



# Genus Paper & Boards Ltd

(A Kailash Group Company)

CIN No : L21098UP2012PLC048300 PAN NO-AAECG5483A

**Genus**  
energizing lives

August 20, 2021

<b>BSE Limited</b> (Corporate Relationship Department), 1 <sup>st</sup> Floor, P.J. Towers, Dalal Street, Fort, Mumbai – 400001  Fax No.: 022-22723719 / 22723121 / 22722039 E-mail: <a href="mailto:corp.compliance@bseindia.com">corp.compliance@bseindia.com</a>  Scrip Code : 538961	<b>National Stock Exchange of India Ltd.</b> (Listing & Corporate Communications), Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051.  Fax No: (022) 26598237 / 38 E-mail: <a href="mailto:cc_nse@nse.co.in">cc_nse@nse.co.in</a>  Symbol : GENUSPAPER
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**Sub: Submission of Annual Report for the Financial Year 2020-21, including notice of 10<sup>th</sup> Annual General Meeting**

**Re: Disclosure under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir/Madam,

In terms of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit a copy of the Annual Report of the Company for the Financial Year 2020-21, including Notice of 10<sup>th</sup> Annual General Meeting ("AGM") of the members of the Company, scheduled to be held on Wednesday, 18<sup>th</sup> Day of September, 2021 at 11:30 A.M. through Video Conferencing ("VC")/Other Audio Video Means ("OAVM").

The same is also available on the website of the Company at [www.genuspaper.com](http://www.genuspaper.com).

You are requested to kindly take the above information on your record and oblige.

Thanking you,

Yours truly

For Genus Paper & Boards Limited

*Anuj Ahluwalia*

Anuj Ahluwalia  
Company Secretary



Encl: A/a



# ANNUAL REPORT 2020-21

GENUS PAPER & BOARDS LIMITED

[www.genuspaper.com](http://www.genuspaper.com)



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## INVESTOR INFORMATION

CIN: L21098UP2012PLC048300  
BSE code: 538961

NSE code: GENUSPAPER  
AGM date: 18th September, 2021

Market Capitalization  
as on 31<sup>st</sup> March, 2021 : ₹ 181.27 Crores

### DISCLAIMER

This document contains statements about expected future events and financials of Genus Paper & Boards Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management's Discussion and Analysis Report of this annual report.

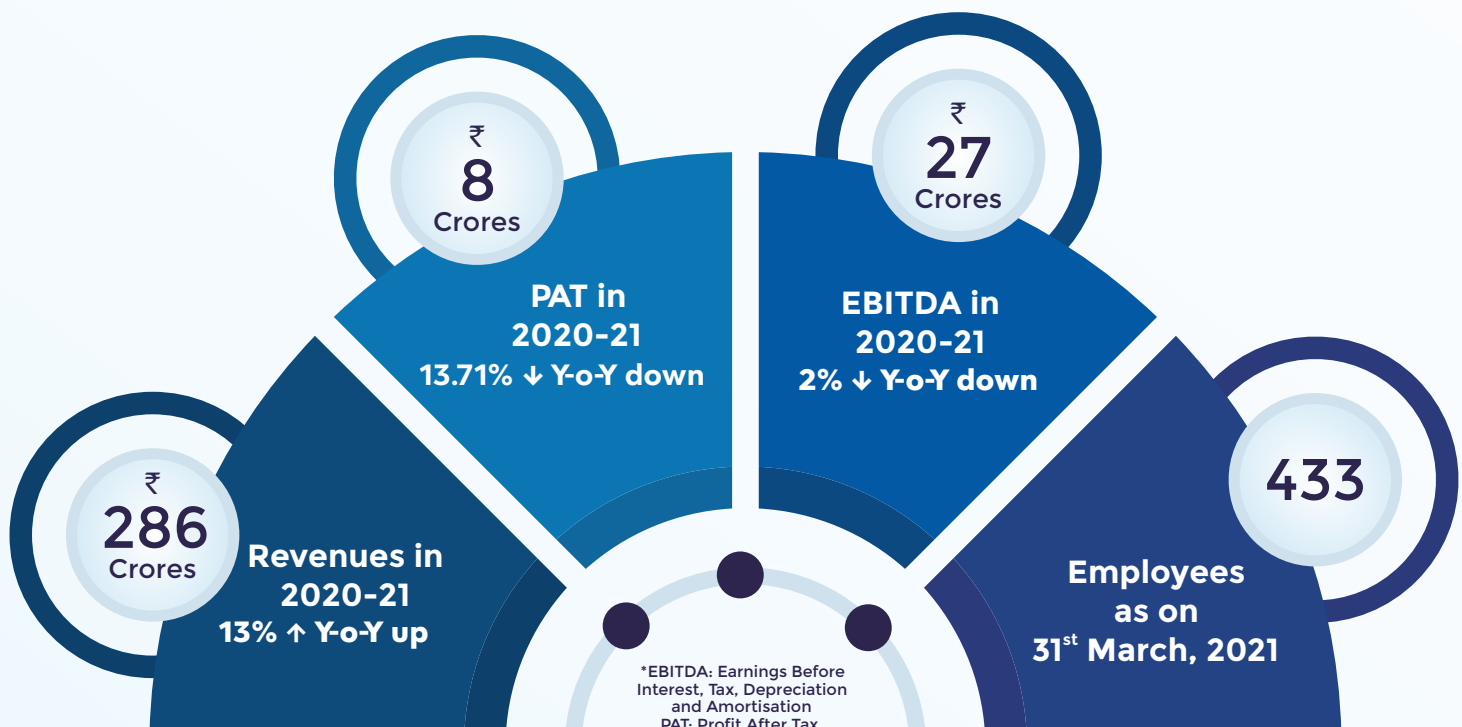
Please find our online version at:  
[www.genuspaper.com/investor.php?id=12](http://www.genuspaper.com/investor.php?id=12)



**IF AN ORGANIZATION VALUES INNOVATION YOU CAN ASSUME IT'S SAFE TO SPEAK UP WITH NEW IDEAS LEADERS WILL LISTEN AND YOUR VOICE MATTERS.**

We at Genus Paper & Boards Limited (also mentioned as Genus Paper or the Company) have grown over the years. Our growth with largely revolving around our key product – the Kraft paper, which is expected to witness a robust demand over the next few years, largely from the FMCG, pharmaceuticals and E-commerce segments.

**We are immensely determined to cater to this demand and create our success story, again.**





**ZERO LIQUID  
DISCHARGE**  
Plant

**STATE-OF-  
THE-ART**  
Quality Control System

**11 MW**  
Co-generation  
Captive Power Plant

**1**  
Manufacturing facility  
at Moradabad (UP)

## WE GROW BETTER AND BETTER EVERY NEW DAY

Incorporated in 1996, Genus Paper & Boards Limited is today one of India's leading manufacturers of industrial Kraft paper. An integral part of the Kailash Group, the Company has its business prominently into Kraft Paper. It has manufacturing facility based out of Moradabad. The Moradabad facility has two waste paper-based manufacturing plants of Kraft Paper within the factory premises.

The Company offers range of Kraft papers varying from 100 GSM to 400 GSM. This paper finds its application in the manufacturing of corrugated boxes, commonly known as carton boxes.

The Company meets the needs of various customer industries ranging from FMCG to pharmaceuticals and E-commerce. With a strong presence in North India, the Company is a preferred supplier for corrugated box manufacturers owing to its proximity to the end-user industries.

# DRIVING KRAFT GROWTH AND CREATING CAPACITIES

# INDUSTRY PRESENCE



**FMCG**



**Consumer  
Durables**



**Pharmaceuticals**



**Garments**



**Textile**



**Footwear**



**E-Commerce**

## TIMELINE

**1996**

Incorporated  
as  
'DSM Papers  
Limited'

**2002**

Name changed  
to  
'Kailash Paper  
Product Limited'

**2006**

Name changed  
to  
'Genus Paper  
Products Limited'

**2011**

Approval for  
the demerger  
of non-power  
infrastructure  
business

**2013**

Post the scheme  
of arrangement,  
'Genus Paper &  
Boards Limited'  
was formed as a  
Public Limited  
Company and  
listed on the NSE  
& BSE

**2015**

Enhanced  
production  
capacity

**2018**

Commenced  
lease Kraft  
Paper  
manufacturing  
facility situated  
at Kashipur,  
Uttarakhand

**2019**

Termination of  
lease Kraft paper  
manufacturing  
facility situated  
at Kashipur,  
Uttarakhand

**2020**

Incorporation of  
wholly owned  
subsidiary  
on 23rd July, 2020  
namely  
Genus Paper  
and Coke Limited.  
(Formerly Known as  
Kailash Paper  
and Coke Limited)

**2021**

Acquisition of  
NS Papers Limited  
vide NCLT  
order  
Dt. 23.02.2021.





