, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.
- (f) 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 not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) 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 not given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 (“the Act”). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.
- According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, except for dues in respect of Industrial License Fees under Orissa Municipal Act which has not been paid as

mentioned below, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited with the appropriate authorities, though there have been slight delays in a few cases of Provident Fund and Income-Tax.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable, except as mentioned below:

Name of the statute	Nature of the dues	Amount (Rs. in lakhs)	Period to which the amount relates	Due date	Date of payment	Remarks, if any
Orissa Municipal Act	Industrial License Fees	40.79	1996-97 to 2024-25	Beginning of the respective years	Not yet paid	-

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Sales Tax, Value Added Tax, Excise Duty, Water Cess, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (Rs. in lakhs)*	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Central Sales Tax Act, 1956	Sales Tax	0.50	1986-87	Madhya Pradesh High Court	
	Sales Tax	6.27	1995-96	Sales Tax Tribunal	
	Sales Tax	42.42	2001-02, 2007-08 and 2010-11 to 2012-13	Appellate and Revision Board	
	Sales Tax	0.12	1979-80 to 1982-83	Sales Tax Commissioner	
	Sales Tax	12.22	1985-86 and 1999-2000	Assistant Commissioner	
	Sales Tax	0.85	2013-14	Additional Commissioner	
	Sales Tax	33.34	2016-17	Madhya Pradesh Commercial Tax Appellate Board	
West Bengal Value Added Tax, 2003	Value Added Tax	40.82	2007-08	West Bengal Commercial Taxes Appellate and Revision Board	
Bihar Finance Act, 1981	Sales Tax	39.74	1994-95 to 1996-97	Commissioner of Commercial Tax	
	Sales Tax	7.90	1994-95 to 1997-98	Joint Commissioner of Commercial Tax	
Orissa Sales Tax Act, 1947	Sales Tax	2.06	1985-86 and 1986-87	Orissa High Court	
	Sales Tax	0.02	1983-84	Assistant Commissioner	

Name of the statute	Nature of the dues	Amount (Rs. in lakhs)*	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Madhya Pradesh VAT Act 2022	Value Added Tax	14.63	2006-07 to 2009-10	Madhya Pradesh High Court	
	Value Added Tax	11.11	2008-09	Commercial Tax Appellate Board	
MP Commercial Tax Act	Sales Tax	7.01	2001-02	Madhya Pradesh High Court	
MP Sales Tax Act, 1961	Sales Tax	14.65	1998-99	Madhya Pradesh High Court	
	Sales Tax	1.07	1986-87	Commercial Tax Appellate Board	
Central Excise Act, 1944 / Finance Act, 1994	Excise Duty	226.05	1975-76, 1976-77, 1979-80, 1989-90, 1982-83, 1986-87 to 1996-97, 1994-95, 1995-96, 2005-06 to 2007-08	Customs, Exercise and Service Tax Appellate Tribunal	
	Excise Duty	291.65	1976-77 to 1983-84 and 1989-90 to 1996-97	Dy. Commissioner and Assistant Commissioner, Jabalpur	
	Service Tax	567.08	2007-08 to 2008-09	Commissioner, CGST and Supreme Court of India	
	Excise Duty	25.86	2005-06, 2006-07, 2007-08, 2008-09, 2011-12 and 2014-15	Commissioner (Appeals)	
	Excise Duty	130.74	1975-76 to 1978-89 and 1986-87 to 1997-98	Assistant Commissioner, High Court, Commissioner Central Excise	
Madhya Pradesh Entry Tax Act, 1976	Purchase Tax/ Entry Tax	36.74	2000-01 and 2001-02	High Court, Madhya Pradesh	
Madhya Pradesh Entry Tax Act, 1976	Purchase Tax/ Entry Tax	4.26	2006-07	M.P Commercial Tax, Appellate Board	
The Water (Prevention and Control of Pollution), Cess Act 1977/ Orissa Irrigation Act, 1959	Water Cess	315,082.39	June 1998 to February 2003, 1998-99, 1961-62 to 1976-77, 1961-62 to 1999-2000	High Court, Madhya Pradesh / Tehsildar Jharsugda	

Name of the statute	Nature of the dues	Amount (Rs. in lakhs)*	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
The Water (Prevention and Control Of Pollution), Cess Act 1977	Water Cess	5.40	January 1994 to July 1996	State and Prevention Pollution Control Board	
Odisha Municipality Act, 1950	Holding Tax	5.38	2002-03 to 2023-24	Tehsildar, Jharsugda	
The Terminal Tax on Railway Passengers Act, 1956	Terminal Tax on supply of coal	184.67	2000-01 to 2007-08	Madhya Pradesh High Court	
Central Goods and Service Tax Act, 2017	Goods and Service Tax	1,042.92	2017-18 to 2021-22 and 2023-24	Appellate Authority, GST, Bhopal	
Income Tax Act, 1961	Income tax	2,731.00	2007-08 and 2008-09	High Court, Madhya Pradesh	Appeal preferred by department
ESI Act, 1948	ESI Payment	195.58	April 1993 to March 1999, 2011-12	Labour Court	
	ESI Payment	227.42	April 1979 to February 1985, August 1990 to March 1993, April 1990 to April 1994, 1996-1999, 1993 to January 1997, 1996 to July 1998	ESIC Office	
	ESI Payment	27.66	January 1968 to November 1977, 1988-89 to 1990-91, 2000, April 1980 to March 1984 and November 1988 to July 1990	Orissa High Court	
Madhya Pradesh Upkar (Sanshodan) Adhinyam 2004	Energy Development Cess including surcharge	25,898.05	2001-2002 to 2020-21	Supreme Court of India	
Orissa Survey & Settlement Act, 1958	Land revenue	70.70	1982-83 to 2023-24	Orissa High Court	

\*Amounts are net of pre-deposits, made under protest, aggregating to Rs 430.18 lakhs.

- (viii) 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 not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) 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 not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (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 not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2025. Accordingly, clause 3(ix)(e) is not applicable.
- (f) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2025. Accordingly, clause 3(ix)(f) is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (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 not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

- (xvii) The Company has incurred cash losses of Rs. 4,267.72 lakhs in the current financial year. There were no cash losses in the immediately preceding financial year
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations 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, 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 that the 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) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx) (a) and 3(xx)(b) of the Order are not applicable.

**For B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

**Jayanta Mukhopadhyay**

Partner

Place: Kolkata

Membership No.: 055757

Date: 22 May 2025 ICAI UDIN:25055757BMNSHM9283

# Annexure B to the Independent Auditor's Report on the financial statements of Orient Paper & Industries Limited for the year ended 31 March 2025

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

## Opinion

We have audited the internal financial controls with reference to financial statements of Orient Paper & Industries Limited ("the Company") as of 31 March 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to financial statements 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 (the "Guidance Note").

## Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

## Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we

comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 with reference to financial statements.

## Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements include 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 with Reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with

reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**For B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

**Jayanta Mukhopadhyay**

Partner

Place: Kolkata

Membership No.: 055757

Date: 22 May 2025 ICAI UDIN:25055757BMNSHM9283

# Balance Sheet

as at 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

	Note No.	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	1,61,069.34	1,59,076.38
Capital work-in-progress	3c	6,484.76	7,748.71
Investment properties	4	602.88	607.25
Intangible assets	5	9.78	10.77
Biological assets other than bearer plants	42	59.94	51.17
<b>Financial assets</b>			
(i) Investments	6	28,433.60	49,679.06
(ii) Other financial assets	7	1,448.37	1,447.90
Income tax assets (net)	8	157.41	96.64
Other non-current assets	9	4,916.87	3,457.07
<b>Total non-current assets</b>		<b>2,03,182.95</b>	<b>2,22,174.95</b>
<b>Current assets</b>			
Inventories	10	14,969.07	12,859.12
Biological assets other than bearer plants	42	289.99	285.73
<b>Financial assets</b>			
(i) Investments	6	16,356.63	-
(ii) Trade receivables	11	1,704.43	1,252.95
(iii) Cash and cash equivalents	12	96.24	182.65
(iv) Bank balances other than (iii) above	13	73.92	95.70
(v) Loans	14	8.62	8.60
(vi) Other financial assets	15	343.39	505.60
Other current assets	16	3,746.95	4,880.17
		<b>37,589.24</b>	<b>20,070.52</b>
Assets held for sale	3d	15.20	338.75
<b>Total current assets</b>		<b>37,604.44</b>	<b>20,409.27</b>
<b>Total assets</b>		<b>2,40,787.39</b>	<b>2,42,584.22</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity share capital	17	2,121.96	2,121.96
Other equity	18	1,51,385.90	1,59,776.34
<b>Total equity</b>		<b>1,53,507.86</b>	<b>1,61,898.30</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	19	14,524.43	10,698.87
(ii) Lease liabilities	26	-	210.50
Provisions	20	440.49	471.71
Deferred tax liabilities (net)	21	25,189.49	28,032.78
<b>Total non-current liabilities</b>		<b>40,154.41</b>	<b>39,413.86</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	19	25,177.24	21,040.29
(ii) Lease liabilities	26	253.88	138.02
(iii) Trade payables	22		
(a) total outstanding dues of micro enterprises and small enterprises		1,528.15	558.23
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		10,994.17	9,673.19
(iv) Other financial liabilities	23	5,169.46	5,832.00
Other current liabilities	24	3,347.62	3,387.85
Provisions	25	654.60	642.48
<b>Total current liabilities</b>		<b>47,125.12</b>	<b>41,272.06</b>
<b>Total liabilities</b>		<b>87,279.53</b>	<b>80,685.92</b>
<b>Total equity and liabilities</b>		<b>2,40,787.39</b>	<b>2,42,584.22</b>

Material accounting policies

2

The accompanying notes are an integral part of the financial statements.

As per our report of even date.

For B S R & Co. LLP  
Chartered Accountants  
Firm Registration Number: 101248W/W-100022

For and on behalf of the Board of Directors of  
Orient Paper & Industries Limited  
CIN No. L21011OR1936PLC000117

Jayanta Mukhopadhyay  
Partner  
Membership No.: 055757

C. K. Birla  
Chairman  
(DIN 00118473)  
Place : London

Anant Agarwal  
Managing Director & CEO  
(DIN 02640025)  
Place : Kolkata

Place: Kolkata  
Date: 22 May 2025

Amit Poddar  
Chief Financial Officer  
(ACA 060247)  
Place: Kolkata  
Date: 22 May 2025

R. P. Dutta  
Company Secretary  
(ACS 14337)  
Place: Kolkata

## Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2025

(All amounts in Rupees lacs, unless otherwise stated)

	Note No.	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
<b>Income</b>			
Revenue from operations	27	89,578.83	83,194.35
Other income	28	1,577.32	2,518.44
<b>Total income (I)</b>		<b>91,156.15</b>	<b>85,712.79</b>
<b>Expenses</b>			
Cost of materials consumed	29	39,003.40	29,528.09
Changes in inventories of finished goods and work-in-progress	30	(658.85)	(1,176.43)
Power & fuel	31	20,386.44	20,023.92
Employee benefits expense	32	9,938.03	9,592.05
Finance costs	33	3,248.15	2,888.91
Depreciation and amortisation expense	34	5,135.22	4,362.00
Other expenses	35	22,993.81	19,118.24
<b>Total expenses (II)</b>		<b>1,00,046.20</b>	<b>84,336.78</b>
<b>Profit / (loss) before tax (I - II)</b>		<b>(8,890.05)</b>	<b>1,376.01</b>
<b>Income tax expense</b>			
Current tax [31 <sup>st</sup> March, 2024: includes charge for earlier years of Rs. 93.78 lacs]	36	-	364.66
Deferred tax		(3,424.21)	388.82
<b>Total tax expense</b>		<b>(3,424.21)</b>	<b>753.48</b>
<b>Profit / (loss) for the year</b>		<b>(5,465.84)</b>	<b>622.53</b>
<b>Other comprehensive income (OCI)</b>			
<b>Items that will not be reclassified to profit or loss:</b>			
Remeasurements of post employment benefit obligations	45	80.07	(63.38)
Fair value Changes / Disposal of equity investments through OCI		(1,887.61)	13,988.64
Income tax relating to items that will not be reclassified to profit or loss	36	(580.92)	(2,104.09)
<b>Total other comprehensive income/ (loss) for the year, net of tax</b>		<b>(2,388.46)</b>	<b>11,821.17</b>
<b>Total comprehensive income / (loss) for the year</b>		<b>(7,854.30)</b>	<b>12,443.70</b>
Earnings per equity share	46		
(Nominal value Re.1/- per share) (in Rs.)			
Basic and diluted earnings per equity share		(2.58)	0.29
Material accounting policies	2		

The accompanying notes are an integral part of the financial statements.  
As per our report of even date.

**For B S R & Co. LLP**  
Chartered Accountants  
Firm Registration Number: 101248W/W-100022

**For and on behalf of the Board of Directors of**  
**Orient Paper & Industries Limited**  
CIN No. L21011OR1936PLC000117

**Jayanta Mukhopadhyay**  
Partner  
Membership No.: 055757

**C. K. Birla**  
Chairman  
(DIN 00118473)  
Place : London

**Anant Agarwal**  
Managing Director & CEO  
(DIN 02640025)  
Place : Kolkata

Place: Kolkata  
Date: 22 May 2025

**Amit Poddar**  
Chief Financial Officer  
(ACA 060247)  
Place: Kolkata  
Date: 22 May 2025

**R. P. Dutta**  
Company Secretary  
(ACS 14337)  
Place: Kolkata

# Statement of Changes in Equity

for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

## A. Equity share capital

	Amount
As at 1 <sup>st</sup> April 2023	2,121.96
Changes in equity share capital during the year	-
<b>As at 31<sup>st</sup> March 2024</b>	<b>2,121.96</b>
Changes in equity share capital during the year	-
<b>As at 31<sup>st</sup> March 2025</b>	<b>2,121.96</b>

## B. Other equity

	Reserves and surplus					OCI	Total
	Investment subsidy	Securities premium account	General reserve	Retained earnings	Share Options outstanding account	Equity instruments through OCI	
<b>As at 1<sup>st</sup> April 2023</b>	15.00	4,697.49	11,006.84	92,908.38	-	40,798.25	1,49,425.96
Profit for the year	-	-	-	622.53	-	-	622.53
Other comprehensive income / (loss) for the year (net of tax)	-	-	-	(41.23)	-	11,862.40	11,821.17
<b>Total comprehensive income for the year</b>	-	-	-	581.30	-	11,862.40	12,443.70
<b>Transactions with owners of the Company:</b>							
Dividend paid (refer note no.39b)	-	-	-	(2,121.86)	-	-	(2,121.86)
Equity-settled share-based payment	-	-	-	-	28.54	-	28.54
Transfer from equity instruments through other comprehensive income to retained earnings on sale of equity shares	-	-	-	2,404.02	-	(2,404.02)	-
<b>As at 31<sup>st</sup> March 2024</b>	15.00	4,697.49	11,006.84	93,771.84	28.54	50,256.63	1,59,776.34

	Reserves and surplus					OCI	Total
	Investment subsidy	Securities premium account	General reserve	Retained earnings	Share Options outstanding account	Equity instruments through OCI	
<b>As at 1<sup>st</sup> April 2024</b>	15.00	4,697.49	11,006.84	93,771.84	28.54	50,256.63	1,59,776.34
Loss for the year	-	-	-	(5,465.84)	-	-	(5,465.84)
Other comprehensive income / (loss) for the year (net of tax)	-	-	-	52.09	-	(2,440.55)	(2,388.46)
<b>Total comprehensive loss for the year</b>	-	-	-	(5,413.75)	-	(2,440.55)	(7,854.30)
<b>Transactions with owners of the Company:</b>							
Dividend paid (refer note no.39b)	-	-	-	(530.46)	-	-	(530.46)
Equity-settled share-based payment	-	-	-	-	(5.68)	-	(5.68)

## Statement of Changes in Equity for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

	Reserves and surplus					OCI	Total
	Investment subsidy	Securities premium account	General reserve	Retained earnings	Share Options outstanding account	Equity instruments through OCI	
Transfer from equity instruments through other comprehensive income to retained earnings on sale of equity shares	-	-	-	979.04	-	(979.04)	-
<b>As at 31<sup>st</sup> March 2025</b>	<b>15.00</b>	<b>4,697.49</b>	<b>11,006.84</b>	<b>88,806.67</b>	<b>22.86</b>	<b>46,837.04</b>	<b>1,51,385.90</b>

### Nature and purpose of each reserve

#### Investment subsidy

This relates to amount received in earlier years towards one time investment subsidy.

#### Securities premium account

Securities premium is used to record premium received on issue of shares. The reserve may be utilised in accordance with the provisions of the Companies Act, 2013 of India (the "Act").

#### General reserve

General reserve represents free reserves of the Company created through transfer of profits from retained earnings.

#### Retained earnings

Retained earnings are profits that the Company has earned till date, less dividends or other distributions paid to the shareholders. It also includes remeasurement gain/ (loss) of defined benefit plans of Rs. 52.09 lacs (31<sup>st</sup> March, 2024: (Rs. 41.23 lacs)).

#### Share Options outstanding account

This relates to stock options granted by the Company to certain employees under Orient Paper & Industries Limited - Employee Stock Option Scheme, 2023 ("the Scheme"). Refer Note 52.

#### Equity instruments through other comprehensive income

The Company has elected to recognise changes in the fair value of investments in equity securities in other comprehensive income. The changes are accumulated within the 'equity instruments through other comprehensive income'. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Material accounting policies      Note No. 2

The accompanying notes are an integral part of the financial statements.  
As per our report of even date.