## BUSINESS SEGMENT

**Kraft Paper** is classified as an industrial paper used by packaging industry in making corrugated boxes and liners, sacks and composite containers.

The Company manufactures paper of High Tear Factor (TF) and High Burst Factor (BF) ranging from 100 GSM to 400 GSM.

## REVENUE CONTRIBUTION



**KRAFT PAPER  
USED BY THE  
CORRUGATED BOX  
MANUFACTURERS**



**PRESENCE**



**Moradabad**  
Uttar Pradesh



Registered Office  
and works  
**GENUS PAPER &  
BOARDS LIMITED**  
Village Aghwanpur,  
Kanth Road  
Moradabad - 244001,  
INDIA



# CHAIRMAN'S MESSAGE



**Mr. Ishwar Chand Agarwal**

## Dear Shareholders,

We are in the middle of a humanitarian crisis. Its scale, seriousness and geographical spread are unseen in a century. It has filled the hearts of all Indians with enormous pain and grief. The year 2020 was marked by unparalleled challenges. Our way of life changed like never before and people were forced to adapt and adjust to new realities. The flexibility of our business model and our values of Performance, Care and Integrity allowed our people to come together with a real sense of purpose. Although the COVID-19 pandemic is far from over, the Group remains strategically and operationally steady to take the organization ahead.

We continue to promote a safety culture within the organization and are proud to uphold the highest standards of safety for all our employees. Even during the COVID-19 pandemic, we ensured the physical and mental well-being of our people. Our teams worked efficiently to keep up the safety performance of the organization.

We are committed to a series of long-term goals and we plan to accomplish them with courage and alertness. Despite the challenges faced in the last year, I remain positive about FY2021-22 and in every crisis, we strive to find an opportunity. It's time to review our course, make adjustments, and prepare for a different and better future. Waves of growth and recession have shaped human lives since the beginning of time. But, we must be prepared to weather any storm, always learning from our experiences and improving our capabilities.

"Learn from yesterday, live for today, hope for tomorrow.  
The important thing is not to stop questioning."

—Albert Einstein

We are driven by an ambient passion to contribute towards a better world with the manufacturing of Kraft Paper that is renewable by design. We strive to represent new methods and ideas to efficiently reduce our environmental footprints and deliver exceptional paper products. Our endeavors are also focused on making a difference to lives.

You will be reassured to know that your company has taken steps to adhere to the guidelines for social distancing and other safety measures provided by the government and its authorities, keeping in mind utmost safety, health and well being of our employees and other stakeholders. To ensure smooth continuation of operation and to survive tough time and respond to any unexpected events in the future due to the pandemic, your Company took all possible cost control measures across the organisation, mainly to preserve liquidity. With these steps, the company has emerged to meet its business commitments and financial obligations.

## PERFORMANCE IN FY 21

Despite the interruption caused by the Covid-19 pandemic in the first quarter of the year under review, we have remained volatile and continued operations with great courage and determination. Your company has generated annual revenue of Rs. 285.71 Crores in FY21 against FY20 revenue of Rs. 253.93 Crores. The EBIDTA (Earnings before Interest, Tax, Depreciation and Amortization) stood at Rs. 26.75 Crores and PAT (Profit after Tax) stood at Rs. 7.68 Crores with EPS (Earning per Share) of Rs. 0.30 at the face value of Re.1.

During the year, Hon'ble National Company Law Tribunal (Allahabad Bench), approved vide its order dated 23rd February, 2021 the Resolution Plan for acquisition & merger of NS Papers Limited submitted by your Company, as already approved by the Committee of Creditors, pursuant to the provisions of the Insolvency and Bankruptcy Code, 2016 (IBC) and the regulations made thereunder.

## COMPANY'S FUTURE OUTLOOK

Genus is a 100% recycling-based paper mill. Over the years, Genus has spent money and resources on technology to manufacture Kraft paper under the eco-friendly environment.

All the segments of paper are experiencing good growth both locally and internationally. Amidst this scenario of COVID-19 pandemic, Genus Paper is well poised to leverage its growth story. We have never compromised on the product quality and made the required investments to achieve the same. Differentiation, innovation, and automation are our mantras for success.

Company would continue to focus on its key strengths to achieve healthy growth by further enhancement of quality. Though we enjoy premium in pricing compared to other market players, we hope to improve the sales realization further due to our thrust on quality and brand positioning. We are constantly looking for growth opportunities in the manner most beneficial to all Stakeholders.

## ACKNOWLEDGEMENT

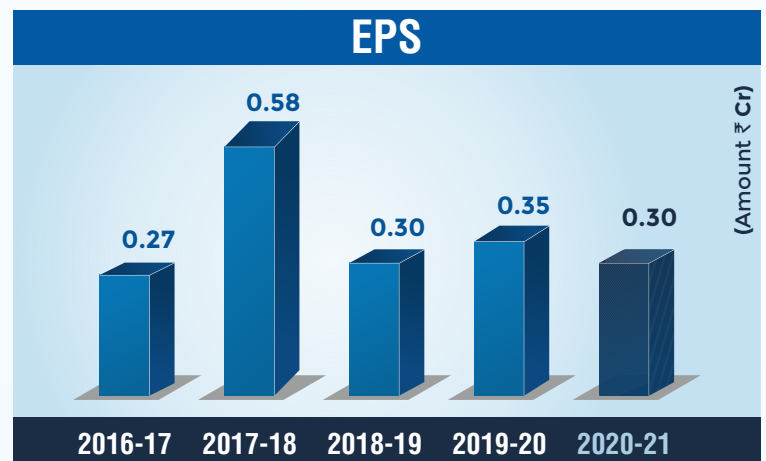
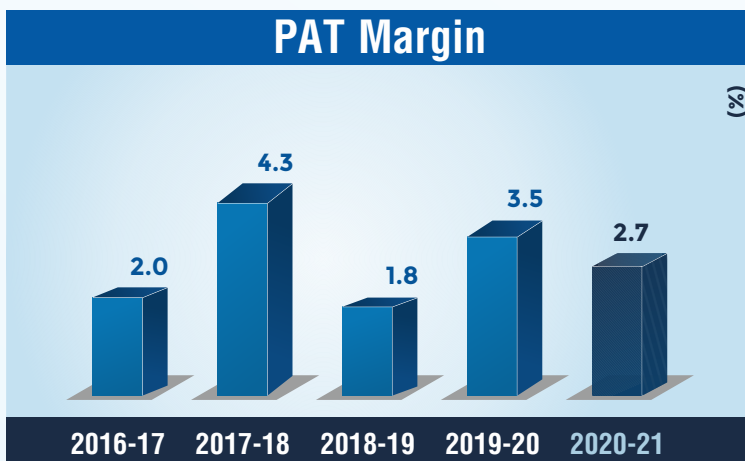
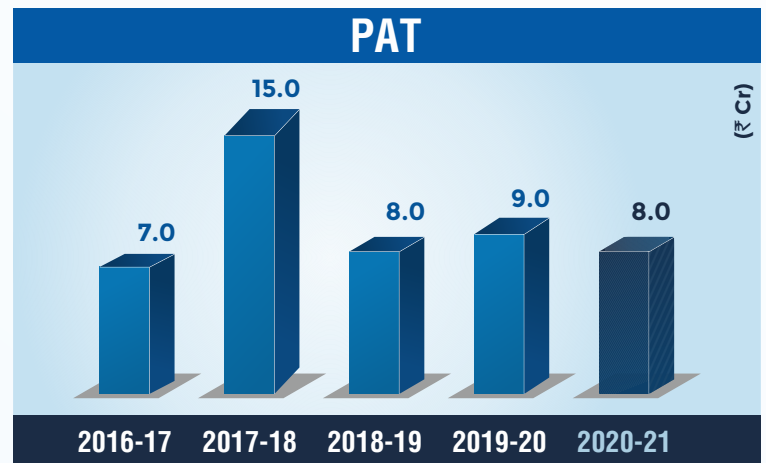
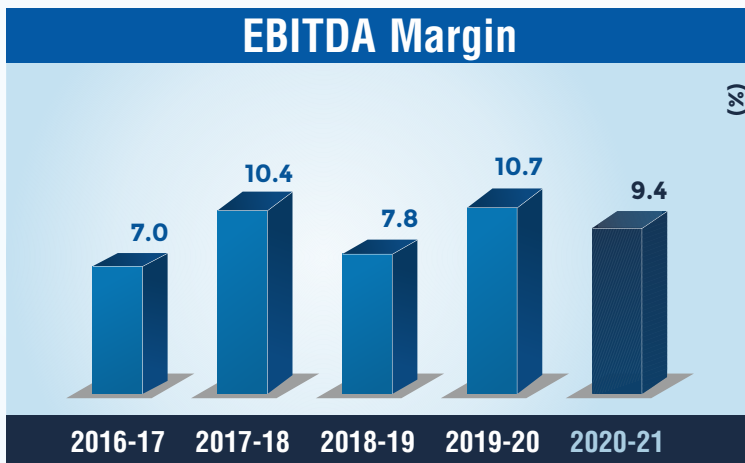
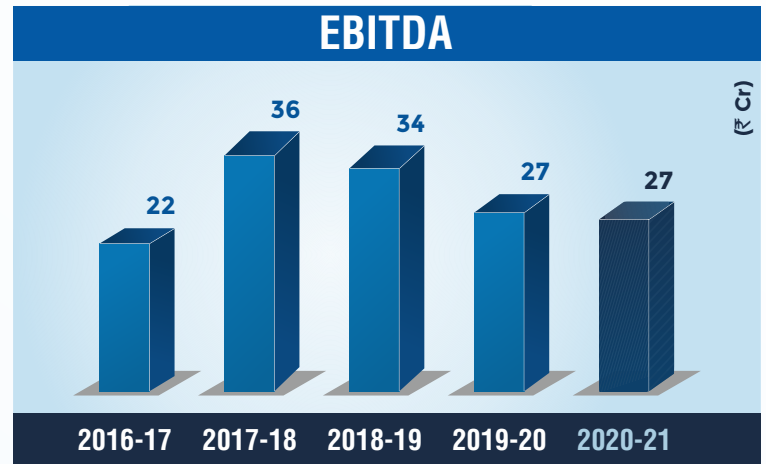
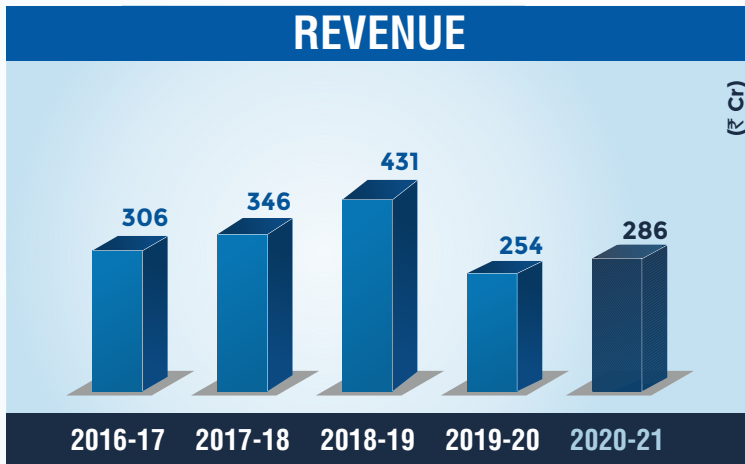
I am grateful to our shareholders, customers, bankers, our board of directors and our employees for their unstinted faith and support. All this gives us immense strength and confidence towards the journey of your company towards greater heights of growth and success in coming days.

Yours truly

**Mr. Ishwar Chand Agarwal**



## FINANCIAL SUMMARY



\*EBITDA: Earnings before Interest Tax Depreciation and Amortization | \*PAT: Profit After Tax | \*EPS: Earnings Per Share

## CORPORATE INFORMATION

BOARD OF DIRECTORS	
Mr. Ishwar Chand Agarwal	Chairman
Mr. Kailash Chandra Agarwal	Managing Director & CEO
Mr. Himanshu Agarwal	Executive Director
Mr. Surya Prakash Sinha	Executive Director
Mr. Akhilesh Maheshwari	Executive Director
Mrs. Anu Sharma	Director
Mr. Pradeep Narain Tandon	Director
Mr. Dharam Chand Agarwal	Director
Mr. Udit Agarwal	Director
Mr. Rajendra Aggarwal	Director
Mr. Sanjay Kumar Agarwal	Chief Financial Officer
Mr. Anuj Ahluwalia	Company Secretary

AUDITORS	
D. Khanna & Associates	Chartered Accountants

BANKERS	
State Bank of India Yes Bank	

REGISTERED OFFICE & WORKS	
<b>Genus Paper &amp; Boards Limited</b> Village Aghwanpur, Kanth Road, Moradabad-244001, Uttar Pradesh Tel : 0591-2511171 Fax : 0591-2511242, Website : <a href="http://www.genuspaper.com">www.genuspaper.com</a>	

CORPORATE OFFICE	
D-116, Okhla Industrial Area, Phase-I, New Delhi-110020 Tel : 011-47114800 Fax : 011-47114833	



## NOTICE

**Notice** is hereby given that the 10<sup>th</sup> Annual General Meeting of **GENUS PAPER & BOARDS LIMITED** will be held on **Saturday, 18<sup>th</sup> September, 2021 at 11.30 a.m.** IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2021, the reports of the Board of Directors and Auditors thereon.
2. To appoint Director in place of Shri Himanshu Agarwal (having DIN-00065185), who retires by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS

#### 3. **APPOINTMENT OF SHRI AKHILESH KUMAR MAHESHWARI AS EXECUTIVE WHOLE TIME DIRECTOR**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 152, 161, 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Shri Akhilesh Kumar Maheshwari (DIN No. 00062645) be and is hereby appointed as Executive Whole Time Directors of the Company upon terms and conditions including remuneration as set out in the explanatory statement accompanying to the notice.

**RESOLVED FURTHER THAT** Shri Akhilesh Kumar Maheshwari shall be the Key Managerial Personnel of the Company w.e.f. 01<sup>st</sup> March, 2021 during his tenure as Whole Time Director of the Company in terms of Section 203 of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as 'board') and/or any committee thereof be and is hereby authorized to vary and/or modify the terms and conditions of appointment and remuneration within the limits as prescribed in Schedule V of the Companies Act, 2013 including any amendment, modification, variation or re-enactment thereof, as may be agreed between the board and Shri Akhilesh Kumar Maheshwari.

**RESOLVED FURTHER THAT** in the event of any loss, absence or inadequacy of the profits of the Company in any financial year, remuneration payable to Shri Akhilesh Kumar Maheshwari shall be governed by Section II of Part II of Schedule V of the Companies Act, 2013, or any modification(s) thereto.

**RESOLVED FURTHER THAT** any revision in the remuneration payable to Shri Akhilesh Kumar Maheshwari shall be within the overall limits as approved by the Members in terms of this resolution and as recommended by the Nomination and Remuneration Committee to the board for its approval, from time to time.

**RESOLVED FURTHER THAT** the board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any committee of directors to give effect to the aforesaid resolution."

#### 4. **RE-APPOINTMENT OF SHRI SURYA PRAKASH SINHA AS WHOLE TIME DIRECTOR**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), approval of members of the Company be and is hereby accorded to the re-appointment of Shri Surya Prakash Sinha (DIN No. 06530766) as Executive Whole Time Director of the Company upon terms and conditions including remuneration as set out in the explanatory statement accompanying to the notice.

**RESOLVED FURTHER THAT** Shri Surya Prakash Sinha shall be the Key Managerial Personnel of the Company w.e.f. 12<sup>th</sup> October, 2021 during his tenure as Whole Time Director of the Company in terms of Section 203 of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as 'board') be and is hereby authorized to vary and/or modify the terms and conditions of appointment and remuneration within the limits as prescribed in Schedule V of the Companies Act, 2013 including any amendment, modification, variation or re-enactment thereof, as may be agreed between the board and Shri Surya Prakash Sinha.