**For B S R & Co. LLP**  
Chartered Accountants  
Firm Registration Number: 101248W/W-100022

**For and on behalf of the Board of Directors of**  
**Orient Paper & Industries Limited**  
CIN No. L21011OR1936PLC000117

**Jayanta Mukhopadhyay**  
Partner  
Membership No.: 055757

**C. K. Birla**  
Chairman  
(DIN 00118473)  
Place : London

**Anant Agarwal**  
Managing Director & CEO  
(DIN 02640025)  
Place : Kolkata

Place: Kolkata  
Date: 22 May 2025

**Amit Poddar**  
Chief Financial Officer  
(ACA 060247)  
Place: Kolkata  
Date: 22 May 2025

**R. P. Dutta**  
Company Secretary  
(ACS 14337)  
Place: Kolkata

## Statement of Cash Flows for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
<b>(A) Cash flows from operating activities:</b>		
Profit / (loss) before tax	(8,890.05)	1,376.01
Adjustments for:		
Depreciation and amortisation expense	5,135.22	4,362.00
Finance costs	3,248.15	2,888.91
Loss / (Gain) on disposal of property, plant and equipment (net)	612.49	(653.91)
Rental income from investment properties	(303.72)	(388.09)
Unspent liabilities, provisions no longer required and unclaimed balances written back	(349.49)	(43.46)
Equity-settled share-based payment - (reversal) / expense	(5.68)	28.54
Interest income	(119.98)	(81.20)
Dividend income	(331.08)	(469.38)
<b>Operating profit / (loss) before changes in working capital</b>	<b>(1,004.14)</b>	<b>7,019.42</b>
Increase in trade payables, other liabilities and provisions	2,906.46	5,066.45
(Increase) / decrease in inventories	(2,109.95)	573.56
Increase in biological assets	(13.03)	(180.43)
Increase in trade receivables, loans and advances and other assets	(943.64)	(1,179.86)
<b>Cash (used in) / generated from operations</b>	<b>(1,164.30)</b>	<b>11,299.14</b>
Income taxes paid (net)	(60.77)	(1,194.30)
<b>Net cash (used in) / generated from operating activities</b>	<b>(1,225.07)</b>	<b>10,104.84</b>
<b>(B) Cash flows from investing activities:</b>		
Proceeds from disposal of property, plant and equipment	14.85	1,805.85
Acquisition of property, plant and equipments (including intangible assets)	(6,511.99)	(15,756.82)
Proceeds on disposal of investments in equity shares	3,001.23	3,275.89
Rental income from investment properties	303.72	388.09
Interest received	111.10	72.83
Dividend received	331.08	469.38
Investments in bank deposits	(0.41)	(42.34)
<b>Net cash used in investing activities</b>	<b>(2,750.42)</b>	<b>(9,787.12)</b>

## Statement of Cash Flows for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
<b>(C) Cash flows from financing activities:</b>		
Proceeds from long-term borrowings	8,529.18	-
Repayment of long-term borrowings	(3,978.13)	(3,228.13)
Net proceeds from short-term borrowings	3,411.45	8,046.90
Principal payment of lease liabilities	(157.71)	(139.40)
Finance costs paid	(3,385.25)	(2,976.53)
Dividend paid	(530.46)	(2,121.86)
<b>Net cash (used in) / generated from financing activities</b>	<b>3,889.08</b>	<b>(419.02)</b>
<b>Net decrease in cash and cash equivalents (A+B+C)</b>	<b>(86.41)</b>	<b>(101.30)</b>
Cash and cash equivalents at the beginning of the year (Refer note 12)	182.65	283.95
Cash and cash equivalents at the end of the year (Refer note 12)	96.24	182.65

The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'. Refer note 41 for reconciliation of movement of liabilities to cashflows arising from financing activities.

Material accounting policies

Note No. 2

The accompanying notes are an integral part of the financial statements.

As per our report of even date.

**For B S R & Co. LLP**  
Chartered Accountants  
Firm Registration Number: 101248W/W-100022

**For and on behalf of the Board of Directors of**  
**Orient Paper & Industries Limited**  
CIN No. L21011OR1936PLC000117

**Jayanta Mukhopadhyay**  
Partner  
Membership No.: 055757

**C. K. Birla**  
Chairman  
(DIN 00118473)  
Place : London

**Anant Agarwal**  
Managing Director & CEO  
(DIN 02640025)  
Place : Kolkata

Place: Kolkata  
Date: 22 May 2025

**Amit Poddar**  
Chief Financial Officer  
(ACA 060247)  
Place: Kolkata  
Date: 22 May 2025

**R. P. Dutta**  
Company Secretary  
(ACS 14337)  
Place: Kolkata

# Notes to Financial Statements

as at and for the year ended 31<sup>st</sup> March 2025

## 1.1 Company background

Orient Paper & Industries Limited (the 'Company') is a public limited Company, incorporated and domiciled in India. The equity shares of the Company are listed on the National Stock Exchange and the Bombay Stock Exchange in India. The registered office of the Company is located at Unit-VIII, Plot No. 7, Bhoinagar, Bhubaneswar - 751012, Orissa, India.

The Company is mainly engaged in the business of manufacturing and selling of paper and paper-related products and chemicals as detailed under Note 27, "Revenue from operations".

## 1.2 Basis of preparation

### (i) Compliance with Ind AS

The financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 (the 'Act') [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements were approved and authorised for issue in accordance with the resolution of the Company's Board of Directors on 22<sup>nd</sup> May, 2025.

### (ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following items, which are measured on an alternative basis on each reporting date.

- Equity instruments measured at fair value through OCI
- Net defined benefit (asset)/ liability - measured at fair value of plan assets less the present value of the defined benefit obligation
- Biological assets - measured at fair value less costs to sell
- Equity-settled share-based payment - measured at fair value of options at the grant date

### (iii) Rounding of amounts

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded to the nearest lacs (in two decimals), as per the requirement of Schedule III, unless otherwise stated.

### (iv) Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is classified as current when it is:

- a) expected to be realised or intended to be sold or consumed in the normal operating cycle,
- b) held primarily for the purpose of trading,
- c) expected to be realised within twelve months after the reporting period, or
- d) cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- a) it is expected to be settled in the normal operating cycle,
- b) it is held primarily for the purpose of trading,
- c) it is due to be settled within twelve months after the reporting period, or
- d) there is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

All other liabilities are classified as non-current.

The normal operating cycle of the Company, that is, the time between the acquisition of assets for processing and their realisation in cash or cash equivalent is 12 months.

### (v) Critical estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions, as described below, that affect the reported amounts and the disclosures. The Company based its assumptions and estimates on parameters available when the financial statements were prepared and are reviewed on an ongoing basis. Uncertainty about these assumptions and estimates could result in outcomes that may require a material adjustment to the reported amounts and disclosures. Revisions to estimates are recognised prospectively.

Information about critical judgements in applying accounting policies, as well as estimates and assumptions that have the most significant effect on the financial statements is as follows:

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

- **Employee benefits plans — Notes 2.15 and 45**

Post-employment benefits represent obligations that will be settled in the future and require assumptions to project benefit obligations. Post-employment benefit accounting is intended to reflect the recognition of future benefit costs over the employee's approximate service period, based on the terms of the plans and the investment and funding decisions made. The accounting requires the Company to make assumptions regarding variables such as discount rate, salary growth rate etc. Changes in these key assumptions can have a significant impact on the defined benefit obligations.

- **Contingencies — Notes 2.18 and 48**

Legal proceedings covering a range of matters are pending against the Company. Due to the uncertainty inherent in such matters, it is often difficult to predict the final outcome. The cases and claims against the Company often raise difficult and complex factual and legal issues that are subject to many uncertainties and complexities, including but not limited to the facts and circumstances of each particular case/claim, the jurisdiction and the differences in applicable law. In the normal course of business, the Company consults with legal counsel and other experts on matters related to litigations. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated. In the event an adverse outcome is possible or an estimate is not determinable, the matter is disclosed as a contingent liability.

## 2 Material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of the financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

### 2.1 Property, plant and equipment

#### Recognition and measurement

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Items of property, plant and equipment (including capital-work-in progress) are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and any accumulated impairment losses. Freehold land is carried at historical cost less any accumulated impairment losses.

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal / discard of an item of property, plant and equipment is recognised in profit or loss.

### Transition to IND AS

The cost of Property, plant and equipment at 1 April 2016, the Company's date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

### Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

### Depreciation method, estimated useful lives and residual values

Depreciation is calculated on the cost of items of property, plant and equipment less their estimated residual values on a pro-rata basis using the straight-line method [except for furniture and fixtures, office equipments and vehicles with gross carrying amount of Rs. 2508.82 lacs (31<sup>st</sup> March 2024: Rs. 2,493.05 lacs) where written down value method is followed] to allocate their cost net of their estimated residual values, over their estimated useful lives.

The useful lives have been determined based on evaluation done by the management's expert and are in line with the useful life specified in Part C of Schedule II to the Companies Act, 2013, except for certain plant and equipment, factory building and non-factory buildings, in order to reflect the actual usage of the assets. Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. Each component of an item of property, plant and equipment with a cost that is significant in relation to the cost of that item is depreciated separately if its useful life differs from the other components of the item.

Estimated useful lives of the property, plant and equipment as estimated by the management are as follows:

Factory buildings	- 10 to 30 years
Non-factory buildings	- 5 to 60 years
Railway sidings	- 15 years
Plant and equipments	- 3 to 40 years
Furniture and fixtures	- 10 years
Computers (included under plant and equipments)	- 3 to 6 years
Office equipments	- 5 years
Vehicles	- 8 to 15 years

The residual values are not more than 5% of the original cost of the asset.

## 2.2 Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

### As a lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices.

The Company recognizes a right-of-use asset ("ROU") and a lease liability at the lease commencement date, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Leasehold land (other than those in the nature of perpetual leases) are amortised on straight - line basis over the primary lease period or their respective useful lives, whichever is shorter.

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

### Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense in profit or loss on a straight-line basis over the lease term.

### As a lessor

At inception or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the Company applies Ind AS 115 to allocate the consideration in the contract.

The Company applies the derecognition and impairment requirements in Ind AS 109 to the net investment in the lease. The Company further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other income'.

## 2.3 Intangible assets

Intangible assets have a finite useful life and are stated at cost less accumulated amortisation and accumulated impairment losses, if any.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in depreciation and amortisation in Statement of profit and loss.

The estimated useful life of Computer software is 3 years.

Amortisation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Research costs are expensed as incurred.

## 2.4 Investment properties

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost, including related transaction costs. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Investment property is derecognised either when it has been disposed off or when it is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

Depreciation on investment properties is calculated on a straight-line basis using the rate arrived at based on the useful life estimated by the management. The estimated useful life of investment properties (buildings) as estimated by the management is 60 years which is in line the indicative useful life of relevant type of buildings mentioned in Part C of Schedule II to the Act

Transfers to (or from) investment property are made only when there is a change in use. Transfers between investment property, owner-occupied property and inventories do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purposes.

The fair values of investment property is disclosed in the notes. Fair values is determined by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

### 2.5 Impairment of non-financial assets

At each reporting date, the carrying amounts of non-financial assets (other than biological assets, investment property, inventories and deferred tax assets) is reviewed to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of an individual asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, 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 or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

### 2.6 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is determined on weighted average basis. Cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. In the case of raw materials cost comprises of cost of purchase. In the case of finished goods and work in progress, cost includes direct materials, direct labour, an appropriate share of variable and fixed production overheads, the latter being allocated on the basis of normal operating capacity.

By-products are valued at net realisable value. Saleable scrap, whose cost is not identifiable, is valued at net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished goods. Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases when a decline in the price of materials indicates that the cost of the finished products shall exceed the net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

Provisions are made to cover slow-moving and obsolete items based on historical experience of utilisation on a product category basis.

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

### 2.7 Biological assets

Biological assets are measured at fair value less cost to sell. Costs to sell include the incremental selling costs and estimated costs of transport to the market.

Eucalyptus plantation are accounted for as biological assets until the point of harvest. Harvested eucalyptus plants are transferred to inventory at fair value less costs to sell when harvested.

Changes in fair value of the biological assets are recognised in the Statement of Profit and Loss.

The fair value of growing eucalyptus plantation is determined using a discounted cash flow model based on the expected plant yield by plantation size, the market price for wood and after allowing for harvesting costs and other costs yet to be incurred in getting the plants to maturity.

### 2.8 Financial instruments

#### (i) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

#### (ii) Classification and subsequent measurement

##### Financial assets

On initial recognition, a financial asset is classified as measured at:

- amortised cost;
- fair value through other comprehensive income (FVOCI) – equity investment; or
- fair value through profit or loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

##### Financial assets – Subsequent measurement and gains and losses

- Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

- Equity investments at FVOCI: These assets are subsequently measured at fair value. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.
- Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

### Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

### (iii) Derecognition

#### Financial assets

The Company derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
  - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
  - the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

#### Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

### (iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

### (v) Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

### 2.9 Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values.

The Management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the Management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of the Accounting Standards, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Company's audit committee.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** inputs other than quoted prices included in 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 asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 2.7: biological assets;
- Note 2.10: disposal group held for sale;
- Note 2.4: investment property;
- Note 2.8: financial instruments;
- Note 2.15: Employee benefits

### 2.10 Non-current assets (or disposal groups) held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell.

Impairment losses on initial classification as held for sale or held for distribution and subsequent gains and losses on remeasurement are recognised in profit or loss. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the Balance Sheet.

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

### 2.11 Revenue recognition

#### Sale of goods

The Company earns revenue primarily from sale of paper products and chemicals.

#### Other operating revenue

The Company as part of its other operating revenue, also generates income from sale of scrap, sale of clonal plant, etc.

At contract inception, Company assesses the goods or services promised in a contract with a customer and identify as a performance obligation each promise to transfer to the customer. Revenue is recognised upon transfer of control of promised goods or services to customers in an amount of the transaction price that is allocated to that performance obligation and that reflects the consideration which the Company expects to receive in exchange for those goods or services.

The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer net of returns, excluding amounts collected on behalf of third parties (for example, taxes) and excluding discounts and incentives, as specified in the contract with customer.

With respect to sale of goods or services revenue is recognised at a point in time when the performance obligation is satisfied and the customer obtains the control of goods or services. There is no significant financing components involved on contract with customers. Invoices are usually payable within the credit period as agreed with respective customers.

The Company recognises revenue only when it is probable that it will collect the consideration to which it will be entitled in exchange for the goods that will be transferred to the customer.

### 2.12 Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to revenue, it is recognised in the statement of profit and loss on a systematic basis over the periods to which they relate. When the grant relates to an asset, it is treated as deferred income and recognised in the statement of profit and loss on a systematic basis over the useful life of the asset.

### 2.13 Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

### 2.14 Foreign currency transactions and balances

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in the statement of profit and loss.

### 2.15 Employee benefits

#### (i) Short-term employee benefits

Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

### (ii) Share-based payment arrangements

The company granted employee stock options to certain eligible employees under Orient Paper & Industries Limited - Employee Stock Option Scheme, 2023 ("The Scheme"). The grant date fair value of equity-settled share-based payment arrangements granted to employees is generally recognised as an employee benefits expense, with a corresponding increase in equity, over the vesting period of the awards. The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and risk-free interest rate for the term of the option.

These share-based payment awards are with non-vesting conditions, and accordingly the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

The total expense is recognised over the vesting period. At the end of each period, the entity revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision to original estimates, if any, in the statement of profit or loss, with a corresponding adjustment to equity.

### (iii) Post-employment benefits

Post-retirement benefits to employees can either be through defined contribution plans or defined benefit plans.

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered funds / schemes for this purposes.

#### Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

The Company operates the following defined benefit plans:

- (a) Defined benefit gratuity plan, which requires contributions to be made to a separately administered fund and
- (b) Provident fund, a portion of which is administered by Birla Industries Provident Fund.

The liability or asset recognised in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Eligible employees of the Company receive benefits from a provident fund, which is a defined benefit plan. Both the Eligible employee and the Company make monthly contributions to the provident fund plan at a percentage of the covered employee's salary. The Company contributes a portion to the Birla Industries Provident Fund. The rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the Government. The Company has an obligation to make good the short fall, if any, between

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

the return from the investments of the trust and the notified interest rate. The contributions made by the Company and the shortfall of interest, if any, are recognised as an expense in the statement of profit & loss under employee benefit expense.

### Defined contribution plans

Contributions under defined contribution plans payable in keeping with the related schemes are recognised as expenses for the period in which the employee has rendered the service.

#### (iv) Other long-term employee benefits

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are, therefore, measured annually by actuaries as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented under current provisions in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

### 2.16 Recognition of Dividend Income, Interest income or expense

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

### 2.17 Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an items recognised directly in equity or in Other comprehensive income.

#### i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

#### ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes at the tax rates and laws that have been enacted or substantively enacted at the Balance Sheet date.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

can be used. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is a convincing evidence that the Company will pay normal tax during specified period.

### 2.18 Provisions and contingencies

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

A disclosure for contingent liabilities is made 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 embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent asset is not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

### 2.19 Earnings per share

#### (i) Basic earnings per share

Earnings per share is calculated by dividing the net profit or loss before OCI for the year by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss before OCI for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year

#### (ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares.

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

### 2.20 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, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The chief operating decision maker is responsible for allocating resources and assessing performance of the operating segments and has been identified as the Managing Director & CEO of the Company. Refer Note 43 for segment information presented.