**NOTICE[contd.]**

**RESOLVED FURTHER THAT** in the event of any loss, absence or inadequacy of the profits of the Company in any financial year, remuneration payable to Shri Surya Prakash Sinha shall be governed by Section II of Part II of Schedule V of the Companies Act, 2013, or any modification(s) thereto.

**RESOLVED FURTHER THAT** any revision in the remuneration payable to Shri Surya Prakash Sinha shall be within the overall limits as approved by the members in terms of this resolution and as recommended by the Nomination and Remuneration Committee to the board for its approval, from time to time.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any committee of directors to give effect to the aforesaid resolution.”

**5. POWER TO CREATE PLEDGE, MORTGAGE, HYPOTHECATE AND/OR CHARGE PRESCRIBED U/S 180(1) (a) OF THE COMPANIES ACT, 2013**

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

**“RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) and all other applicable provisions of the Companies Act, 2013, and the Rules made thereunder, including any statutory modification(s) thereto or re-enactment(s) thereof, for the time being in force, and in accordance with the Articles of Association of the Company, and subject to such other approvals, consents, sanctions and permissions, as may be necessary, consent of members of the Company be and is hereby accorded to the Board of Directors of the Company to create pledge, mortgage, hypothecate and/or charge all or any part of the movable or immovable properties being substantial undertaking as per section 180 (1)(a) of the Companies Act, 2013 for the purpose of borrowing any sum of money in foreign currency or Indian Rupees for the purpose of business of the company from any bank, Financial Institution, Lending Institutions considered suitable by the board provided that the aggregate indebtedness secured by the assets of the Company does not exceed Rs. 450 Crore (Rupees Four Hundred & Fifty Crore Only) at any point of time.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby severally authorized to negotiate and settle the terms and conditions with the concerned Bank(s) / Financial Institution(s) / Lender(s), finalize the applicable instruments/agreements, deeds or any other document for borrowing the monies for the purpose of business of the Company and to do and perform all such other acts, deeds and things including delegation all or any of its powers conferred on it by or under this resolution to any Committee of Directors or to any director(s) or any other official of the Company as may be deemed appropriate, necessary, proper, desirable or expedient by the Board to give effect to this resolution”.

**6. AUTHORISATION TO BOARD FOR INCREASE IN AUTHORISED SHARE CAPITAL OF THE COMPANY**

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

**“RESOLVED THAT** pursuant to the provisions of Section 13, 61, 64 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) and re-enactment(s) thereof for the time being in force) and the rules framed thereunder and in terms of applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendment, modification or re-enactment thereof), and the enabling provisions of the Memorandum and Articles of Association the Company,

- (i) The Board of Directors of the Company (“the Board”) be and is hereby authorized to increase the authorized share capital of the Company by issuing new shares (Equity/Preference) upto the maximum amount of Rs. 25 Crores in different tranches upon such terms and conditions and with such rights and privileges attached thereto as the Board may determine, subject to any directions given by the Shareholders of the Company at the time of issue thereof;
- (ii) The Board of Directors (“the Board”) is and is hereby authorized to:
  - (a) Settle any question, doubt or difficulty that may arise in regard to the foregoing;
  - (b) do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary and think fit to give effect to this resolution;
  - (c) Delegate all or any of the powers herein conferred to any Director or any other officer(s) of the Company.

**RESOLVED FURTHER THAT** to give effect to above resolutions, any of the Director of the Company, be and is hereby authorized to do all acts, deeds and things as may required and file necessary papers and forms with the Registrar of Companies”.

## NOTICE[Contd.]

### 7. TRANSACTION WITH RELATED PARTY UNDER SECTION 188 OF THE COMPANIES ACT, 2013

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

**"RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with applicable Rules under Companies (Meetings of Board and its Powers) Rules, 2014 and in terms of applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendment, modification or re-enactment thereof), consent of the Members of the Company be and is hereby accorded for entering into related party transactions by the Company with effect from 1<sup>st</sup> April, 2020 up to the maximum per annum amounts as appended below:

(Rs. in Lacs)

MAXIMUM VALUE OF CONTRACT /TRANSACTION (PER ANNUM) WEF 1 <sup>ST</sup> APRIL, 2020					
	Transactions defined u/s 188(1) of the Companies Act, 2013				
	Sale, Purchase or supply of any goods, materials	Loans & Advances	Leasing of property of any kind	Availing or rendering of any services;	Appointment of any agent for purchase or sale of goods, materials, services or property
<b>NAME OF RELATED PARTIES</b>					
<b>COMPANIES</b>					
Genus Power Infrastructures Ltd	213.93	-	-	-	-
Genus Apparels Limited	61.48	-	-	-	-
Kailash Coal and Coke Company Limited	18.86	-	-	-	-
Genus Innovation Limited	32.46	-	-	-	-
<b>DIRECTORS / KMPs / RELATIVES OF DIRECTORS AND KMPs /OTHER FIRMS AND COMPANIES in which directors have some interest as per provisions of Section 2(76) of the Companies Act, 2013</b>	On actual basis, Exempted being in the ordinary course of business and on arm's length basis	-	-	On actual basis, Exempted being in the ordinary course of business and on arm's length basis	On actual basis, Exempted being in the ordinary course of business and on arm's length basis

**RESOLVED FURTHER THAT** the Board of Directors and /or any committee thereof be and is hereby authorized to do and perform all such acts, deeds or things as may be necessary or incidental thereto including to finalize any documents and writings thereto as in its absolute discretion deem proper and desirable to give effect to the this resolution."

#### Registered Office :-

Vill. Aghwanpur, Kanth Road  
Moradabad-244001

CIN : L21098UP2012PLC048300

For and on behalf of Board of Directors  
For **Genus Paper & Boards Limited**

**Kailash Chandra Agarwal**

Managing Director & CEO

DIN-00895365

Place : Moradabad

Dated : 09<sup>th</sup> August, 2021



**NOTICE[contd.]****NOTES:**

1. Pursuant to the General Circular nos. 20/2020, 14/2020, 17/2020, 02/2021 issued by the Ministry of Corporate Affairs ("MCA") and Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 issued by the SEBI (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold AGM through VC, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC.
2. The explanatory statement pursuant to Section 102(1) of the Companies Act, 2013, (the "Act") which sets out details relating to special business to be transacted at this annual general meeting, is annexed hereto.
3. The Register of Member and Share Transfer Books of the Company will remain closed from 13<sup>th</sup> September, 2021 to 18<sup>th</sup> September, 2021 (both days inclusive) in connection with the Annual General Meeting.
4. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars on AGM through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
5. Pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, the relevant details of Director seeking re-appointment at this AGM are provided in the "Annexure" to the Notice.
6. Corporate members intending to authorize their representatives to attend the Meeting are requested to send a scanned certified copy of the board resolution (pdf/jpeg format) authorizing their representative to attend and vote on their behalf at the Meeting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to pcskomalahuja@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com.
7. SEBI has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the RTA.
8. In case of joint holder attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The form can be downloaded from the Company's website at [www.genuspaper.com](http://www.genuspaper.com). Members are requested to submit these details to their DP in case the shares are held by them in electronic form, and to the Company's RTA, in case the shares are held in physical form.
10. Members seeking any information with regard to the accounts or any matter to be placed at the AGM are requested to write to the Company in advance through email on [cs@genuspaper.com](mailto:cs@genuspaper.com). The same will be replied by the Company suitably. Documents referred to in this Notice will be made available for inspection as per applicable statutory requirements.
11. The Company has designated a separate e-mail ID of the grievance redressal division/Compliance officer i.e. '[cs@genuspaper.com](mailto:cs@genuspaper.com)', exclusively for the purpose of registering complaints by investors.
12. In accordance with, the General Circular No. 20/2020 dated 5th May, 2020 and General Circular No. 2/2021 dated 13th January, 2021 issued by MCA, and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 issued by SEBI, owing to the difficulties involved in dispatching of physical copies of the financial statements (including Report of Board of Directors, Auditor's report or other documents required to be attached therewith), such statements including the Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s). Members may note that the Notice and Annual Report will also be available on the Company's website <https://www.genuspaper.com>, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of CDSL i.e. [www.evotingindia.com](http://www.evotingindia.com).
13. All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to '[cs@genuspaper.com](mailto:cs@genuspaper.com)'.

**NOTICE[contd.]**

14. Additional information on directors recommended for appointment / reappointment as required under Regulation 36 of the LODR Regulations and applicable Secretarial Standards

Name of Director	Himanshu Agarwal	Akhilesh Kumar Maheshwari	Surya Prakash Sinha
Director Identification Number	00065185	00062645	06530766
Date of Birth	10/06/1981	20/08/1964	31/10/1950
Date of First Appointment	11/01/2012	01/03/2021	12/10/2015
Qualification	Bachelor of Commerce	Insolvency Professional (IP), FCA, ACS, SAP (FICO)	Graduate
Expertise in specified functional area	Having extensive experience in the Paper Industry Sector, and has developed understanding of risk management, efficient processes and operational excellence.	Having rich experience as Whole Time Director/ Independent Director/ Director (Finance)/ CFO/ GM Finance/ Company Secretary for about 30 years (in leading business houses such as Bajaj Group, Wave Group, Thapar Group, Indiabulls Power, Jindal Group, Gulshan Group etc) in entire gamut of Business Operations including Fund Raising (Debt/ IPO/ Private Equity), P&L Management, Strategic Financial Planning & Analysis, Credit & Risk Management, Business Alliances, Forecasting, Process Improvements, Operation Excellence, Management Reporting, Accounts, Audit, Taxation, Company Secretarial & Legal Compliance and allied Activities.	Having vast experience of 40 years in the field of human resources and administration and was serving as Vice President (Human Resources) in the Company
Shareholding in Genus Paper & Boards Limited	7103530	23200	NIL
List of outside Directorship held excluding Alternate Directorship and Private Companies.	1. Genus Paper and Coke Limited (formerly Kailash Paper and Coke Limited) 2. Shree Sai Urja Limited 3. Virtuous Infra Limited	1. Gulshan Polyols Limited 2. Kailash Chemicals Private Limited (Formerly Bimal Chemicals Pvt Ltd)	1. Virtuous Mining Limited 2. Genus Paper and Coke Limited (formerly Kailash Paper and Coke Limited)
Chairman/ Member of the Committee of the Board of Directors of the Company	Corporate Social Responsibility Committee and Risk Management Committee	Nil	Nil
Relationship with other Directors and KMP	Not Related with any Director of the Company	Not Related with any Director of the Company	Not Related with any Director of the Company

To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for a long time. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.

15. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company's RTA in case the shares are held by them in physical form.
16. In terms of the Listing Regulations, securities of listed companies can only be transferred in dematerialized form with effect from 1 April 2019. In view of the above, Members are advised to dematerialize shares held by them in physical form.
17. The Meeting shall be deemed to be held at the registered office of the Company at Village Aghwanpur, Kanth Road, Moradabad, Uttar Pradesh- 244001.

**NOTICE[Contd.]**

18. Since the AGM will be held through VC / OAVM, the route map to the venue is not annexed to this Notice.

19. Voting Options

**REMOTE E-VOTING THROUGH ELECTRONIC MEANS**
**1) The instructions for shareholders for remote e-voting are as under**

- (i) The remote e-voting period begins on 15<sup>th</sup> September, 2021 at 9.00 am and ends on 17<sup>th</sup> September, 2021 at 5.00 pm. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the "cut-off date" i.e. 11<sup>th</sup> September 2021 may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the Meeting would not be entitled to vote at the Meeting.
- (iii) Shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on "Shareholders" module.
- (v) Enter their User ID
  - a) For CDSL: 16 digits beneficiary ID,
  - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c) Shareholders holding shares in physical form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and click on "Login".
- (vii) Shareholders holding shares in dematerialised form and having used [www.evotingindia.com](http://www.evotingindia.com) earlier and having voted on an earlier e-voting of any company, may use their existing password.
- (viii) First time users may follow the steps given below:

	<b>For Shareholders holding shares in Dematerialised Form or Physical Form</b>
<b>PAN</b>	Enter your 10 digit alpha-numeric *PAN issued by the Income Tax Department Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number indicated in the PAN field
<b>Dividend Bank Details OR Date of Birth (DOB)</b>	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat shareholders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for GENUS PAPER & BOARDS LIMITED.
- (xiii) On the voting page, shareholders will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Shareholders can select the option YES or NO as desired. The option YES implies that they assent to a Resolution and option NO implies that they dissent from a Resolution.
- (xiv) Shareholders should click on the "RESOLUTIONS FILE LINK" if they wish to view the entire Resolution details.
- (xv) After selecting the Resolution they have decided to vote on, they should click on "SUBMIT". A confirmation box will be displayed. If they wish to confirm their vote, click on "OK", else to change their vote, click on "CANCEL" and they can accordingly modify their vote.



**NOTICE[contd.]**

- (xvi) Once they "CONFIRM" their vote on a Resolution, they will not be allowed to modify their vote.
- (xvii) They can also print details of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account shareholder has forgotten the login password then enter the User ID and the image verification code and click on "Forgot Password" and enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from the internet. Please follow the instructions as prompted by the mobile app while remote e-voting from your mobile.

**2) Process for those shareholders whose email addresses are not registered with the depositories for obtaining login credentials for remote e-voting for the resolutions proposed in this Notice.**

- (i) For shareholders holding shares in physical form - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA's email ID at [cs@genuspaper.com](mailto:cs@genuspaper.com) or [ashoksen@nichetechpl.com](mailto:ashoksen@nichetechpl.com) respectively.
- (ii) For Demat shareholders- please update your email id & mobile no. with your respective Depository Participant (DP).
- (iii) For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.
- (iv) For shareholders holding shares in dematerialised form - please provide Demat account details (CDSL 16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name of shareholder, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to Company/RTA's email ID at [cs@genuspaper.com](mailto:cs@genuspaper.com) or [ashoksen@nichetechpl.com](mailto:ashoksen@nichetechpl.com) respectively.
- (v) The Company/RTA shall co-ordinate with CDSL and provide the login credentials to the aforesaid shareholders.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM**

1. Facility of joining the AGM through VC / OAVM shall open 15 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.
2. Shareholders will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e- voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
3. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
4. Further shareholders will be required to switch on the video facility and use Internet connection with a good speed to avoid any disturbance during the Meeting.
5. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuations in their respective networks. It is therefore recommended to use stable Wi-Fi or LAN connection to minimise / mitigate any kind of aforesaid glitches.
6. Shareholders who would like to express their views/ask questions during the Meeting may register themselves as a speaker by sending their request in advance mentioning their name, demat account number/folio number, email ID, mobile number at [cs@genuspaper.com](mailto:cs@genuspaper.com).
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the Meeting.
8. Members who need assistance before or during the AGM, or have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533.
9. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533.

## NOTICE[contd.]

### INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE MEETING

1. Procedure for e-Voting on the day of the AGM is same as the Remote e-voting as mentioned above.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not cast their votes on the Resolutions through remote e-Voting and are not otherwise barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories

Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

4. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.
- Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest is <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>

## NOTICE[contd.]

Individual Shareholders holding securities in demat mode with NSDL	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <b><a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></b> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <b><a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></b>. Select "Register Online for IDeAS" Portal or click at <b><a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></b></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <b><a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a></b> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <b><a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a></b> or contact at 022-23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <b><a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a></b> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

### 5. Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders.

- (i) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" module.
- (iii) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.

**NOTICE[contd.]**

- (v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- (vi) If you are a first-time user follow the steps given below:

	<b>For Shareholders holding shares in Demat Form other than individual and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

After entering these details appropriately, click on "SUBMIT" tab.

- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
6. If any votes are cast by shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the Meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the Meeting is available only to the shareholders attending the Meeting.
7. Shareholders who have voted through Remote e-Voting facility will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

**INSTRUCTIONS FOR NON – INDIVIDUAL SHAREHOLDERS AND CUSTODIANS**

- I. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
- II. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- III. After receiving the login details a "Compliance User" should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- IV. The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.