### 2.21 Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31<sup>st</sup> March, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 3: Property, plant and equipment

	31-Mar-25	31-Mar-24
Note 3a. Owned assets	1,03,779.80	1,01,625.70
Note 3b. Leased assets	57,289.54	57,450.68
<b>Total</b>	<b>1,61,069.34</b>	<b>1,59,076.38</b>

### 3a. Owned assets

	Freehold land	Factory buildings	Non-factory buildings	Railway sidings	Plant and equipments	Furniture and fixtures	Office equipments	Vehicles	Total
<b>Gross carrying amount</b>									
Cost as at 1 <sup>st</sup> April 2023	30,395.21	7,150.43	3,775.15	68.75	99,928.72	1,678.52	335.45	315.00	1,43,647.23 (a)
Additions	-	437.85	-	-	15,410.12	76.53	2.33	94.10	16,020.93
Disposals / deductions	171.66	19.18	400.03	-	1,878.24	-	5.72	3.16	2,477.99
Reclassification to assets held for sale	-	-	-	-	2,308.68	-	-	-	2,308.68
<b>As at 31<sup>st</sup> March 2024</b>	<b>30,223.55</b>	<b>7,569.10</b>	<b>3,375.12</b>	<b>68.75</b>	<b>1,11,151.92</b>	<b>1,755.05</b>	<b>332.06</b>	<b>405.94</b>	<b>1,54,881.49 (a)</b>
Additions	-	404.83	100.52	-	6,824.07	13.53	20.51	0.09	7,363.55
Disposals / deductions	-	3.86	-	-	1,109.46	-	-	18.37	1,131.69
<b>As at 31<sup>st</sup> March 2025</b>	<b>30,223.55</b>	<b>7,970.07</b>	<b>3,475.64</b>	<b>68.75</b>	<b>1,16,866.53</b>	<b>1,768.58</b>	<b>352.57</b>	<b>387.66</b>	<b>1,61,113.35 (a)</b>
<b>Accumulated depreciation</b>									
As at 1 <sup>st</sup> April 2023	-	3,038.70	1,497.06	56.56	46,877.58	746.63	309.05	227.81	52,753.39
Charge for the year	-	214.21	87.18	1.56	3,749.76	32.56	8.00	33.80	4,127.07 (b)
Disposals / deductions	-	1.74	91.49	-	1,727.29	-	5.43	3.12	1,829.07
Reclassification to assets held for sale	-	-	-	-	1,795.60	-	-	-	1,795.60
<b>As at 31<sup>st</sup> March 2024</b>	<b>-</b>	<b>3,251.17</b>	<b>1,492.75</b>	<b>58.12</b>	<b>47,104.45</b>	<b>779.19</b>	<b>311.62</b>	<b>258.49</b>	<b>53,255.79 (b)</b>
Charge for the year	-	227.11	88.00	1.56	4,517.38	26.69	7.51	37.40	4,905.65
Disposals / deductions	-	3.67	-	-	807.16	-	-	17.06	827.89
<b>As at 31<sup>st</sup> March 2025</b>	<b>-</b>	<b>3,474.61</b>	<b>1,580.75</b>	<b>59.68</b>	<b>50,814.67</b>	<b>805.88</b>	<b>319.13</b>	<b>278.83</b>	<b>57,333.55</b>
<b>Net carrying amount</b>									
As at 31 <sup>st</sup> March 2024	30,223.55	4,317.93	1,882.37	10.63	64,047.47	975.86	20.44	147.45	1,01,625.70
As at 31 <sup>st</sup> March 2025	30,223.55	4,495.46	1,894.89	9.07	66,051.86	962.70	33.44	108.83	1,03,779.80

(a) Includes certain assets held in joint ownership whose gross carrying amount is Rs.188.09 lacs (31<sup>st</sup> March 2024: Rs. 188.09 lacs).

(b) Includes depreciation Rs. 6.17 lacs (31<sup>st</sup> March 2024: Rs. 6.19 lacs) on assets at Brajrajnagar unit, where manufacturing operations were not carried on during the year.

(c) Refer to notes 19 for information on Property, plant and equipment pledged as security by the Company.

(d) Refer to note 47 for disclosure of contractual commitments for acquisition of property, plant and equipment.

(e) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in note 3 & 4 to the financial statements, are held in the name of the Company, except for the following:

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 3: Property, plant and equipment (Contd.)

#### Title deeds of immovable property not held in the name of the Company

Asset category	As at 31 <sup>st</sup> March 2025					
	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
Property, plant and equipment	Free hold land	254.31	Hukum Chand Jute and Industries Limited	No	2008	Order from Tehsildar for registration of property awaited
Property, plant and equipment	Lease hold land	2.17	Hukum Chand Jute and Industries Limited	No	2008	Order from Tehsildar for registration of property awaited
Investment Property	Land and building	432.94	The Embassy of Union of Soviet Socialist Republics	No	1989	The process for transfer of property in the name of the Company is in progress

#### Title deeds of immovable property not held in the name of the Company

Asset category	As at 31 <sup>st</sup> March 2024					
	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
Property, plant and equipment	Free hold land	254.31	Hukum Chand Jute and Industries Limited	No	2008	Order from Tehsildar for registration of property awaited
Property, plant and equipment	Lease hold land	2.17	Hukum Chand Jute and Industries Limited	No	2008	Order from Tehsildar for registration of property awaited
Investment Property	Land and building	432.94	The Embassy of Union of Soviet Socialist Republics	No	1989	The process for transfer of property in the name of the Company is in progress

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 3: Property, plant and equipment (Contd.)

#### 3b. Leased assets

##### (I) The Company as a lessee

##### (a) Following are the changes in carrying value of right of use assets

	Leasehold land (refer note i)	Plant and equipment	Non- factory Building	Total Right-of- use assets
<b>Cost</b>				
Balance as at 1 <sup>st</sup> April 2023	58,386.41	800.00	223.14	59,409.55
Disposals / deductions	308.16	-	-	308.16
<b>As at 31<sup>st</sup> March 2024</b>	<b>58,078.25</b>	<b>800.00</b>	<b>223.14</b>	<b>59,101.39</b>
Additions during the year	-	-	63.07	63.07
<b>As at 31<sup>st</sup> March 2025</b>	<b>58,078.25</b>	<b>800.00</b>	<b>286.21</b>	<b>59,164.46</b>
<b>Accumulated depreciation</b>				
Balance as at 1 <sup>st</sup> April 2023	896.26	367.28	162.39	1,425.93
Charge for the year	137.78	50.67	36.39	224.84
Disposals / deductions	0.06	-	-	0.06
<b>As at 31<sup>st</sup> March 2024</b>	<b>1,033.98</b>	<b>417.95</b>	<b>198.78</b>	<b>1,650.71</b>
Charge for the year	137.78	50.67	35.76	224.21
<b>As at 31<sup>st</sup> March 2025</b>	<b>1,171.76</b>	<b>468.62</b>	<b>234.54</b>	<b>1,874.92</b>
<b>Carrying amount</b>				
<b>As at 31<sup>st</sup> March 2024</b>	<b>57,044.27</b>	<b>382.05</b>	<b>24.36</b>	<b>57,450.68</b>
<b>As at 31<sup>st</sup> March 2025</b>	<b>56,906.49</b>	<b>331.38</b>	<b>51.67</b>	<b>57,289.54</b>

(i) The Company has lease contracts for leasehold land, plant and equipment and also non factory building. Leasehold land is perpetual in nature except for few parcels of land which are depreciated over the lease tenure.

Lease of plant and equipment have lease terms of 9 years & 9 months and may be extended for such duration and on such terms as the parties may mutually agreed.

Non factory building have lease term of 3 years and may be extended for such duration and on such terms as the parties may mutually agree.

Extension and termination options are included in leases contracts of the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The extension and termination options held are exercisable by both the Company and lessor.

(ii) Leasehold land includes depreciation Rs. 137.78 lacs (31<sup>st</sup> March 2024: Rs. 137.78 lacs) on assets at Brajrajnagar unit, where manufacturing operations were not carried on during the year.

(iii) Refer to notes 19 for information on Property, plant and equipment pledged as security by the Company.

##### (b) Following are the amounts recognised in Statement of profit and loss

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Depreciation expense on right-of-use assets	224.21	224.84
Interest expense on lease liabilities	49.47	68.00
Expense relating to variable lease payments not included in lease liabilities (included in other expenses) #	62.08	70.30
<b>Total amount recognised in Statement of profit and loss</b>	<b>335.76</b>	<b>363.14</b>

# The Variable lease payment relates to a lease arrangement wherein the lease payment amounts to the payment made in respect of solar power. Since the lease payment varies substantially, it has been classified as variable lease payment.

(c) The Company had a total cash outflows of Rs. 207.18 lacs for leases for the year ended 31<sup>st</sup> March 2025 (31<sup>st</sup> March 2024: Rs. 207.41 lacs).

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 3: Property, plant and equipment (Contd.)

#### (II) The Company as a lessor

##### Operating lease

The Company has leased out certain buildings on operating leases. The lease term is for 1-3 years and thereafter renewable. There is escalation clause in the lease agreements. The rent is not based on any contingencies.

There are no restrictions imposed by lease arrangements. The leases are cancellable. The Company has classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. Note 4 sets out information about the operating leases of investment property.

### 3c. Capital work-in progress

	Opening Balance	Addition during the year	Capitalised	Closing Balance
2024-25	7,748.71	6,090.89	7,354.84	6,484.76
2023-24	7,115.03	16,531.75	15,898.07	7,748.71

#### i) Aging of CWIP

	As at 31 <sup>st</sup> March 2025				
	Amount in Capital work-in progress for				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3,537.44	2,801.18	77.56	68.58	6,484.76
<b>Total</b>	<b>3,537.44</b>	<b>2,801.18</b>	<b>77.56</b>	<b>68.58</b>	<b>6,484.76</b>

	As at 31 <sup>st</sup> March 2024				
	Amount in Capital work-in progress for				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	7,322.62	333.56	4.57	87.95	7,748.70
<b>Total</b>	<b>7,322.62</b>	<b>333.56</b>	<b>4.57</b>	<b>87.95</b>	<b>7,748.70</b>

There are no projects in progress which are temporarily suspended.

#### (ii) Completion schedule for capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan:

CWIP	As at 31 <sup>st</sup> March 2025				
	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Projects in progress</b>					
Upgradation Of New Recovery Boiler to 750 TPD	-	1,807.76	-	-	1,807.76
New Drum Chipper 60TPH Capacity	1,076.28	-	-	-	1,076.28
Installation of Non-Condensable Gases Collection - Incineration System	501.29	-	-	-	501.29
Upgradation of Bleached Pulp Mill to 400 TPD	-	501.31	-	-	501.31
New Concrete Silo 4500M3 Capacity	284.49	-	-	-	284.49
Confiner Refiner	249.03	-	-	-	249.03
Other miscellaneous projects	1,157.46	-	-	-	1,157.46
<b>Total</b>	<b>3,268.55</b>	<b>2,309.07</b>	<b>-</b>	<b>-</b>	<b>5,577.62</b>

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 3: Property, plant and equipment (Contd.)

CWIP	As at 31 <sup>st</sup> March 2024				
	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Projects in progress</b>					
Upgradation Of New Recovery Boiler to 750 TPD	-	1,557.88	-	-	1,557.88
Automation & Digitisation including installation / upgradation of DCS, QCS, etc.	546.77	507.47	-	-	1,054.24
Caustisizer Upgradation	-	1,002.84	-	-	1,002.84
Installation of Non-Condensable Gases Collection - Incineration System	-	432.97	-	-	432.97
Centricleaner and Disc filter 2022-23	273.87	-	-	-	273.87
Confiner Refiner	-	175.97	-	-	175.97
Upgradation of Bleached Pulp Mill to 400 TPD	122.07	31.78	-	-	153.85
Yankee Hood And Hot Air Supply System	134.65	-	-	-	134.65
Higher Head Liquor Circulation Pump For Digesters	117.30	-	-	-	117.30
Upgradation of dust control system	69.04	-	-	-	69.04
Various Projects under sustainability program	949.44	97.74	-	-	1,047.18
Other miscellaneous projects	50.01	139.99	-	-	190.00
<b>Total</b>	<b>2,263.15</b>	<b>3,946.64</b>	<b>-</b>	<b>-</b>	<b>6,209.79</b>

### 3d. Assets held for sale

The assets held for sale was stated at fair value less cost to sell and comprised of the following assets:

Particulars	As at	As at
	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
Property, plant and equipment	15.20	338.75
	<b>15.20</b>	<b>338.75</b>

Assets held for sale represents assets of recovery boiler which are discarded on capitalization of new assets.

### Note 4: Investment properties

Particulars	As at	As at
	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
<b>Gross carrying amount</b>		
Opening gross carrying amount	642.24	642.24
<b>Closing gross carrying amount</b>	<b>642.24</b>	<b>642.24</b>
<b>Accumulated depreciation</b>		
Opening accumulated depreciation	34.99	30.62
Depreciation charge	4.37	4.37
<b>Closing accumulated depreciation</b>	<b>39.36</b>	<b>34.99</b>
<b>Net carrying amount</b>	<b>602.88</b>	<b>607.25</b>

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 4: Investment properties (Contd.)

- (a) The Company along with other co-owners, has developed a plot of land and constructed a building thereon at 25, Barakhamba Road, New Delhi, where the Company's share is 15%. The registration of the said plot of land of value Rs. 432.94 lacs (31<sup>st</sup> March 2024: Rs. 432.94 lacs) in the name of the Company is still pending.
- (b) Investment properties include buildings held in joint ownership Rs. 602.88 lacs (31<sup>st</sup> March 2024: Rs. 607.25 lacs).
- (c) Fair value of investment properties:

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Fair value of investment properties	8,820.00	8,567.88
<b>Net block</b>	<b>8,820.00</b>	<b>8,567.88</b>

#### Measurement of fair values

##### i. Fair value hierarchy and Valuation technique

The fair value of investment property was determined by an independent property valuer. The valuation is based on market approach / income approach as considered appropriate for relevant properties.

The fair value measurement for all of the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

- (d) Amounts recognised in profit or loss for investment properties:

Particulars	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Rental income	303.72	388.09
Depreciation expense	(4.37)	(4.37)
<b>Profit from investment properties (net)</b>	<b>299.35</b>	<b>383.72</b>

### Note 5: Intangible assets

Particulars	Computer software
<b>Gross carrying amount</b>	
As at 1 <sup>st</sup> April 2023	400.63
Additions	2.68
<b>As at 31<sup>st</sup> March 2024</b>	<b>403.31</b>
<b>As at 31<sup>st</sup> March 2025</b>	<b>403.31</b>
<b>Accumulated amortisation</b>	
As at 1 <sup>st</sup> April 2023	386.82
Charge for the year	5.72
<b>As at 31<sup>st</sup> March 2024</b>	<b>392.54</b>
Charge for the year	0.99
<b>As at 31<sup>st</sup> March 2025</b>	<b>393.53</b>
<b>Net carrying amount</b>	
As at 31 <sup>st</sup> March 2024	10.77
<b>As at 31<sup>st</sup> March 2025</b>	<b>9.78</b>

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 6: Investments

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>Investments in equity instruments at FVOCI (fully paid-up)</b>		
<b>Quoted</b>		
8.05 lacs (31 <sup>st</sup> March 2024: 9.13 lacs) equity shares of Rs.10 each in Aditya Birla Real Estate Limited (Formerly known as Century Textiles & Industries Limited)	15,772.10	14,873.21
1.04 lacs (31 <sup>st</sup> March 2024: 1.09 lacs) equity shares of Rs.10 each in Ultra Tech Cement Limited	11,988.92	10,584.16
9.06 lacs (31 <sup>st</sup> March 2024: 9.06 lacs) equity shares of Rs.10 each in BirlaNu Limited (formerly known as HIL Limited)	16,356.63	23,608.41
<b>Unquoted</b>		
0.30 lac (31 <sup>st</sup> March 2024: 0.30 lac) equity shares of Rs. 10 each in Birla Buildings Limited	130.20	130.20
0.06 lac (31 <sup>st</sup> March 2024: 0.06 lac) equity shares of Rs. 10 each in GMMCO Limited	542.21	482.91
0.25 lac (31 <sup>st</sup> March 2024: 0.25 lac) equity shares of Rs. 10 each in Tungabhadra Industries Limited	-	-
200 (31 <sup>st</sup> March 2024: 200) equity shares of Rs.10 each in Orissa Textiles Mills Limited	-	-
173.99 lacs (31 <sup>st</sup> March 2024: 173.99 lacs) equity shares of K.Sh 20 each in Panafrican Paper Mills (E.A) Limited	-	-
	<b>44,790.06</b>	<b>49,678.89</b>
<b>Investments in government securities at amortised cost</b>		
<b>Unquoted</b>		
6 Years National Savings Certificates (a)	0.17	0.17
	<b>44,790.23</b>	<b>49,679.06</b>
Aggregate book value of quoted investments	44,117.65	49,065.78
Aggregate market value of quoted investments	44,117.65	49,065.78
Aggregate amount of unquoted investments	672.58	613.28
<b>Non - current Investments</b>	<b>28,433.60</b>	<b>49,679.06</b>
<b>Current Investments</b>	<b>16,356.63</b>	-
	<b>44,790.23</b>	<b>49,679.06</b>

(a) Lodged with government department as security deposits.

(b) Refer note 38 for information about fair value measurements and note 40 for credit risk and market risk on investments.

(c) Investment in Tungabhadra Industries Limited, Orissa Textiles Mills Limited and Panafrican Paper Mills (E.A) Limited is net of provisions.

(d) Certain investments are available for sale as and when required for business purpose.

### Note 7: Other financial assets - non-current

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>Unsecured, considered good</b>		
Bank Deposits <sup>@</sup>	136.97	131.52
Trade and other deposits	1,311.40	1,316.38
	<b>1,448.37</b>	<b>1,447.90</b>

<sup>@</sup> Lodged with government departments/ banks as security.