**NOTICE[contd.]**

- V. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same
- VI. Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc., to the Scrutinizer and to the Company at the email address [pcskomalahuja@gmail.com](mailto:pcskomalahuja@gmail.com) and [cs@genuspaper.com](mailto:cs@genuspaper.com) if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**OTHER INSTRUCTIONS**

- I. Shareholders can update their mobile numbers and e-mail IDs (which may be used for sending future communication(s)) by writing to [ashoksen@nichetechpl.com](mailto:ashoksen@nichetechpl.com)
- II. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as of the cut-off date i.e. 11<sup>th</sup> September, 2021 may obtain the login ID and password by sending an email to [cs@genuspaper.com](mailto:cs@genuspaper.com) or [ashoksen@nichetechpl.com](mailto:ashoksen@nichetechpl.com) or [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) by mentioning their Folio No./DP ID and Client ID No.
- III. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on cut-off date only shall be entitled to avail the facility of remote e-voting or voting at the Meeting.
- IV. Ms. Komal, Practicing Company Secretary (Prop of M/s Komal & Associates, Delhi, ACS No.48168, CP No.17597), of Delhi has been appointed as Scrutinizer to scrutinize the e-voting process and voting at the venue of the AGM in a fair and transparent manner. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
- V. The Scrutinizer shall, immediately after the conclusion of e-voting at the AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolutions have been carried or not, and such report shall then be sent to the Chairman or a person authorized by him, within 48 (forty eight) hours from the conclusion of the AGM, who shall then countersign and declare the result of the voting forthwith.
- VI. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company at <https://www.genuspaper.com>. And on the website of CDSL at [www.evoting.india.com](http://www.evoting.india.com). Immediately after the declaration of results by the Chairman or a person authorized by him. The results shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited, Mumbai.

## **NOTICE[contd.]**

### **Annexure to the Notice**

#### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**As required by Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 3 to 8 of the accompanying Notice:**

#### **ITEM NO. 3**

In view of the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013, the Board of Directors has, on the recommendation of the Nomination and Remuneration Committee, approved the appointment of Shri Akhilesh Kumar Maheshwari as the Executive Whole Time Director for a period of 1 year with effect from March 01, 2021, subject to the approval of members of the Company.

Brief particulars of Shri Akhilesh Kumar Maheshwari are provided as an annexure to the Notice convening the Annual General Meeting.

The main terms of appointment of Shri Akhilesh Kumar Maheshwari as the Whole Time Director and the remuneration structure are given below:

- 1)- Tenure of the office:** For a period of 1 (One) year effective from March 01, 2021.
- 2)- Basic Salary:** Rs. 1,91,667/- per month
- 3)- House Rent Allowance (HRA):** Rs. 95,833/- per month
- 4)- Other Allowance:** Rs. 46,697/- per month
- 5)- Reimbursement Allowance:** Rs. 15000/- per month
- 6)- Company's Contribution to Gratuity/Provident Fund /Bonus/Superannuation fund / Annuity Fund, if any:** The Company shall contribute to the Gratuity/ Provident fund/ Bonus/ Superannuation fund/ Annuity fund in accordance with the rules and regulations of the Company.
- 7)- Perquisites & Allowances:** Perquisites & Allowances, if any, shall be as per company policy and rules.  
**Explanation:** Perquisites, if any shall be evaluated as per income tax rules, wherever applicable and in the absence of any such rule, perquisites shall be evaluated at actual cost.
- 8)- Minimum Remuneration:** In the event of absence or inadequacy of net profit in any financial year, the remuneration payable to Shri Akhilesh Kumar Maheshwari shall be governed by Section II of Part II of Schedule V of the Companies Act, 2013, or any modification(s) thereto.
- 9).** He shall devote such time and attention to the business of the Company as may be necessary and be responsible for the general conduct and management of the business and affairs of the Company, subject to the superintendence, control and supervision of the Board and shall have such powers and carry out such duties and responsibilities as may be entrusted by the Board time to time.
- 10).** He shall be liable to retire by rotation during his tenure as Whole Time Director of the Company in terms of the provisions of Articles of Association of the Company.

Accordingly, in order to compliant with the applicable provisions of the Companies Act, 2013, a fresh approval of the Members is sought by way of a Special Resolution for the appointment of Shri Akhilesh Kumar Maheshwari as Whole Time Director, for a period of one year commencing from March 01, 2021 as set out in the Resolution at Item No. 3 of the Notice.

The Board recommends the Special Resolution set out at item no. 3 of the accompanying Notice for the approval of the Members. The appointment of Shri Akhilesh Kumar Maheshwari is appropriate and in the best interest of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 3, except to the extent of their shareholding in the Company, if any.

#### **ITEM NO. 4**

In view of the provisions of Sections 196, 197, 198, 203 and any other applicable provisions of the Companies Act, 2013, the Board of Directors has, on the recommendation of the Nomination and Remuneration Committee, approved the re-appointment of Shri Surya Prakash Sinha as Whole Time Director (designated as Executive Director) for a period of 3 years with effect from October 12, 2021, subject to the approval of members of the Company. The earlier tenure of Whole Time Director stands determined with mutual consent.

Brief particulars of Shri Surya Prakash Sinha are provided as an annexure to the Notice convening the Annual General Meeting.

The main terms of appointment and the remuneration of Shri Surya Prakash Sinha as Whole Time Director are given below:

**NOTICE[contd.]**

- i)- **Tenure of the office:** For a period of 3 (Three) years effective from October 12, 2021
- ii)- **Basic Salary:** Rs. 30,000/- per month
- iii)- **House Rent Allowance (HRA):** Rs. 15,000/- per month
- iv)- **Conveyance Allowance:** Rs. 5,000/- per month
- v)- **Other Allowance:** Rs. 10,000/- per month
- vi)- **Company's Contribution to Provident Fund / Superannuation fund / Annuity Fund, if any:** The Company shall contribute to the Provident fund/Superannuation fund/Annuity fund in accordance with the rules and regulations of the Company.
- vii)- **Minimum Remuneration:** In the event of absence or inadequacy of net profit in any financial year, the remuneration payable to Shri Surya Prakash Sinha shall be governed by Section II of Part II of Schedule V of the Companies Act, 2013, or any modification(s) thereto.
- viii). He shall devote such time and attention to the business of the Company as may be necessary and be responsible for the general conduct and management of the business and affairs of the Company, subject to the superintendence, control and supervision of the Board and shall have such powers and carry out such duties and responsibilities as may be entrusted by the Board from time to time.

The period of office of Shri Surya Prakash Sinha shall be liable to determination by retirement of directors by rotation. If Shri Surya Prakash Sinha is re-appointed as a director, immediately on retirement by rotation he shall continue to hold office of Whole-time Director designated as Executive Director and such re-appointment as director shall not be deemed to constitute break in his appointment as a Whole-time Director designated as Executive Director.

Accordingly, in order to compliant with the applicable provisions of the Companies Act, 2013, a fresh approval of the Members is sought by way of a Special Resolution for the appointment of Shri Surya Prakash Sinha as Whole Time Director, for a period of three years commencing from 12<sup>th</sup> October, 2021 as set out in the Resolution at Item No. 4 of the Notice.

The Board recommends the Special Resolution set out at item no. 4 of the accompanying Notice for the approval of the Members. The re-appointment of Shri Surya Prakash Sinha is appropriate and in the best interest of the Company.

Except Shri Surya Prakash Sinha being appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4 except to the extent of their shareholding in the Company, if any.

**ITEM NO. 5**

The corresponding Section 180(1)(a) of the Companies Act, 2013 provides that the Board of Directors of a Company shall exercise the power to borrow monies (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) over and above the paid up capital of the Company and its free reserves from time to time on behalf of the Company only with the consent of the Company by a special resolution.

Further, the Chairman informed that as per section 180(1)(a) of the Companies Act 2013, it is stipulated that a company cannot sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings.

Company is / has mortgaged the immovable property (Land) to the consortium of lenders for borrowings not exceeding Rs. 450 Crores. The value of immovable property of that company is covered within the meaning of substantial undertaking as per the aforesaid section; therefore the special resolution is proposed to be adopted by the consent of members in the ensuing annual general meeting of the Company.

Therefore, having regard to extension of the mortgage and hypothecation of the assets and properties of the company for the monies borrowed or to be borrowed by the company, it is necessary to confer upon the board the power to do so. Therefore an enabling resolution being proposed at item No.5 to be passed as special resolution .It is pertinent to mention here that this resolution is not intended to be passed for the purpose of sale of any of the undertaking but for the purpose of mortgage and hypothecation the property of the Company. Accordingly, the Board recommends passing of the Special Resolution set out in Item No. 5 of the accompanying Notice in relation to the borrowing monies, for the approval by the shareholders of the Company.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 5 of the Notice.

None of the other Company is interested in the said Special Resolution.

## NOTICE[contd.]

### ITEM NO. 6

Subject to the approval of the shareholders of the Company at the ensuing Annual General Meeting ("AGM"), the Board of directors of the company had, at its meeting held on 09<sup>th</sup> August, 2021 resolved to increase the authorized share capital of the Company by issuing new shares (Equity/Preference) upto the maximum amount of Rs. 25 Crores in different tranches upon such terms and conditions and with such rights and privileges attached thereto as the Board may determine, subject to any directions given by the Shareholders of the Company at the time of issue thereof;

Further, the Board of Directors ("the Board") shall be authorized to:

- (a) Settle any question, doubt or difficulty that may arise in regard to the foregoing;
- (b) do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary and think fit to give effect to this resolution;
- (c) Delegate all or any of the powers herein conferred to any Director or any other officer(s) of the Company.

None of the Directors / Key Managerial Personnel of the Company / their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The Board recommends the Special Resolution set out at Item No.6 of the Notice for approval by the Shareholders.

### ITEM NO. 7

#### Transaction with Related Party under Section 188 of the Companies Act, 2013

Pursuant to Section 188 of the Companies Act, 2013 (the Act), such Related Party Transactions as specified under the Act, which are not in the ordinary course of business and/or are not on arms length basis, shall be subject to prior approval of the Audit Committee or Board, and prior approval of the shareholders by way of special resolution if the amount of such transaction exceeds the limit as prescribed.

Further, Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides that all material Related Party Transactions shall require approval of the shareholders through special resolution and the related parties shall abstain from voting on such resolutions.

(As per Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a transaction with a related party shall be considered material if the transaction /transactions to be entered into individually or taken together with previous transactions during a financial year exceeds ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.)

Though your Company always seeks to enter into transactions with related parties in the ordinary course of business and at arm's length basis; still there may be some such transactions which are done in the interest of the Company and for which your approval is required under the provisions of the Companies Act, 2013.

In the light of provisions of the Act, the Board of Directors of the Company has approved the transactions along with the limits that your Company may enter into with its Related Parties (as defined under the Act and SEBI (LODR) Regulations, 2015) for the financial year 2020-21 and beyond.

All prescribed disclosures as required to be given under the provisions of the Companies Act, 2013 and the Companies (Meetings of Board and its Powers) Rules, 2014 are given here in below in a tabular format for kind perusal of the members.

<b>PARTICULARS OF TRANASCTION ENTERED OR PROPOSED TO BE ENTERED FOR APPROVAL U/S 188 OF THE COMPANIES ACT, 2013</b> <b>MAXIMUM VALUE OF CONTRACT /TRANASACTION (PER ANNUM) WEF 1<sup>ST</sup> APRIL, 2020</b> <b>(Rs. in Lacs)</b>					
	<b>Transactions defined u/s 188(1) of the Companies Act, 2013</b>				
	Sale, Purchase or supply of any goods, materials and services	Loans & Advances	Leasing of property of any kind	Availing or rendering of any services;	Appointment of any agent for purchase or sale of goods, materials, services or property
<b>NAME and NATURE OF RELATIONSHIP WITH RELATED PARTIES :-</b>					
<b>COMPANIES :-</b>					



## NOTICE[contd.]

<b>Genus Power Infrastructures Limited</b> Promoter Company (shareholding interest of promoters/directors/KMPs/their relatives u/s 102 of the Companies Act, 2013)	213.93	-	-	-	-
<b>Kailash Coal &amp; Coke Co Limited</b> Promoter Company (shareholding interest of promoters/directors/KMPs/their relatives u/s 102 of the Companies Act, 2013)	18.86	-	-	-	-
<b>Genus Apparels Limited</b> Group Company (shareholding interest of promoters/directors/KMPs/their relatives u/s 102 of the Companies Act, 2013)	61.48	-	-	-	-
<b>Genus Innovation Limited</b> Promoter Company (shareholding interest of promoters/directors/KMPs/their relatives u/s 102 of the Companies Act, 2013)	32.46				
<b>DIRECTORS / KMPs / RELATIVES OF DIRECTORS AND KMPs / OTHER FIRMS AND COMPANIES in which directors have some interest as per provisions of section 2(76) of the Companies Act, 2013</b>	On actual basis, Exempted being in the ordinary course of business and on arm's length basis	-	-	On actual basis, Exempted being in the ordinary course of business and on arm's length basis	On actual basis, Exempted being in the ordinary course of business and on arm's length basis

1. Name of the related party and nature of relationship: As provided in table above.
2. Name of the director or key managerial personnel who is related, if any;  
Mr. Ishwar Chand Agarwal, Mr. Kailash Chandra Agarwal, and Mr. Himanshu Agarwal, Directors, KMPs and Promoters of the Company and their relatives are deemed to be interested in the above resolution.
3. Nature, duration of the contract and particulars of the contract or arrangement: As provided in table above.
4. Material terms of the Contract or arrangement including the value, if any: As referred in point (3) above.
5. Any advance paid or received for the contract or arrangement, if any: As referred in above table
6. Manner of determining the pricing and other commercial terms both included as part of contract and not considered as part of the contract: All proposed transactions would be carried out as part of the business requirements of the Company and would be at arm's length basis.
7. Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors: All factors have been considered.
8. Any other information relevant or important for the Board to take a decision on the proposed transaction: NIL

As per second proviso to section 188 (1) of the Companies Act 2013, if any member is a related party in any contract or arrangement, then that party shall not vote in the special resolution, wherein such contract or arrangement is considered for approval. Therefore, no member of the Company shall vote on above resolution, if such member is a related party.

Except above, none of the other Directors, Key Managerial Personnel of the Company or their respective relatives is in any way concerned or interested in the said Resolution.

The Board recommends the Special Resolution set out at Item No.7 of the Notice for approval by the Shareholders.

### Information as required under Section-II, Part-II of Schedule V to the Companies Act, 2013:

I.	GENERAL INFORMATION:	
1.	Nature of industry	The Company is engaged in the business of manufacture of Kraft Paper
2.	Date of commencement of commercial production	The Company was incorporated on 11 <sup>th</sup> January, 2012 and the Certificate of Commencement of Business was dated 13 <sup>th</sup> January, 2012.

**NOTICE[contd.]**

3.	In case of new Companies, expected date of commencement of activities as per project approved by Financial Institutions appearing in the prospectus	Not Applicable.
4.	Financial performance based on given indicators	The details of financial performance of the company for the years 2019-20 and 2020-21 are provided in the Annual Report 2021 which accompanies the Notice.
5.	Foreign investments or collaborators, if any	The Company has not entered into any material foreign collaboration and no direct capital investment has been made in the company. Foreign investors, mainly comprising NRIs, FIIs and /or Foreign Nationals are investors in the Company on account of past issuance of securities / secondary market purchase.
<b>II. INFORMATION ABOUT THE APPOINTEE:</b>		
<b>A.1.</b>	Background details	<ul style="list-style-type: none"> <li>▪ Name : Mr. Himanshu Agarwal</li> <li>▪ Designation : Whole Time Director</li> <li>▪ Age : 40 Years</li> </ul> <p>Mr. Himanshu Agarwal is the Director since inception and was appointed Whole Time Director of the Company on 11/01/2012. He has very rich experience and skills in multi disciplinary areas like Paper, Coal, Steel (M.S. Ingot), etc.</p>
2.	Recognition or awards	The Company has always made continuous efforts to achieve quality and efficiency in each of its operations. The Company belongs to a very reputed and diversified 'Kailash Group Companies' emerging as one of India's leading business houses.
3.	Past Remuneration	During the financial year 2020-21, a sum of Rs. 67,20,000/- was paid to Mr. Himanshu Agarwal as remuneration.
4.	Job profile and his suitability	Mr. Himanshu Agarwal is the Whole Time Director of the Company. He devotes full time and attention to the business of the Company as may be necessary and is responsible for the general conduct and management of the affairs of the Company, subject to the superintendence, control and supervision of the Board. He has such powers and carries out such duties and responsibilities as may be entrusted by the Board time to time. He has been instrumental in the growth of the Company since inception. The Board believes that his guidance and leadership will be in the best interest of the Company and will help the Company in setting the new goals and achieving them successfully.
5.	Remuneration proposed	Details of proposed remuneration are presented above.
6.	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case expatriates the relevant details would be w.r.t. the country of his origin)	Mr. Himanshu Agarwal carries vast and enriched experience in the business line of the Company. The remuneration payable to him has been benchmarked with the remuneration being drawn by similar positions in Paper industry along with size of the operations and the profile of the position and person.
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	He is a Promoter of the Company and holds 7103530(2.76%) shares of Rs. 1/- each face value. None of the key managerial personnel or any other senior managerial personnel is related to Mr. Himanshu Agarwal.
<b>B.1.</b>	Background details	<ul style="list-style-type: none"> <li>▪ Name : Mr. Akhilesh Kumar Maheshwari</li> <li>▪ Designation : Executive Director</li> <li>▪ Age : 57 Years</li> </ul> <p>Mr. Akhilesh Kumar Maheshwari was appointed as an Additional Director of the Company on 01.03.2021. He has very rich experience in the financial business management with a strong background in financial arenas.</p>
2.	Recognition or awards	The Company has always made continuous efforts to achieve quality and efficiency in each of its operations. The Company belongs to a very reputed and diversified 'Kailash Group Companies' emerging as one of India's leading business houses.