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 8: Income tax assets (net)

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Advance tax [Net of provision for tax Rs. 843.13 lacs (31 <sup>st</sup> March, 2024: Rs. 843.13 lacs)]	157.41	96.64
	<b>157.41</b>	<b>96.64</b>

### Note 9: Other non-current assets

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>Unsecured, considered good</b>		
Capital advances	732.99	1,074.61
Recoverable from farmers towards plantation	2,226.20	1,369.98
Deposits against demand under dispute	863.38	658.44
Prepaid expenses	767.32	27.06
Claims and refunds receivable	326.98	326.98
	<b>4,916.87</b>	<b>3,457.07</b>

### Note 10: Inventories

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>Valued at lower of cost and net realisable value</b>		
Raw materials and components	6,082.21	5,051.81
Work-in-progress	1,079.92	784.88
Finished goods	1,990.80	1,717.68
Stores and spare parts	5,667.27	5,246.56
<b>At estimated net realisable value</b>		
By-products	2.93	0.79
Scrap	145.94	57.40
	<b>14,969.07</b>	<b>12,859.12</b>
<b>The above includes stock in transit:</b>		
Finished goods	1,159.54	1,042.13
Stores and spare parts	-	42.15
	<b>1,159.54</b>	<b>1,084.28</b>

- (a) Write downs of inventories aggregating to Rs. 65.88 lacs (31<sup>st</sup> March 2024: Rs. 63.70 lacs) are recognized as an expense and included in consumption of stores and spare parts in note 35.
- (b) In addition, inventories of finished goods and work-in-progress have been reduced by Rs. 110.32 lacs (31<sup>st</sup> March 2024: Rs. 65.50 lacs) and Rs. 41.62 Lacs (31<sup>st</sup> March 2024: Rs. 18.73 lacs) respectively as a result of the write-down to net realisable value. The write-downs are included in changes in inventories of finished goods and work-in-progress in note 30.
- (c) Inventories are pledged as security for borrowings. Refer Note 19.

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 11: Trade receivables

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Trade receivables considered good – Secured	161.79	141.46
Trade receivables considered good – Unsecured	1,599.67	1,168.52
<b>Total</b>	<b>1,761.46</b>	<b>1,309.98</b>
Loss allowance	(57.03)	(57.03)
<b>Total trade receivables</b>	<b>1,704.43</b>	<b>1,252.95</b>

Ageing of Trade Receivables Particulars	As at 31 <sup>st</sup> March 2025							Total
	Unbilled	Not due	Outstanding for following periods from due date of payment					
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years		
(i) Undisputed Trade receivables-considered good	-	518.57	1,097.57	28.67	12.58	2.45	101.62	1,761.46
(ii) Undisputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables-credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade receivables-considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade receivables-credit impaired	-	-	-	-	-	-	-	-
<b>Total</b>	-	<b>518.57</b>	<b>1,097.57</b>	<b>28.67</b>	<b>12.58</b>	<b>2.45</b>	<b>101.62</b>	<b>1,761.46</b>

Ageing of Trade Receivables Particulars	As at 31 <sup>st</sup> March 2024							Total
	Unbilled	Not due	Outstanding for following periods from due date of payment					
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years		
(i) Undisputed Trade receivables-considered good	-	815.72	390.03	0.13	2.48	28.13	73.49	1,309.98
(ii) Undisputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables-credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade receivables-considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade receivables-credit impaired	-	-	-	-	-	-	-	-
<b>Total</b>	-	<b>815.72</b>	<b>390.03</b>	<b>0.13</b>	<b>2.48</b>	<b>28.13</b>	<b>73.49</b>	<b>1,309.98</b>

(a) Refer note 40 for credit risk and market risk on trade receivables.

(b) Trade receivables are pledged as security for borrowings. Refer Note 19.

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 12: Cash and cash equivalents

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>Balances with banks:</b>		
– On current accounts	92.72	176.56
Cheques on hand	1.32	4.32
Cash on hand	2.20	1.77
	<b>96.24</b>	<b>182.65</b>

### Note 13: Bank balances other than cash & cash equivalent

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
On unpaid dividend accounts*	31.17	47.92
Deposits with original maturity of more than three months but less than twelve months**	42.75	47.78
	<b>73.92</b>	<b>95.70</b>

\* Earmarked for payment of unclaimed dividend

\*\* Lodged with government departments/banks as security.

### Note 14: Loans - current

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>Unsecured, considered good</b>		
Loans to employees (interest free)	8.62	8.60
	<b>8.62</b>	<b>8.60</b>

The Company has not granted loans to its promoters, directors, KMPs and the other related parties (as defined under Companies Act, 2013) which are repayable on demand or without specifying any terms or period of repayment or any other loans or advance in the nature of loans.

### Note 15: Other financial assets - current

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>Unsecured, considered good</b>		
Interest accrued on loans, deposits, etc.	39.05	30.17
Claims and other receivables	304.34	459.62
Trade and other deposits	10.00	25.81
Less: Loss allowance	(10.00)	(10.00)
Trade and other deposits	-	15.81
	<b>343.39</b>	<b>505.60</b>

### Note 16: Other current assets

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>Unsecured, considered good</b>		
Balances with government authorities	645.32	530.94
Prepaid expenses	920.46	1,252.88
Export incentives receivable	40.77	84.33

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 16: Other current assets (Contd.)

Particulars	As at	
	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
Claims, refunds and other receivables	291.90	396.48
Advances to suppliers	1,848.50	2,615.54
	<b>3,746.95</b>	<b>4,880.17</b>

### Note 17: Equity share capital

Particulars	As at	
	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
<b>Authorised shares</b>		
75,00,00,000 (31 <sup>st</sup> March 2024: 75,00,00,000) Equity Shares of Re.1/- each	7,500.00	7,500.00
25,00,00,000 (31 <sup>st</sup> March 2024: 25,00,00,000) Preference Shares of Rs. 100/- each	2,500.00	2,500.00
	<b>10,000.00</b>	<b>10,000.00</b>

Particulars	As at	
	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
<b>Issued shares</b>		
21,22,04,712 (31 <sup>st</sup> March 2024: 21,22,04,712) Equity Shares of Re.1/- each	2,122.05	2,122.05
<b>Total issued capital</b>	<b>2,122.05</b>	<b>2,122.05</b>

Particulars	As at	
	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
<b>Subscribed and paid-up shares</b>		
21,21,85,502 (31 <sup>st</sup> March 2024: 21,21,85,502) Equity Shares of Re.1/- each	2,121.86	2,121.86
Forfeited shares (amount originally paid-up)	0.10	0.10
<b>Total subscribed and paid-up share capital</b>	<b>2,121.96</b>	<b>2,121.96</b>

#### (a) Reconciliation of the shares outstanding at the beginning and at the end of the year

##### Equity shares

Particulars	As at		As at	
	31 <sup>st</sup> March 2025		31 <sup>st</sup> March 2024	
	No. in lacs	Amount	No. in lacs	Amount
At the beginning of the year	2,121.86	2,121.86	2,121.86	2,121.86
At the end of the year	<b>2,121.86</b>	<b>2,121.86</b>	<b>2,121.86</b>	<b>2,121.86</b>

#### (b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of Re.1 per share. Accordingly, all equity shares rank equally with regard to dividends and shares in the Company's residual assets on winding up. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### (c) Details of shareholders holding more than 5% shares in the Company

Name of Shareholder	As at 31 <sup>st</sup> March 2025			As at 31 <sup>st</sup> March 2024		
	No. shares in lacs	% holding in the class	% change	No. in lacs	% holding in the class	% change
<b>Equity shares of Re. 1 each fully paid</b>						
Central India Industries Limited	525.60	24.77%	-	525.60	24.77%	-
Shekhavati Investments and Traders Limited	132.21	6.23%	-	132.21	6.23%	-

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 17: Equity share capital (Contd.)

#### (d) Shares reserved for issue under employee stock options

Particulars	As at 31 <sup>st</sup> March 2025		As at 31 <sup>st</sup> March 2024	
	Number	Amounts	Number	Amounts
Under Orient Paper & Industries Limited Employee Stock Option Scheme, 2023 14,00,277 equity shares of Re. 1/- at an exercise price of Rs. 42.90/- (Refer Note 52). Number of options outstanding at the beginning of the period.	14,00,277	14.00	-	-
Number of options granted during the year	NIL	-	14,00,277	14.00
Number of options forfeited / lapsed during the year	11,50,277	11.50	-	-
Number of options outstanding at the end of the year	2,50,000	2.50	14,00,277	14.00

#### (e) Details of shareholding of promoters:

Particulars	As at 31 <sup>st</sup> March 2025			As at 31 <sup>st</sup> March 2024		
	Number of shares	Percentage of total number of shares	Percentage of change during the year	Number of shares	Percentage of total number of shares	Percentage of change during the year
<b>Equity shares of Re. 1 each fully paid</b>						
Amita Birla	3,28,000	0.15%	0.00%	3,28,000	0.15%	0.00%
Chandra Kant Birla	34,05,893	1.61%	0.00%	34,05,893	1.61%	0.00%
Nirmala Birla	36,06,410	1.70%	0.00%	36,06,410	1.70%	0.00%
Avani Birla	1,30,000	0.06%	0.00%	1,30,000	0.06%	0.00%
Avanti Birla	1,34,642	0.06%	0.00%	1,34,642	0.06%	0.00%
Amer Investments (Delhi) Limited	14,22,000	0.67%	0.00%	14,22,000	0.67%	0.00%
Hindusthan Discounting Company Limited	23,10,678	1.09%	0.00%	23,10,678	1.09%	0.00%
India Silica Magnesite Works Limited	2,00,000	0.09%	0.00%	2,00,000	0.09%	0.00%
Jaipur Finance And Dairy Products Pvt. Ltd.	2,08,000	0.10%	0.00%	2,08,000	0.10%	0.00%
National Engineering Industries Limited	5,37,400	0.25%	0.00%	5,37,400	0.25%	0.00%
Universal Trading Company Limited	9,12,280	0.43%	0.00%	9,12,280	0.43%	0.00%
Bengal Rubber Company Limited	1,95,000	0.09%	0.00%	1,95,000	0.09%	0.00%
Central India Industries Limited	5,25,59,648	24.77%	0.00%	5,25,59,648	24.77%	0.00%
Gwalior Finance Corporation Limited	16,49,375	0.78%	0.00%	16,49,375	0.78%	0.00%
Rajasthan Industries Ltd	6,90,035	0.33%	0.00%	6,90,035	0.33%	0.00%
Ashok Investment Corporation Ltd	6,83,038	0.32%	0.00%	6,83,038	0.32%	0.00%
Shekhavati Investments And Traders Ltd.	1,32,20,895	6.23%	0.00%	1,32,20,895	6.23%	0.00%
	<b>8,21,93,294</b>	<b>38.74%</b>		<b>8,21,93,294</b>	<b>38.74%</b>	

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 18: Other equity

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>Reserves and surplus</b>		
Investment subsidy	15.00	15.00
Securities premium account	4,697.49	4,697.49
General reserve	11,006.84	11,006.84
Retained earnings	88,806.67	93,771.84
Share Options outstanding account	22.86	28.54
Equity instruments through other comprehensive income	46,837.04	50,256.63
	<b>1,51,385.90</b>	<b>1,59,776.34</b>

### Note 19: Borrowings

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>Non-current borrowings</b>		
<b>Term loans (secured)</b>		
From banks	14,524.43	10,698.87
	<b>14,524.43</b>	<b>10,698.87</b>
<b>Current Borrowings</b>		
Cash credit / working capital demand loans from banks (secured)	9,975.82	9,104.08
<b>Other loans :-</b>		
Secured :		
<b>Term loans (secured)</b>		
From others	-	4,958.08
<b>Term loans (unsecured)</b>		
From banks	10,497.80	3,000.00
Current maturities of long term borrowings	4,703.62	3,978.13
	<b>25,177.24</b>	<b>21,040.29</b>

- (a) Term loan of Rs. 3,750.00 lacs (31<sup>st</sup> March 2024: Rs. 5,250.00 lacs) from a bank is secured by way of first pari-passu charge on entire fixed assets of Company at Amlai & Brajrajnagar and carries interest @ 9.05 % p.a. (31<sup>st</sup> March 2024: @ 9.05%) and is repayable in 20 equal quarterly instalments starting from 31<sup>st</sup> December 2022 up to 14<sup>th</sup> September 2027.
- (b) Term loan of Rs. 1,750.00 lacs (31<sup>st</sup> March 2024: Rs. 2,750.00 lacs) from a bank is secured by way of first pari-passu charge on all movable and immovable fixed assets (including land and building) of the Company (present and future) located at Amlai, Madhya Pradesh and Brajrajnagar, Odisha and carries interest @ 8.91% p.a. (31<sup>st</sup> March 2024: @ 9.41%) and is repayable in 20 equal quarterly instalments starting from 26<sup>th</sup> February 2022 up to 26<sup>th</sup> November 2026.
- (c) Term loan of Rs. 5,250.00 lacs (31<sup>st</sup> March 2024: Rs. 6,750.00 lacs) from a bank is secured by way of first pari-passu charge over the immovable fixed assets and movable fixed assets of the Company situated at Amlai, Madhya Pradesh (manufacturing unit) and at Brajrajnagar, Odisha and carries interest @ 9.40% p.a.(31<sup>st</sup> March 2024: @ 9.15% ) and is repayable in 20 equal quarterly instalments starting from 19<sup>th</sup> October 2023 up to 19<sup>th</sup> July 2028.
- (d) Term loan of Rs. 4,000.00 lacs (31<sup>st</sup> March 2024: Rs. Nil) from a bank is secured by way of first pari-passu charge over the immovable fixed assets and movable fixed assets of the Company situated at Amlai, Madhya Pradesh (manufacturing unit) and at Brajrajnagar, Odisha and carries interest @ 9.10% p.a.(31<sup>st</sup> March 2024: @ Nil) and is repayable in 12 structured quarterly instalments starting from 31<sup>st</sup> December 2025 to 30<sup>th</sup> September 2028.

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 19: Borrowings (Contd.)

- (e) Term loan of Rs. 4,598.20 lacs (31<sup>st</sup> March 2024: Rs. Nil) from a bank is secured by way of first pari-passu charge over the immovable fixed assets and movable fixed assets of the Company situated at Amlai, Madhya Pradesh (manufacturing unit) and at Brajrajnagar, Odisha and carries interest @ 8.65 % p.a. (31<sup>st</sup> March 2024: @ Nil) and is repayable in 20 equal quarterly instalments starting from 31<sup>st</sup> December 2025 to 30<sup>th</sup> September 2030.
- (f) Cash credit / working capital demand loans Rs. 9,975.82 lacs (31<sup>st</sup> March 2024: Rs. 9,104.08 lacs) from banks includes security against hypothecation of inventories, book debts and other current assets of the Company and second charge on fixed assets of the Company and are repayable on demand / at the end of the term of WCDL. The above loans carry interest @ 7.75 % p.a. to 10.60 % p.a. (31<sup>st</sup> March 2024: 7.75% p.a. to 10.05% p.a.).
- (g) Short term loan of Rs. Nil (31<sup>st</sup> March 2024: Rs. 5,000.00 lacs) from other financial institution secured by way of pledge of certain investments held by the Company, carried interest @ 10.00% p.a. (31<sup>st</sup> March 2024: 10.00% p.a.) and has been repaid on 26<sup>th</sup> March 2025.
- (h) Short term loan of Rs. Nil (31<sup>st</sup> March 2024: Rs. 3,000.00 lacs) from a bank was unsecured, carried interest @ 8.85% p.a. (31<sup>st</sup> March 2024: 8.85% p.a.) and has been repaid on 25<sup>th</sup> February 2025.
- (i) Short term loan of Rs. 3,000.00 lacs (31<sup>st</sup> March 2024: Rs. Nil) from a bank is unsecured carries interest @ 8.97 % to 9.09 % p.a. (31<sup>st</sup> March 2024: Nil) repayable on 7<sup>th</sup> May 2025 Rs. 2,000.00 lacs and on 28<sup>th</sup> June 2025 Rs. 1,000.00 lacs.
- (j) Short term loan of Rs. 7,500.00 lacs (31<sup>st</sup> March 2024: Rs. Nil) from a bank is unsecured carries interest @ 9% p.a. (31<sup>st</sup> March 2024: Nil) and to be repaid in equal monthly instalment from the end of 9<sup>th</sup> month to 12 month from the date of first disbursement starting from 29<sup>th</sup> May 2025 to 27<sup>th</sup> March 2026.
- (k) Refer note 40 for information about liquidity risk and market risk on borrowings.

### Note 20: Provisions - non-current

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Provision for gratuity (refer note 45)	440.49	471.71
	<b>440.49</b>	<b>471.71</b>

### Note 21: Deferred tax liabilities (net)

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>Deferred tax liabilities</b>		
On WDV difference of Property, plant and equipment / intangible assets	32,561.69	31,899.74
On fair valuation of investments	2,595.11	2,568.05
<b>Gross deferred tax liabilities</b>	<b>35,156.80</b>	<b>34,467.79</b>
<b>Deferred tax assets</b>		
Impact of expenditure allowed for tax purposes on payment basis	1,035.29	1,110.57
Unabsorbed depreciation	3,343.73	409.41
Carry Forward loss	673.26	-
Allowance for impairment	23.42	23.42
<b>Minimum alternate tax (MAT) credit entitlement</b>	<b>4,891.61</b>	<b>4,891.61</b>
<b>Gross deferred tax assets</b>	<b>9,967.31</b>	<b>6,435.01</b>
<b>Deferred tax liabilities (net)</b>	<b>25,189.49</b>	<b>28,032.78</b>

Refer note 37 for movement in deferred tax (assets / liabilities) balances.

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 22: Trade payables

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>Trade payables</b>		
- total outstanding dues of micro and small enterprises (refer note 49)	1,528.15	558.23
- total outstanding dues of creditors other than micro and small enterprises	10,994.17	9,673.19
	<b>12,522.32</b>	<b>10,231.42</b>

Ageing of Trade Payables Particulars	As at 31 <sup>st</sup> March 2025						Total
	Unbilled	Not due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	525.45	997.38	5.32	-	-	1,528.15
(ii) Others	729.02	4,354.72	4,934.08	268.09	362.76	345.50	10,994.17
(iii) Disputed dues- MSME	-	-	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-	-	-
<b>Total</b>	<b>729.02</b>	<b>4,880.17</b>	<b>5,931.46</b>	<b>273.41</b>	<b>362.76</b>	<b>345.50</b>	<b>12,522.32</b>

Ageing of Trade Payables Particulars	As at 31 <sup>st</sup> March 2024						Total
	Unbilled	Not due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	515.88	42.35	-	-	-	558.23
(ii) Others	631.18	3,440.63	4,648.32	607.56	98.58	246.92	9,673.19
(iii) Disputed dues- MSME	-	-	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-	-	-
<b>Total</b>	<b>631.18</b>	<b>3,956.51</b>	<b>4,690.67</b>	<b>607.56</b>	<b>98.58</b>	<b>246.92</b>	<b>10,231.42</b>

Refer note 40 for information about liquidity risk and market risk on trade payables.

For amount outstanding, terms and conditions with related parties, refer to Note 44

### Note 23: Other financial liabilities - current

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Interest accrued but not due on borrowings	61.71	105.20
Payable against selling expenses	577.87	585.81
Payables against purchase of Property, plant and equipment	1,542.66	2,390.27
Unpaid Dividend (to be credited to Investor Education and Protection Fund as and when due)	31.17	47.92
Employees related liabilities	1,199.31	1,064.70
Trade and other deposits	1,756.74	1,638.10
	<b>5,169.46</b>	<b>5,832.00</b>

(i) There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at 31<sup>st</sup> March, 2025 and 31<sup>st</sup> March, 2024.

(ii) Payable for selling expenses represents outstanding liabilities for discounts, incentives, etc.

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 24: Other current liabilities

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Advance from customers & others	1,832.24	1,853.78
Taxes and duties Payable	1,515.38	1,534.07
	<b>3,347.62</b>	<b>3,387.85</b>

### Note 25: Provisions - current

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Provision for gratuity (refer note 45)	66.50	65.52
Provision for leave benefits (refer note 45)	588.10	576.96
	<b>654.60</b>	<b>642.48</b>

### Note 26: Lease liabilities

Following are the changes in carrying value of lease liabilities

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Opening Balance	348.52	487.93
Addition during the year	63.07	-
Finance costs during the year	49.47	68.00
Lease payments during the year	(207.18)	(207.41)
Closing balance	253.88	348.52
Current lease liabilities	253.88	138.02
Non-current lease liabilities	-	210.50

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Less than one year	271.18	184.45
One to five years	-	226.69
More than five years	-	-
<b>Total</b>	<b>271.18</b>	<b>411.14</b>

### Note 27: Revenue from operations

Particulars	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Sale of products	88,062.88	81,496.09
<b>Other operating revenue</b>		
Scrap sales	380.37	690.64
Export incentives	167.08	122.76
Sale of clonal plants	919.16	837.40
Other receipts	49.34	47.46
	<b>89,578.83</b>	<b>83,194.35</b>

Sales are net of discounts, incentives, GST etc.

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 27: Revenue from operations (Contd.)

#### Disaggregation based on products sold:

Particulars	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Pulp, Paper & Board	73,692.35	68,571.80
C. S. Lye	8,763.55	8,100.05
C. S. Flakes	4,218.42	3,723.76
Liquid Chlorine	162.14	129.14
Hydrochloric Acid	136.29	263.76
Stable Bleaching Powder	1,020.77	707.59
Others including scrap sales and sale of clonal plants	1,418.22	1,575.49
	<b>89,411.74</b>	<b>83,071.59</b>

#### Disaggregation based on geography:

Particulars	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
India	80,376.60	77,112.21
Outside India	9,035.14	5,959.38
	<b>89,411.74</b>	<b>83,071.59</b>

Geographic location is based on the location of customers excluding export incentive.

#### Information about major customers:

No single customer represents 10% or more of the Company's total revenue during the year ended 31<sup>st</sup> March, 2025 and 31<sup>st</sup> March, 2024.

#### Reconciliation of revenue recognised with contract price:

Particulars	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Contract price	93,097.72	86,682.33
<b>Adjustments for:</b>		
Reduction towards variable consideration components	(3,685.98)	(3,610.74)
<b>Revenue from operations</b>	<b>89,411.74</b>	<b>83,071.59</b>

The reduction towards variable consideration comprises of cash discounts, volume discounts, incentive, etc.

Contract balances	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Trade receivables	1,704.43	1,252.95
Advance from customers	1,832.24	1,853.78
	<b>(127.81)</b>	<b>(600.83)</b>

The amount of Rs. 1,853.78 lacs of advance from customer as at 31<sup>st</sup> March, 2024 has been recognised as revenue during the year ended 31<sup>st</sup> March, 2025 (31<sup>st</sup> March, 2024: Rs. 679.57 lacs).

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 28: Other income

Particulars	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
<b>Interest income</b>		
On financial instruments measured at amortised cost	119.98	81.20
On income tax refund	9.21	8.63
<b>Dividend income:</b>		
On financial instruments measured at FVOCI	331.08	469.38
<b>Others</b>		
Rental income from investment properties	303.72	388.09
Insurance and other claims	32.18	240.93
Rent and hire charges	126.42	122.56
Unspent liabilities, provisions no longer required and unclaimed balances written back	349.49	43.46
Net gain on foreign currency transactions	15.95	-
Gain on disposal of Property, plant and equipment (net)	-	653.91
Miscellaneous income	289.29	510.28
	<b>1,577.32</b>	<b>2,518.44</b>

### Note 29: Cost of materials consumed

Particulars	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Inventory at the beginning of the year	5,051.81	7,933.32
Add: Purchases	40,033.80	26,646.58
	<b>45,085.61</b>	<b>34,579.90</b>
Less: Inventory at the end of the year	6,082.21	5,051.81
<b>Cost of materials consumed</b>	<b>39,003.40</b>	<b>29,528.09</b>

### Note 30: Changes in inventories of finished goods and work-in-progress

Particulars	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
<b>Inventories at the end of the year</b>		
Work-in-progress	1,079.92	784.88
Finished goods	1,990.80	1,717.68
By-products	2.94	0.79
Scrap	145.94	57.40
	<b>3,219.60</b>	<b>2,560.75</b>
<b>Inventories at the beginning of the year</b>		
Work-in-progress	784.88	888.97
Finished goods	1,717.68	461.63
By-products	0.79	1.48
Scrap	57.40	32.24
	<b>2,560.75</b>	<b>1,384.32</b>
<b>Changes in inventories</b>	<b>(658.85)</b>	<b>(1,176.43)</b>

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 31: Power & Fuel

Particulars	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Power & Fuel	20,386.44	20,023.92
	<b>20,386.44</b>	<b>20,023.92</b>

### Note 32: Employee benefits expense

Particulars	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Salaries, wages and bonus	8,593.54	8,018.98
Equity Settled share Based Payment- (reversal) / expense (refer note 52)	(5.68)	28.54
Contribution to provident and other funds (refer note 45)	700.14	927.41
Gratuity expense (refer note 45)	221.99	177.09
Staff welfare expenses	428.04	440.03
	<b>9,938.03</b>	<b>9,592.05</b>

### Note 33: Finance costs

Particulars	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Interest expense on financial liabilities measured at amortised cost #	3,198.64	2,719.57
Interest on leased liabilities #	49.47	68.00
Interest expense on income tax	0.04	82.83
Interest expense on others	-	18.51
	<b>3,248.15</b>	<b>2,888.91</b>

# Arising on financial liabilities not at fair value through profit or loss.

Borrowing costs capitalized Rs 93.61 lacs (31<sup>st</sup> March 2024 - Rs. 121.17 lacs).

### Note 34: Depreciation and amortisation expense

Particulars	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Depreciation on Property, plant and equipment (refer note 3a)	4,905.65	4,127.07
Depreciation on Right-of-use assets (refer note 3b)	224.21	224.84
Depreciation on investment properties (refer note 4)	4.37	4.37
Amortisation on intangible assets (refer note 5)	0.99	5.72
	<b>5,135.22</b>	<b>4,362.00</b>

### Note 35: Other expenses

Particulars	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Consumption of stores and spare parts	1,963.97	2,192.30
Handling and other charges to contractors	3,591.19	2,692.43
Packing, freight and forwarding charges	6,579.78	3,216.31
Rent & maintenance	263.44	246.89
Rates and taxes	657.17	618.36
Insurance	454.59	425.86

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 35: Other expenses (Contd.)

Particulars	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Repairs		
Plant and machinery	4,559.81	4,368.98
Buildings	999.55	1,551.46
Expenditure on corporate social responsibility (refer note 35a)	54.20	14.23
Advertising and sales promotion	22.26	209.48
Directors' sitting fees	57.50	36.50
Commission on sales	339.08	280.40
Payment to auditor		
As auditor:		
Audit fee	18.00	18.00
Limited review	9.00	9.00
Tax audit fee	-	2.50
For certificates and other services	3.50	4.25
Reimbursement of expenses	4.62	3.63
Travelling & conveyance	270.98	303.04
Net loss on foreign currency transactions and translations	-	32.54
Professional and consultancy charges	1,142.34	1,302.43
Donation	-	2.00
Loss on disposal of property, plant & equipment (net)	612.49	-
Plantation expenses	739.22	848.48
Miscellaneous expenses	651.12	739.17
	<b>22,993.81</b>	<b>19,118.24</b>

### Note 35a: Corporate social responsibility expenditure

Particulars	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Amount charged to profit and loss account*	54.20	14.23
Amount of expenditure incurred	443.01	302.61
Amount of excess for the year	(388.81)	(288.38)
Amount of cumulative excess till date **	(836.69)	(447.88)

\*includes Rs. 6.07 lacs pertaining to lapsed amount for year ended 31<sup>st</sup> March, 2021 in previous year

\*\* excess amount is included under prepaid expenses (refer note 9)

### Disclosures in relation to corporate social responsibility expenditure

Particulars	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
1. Maintenance of Hospital	82.62	70.19
2. Contribution towards maintenance of School	41.08	7.42
3. Contribution to State Government and contribution to Red Cross Society	6.93	5.50
4. Contribution to Planting Trees Nature Species	312.38	219.50
<b>Total</b>	<b>443.01</b>	<b>302.61</b>
<b>Amount required to be spent as per Section 135 of the Act</b>	<b>54.20</b>	<b>8.16</b>
<b>Amount spent during the year on:</b>		
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than (i) above	443.01	302.61
<b>Total</b>	<b>443.01</b>	<b>302.61</b>

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 36: Income tax expense

Particulars	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
<b>(a) Income tax expense recognised in Statement of Profit and Loss</b>		
<b>Current tax</b>		
Current tax on profits for the year	-	270.88
Adjustment for current tax of earlier years	-	93.78
<b>Total current tax expense</b>	-	<b>364.66</b>
<b>Deferred tax</b>		
Origination / (reversal) of temporary differences	(3,424.21)	388.82
<b>Total deferred tax expense</b>	<b>(3,424.21)</b>	<b>388.82</b>
<b>Total income tax expense recognised in profit or loss</b>	<b>(3,424.21)</b>	<b>753.48</b>
<b>Income tax expense is attributable to:</b>		
Profit / (loss) from continuing operations	(3,424.21)	753.48
<b>(b) Income tax expense recognised in other comprehensive income</b>		
<b>Current tax</b>		
On disposal of investments in equity shares	-	572.25
<b>Total current tax expense</b>	-	<b>572.25</b>
<b>Deferred tax</b>		
Remeasurements of post employment benefit obligations	27.98	(22.15)
Fair value Changes / Disposal of equity investments through OCI	552.94	1,553.99
<b>Total deferred tax expense</b>	<b>580.92</b>	<b>1,531.84</b>
<b>Total income tax expense recognised in other comprehensive income</b>	<b>580.92</b>	<b>2,104.09</b>
<b>(c) Numerical reconciliation of income tax expense:</b>		
<b>Particulars</b>	<b>Year ended 31<sup>st</sup> March 2025</b>	<b>Year ended 31<sup>st</sup> March 2024</b>
Profit / (loss) before tax	(8,890.05)	1,376.01
	<b>(8,890.05)</b>	<b>1,376.01</b>
<b>Computed income tax at the rate of 34.944% (31<sup>st</sup> March 2024 – 34.944%)</b>	(3,106.54)	480.83
<b>Adjustments:</b>		
Standard deduction on income from house property	(44.88)	(57.58)
Pertaining to sale or discard of property / difference in wdv	(193.04)	113.45
Miscellaneous items	(79.75)	123.00
Adjustment for current tax of earlier years	-	93.78
<b>Total income tax expense</b>	<b>(3,424.21)</b>	<b>753.48</b>

The applicable Indian statutory income tax rate for the year ended 31<sup>st</sup> March 2025 was 34.944% and for the year ended 31<sup>st</sup> March 2024 was 34.944%.

Taxation Laws (Amendment) Act, 2019 enacted on December 11, 2019 amends the Income Tax Act, 1961 to provide domestic companies an option for lower tax rates. The Company has not opted for the lower tax rate and continues to follow old tax rate which were existing prior to the above said amendment in making provision of its tax liability for the financial year.

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 37: Deferred tax assets/liabilities

Particulars	Property, plant and equipment / intangible assets	Fair valuation of investments	MAT Credit entitlement	Unabsorbed depreciation and carried forward business loss	Items allowable on payment basis	Others	Total
At 1 <sup>st</sup> April 2023	29,923.65	1,313.41	(4,048.47)	-	(1,053.05)	(23.42)	26,112.12
Charged/(credited):							
- to profit or loss	1,976.09	-	(1,142.49)	(409.41)	(35.37)	-	388.82
- to other comprehensive income	-	1,254.64	299.35	-	(22.15)	-	1,531.84
At 31 <sup>st</sup> March 2024	31,899.74	2,568.05	(4,891.61)	(409.41)	(1,110.57)	(23.42)	28,032.78
Charged/(credited):							
- to profit or loss	661.95	-	-	(4,133.46)	47.30	-	(3,424.21)
- to other comprehensive income	-	27.06	-	525.88	27.98	-	580.92
As at 31 <sup>st</sup> March 2025	32,561.69	2,595.11	(4,891.61)	(4,016.99)	(1,035.29)	(23.42)	25,189.49

### Note 38: Fair value measurements

#### A. Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at the year end:

Particulars	Note	As at 31 <sup>st</sup> March 2025		As at 31 <sup>st</sup> March 2024	
		FVOCI	Amortised cost *	FVOCI	Amortised cost *
<b>Financial assets</b>					
Investments in equity instruments	6	44,790.06	-	49,678.89	-
Investments in government securities	6	-	0.17	-	0.17
Trade receivables	11	-	1,704.43	-	1,252.95
Cash and cash equivalents	12	-	96.24	-	182.65
Other bank balances	13	-	73.92	-	95.70
Loans to employees	14	-	8.62	-	8.60
Other financial assets	7 & 15	-	1,791.76	-	1,953.50
<b>Total financial assets</b>		<b>44,790.06</b>	<b>3,675.14</b>	<b>49,678.89</b>	<b>3,493.57</b>
<b>Financial liabilities</b>					
Borrowings (including current maturities)	19	-	39,701.67	-	31,739.16
Lease Liabilities	26	-	253.88	-	348.52
Trade payables	22	-	12,522.32	-	10,231.41
Other financial liabilities	23	-	5,169.46	-	5,832.00
<b>Total financial liabilities</b>		<b>-</b>	<b>57,647.33</b>	<b>-</b>	<b>48,151.09</b>

\* The carrying amount of the Company's financial assets and financial liabilities are reasonable approximation of their fair value.

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 38: Fair value measurements (Contd.)

The following table shows the levels in fair values hierarchy of financial assets and financial liabilities as at the year end:

Particulars	As at 31 <sup>st</sup> March 2025			
	Level 1	Level 2	Level 3	Total
<b>Financial assets:</b>				
Investments in equity instruments	44,117.65		672.58	44,790.23
<b>Financial liabilities:</b>				
Borrowings (including current maturities)	-	39,701.67	-	39,701.67

Particulars	As at 31 <sup>st</sup> March 2024			
	Level 1	Level 2	Level 3	Total
<b>Financial assets:</b>				
Investments in equity instruments	49,065.78	-	613.28	49,679.06
<b>Financial liabilities:</b>				
Borrowings (including current maturities)	-	31,739.16	-	31,739.16

There were no transfers between levels of fair value hierarchy during the year ended 31<sup>st</sup> March 2025 and 31<sup>st</sup> March 2024.

### B. Reconciliation of level 3 fair value measurements

Particulars	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
As at 1 <sup>st</sup> April	613.28	592.69
Add: Change in value of unquoted equity investments measured at FVOCI	59.30	20.59
<b>As at 31<sup>st</sup> March</b>	<b>672.58</b>	<b>613.28</b>

The fair value of unquoted equity securities designated as fair value through other comprehensive income is determined using Level 3 inputs like earnings, earning multiples etc. Significant unobservable inputs comprise long term growth rates, market conditions of the specific industry etc. However, the changes in the fair values due to changes in unobservable inputs will not be material to the financial statements.

### Note 39: Capital management

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and maintain an optimal capital structure to reduce the cost of capital, while protecting and strengthening the balance sheet through the appropriate balance of debt and equity funding.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return of capital to shareholders, issue new shares or sell assets to reduce debt.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investors, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The Company is not subject to any externally imposed capital requirements. Management monitors the return on capital, as well as the level of dividends to ordinary shareholders.

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 39: Capital management (Contd.)

#### (a) The following table summarises the capital of the Company:

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Total borrowings	39,701.67	31,739.16
Lease Liabilities	253.88	348.52
Less: Cash and cash equivalents	(96.24)	(182.65)
<b>Net debt</b>	<b>39,859.31</b>	<b>31,905.03</b>
<b>Equity</b>	<b>1,53,507.86</b>	<b>1,61,898.30</b>
<b>Total capital (equity+ net debt)</b>	<b>1,93,367.17</b>	<b>1,93,803.33</b>
<b>Net debt to total capital ratio</b>	<b>20.61%</b>	<b>16.46%</b>

No changes were made to the objectives, policies or processes for managing capital during the years ended 31<sup>st</sup> March 2025 and 31<sup>st</sup> March 2024.

#### (b) Dividends paid and proposed

Particulars	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
<b>(i) Final dividend paid:</b>		
For the year ended 31 <sup>st</sup> March 2023 of Rs.1 per equity share	-	2,121.86
For the year ended 31 <sup>st</sup> March 2024 of Rs.0.25 per equity share	530.46	-
<b>(ii) Proposed Dividends not recognised at the end of the reporting period</b>		
The Company has not proposed any dividend for the ended 31 <sup>st</sup> March, 2025.	-	530.46
The Company proposed dividend of Rs. 0.25 per equity share for the year ended 31 <sup>st</sup> March, 2024. The proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.		

### Note 40: Financial risk management

The Company's activities expose it to credit risk, liquidity risk and market risk (i.e. foreign currency risk, interest rate risk and price risk).

#### Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities. The Board of Directors also review these risks and related risk management policy.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of it in the financial statements.

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 40: Financial risk management (Contd.)

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Ageing analysis	Diversification of customer base, monitoring credit limits and obtaining security deposit
Liquidity risk	Borrowings and other liabilities	Cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk – foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (Rupees)	Cash flow forecasting Sensitivity analysis	Regular monitoring of currency movements
Market risk – interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Diversified debt portfolio Regular monitoring of borrowings
Market risk – security prices	Investments in equity securities	Sensitivity analysis	Regular monitoring of security prices
Market risk – commodity prices	Variable commodity prices	Movement in commodity prices	Regular monitoring of commodity prices and fixed price contracts

#### (A) Credit risk

The Company takes on exposure to credit risk, which is the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 38. The Company is exposed to credit risk from its operating activities (primarily trade receivables).

##### (i) Trade and other receivables

Customer credit risk is managed by the Company through established policy and procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally carrying up to 10 days credit terms. The Company has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation. Trade receivables are consisting of a large number of customers. Where credit risk is high, domestic trade receivables are backed by security deposits. Export receivables are backed by letters of credit.

The Company's exposure to credit risk for trade receivables is as follows. Export receivables as at the year end is not significant.

Particulars	Less than 180 days	More than 180 days	Total Exposure
Trade receivables as at 31 <sup>st</sup> March 2025 (gross)	1,616.14	145.32	1,761.46
Less: Provision for impairment loss	-	-	(57.03)
<b>Trade receivables as at 31<sup>st</sup> March 2025 (net)</b>	<b>1,616.14</b>	<b>145.32</b>	<b>1,704.43</b>

Particulars	Less than 180 days	More than 180 days	Total
Trade receivables as at 31 <sup>st</sup> March 2024 (gross)	1,205.75	104.23	1,309.98
Less: Provision for impairment loss	-	-	(57.03)
<b>Trade receivables as at 31<sup>st</sup> March 2024 (net)</b>	<b>1,205.75</b>	<b>104.23</b>	<b>1,252.95</b>

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 40: Financial risk management (Contd.)

#### (ii) Other financial assets and deposits

Credit risk from balances with banks, deposits, loan to employees, other financial assets etc is managed by the Company's finance department. Investments of surplus funds are made only with approved counterparties in accordance with the Company's policy. None of the Company's cash equivalents with banks, deposits, investments and other receivables were past due or impaired as at 31<sup>st</sup> March 2025 and 31<sup>st</sup> March 2024 (except as mentioned below).

#### (iii) Reconciliation of impairment provision

Particulars	Trade receivables	Deposits
Opening balance as at 31 <sup>st</sup> March 2024	57.03	10.00
Provision made during the year	-	-
Closing balance as at 31 <sup>st</sup> March 2025	57.03	10.00

Particulars	Trade receivables	Deposits
Opening balance as at 31 <sup>st</sup> March 2023	57.03	10.00
Provision made during the year	-	-
Closing balance as at 31 <sup>st</sup> March 2024	57.03	10.00

The Company's historical experience of collecting receivables and the level of default indicate that credit risk is low and generally uniform across markets. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. The Company uses judgement in making these assumptions based on the Company's past history, existing market condition as well as forward looking estimates at the end of each reporting period. The impairment provision as disclosed above are based on assumptions about risk of default and expected loss rates. Loss allowances and impairment is recognised, where considered appropriate by responsible management. Expected credit loss measured on loan to employees and other financial assets is not significant.

### (B) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. 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.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally performed in accordance with practice and limits set by the Company.

#### Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

Contractual maturities of financial liabilities 31 <sup>st</sup> March 2025	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years	Carrying value
Borrowings *	27,296.32	12,167.16	3,868.23	470.04	39,701.67
Trade payables	12,522.32	-	-	-	12,522.32
Other financial liabilities	5,169.46	-	-	-	5,169.46
<b>Total financial liabilities</b>	<b>44,988.10</b>	<b>12,167.16</b>	<b>3,868.23</b>	<b>470.04</b>	<b>57,393.45</b>

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 40: Financial risk management (Contd.)

Contractual maturities of financial liabilities 31 <sup>st</sup> March 2024	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years	Carrying value
Borrowings *	22,947.86	9,008.92	3,088.68	-	31,739.16
Trade payables	11,296.12	-	-	-	11,296.12
Other financial liabilities	4,767.30	-	-	-	4,767.30
<b>Total financial liabilities</b>	<b>39,011.28</b>	<b>9,008.92</b>	<b>3,088.68</b>	<b>-</b>	<b>47,802.58</b>

\*gross of debt origination cost

The maturity analysis of the Company's lease liabilities based on contractually agreed undiscounted cash flows is given in Note 26.

### (C) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest risk and other price risk, such as commodity price risk and securities price risk. Financial instruments affected by market risk include borrowings, investments, trade payables, trade receivables, etc.

#### (i) Foreign currency risk

The Company deals with foreign trade payables, trade receivables etc. and is therefore exposed to foreign exchange risk associated with exchange rate movement.

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. Such foreign currency exposures are not hedged by the Company. Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodities and services in the respective currencies. The Company has a treasury department which monitors the foreign exchange fluctuations on the continuous basis and advises the management of any material adverse effect on the Company.

#### Foreign currency risk exposure

The Company's exposure to foreign currency risk at the end of the reporting period are as follows:-

#### As at 31<sup>st</sup> March 2025

Particulars	USD	EUR
<b>Financial assets</b>		
Trade receivables	3.66	-
<b>Financial liabilities</b>		
Trade and other payables	1.35	4.45
<b>Net exposure to foreign currency risk</b>	<b>2.31</b>	<b>(4.45)</b>

#### As at 31<sup>st</sup> March 2024

Particulars	USD	EUR
<b>Financial assets</b>		
Trade receivables	3.63	-
<b>Financial liabilities</b>		
Trade and other payables	-	1.22
<b>Net exposure to foreign currency risk</b>	<b>3.63</b>	<b>(1.22)</b>

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 40: Financial risk management (Contd.)

#### Sensitivity

The sensitivity of profit or loss to reasonable possible changes in the exchange rates arises mainly from foreign currency denominated financial instruments, with all other variables held constant.

Particulars	Impact on profit before tax	
	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>USD sensitivity</b>		
Rupees appreciates by 5% (31 <sup>st</sup> March 2025 - 5%)	9.88	15.12
Rupees depreciates by 5% (31 <sup>st</sup> March 2025 - 5%)	(9.88)	(15.12)
<b>EUR sensitivity</b>		
Rupees appreciates by 5% (31 <sup>st</sup> March 2024 - 5%)	(20.55)	(5.52)
Rupees depreciates by 5% (31 <sup>st</sup> March 2024 - 5%)	20.55	5.52

#### (ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

The Company's main interest rate risk arises from borrowings with variable rates, which expose the Company to cash flow interest rate risk. During 31<sup>st</sup> March 2025 and 31<sup>st</sup> March 2024, the Company's borrowings at variable rate were mainly denominated in Rupees.

The Company's fixed rate borrowings and deposits with banks are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

#### Interest rate risk exposure

##### On financial liabilities:

The exposure of the Company's financial liabilities to interest rate risk is as follows:

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
	Variable rate borrowings	39,701.67
<b>Total borrowings</b>	<b>39,701.67</b>	<b>23,781.08</b>

#### Sensitivity

Profit or loss is sensitive to higher/ lower interest expense from borrowings as a result of changes in interest rates on variable rate borrowings as below:

Particulars	Impact on profit before tax	
	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Interest expense rates – increase by 50 basis points (50 bps)	(198.51)	(118.91)
Interest expense rates – decrease by 50 basis points (50 bps)	198.51	118.91

#### (iii) Securities price risk

Securities price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market prices. The Company's exposure to securities price risk arises from investments in equity instruments held by the Company and classified in the balance sheet at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Company does regular monitoring of security prices.

#### Sensitivity

The table below summarises the impact of increase/decrease of the share prices on the Company's investment in quoted equity, with all other variables held constant.

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 40: Financial risk management (Contd.)

Particulars	Impact on other components of equity (before tax)	
	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Share price - Increase by 5%	2,205.88	2,453.29
Share price - Decrease by 5%	(2,205.88)	(2,453.29)

#### (iv) Commodities price risk

The Company has in place policies to manage the Company's exposure to fluctuation in the prices of the key materials and commodities used in the operations. Nevertheless, it believes that it has competitive advantage in terms of quality products and by continually upgrading its expertise and range of products to meet the needs of its customers. Commodities price risk exposure is evaluated and managed through operating procedures and sourcing policies. The management does not consider the Company's exposure to commodities price risk significant as on 31<sup>st</sup> March 2025.

### Note 41: Reconciliation of movement of liabilities to cashflows arising from financing activities

Particulars	Liabilities from financing activities		
	Lease obligations	Borrowings including interest	Total
<b>Net Debt as at 1<sup>st</sup> April 2023</b>	<b>487.92</b>	<b>26,992.04</b>	<b>27,479.96</b>
Cash flows	(139.40)	4,818.77	4,679.37
Interest expense (refer note 33)	68.00	2,719.57	2,787.57
Interest expense capitalized (refer note 33)	-	121.17	121.17
Interest paid	(68.00)	(2,807.19)	(2,875.19)
<b>Net Debt as at 31<sup>st</sup> March 2024</b>	<b>348.52</b>	<b>31,844.36</b>	<b>32,192.88</b>
Cash flows	(157.71)	7,962.50	7,804.79
Interest expense (refer note 33)	49.47	3,198.64	3,248.11
Interest expense capitalized (refer note 33)	-	93.61	93.61
Interest paid	(49.47)	(3,335.74)	(3,385.21)
Non-cash changes	63.07	-	63.07
<b>Debt as at 31<sup>st</sup> March 2025</b>	<b>253.88</b>	<b>39,763.37</b>	<b>40,017.25</b>

### Note 42: Biological Assets other than bearer plant

#### A. Reconciliation of carrying amount

##### Eucalyptus plantations - non-current assets

Particulars	As at	As at
	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
<b>As at opening date</b>	<b>51.17</b>	<b>48.15</b>
Increase/(Decrease) due to purchases / physical changes	8.77	3.02
<b>As at closing date</b>	<b>59.94</b>	<b>51.17</b>

Particulars	As at	As at
	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
Plantation area (in acres)	495	502

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 42: Biological Assets other than bearer plant (Contd.)

#### Clonal plants - current assets

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
As at opening date	285.73	108.32
Increase due to purchases / physical changes	487.32	786.79
Decrease due to sale	-483.06	(609.38)
<b>As at closing date</b>	<b>289.99</b>	<b>285.73</b>

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Sale of clonal plants during the year (qty in numbers)	1,44,82,875	1,76,65,262

Closing stock of biological assets	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Quantity (in numbers)	86,92,511	87,17,256

### B. Measurement of fair values

This section explains the judgements and estimates made in determining the fair values of the biological assets other than bearer plants that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its biological assets other than bearer plants into level 2 and level 3 in the fair value hierarchy, since no significant adjustments need to be made to the prices obtained from the local markets.

Biological assets other than bearer plants for which fair value (less cost to sell) are disclosed:

Particulars	As at 31 <sup>st</sup> March 2025			As at 31 <sup>st</sup> March 2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Biological assets other than bearer plants	-	289.99	59.94	-	285.73	51.17
	-	<b>289.99</b>	<b>59.94</b>	-	<b>285.73</b>	<b>51.17</b>

Biological assets classified into level 3 is valued using discounted cash flows technique. The valuation model considers the present value of the expected assets value to be generated by the plantation. These projections include specific estimates for period of plantation upto 5 years. The expected net cash flows are discounted using a risk- adjusted discount rate.

There were no transfers between any levels during the year.

### Note 43: Segment information

Based on guiding principles given in Ind AS 108 on "Operating Segments" the Company's business activity falls into two operating segments namely i) Paper & Tissue and ii) Chemicals

#### As at and for the year ended 31<sup>st</sup> March 2025

Particulars	Paper & Tissue	Chemicals	Total
<b>Revenue</b>			
External	75,130.28	16,186.81	91,317.09
Inter segment	-	-	(1,738.26)
<b>Total</b>	<b>75,130.28</b>	<b>16,186.81</b>	<b>89,578.83</b>
<b>Results</b>			
Segment results	(5,515.73)	1,792.91	(3,722.82)
Unallocated expenses (net of unallocable income)			(1,919.08)
<b>Operating profit</b>			<b>(5,641.90)</b>

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 43: Segment information (Contd.)

Particulars	Paper & Tissue	Chemicals	Total
Finance costs			3,248.15
<b>Profit before tax</b>			<b>(8,890.05)</b>
Income tax expense			(3,424.21)
<b>Net profit</b>			<b>(5,465.84)</b>
<b>Depreciation and amortisation expense</b>	4,286.13	623.41	4,909.54
Unallocated depreciation			225.68
<b>Total depreciation</b>			<b>5,135.22</b>
<b>Segment assets</b>	1,29,189.70	9,261.31	1,38,451.01
Unallocated assets			1,02,336.38
<b>Total assets</b>			<b>2,40,787.39</b>
<b>Segment liabilities</b>	19,048.85	1,415.00	20,463.85
Unallocated liabilities			66,815.68
<b>Total liabilities</b>			<b>87,279.53</b>
<b>Additions to non-current assets (other than financial instruments and income tax assets)</b>	7,434.66	1,388.76	8,823.42
Unallocated			8.70
			<b>8,832.12</b>

There are no material non-cash expenditure other than depreciation and amortisation incurred by the Company.

### As at and for the year ended 31<sup>st</sup> March 2024

Particulars	Paper & Tissue	Chemicals	Total
<b>Revenue</b>			
External	70,089.84	14,425.25	84,515.09
Inter segment	-	-	(1,320.74)
<b>Total</b>	<b>70,089.84</b>	<b>14,425.25</b>	<b>83,194.35</b>
<b>Results</b>			
Segment results	4,542.98	1,695.15	6,238.13
Unallocated income / (expenses) (net of unallocable income / expenditure)			(1,973.21)
<b>Operating profit</b>			<b>4,264.92</b>
Finance costs			2,888.91
<b>Profit before tax</b>			<b>1,376.01</b>
Income tax expense			753.48
<b>Net profit</b>			<b>622.53</b>
<b>Depreciation and amortisation expense</b>	3,715.10	420.67	4,135.77
Unallocated depreciation			226.23
<b>Total depreciation</b>			<b>4,362.00</b>
<b>Segment assets</b>	1,26,543.22	8,661.87	1,35,205.09
<b>Unallocated assets</b>			<b>1,07,379.13</b>
<b>Total assets</b>			<b>2,42,584.22</b>
<b>Segment liabilities</b>	17,478.87	1,611.99	19,090.86
Unallocated liabilities			61,595.06
<b>Total liabilities</b>			<b>80,685.92</b>
<b>Additions to non-current assets (other than financial instruments)</b>	15,117.68	1,719.03	16,836.71
Unallocated			122.86
			<b>16,959.56</b>

There are no material non-cash expenditure other than depreciation and amortisation incurred by the Company.

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 43: Segment information (Contd.)

#### Entity wise disclosures

The Company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown below:

Year ended 31 <sup>st</sup> March 2025	India	UAE	Rest of the world	Total
<b>Revenue</b>				
Revenue from external customers	80,543.69	2,953.41	6,081.73	89,578.83
Year ended 31 <sup>st</sup> March 2024	India	UAE	Rest of the world	Total
Revenue from external customers	77,234.97	1,784.31	4,175.07	83,194.35

All non-current assets of the Company (excluding financial assets) are located in India.

### Note 44: Related party disclosures

#### Names of related parties and related party relationship

##### Related parties with whom transactions have taken place during the year

Investing Company *	Central India Industries Limited
Members of the Board of Directors / Key Management Personnel (KMP)	Mr. C. K. Birla (Non-executive Chairman) Ms. Gauri Rasgotra (Non-executive Director) Mr. S. Vishwanathan (Non-executive Director) Mr. A. Bishnoi (Non-executive Director) Mr. R. K. Agrawal (Non-executive Director) Mr. Anant Agarwal (Managing Director & CEO) (from 21-12-2024) Mr. Ashwin. J. Laddha (Managing Director & CEO) (upto 20-12-2024) Mr. Amit Poddar (Chief Financial Officer) (from 01-06-2024) Mr. P. K. Sonthalia (President Finance & CFO) (upto 31-05-2024) Mr. C. S. Kashikar (COO-Amlai Paper Mills) Mr. R. P. Dutta (Company Secretary)
Public Limited Company in which a director or manager is a director and holds along with his relatives, more than 2% percent of its paid up share capital.	Orient Cement Limited Orient Electric Limited
Relatives of member of board of directors / KMP #	Ms. Nirmala Birla Ms. Amita Birla Ms. Avani Birla Ms. Avanti Birla
Post-employment employee benefit plans	Birla Industries Provident Fund Orient Paper & Industries Limited Employees Gratuity Fund Orient Paper & Industries Limited Superannuation Fund

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 44: Related party disclosures (Contd.)

Name of the Companies / firms in which investing company and individuals with significant influence over the company have a significant influence	
	Amer Investments (Delhi) Limited
	Ashok Investment Corporation Limited
	Birla Brothers Private Limited
	Birla Buildings Limited
	Bengal Rubber Company Limited
	C K Birla Corporate Services Limited
	GMMCO Limited
	Gwalior Finance Corporation Limited
	BirlaNu Limited (formerly known as HIL Limited)
	Hindustan Motors Limited
	Hindusthan Discounting Company Limited
	India Silica Magnesite Works Limited
	Jaipur Finance & Dairy Products Private Limited
	Khaitan & Co. LLP.
	National Engineering Industries Limited
	Rajasthan Industries Limited
	Shekhavati Investment & Traders Limited
	Soorya Vanijya & Investment Limited
	Universal Trading Company Limited

\* shareholding in the reporting entity is more than 20% as investor.

# holding more than 2% of paid up share capital in the Company alongwith Mr. C. K. Birla.

### Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

#### a. Investing Company

Particulars	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Dividend paid	131.40	525.60

#### b. Transactions with key managerial personnel/directors

##### (i) Key management personnel/directors compensation\*\*

Particulars	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Short-term employee benefits (including sitting fees and commission)	727.38	753.50
Contribution to defined contribution plans	37.87	64.37
	<b>765.25</b>	<b>817.87</b>

\*\*No separate valuation is done for key managerial personnel in respect of post-employment benefits and other long-term benefits. The same is included in the note 45-Employee benefits.

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 44: Related party disclosures (Contd.)

#### (ii) Remuneration to key managerial personnel/directors

Particulars	Year ended	Transaction during the year
<b>Short term employee benefits / contribution to defined benefit plans</b>		
Mr. Anant Agarwal	<b>31-Mar-25</b>	<b>75.31</b>
	31-Mar-24	-
Mr. Amit Poddar	<b>31-Mar-25</b>	<b>77.66</b>
	31-Mar-24	-
Mr. A. J. Laddha	<b>31-Mar-25</b>	<b>325.45</b>
	31-Mar-24	312.70
Mr. P. K. Sonthalia	<b>31-Mar-25</b>	<b>101.47</b>
	31-Mar-24	343.10
Mr. C. S. Kashikar	<b>31-Mar-25</b>	<b>85.64</b>
	31-Mar-24	87.09
Mr. R. P. Dutta	<b>31-Mar-25</b>	<b>42.22</b>
	31-Mar-24	38.48
<b>Directors sitting fees</b>		
Mr. C. K. Birla	<b>31-Mar-25</b>	<b>8.00</b>
	31-Mar-24	4.00
Ms. Gauri Rasgotra	<b>31-Mar-25</b>	<b>3.50</b>
	31-Mar-24	3.50
Mr. Srinivasan Vishvanathan	<b>31-Mar-25</b>	<b>17.50</b>
	31-Mar-24	13.00
Mr. A. Bishnoi	<b>31-Mar-25</b>	<b>11.50</b>
	31-Mar-24	3.50
Mr. R. K. Agrawal	<b>31-Mar-25</b>	<b>17.00</b>
	31-Mar-24	12.50
<b>Total</b>	<b>31-Mar-25</b>	<b>765.25</b>
	31-Mar-24	817.87

#### Note:

- The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.
- The total managerial remuneration paid/payable to Managing Director of the Company, has exceeded the prescribed limits under Section 197 read with Schedule V to the Companies Act, 2013. The Company has obtained necessary shareholder approvals through a special resolution in annual general meeting as required under the relevant provisions of the Companies Act, 2013.

#### (iii) Dividend paid

Particulars	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Mr. C. K. Birla	8.51	34.06
Mr. Ashwin J. Laddha	0.24	1.13
Mr. P. K. Sontholia	-	0.16
	<b>8.75</b>	<b>35.35</b>

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 44: Related party disclosures (Contd.)

#### (iv) Outstanding balances - key managerial personnel

Particulars	As at	Amount owed by related parties	Amount owed to related parties
<b>Commission / Remuneration payable</b>			
Mr. Ashwin J. Laddha	31-Mar-25	-	65.39
	31-Mar-24	-	-
<b>Total</b>	<b>31-Mar-25</b>	<b>-</b>	<b>65.39</b>
	31-Mar-24	-	-

#### c. Public Limited Company in which a director or manager is a director and holds along with his relatives, more than 2% percent of its paid up share capital

##### Transactions during the year

Particulars	Year ended	Purchases	Rent receipts
Orient Cement Limited	31-Mar-25	-	28.31
	31-Mar-24	-	28.31
Orient Electric Limited	31-Mar-25	17.08	28.31
	31-Mar-24	76.62	28.31
<b>Total</b>	<b>31-Mar-25</b>	<b>17.08</b>	<b>56.62</b>
	31-Mar-24	76.62	56.62

##### Outstanding balances

Particulars	Year ended	Amount owned from related parties	Amount owned to related parties
Orient Electric Limited	31-Mar-25	8.35	-
	31-Mar-24	-	9.78

#### d. Relatives of member of board of directors /KMP

##### Dividend paid

Particulars	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Ms. Nirmala Birla	9.02	36.06
Ms. Amita Birla	0.82	3.28
Ms. Avani Birla	0.33	1.30
Ms. Avanti Birla	0.34	1.35
	<b>10.51</b>	<b>41.99</b>

#### e. Post-employment employee benefit plans

##### Contribution to employees' benefit plans

Particulars	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Birla Industries Provident Fund	341.21	574.33
Orient Paper & Industries Limited Employees Gratuity Fund	176.57	210.13
Orient Paper & Industries Limited Superannuation Fund	9.51	17.22
	<b>527.29</b>	<b>801.68</b>

##### Outstanding balances - Payables

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Birla Industries Provident Fund	125.81	137.23

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 44: Related party disclosures (Contd.)

- f. Name of the Companies / firms in which investing company and individuals with significant influence over the company have a significant influence

#### Transactions during the year

Particulars	Year ended	Dividend Received	Purchases	Professional and consultancy charges	Lease rent, Rates & Taxes, Maintenance & service charges	Rent & Miscellaneous receipts	Dividend payment
Amer Investments (Delhi) Limited	31-Mar-25 31-Mar-24	- -	- -	- -	- -	- -	3.56 14.22
Ashok Investment Corporation Limited	31-Mar-25 31-Mar-24	- -	- -	- -	- -	- -	1.71 6.83
Birla Brothers Private Limited	31-Mar-25 31-Mar-24	- -	- -	- -	0.07 0.07	- -	- -
Birla Buildings Limited	31-Mar-25 31-Mar-24	2.25 1.50	- -	- -	190.72 179.41	0.98 0.13	- -
Bengal Rubber Company Limited	31-Mar-25 31-Mar-24	- -	- -	- -	- -	- -	0.49 1.95
C K Birla Corporate Services Limited	31-Mar-25 31-Mar-24	- -	- -	314.52 325.49	- -	- -	- -
GMMCO Limited	31-Mar-25 31-Mar-24	6.35 4.68	4.37 1.40	- -	- -	- -	- -
Gwalior Finance Corporation Limited	31-Mar-25 31-Mar-24	- -	- -	- -	- -	- -	4.12 16.49
BirlaNu Limited (formerly known as HIL Limited)	31-Mar-25 31-Mar-24	203.93 362.54	3.37 6.59	- -	54.66 54.66	- 114.09	- -
Hindustan Motors Limited	31-Mar-25 31-Mar-24	- -	- -	- -	- -	1.20 1.20	- -
Hindusthan Discounting Company Limited	31-Mar-25 31-Mar-24	- -	- -	- -	- -	- -	5.78 23.11
India Silica Magnesite Works Limited	31-Mar-25 31-Mar-24	- -	- -	- -	- -	- -	0.50 2.00

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 44: Related party disclosures (Contd.)

Particulars	Year ended	Dividend Received	Purchases	Professional and consultancy charges	Lease rent, Rates & Taxes, Maintenance & service charges	Rent & Miscellaneous receipts	Dividend payment
Jaipur Finance & Dairy Products Private Limited	31-Mar-25	-	-	-	-	-	0.52
	31-Mar-24	-	-	-	-	-	2.08
Khaitan & Co. LLP.	31-Mar-25	-	-	25.57	-	-	-
	31-Mar-24	-	-	28.51	-	-	-
National Engineering Industries Limited	31-Mar-25	-	-	-	26.33	-	1.34
	31-Mar-24	-	-	-	11.28	-	5.37
Rajasthan Industries Limited	31-Mar-25	-	-	-	-	-	1.73
	31-Mar-24	-	-	-	-	-	6.90
Shekhavati Investment & traders Limited	31-Mar-25	-	-	-	-	-	33.05
	31-Mar-24	-	-	-	-	-	132.21
Soorya Vanijya & investment Limited	31-Mar-25	-	-	-	-	-	0.01
	31-Mar-24	-	-	-	-	-	0.03
Universal Trading Company Limited	31-Mar-25	-	-	-	-	-	2.28
	31-Mar-24	-	-	-	-	-	9.12
<b>Total</b>	<b>31-Mar-25</b>	<b>212.53</b>	<b>7.74</b>	<b>340.09</b>	<b>271.78</b>	<b>2.18</b>	<b>55.07</b>
	31-Mar-24	368.72	7.99	354.00	245.42	115.42	220.31

#### Outstanding balances - payable

Particulars	As at	Amount owed to related parties	Amount owed from related parties
Birla Buildings Limited	31-Mar-25	43.71	1.16
	31-Mar-24	17.08	-
C K Birla Corporate Services Limited	31-Mar-25	83.82	-
	31-Mar-24	43.85	-
BirlaNu Limited (formerly known as HIL Limited)	31-Mar-25	-	-
	31-Mar-24	3.89	-
Khaitan & Company LLP	31-Mar-25	1.83	-
	31-Mar-24	2.70	-

#### g. Terms and conditions of transactions with related parties

Transactions relating to dividend were on the same terms and conditions that applied to other shareholders. The transactions with related parties are made at arm's length and in the ordinary course of business. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. No provisions are held against receivables from related parties. There are no loans outstanding with related parties.

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 45: Employee benefits

#### (i) Compensated absences

The Company provides for accumulation of leave by certain categories of its employees. These employees can carry forward a portion of the unutilised leave balances and utilise it in future periods or receive cash in lieu thereof as per the Company's policy. The Company records a provision for leave obligations in the period in which the employees render the services that increases this entitlement.

The total provision recorded by the Company towards this obligation was Rs. 588.10 lacs (31<sup>st</sup> March 2024: Rs. 576.96 lacs). The amount of the provision is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations.

#### (ii) Post-employment defined benefit plan

##### Gratuity

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service on terms not less favourable than the provisions of the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

The gratuity plan is administered and managed by the Trustees who are responsible for the overall governance of the plan and to act in accordance with the provisions of the trust deeds and rules in the best interests of the plan participants.

#### (a) The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>As at 1<sup>st</sup> April 2023</b>	<b>3,992.35</b>	<b>(3,391.21)</b>	<b>601.14</b>
Current service cost	209.15	-	209.15
Interest expense/(income)	269.59	(239.50)	30.09
<b>Total amount recognised in profit or loss*</b>	<b>478.74</b>	<b>(239.50)</b>	<b>239.24</b>
Remeasurements			
Return on plan assets greater than discount rate	-	(233.87)	(233.87)
Actuarial loss from unexpected experience	249.05	-	249.05
Actuarial loss from financial assumptions	48.20	-	48.20
<b>Total amount recognised in other comprehensive income</b>	<b>297.25</b>	<b>(233.87)</b>	<b>63.38</b>
Employer contributions	-	(210.13)	(210.13)
Benefits paid	(496.15)	339.75	(156.40)
<b>As at 31<sup>st</sup> March 2024</b>	<b>** 4,272.19</b>	<b>(3,734.96)</b>	<b>** 537.23</b>

\* includes Rs 62.15 lacs relating to contractual employees debited under other expenses.

\*\* Rs 537.23 lacs related to contractual employees as unfunded plan.

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>As at 1<sup>st</sup> April 2024</b>	<b>4,272.19</b>	<b>(3,734.96)</b>	<b>537.23</b>
Current service cost	247.84	-	247.84
Interest expense/(income)	273.43	(243.79)	29.64
<b>Total amount recognised in profit or loss*</b>	<b>521.27</b>	<b>(243.79)</b>	<b>277.48</b>
Remeasurements			
Return on plan assets greater than discount rate	-	(3.90)	(3.90)
Actuarial gain from unexpected experience	(171.76)	-	(171.76)
Actuarial loss from financial assumptions	95.59	-	95.59
<b>Total amount recognised in other comprehensive income</b>	<b>(76.17)</b>	<b>(3.90)</b>	<b>(80.07)</b>

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 45: Employee benefits (Contd.)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
Employer contributions	-	(176.56)	(176.56)
Benefits paid	(732.25)	681.16	(51.09)
<b>As at 31<sup>st</sup> March 2025</b>	<b>** 3,985.04</b>	<b>(3,478.05)</b>	<b>** 506.99</b>

\* includes Rs 55.49 lacs relating to contractual employees debited under other expenses.

\*\* Rs 506.99 lacs related to contractual employees as unfunded plan.

#### (b) Net defined benefit asset/ (liability) recognised in the balance sheet

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Fair value of plan assets	3,478.05	3,734.96
Present value of defined benefit obligation	** 3,985.04	4,272.19
<b>Amount recognised in Balance Sheet- Asset / (Liability)</b>	<b>(506.99)</b>	<b>(537.23)</b>
Current portion (refer note 25)	(66.50)	(65.52)
Non-current portion (refer note 20)	(440.49)	(471.71)

#### (c) Net defined benefit expense (recognised in the Statement of profit and loss for the year)

Particulars	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Current service cost	247.84	209.15
Interest cost (net)	29.64	30.09
<b>Net defined benefit expense debited to statement of profit and loss</b>	<b>277.48</b>	<b>239.24</b>

#### (d) Remeasurement (gain)/ loss recognised in other comprehensive income

Particulars	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Actuarial changes arising from changes in financial assumptions	95.59	48.20
Actuarial changes arising from changes in experience adjustments	(171.76)	249.05
Return on Plan assets excluding amounts included in net interest expense	(3.90)	(233.87)
<b>Recognised in other comprehensive income</b>	<b>(80.07)</b>	<b>63.38</b>

#### (e) Significant estimates: actuarial assumptions

The significant actuarial assumptions were as follows:

Particulars	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Discount rate	6.60%	7.00%
Salary growth rate	6.00% - 7.00%	6.00% - 7.00%
Withdrawal rate	Till age 45 years - 5.00%, Thereafter - 1.00%	Till age 45 years - 5.00%, Thereafter - 1.00%
Mortality rate	Indian Assured Lives Mortality (2006 - 08) Ult.	Indian Assured Lives Mortality (2006 - 08) Ult.

The estimate of future salary increases takes into account inflation, seniority, promotion and other relevant factors such as demand and supply in the employment market.

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 45: Employee benefits (Contd.)

#### (f) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Impact on defined benefit obligation			
	31 <sup>st</sup> March, 2025		31 <sup>st</sup> March, 2024	
	Increase by	Decrease by	Increase by	Decrease by
Discount rate (+/- 1%)	(231.09)	259.36	(230.44)	258.42
Salary growth rate (+/- 1%)	256.09	(232.56)	256.19	(232.74)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit obligation recognised in the Balance Sheet. Also, there is no significant impact of withdrawal rates and hence not considered for sensitivity.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

#### (g) The major categories of plan assets

The defined benefit plans are funded with insurance companies of India.

#### (h) Defined benefit liability and employer contributions

Expected contributions to post-employment benefit plans in the next twelve months are Rs 200.00 lacs (31<sup>st</sup> March 2024 - Rs. 300.00 lacs).

The weighted average duration of the defined benefit obligation is 5.35 years (31<sup>st</sup> March, 2024 – 6.2 years). The expected maturity analysis of undiscounted gratuity benefits is as follows:

Particulars	Less than a year	Between 1 -2 years	Between 2 -5 years	Over 5 years	Total
<b>Defined benefit obligation (gratuity)</b>					
31 <sup>st</sup> March, 2025	472.39	335.21	1,232.13	4,464.60	6,504.33
31 <sup>st</sup> March, 2024	684.96	493.65	1,201.82	4,600.28	6,980.71

#### (i) Risk exposure

Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

##### Investment risk:

The defined benefit plans are funded with insurance companies of India. The Company does not have any liberty to manage the funds provided to insurance companies. The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the Government of India bonds. If the return on plan asset is below this rate, it will create a plan deficit.

##### Discount rate risk:

The Company is exposed to the risk of fall in discount rate. A fall in discount rate will eventually increase the ultimate cost of providing the above benefit thereby increasing the value of the liability.

##### Demographic risk:

In the valuation of the liability, certain demographic (mortality and attrition rates) assumptions are made. The Company is exposed to this risk to the extent of actual experience eventually being worse compared to the assumptions thereby causing an increase in the benefit cost.

##### Salary growth risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 45: Employee benefits (Contd.)

#### (iv) Provident fund

- (a) Provident fund for certain eligible employees is managed by the Company through the "Birla Industries Provident Fund", in line with the Provident Fund and Miscellaneous Provisions Act, 1952. The plan guarantees interest at the rate notified by the Provident Fund Authorities. The contribution by the employer and employee together with the interest accumulated thereon are payable to employees at the time of their separation from the Company or retirement, whichever is earlier. The benefits vest immediately on rendering of the services by the employee.

The Company has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on an annual basis. Actual return earned by the Company has been higher in the past years. The actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India and there is no shortfall as at year-end. Return on plan asset and discount rate, as considered by the actuary, were 8.15 % (31<sup>st</sup> March 2024: 8.15%) and 6.60 % (31<sup>st</sup> March 2024: 7.00%) respectively.

The Company contributed Rs. 341.21 lacs and Rs. 574.33 lacs during the year ended 31<sup>st</sup> March 2025 and 31<sup>st</sup> March 2024 respectively to the above Provident Fund.

#### Net defined benefit asset not recognised in the balance sheet

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Fair value of plan assets	19,126.40	18,596.38
Present value of defined benefit obligation	17,664.69	18,594.73
<b>Amount not recognised in Balance Sheet- Net Asset</b>	<b>1,461.71</b>	<b>1.65</b>

- (b) Further the Company is also contributing to the provident fund administered by Government of India for some of the employees as per regulations. The Company contributed Rs. 232.60 lacs and Rs. 235.87 lacs during the year ended 31<sup>st</sup> March 2025 and 31<sup>st</sup> March 2024 respectively towards above defined contribution plan.

#### (v) Superannuation fund

The Company operates a superannuation fund scheme with Life Insurance Corporation of India (LIC) for eligible employees for some of its employees towards which the Company contributes up to a maximum of 15% of the employees' basic salary, which is charged to the Statement of Profit and Loss.

The Company contributed Rs. 9.51 lacs and 17.22 lacs during the year ended 31<sup>st</sup> March 2025 and 31<sup>st</sup> March 2024 respectively towards above defined contribution plan of the Company.

### Note 46: Earnings per equity share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations:

#### Earnings per equity share

Particulars	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
<b>Profit after tax available to equity shareholders:</b>		
Net profit for calculation of basic and diluted earnings per share	(5,465.84)	622.53
	No. in Lacs	No. in Lacs
Weighted average number of equity shares outstanding during the year	2,121.86	2,121.86
Basic and diluted earnings per equity share (Rs)	(2.58)	0.29

Outstanding options as at the end of year are anti-dilutive.

The average market value of the company's shares for the purpose of calculating the dilutive effect of shares options was based on quoted market price for the year during which the options were outstanding

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 47: Capital and other commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) Rs. 3,820.18 lacs (31<sup>st</sup> March 2024: Rs. 4,828.57 lacs).

### Note 48: Contingent liabilities

Particulars	As at	As at
	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
a) Demands/claims not acknowledged as debts and contested by the Company: (*)		
Excise duty	1,252.83	1,252.83
Sales tax	530.87	530.87
Water tax (includes Rs. 2,42,772.67 lacs as mentioned in note (c) below)	3,14,725.84	2,71,434.60
Cess on captive power consumption	25,288.40	21,811.44
Krishi Upaj Mandi fees	1,229.51	1,229.51
Others (includes Rs.2,407.00 lacs as mentioned in note (d) below)	5,658.31	5,620.04
	<b>3,48,685.76</b>	<b>3,01,879.29</b>

(\*) Based on discussions with the solicitors/ favourable decisions in similar cases/legal opinions taken by the Company, the Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements. The company does not expect the impact, if any, to be material.

- b) Outstanding claims from employees not acknowledged as debts, including Bonus claims under adjudication and wages for suspension period at Brajrajnagar Unit. Amount unascertainable
- c) In October 1963, the paper division of the Company had applied to the Public Work Department (Irrigation) of the Madhya Pradesh State Government for drawing water without any charge from Sone River up to 1165 Million Cubic Feet (MCF) with the provision for increase up to 2500 MCF on full development of paper mill, the permission for which was granted by the State Government. In August 2000, the Madhya Pradesh State Government issued a notification and decided to levy charges on water consumption from river resources for industrial purposes with retrospective effect from June, 1998, the constitutional validity of which was challenged by the Company by way of a writ petition in the High Court of Madhya Pradesh. During the pendency of the said writ petition, the Water Resource Department (WRD) of the State Government started raising the bill for consumption of water on the basis of assumption of total quantum of water allowed to be drawn by the Company at 2500 MCF whereas, as per the Company, the quantum of water allowed to be drawn was 1165 MCF and the Company had never drawn the water even up to the initial quantity of 1165 MCF since it had not attained full development of the paper mill. One of the major reasons for not being able to achieve full development was frequent and perennial shortage of water. Based on an interim order passed by the Madhya Pradesh High Court in the aforesaid writ petition, the Company started paying water charges based on actual consumption of water (less than 1165 MCF), while the WRD of the State Government continued to raise bills on the basis of assumed consumption of 2500 MCF plus interest and penalty thereon. In January 2009, the High Court of Madhya Pradesh upheld the constitutional validity of August 2000 notification. After the aforesaid judgement, the Company paid Rs 908.47 lacs being the difference amount between the assumed quantity of 1165 MCF and the actual consumption, while the WRD of the State Government continued to raise the bills on the basis of assumed quantity of water consumption of 2500 MCF till April 2009, when the Company entered into a new agreement with the WRD of the State Government for water consumption of only 440 MCF effective from May 2009. The total balance demand for the aforesaid period amounts to Rs 2,42,772.67 lacs (31<sup>st</sup> March 2024: Rs 2,14,759.86 lacs) [including interest and penalty of Rs 2,41,359.12 lacs (31<sup>st</sup> March 2024: Rs 2,13,346.31 lacs)] as at 31<sup>st</sup> March 2025, for which no provision has been made in the books. The WRD of the State Government issued a notice for recovery of aforesaid demand in February 2015, against which the Company filed a writ petition in the Madhya Pradesh High Court and obtained an interim stay on the recovery. Also, Madhya Pradesh High Court has set aside demand for penal interest in a similar case for another Company.

On 11<sup>th</sup> July, 2020, the WRD has given a letter asking for consent on their offer of one-time settlement at Rs 7,915 lacs and withdrawal of Writ petition from the High Court for which the Company has not given any consent. The Company has been legally advised that it has a fit case for quashing the present demand.

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 48: Contingent liabilities (Contd.)

d) (i) The Company's Paper plant and Caustic Soda plant at Amlai were having individual factory license till 2011. The Company had applied for common factory license for both the plants enabling to supply Power to Caustic Soda plant from Paper plant. Simultaneously, it had filed a petition with Madhya Pradesh Electricity Regulatory Commission (MPERC) for direction on the action if common factory license was granted. On 11<sup>th</sup> May, 2012 the MPERC has directed Company to keep any one connection and surrender the other one. Accordingly, the Company had surrendered its Paper plant connection keeping the Caustic Soda plant connection. However, the Madhya Pradesh Poorv Khestra Vidyut Vitran Company Limited (MPPKVVCL) has interpreted the order otherwise and had considered the connection which was retained by Company as unauthorized one. They had issued final order dated 16-06-2012 under Section 126 (3) of Electricity Act 2003 levying Rs 1,287 lacs as electricity charges from 17-04-2012 (Date of issuance of Common Factory license) applying penal rate. The Company had filed an application with MPERC for clarification on direction dated 11<sup>th</sup> May 2012. The MPERC vide its order dated 04-08-2012 held that it has given option to the Company to keep any one of the two connection surrendering the second one. They had written in their Order that the order of the MPERC dated 11-05-2012 has been completely mis construed by the MPPKVVCL and by a convoluted logic raised claim of unauthorized use of electricity. They had directed respondent to regularize the connection per Company's application and submit compliance within a month. The MPPKVVCL has signed a supplementary HT agreement dated 09-11-2012 effective from 17-04-2012 regularizing the connections as per direction of the Commission. However, the Company has filed an appeal with Appellate Authority District Shahdol for quashing the order dated 16-06-2012 of MPPKVVCL citing (i) Clarification order of MPERC dated 04-08-2012 and (ii) subsequently regularization of connection by MPPKVVCL by signing supplementary HT Agreement.

(ii) Similarly, on 21-12-2011, a vigilance team of MPPKVVCL visited its Paper plant at Amlai for inspection of the usages of Power supplied by them. During their visit, they had observed that Company was erecting a captive Power plant and operating from time to time water pumps for drawing water from river Sone for its factory use. They had considered these uses as unauthorized load of 850 KVA from Power supplied by MPPKVVCL and issued a final order dated 21-08-2012 assessing a demand of Rs 155 lacs. The Company had filed an appeal against this order with the Appellate Authority District Shahdol for quashing the order citing that (i) it is used for production of Paper for which connection was granted, (ii) that the power used for the alleged activity is from its own power generating plant.

However, the Appellate authority has decided both the cases against the Company vide its orders dated 29-11-2019 and the Company has received demand letter No AA/SS/06/HT/1368 dated 09-12-2019 demanding Rs. 2,172 lacs. against order in case No 02/12-13 and Rs 235 lacs against order in case No 03/12-13 for unauthorized use of power making total demand of Rs 2,407 lacs.

The Company has filed an appeal in MP High Court against both the orders vide WP No 28342/ 2019 and WP No 28354 / 2019 and requested for relief against the demand. The Hon'ble MP High Court vide its order dated 21.01.2020 had passed an interim order in favour of the Company thereby restraining the respondents from taking any further coercive action against the Company. Matters are still at the stage of completion of pleadings because the respondents have not yet submitted any replies or affidavits in the case. Further, the Company has been legally advised by its lawyer that these cases are fit cases for quashing the present demand, therefore, has not provided any liability in its books of accounts.

e) The Company has received orders for resumption of certain leasehold land. The same was challenged by the Company vide a writ petition made in the High Court of Orissa, Cuttack for which it has received stay order / order for no coercive action shall be taken against the Company. Based on legal advice, the Company does not expect the outcome of these proceedings to have a material effect on its financial statements.

f) In respect of above contingent liabilities, it is not practicable for the Company to estimate the timings of cash outflows, if any, pending resolution of the respective proceedings. The Company does not expect any reimbursements in respect of above.

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 49: Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	1,528.15	558.23
Interest due on above	9.58	0.08
	<b>1,537.73</b>	<b>558.31</b>
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of the payments made to micro and small suppliers beyond the appointed day during each accounting year.	1,239.07	158.17
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006	8.23	1.05
The amount of interest accrued and remaining unpaid at the end of each accounting year	17.81	1.13
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	22.93	5.12

The above information has been provided as available with the Company to the extent such parties could be identified on the basis of the information available with the Company regarding the status of suppliers under the MSMED Act.

# Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

## Note 50: Analytical Ratios

(All amounts in Rupees lacs, unless otherwise stated)

Sl. No.	Particulars	Numerator		Denominator		Ratios		% Change	Remarks
		As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024		
(a)	Current Ratio	Current assets	20,409.27	41,272.06	0.49	61.37%	Increase is mainly due to change in classification of current investments		
(b)	Debt-Equity Ratio	Total Debt	32,087.68	1,61,898.30	0.26	31.33%	Variance due to additional debt taken during the year and losses for the year has also impacted the networth		
(c)	Debt Service Coverage Ratio	Earnings available for debt service	8,358.41	6,344.08	0.47	-64.38%	Lower earnings for the year is attributable to decrease in overall demand and prices of product and increase in raw-material prices.		
(d)	Return On Equity	Net Profits after taxes	622.53	1,56,723.11	-3.47%	-972.55%	Losses for the year is attributable to decrease in overall demand and prices of product and increase in raw-material prices.		
(e)	Inventory Turnover ratio	Total revenue from operations	83,194.35	13,145.90	6.44	1.73%			
(f)	Trade Receivables turnover ratio	Total revenue from operations	83,194.35	1,478.69	60.58	11.02%			
(g)	Trade payables turnover ratio	Total Purchases	75,843.22	8,914.64	8.09	-4.90%			
(h)	Net capital turnover ratio	Total revenue from operations	83,194.35	(13,592.69)	(5.90)	-3.66%			
(i)	Net profit ratio	Net Profit after taxes	622.53	83,194.35	-6.10%	-915.43%	Losses for the year is attributable to decrease in overall demand and prices of product and increase in raw-material prices.		
(j)	Return on Capital employed	Earnings before Interest and Tax	4,264.92	2,13,531.26	-2.56%	-228.21%	Lower dividend received during the year has resulted in fall in return.		
(k)	Return On Investment	Dividend income	469.38	44,322.69	0.70%	-33.81%			

**Note :**

- Total Debt = Borrowings + Lease liabilities
- Shareholder's Equity = Total Equity
- Earnings available for debt service = Net Profit after taxes + Depreciation + Finance costs + Loss on sale/discard of property, plant and equipment (net) + Provision for Impairment loss
- Debt service = Interest + Lease Payments + Principal Borrowings Repayments
- Total Purchases = Purchases of Raw Materials + Employee Benefit Expenses + Power & Fuel + Other expenses as relevant
- Working Capital = Current Assets - Current Liabilities
- Earnings before Interest and Tax = Net Profit after taxes + Finance costs
- Capital Employed = Total Equity + Borrowings + Lease liabilities + Deferred Tax Liability - Intangible Assets

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 51:

The Company has not made any investments during the year. The Company did not stand guarantee, or provided security to any company / Firm / Limited Liability Partnership/ Other Party. The Company has not granted secured/ unsecured loans/advances in nature of loans to any Company / Firm / Limited Liability Partnership / Other Party during the year other than loan to employees.

The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans to employee is as per the table given below:

Particulars	As at	As at
	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
Aggregate amount granted/ provided during the year		
- Others	11.88	15.38
Balance outstanding as a balance sheet date in respect of the above case		
- Others	8.62	8.60

### Note 52 Share Based Payments arrangements

#### Employee stock option scheme

The company granted employee stock options to certain eligible employees on 26 December 2023 under Orient Paper & Industries Limited Employee Stock Option Scheme, 2023 ("The Scheme"). Under this plan, holders of vested options are entitled to purchase shares at the market price of the shares at the respective grant date of option.

#### Information in respect of Options granted and outstanding under the Scheme:

Name of the eligible employees	As at 31 <sup>st</sup> March, 2025		Vesting conditions	Exercise period post respective vesting period
	No of options/ shares	Exercise price per share (Rs./-)		
Options granted to certain eligible employees	2,50,000	42.90	3 years in two tranches: - a) 40% (Forty percent) shall vest on 26 <sup>th</sup> December, 2025; and b) 60% (Sixty percent) shall vest on 26 <sup>th</sup> December, 2026.	4 Years

Name of the eligible employees	As at 31 <sup>st</sup> March, 2024		Vesting conditions	Exercise period post respective vesting period
	No of options/ shares	Exercise price per share (Rs./-)		
Options granted to certain eligible employees	14,00,277	42.90	3 years in two tranches: - a) 40% (Forty percent) shall vest on 26 <sup>th</sup> December, 2025; and b) 60% (Sixty percent) shall vest on 26 <sup>th</sup> December, 2026.	4 Years

#### Measurement of Fair Value

The fair value of Employee Stock Options as on the date of grant was determined using the Black Scholes formula. The inputs used in the measurement of the fair values at the grant date of the equity settled share based payment plan is as follows-

## Notes to Financial Statements as at and for the year ended 31<sup>st</sup> March 2025

(All amounts in Rupees lacs, unless otherwise stated)

### Note 52 Share Based Payments arrangements (Contd.)

Particulars	Employee stock options Plan
Grant Date	26-Dec-23
Fair value at grant date	18.10
Share price at grant date	42.90
Exercise price	42.90
Expected volatility	49.36%
Expected Life	4.6 Years
Expected dividend	2.33%
Risk free interest rate	7.06%

Expected volatility has been based on the evaluation of the historical volatility of the Company's share price, particularly over the historical period commensurate with the expected term. The Expected term of the instruments has been based on the historical experience and general option holder behaviour

### Reconciliation of outstanding share options

Particulars	31-Mar-25	31-Mar-24
Number of Options Outstanding at the beginning of the year	14,00,277	-
Number of Options granted during the year	-	14,00,277
Number of options forfeited / lapsed during the year	11,50,277	-
Number of Options outstanding at the end of the year	2,50,000	14,00,277

\*No options were exercised during the year

### Expense arising from share based payment transactions

Total expenses / (reversal of expenses) arising from share-based payment transactions recognised in Statement of Profit and Loss as part of employee benefit expenses is (Rs. 5.68) lacs. (31<sup>st</sup> March 2024: Rs.28.54 lacs) Refer Note 32.

### Note 53:

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(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the funding party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

As per our report of even date.

**For B S R & Co. LLP**  
Chartered Accountants  
Firm Registration Number: 101248W/W-100022

**Jayanta Mukhopadhyay**  
Partner  
Membership No.: 055757

Place: Kolkata  
Date: 22 May 2025

**For and on behalf of the Board of Directors of**  
**Orient Paper & Industries Limited**  
CIN No. L21011OR1936PLC000117

**C. K. Birla**  
Chairman  
(DIN 00118473)  
Place : London

**Amit Poddar**  
Chief Financial Officer  
(ACA 060247)  
Place : Kolkata  
Date: 22 May 2025

**Anant Agarwal**  
Managing Director & CEO  
(DIN 02640025)  
Place : Kolkata

**R. P. Dutta**  
Company Secretary  
(ACS 14337)  
Place : Kolkata



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