**NOTICE[Contd.]**

3.	Past Remuneration	During the financial year 2020-21, a sum of Rs. 3,81,416/- was paid as remuneration.
4.	Job profile and his suitability	Mr. Akhilesh Kumar Maheshwari is the Additional Whole Time Director of the Company. He pays attention to the financial areas of the business of the Company as may be necessary, subject to the superintendence, control and supervision of the Board. He has such powers and carries out such duties and responsibilities as may be entrusted by the Board time to time. The Board believes that his guidance and leadership will be in the best interest of the Company and will help the Company in setting the new goals and achieving them successfully.
5.	Remuneration proposed	Details of proposed remuneration are presented above.
6.	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case expatriates the relevant details would be w.r.t. the country of his origin)	Details of proposed remuneration are presented above.
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	There is no pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.
<b>C.1</b>	Background details	<ul style="list-style-type: none"> <li>▪ Name : Mr. Surya Prakash Sinha</li> <li>▪ Designation : Executive Director</li> <li>▪ Age : 70 Years</li> </ul> Mr. Surya Prakash Sinha is appointed as Director of the Company on 12.10.2015. He has a very rich experience and skills in multi disciplinary areas like human resource, administration, etc.
2.	Recognition or awards	The Company has always made continuous efforts to achieve quality and efficiency in each of its operations. The Company belongs to a very reputed and diversified 'Kailash Group Companies' emerging as one of India's leading business houses.
3.	Past Remuneration	During the financial year 2020-21, a sum of Rs. 6,30,000/- was paid as remuneration.
4.	Job profile and his suitability	Mr. Surya Prakash Sinha is the Whole Time Director of the Company. He devotes full time and attention to the business of the Company as may be necessary and is responsible for the general conduct and management of the affairs of the Company, subject to the superintendence, control and supervision of the Board. He has such powers and carries out such duties and responsibilities as may be entrusted by the Board from time to time. He has been instrumental in the growth of the Company since inception. The Board believes that his guidance and leadership will be in the best interest of the Company and will help the Company in setting the new goals and achieving them successfully.
5.	Remuneration proposed	Details of proposed remuneration are presented above.
6.	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case expatriates the relevant details would be w.r.t. the country of his origin)	Mr. Surya Prakash Sinha carries vast and enriched experience in the human resource and administration line of the Company. The remuneration payable to him has been benchmarked with the remuneration being drawn by similar positions in Paper industry along with size of the operations and the profile of the position and person.
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	None of the key managerial personnel or any other senior managerial personnel is related to Mr. Surya Prakash Sinha.
<b>IV.</b>	<b>Disclosure</b>	
1.	The information, as required, is provided under Corporate Governance Section of the Annual Report 2021.	

None of the Directors, key managerial personnel or their relatives is concerned or interested in the said resolution.

**NOTICE[contd.]**

The Board recommends the Special Resolution set out at Item No.3 to Item No. 7 of the Notice for approval by Shareholders.

**Registered Office :-**

Vill. Aghwanpur, Kanth Road  
Moradabad-244001

**CIN :** L21098UP2012PLC048300

For and on behalf of Board of Directors

For **Genus Paper & Boards Limited**

**Kailash Chandra Agarwal**

Managing Director & CEO

DIN-00895365

**Place : Moradabad**

**Dated : 09<sup>th</sup> August, 2021**



## DIRECTORS' REPORT

### Dear Shareholders

The Directors are pleased to present the Tenth (10<sup>th</sup>) Annual Report of the Company together with the audited financial statements (consolidated and standalone) for the year ended 31st March 2021.

In compliance with the applicable provisions of Companies Act, 2013, (including any statutory modification(s) or re-enactment(s) thereof, for time being in force) ("Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations"), this report covers the financial results and other developments during the financial year ended 31st March 2021, in respect of Genus Paper & Boards Limited.

### FINANCIAL HIGHLIGHTS & STATE OF AFFAIRS

The highlights of financial statements of the company for the financial year 2020-21 are given below:

(Amount in Lakh)

Particulars	Year Ended	Year Ended	Year Ended
	31.03.2021	31.03.2020	31.03.2021
	Standalone		Consolidated
<b>Net Sales / Revenue from Operations</b>	28571.77	25393.27	28571.77
Other Income	94.89	0.00	94.89
Finance Cost	390.92	527.06	390.92
Depreciation	1270.98	1331.50	1270.98
<b>Profit Before Tax</b>	<b>1013.77</b>	<b>857.95</b>	<b>1013.77</b>
<b>Tax Expenses</b>			
-Current Tax	323.55	297.71	323.55
-Earlier Year Tax	9.54	11.36	9.54
-Deferred Tax	-88.11	-342.23	-88.11
<b>Net Profit / (Loss) for the Year</b>	<b>768.79</b>	<b>891.11</b>	<b>768.79</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss	-62.89	-411.81	-82.22
<b>Total Comprehensive Income</b>	<b>705.91</b>	<b>479.30</b>	<b>686.57</b>
<b>Earnings Per Share (FV Re. 1/- each)</b>			
-Basic (In Rs.)	0.30	0.35	0.30
-Diluted (In Rs.)	0.30	0.35	0.30

### OPERATIONS AND BUSINESS PERFORMANCE

#### Standalone Financial Results:

During the Financial Year (FY) 2020-21, the Company has achieved an operating income of Rs. 28571.77 Lakhs as compared to Rs. 25393.27 Lakhs in FY 2019-20. The profit before tax for FY 2020-21 stood at Rs. 1013.77 Lakhs compared to Rs. 857.95 Lakhs achieved in FY 2019-20. The profit after tax stood at Rs. 768.79 Lakhs for FY 2020-21 as compared to Rs. 891.11 Lakhs for the previous year.

#### Consolidated Financial Results:

The Company's consolidated revenue for FY 2020-21 was Rs. 28571.77 Lakhs. During the year under review, the consolidated profit after tax stood at Rs. 768.79 Lakhs.

### RESERVES

During the Financial year 2020-21, the Company has proposed no amount to reserves.

### DIVIDEND

Keeping in view further improving the capacity utilization and consolidating its existing facilities, the Board has considered prudent to conserve and retain the profit for further improvement. The Board regrets its inability to recommend any dividend.

## **DIRECTORS' REPORT[Contd.]**

### **NATURE OF BUSINESS**

Genus Paper & Boards Limited ('GPBL' or the 'Company') is engaged in the business of manufacturing of Kraft paper and steel ingot (core business division). The Company has also been engaged in making strategic investment activity, where under investments are made in shares and securities basis a thorough and systematic evaluation by the Company and the management on a going concern basis with dedicated personnel and technical staff.

### **SUBSIDIARIES**

During the year under report, the Company has incorporated a wholly owned subsidiary named Genus Paper and Coke Limited (formerly known as Kailash Paper and Coke Limited) on 23<sup>rd</sup> July, 2020. The statement (Form AOC-1) pursuant to first proviso to Section 129(3) of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014 is enclosed as **Annexure-VI** being part of the annual report.

### **SHARE CAPITAL:**

The paid up equity capital as on March 31, 2021 was Rs. 25,71,25,940. The Company has not issued shares with differential voting rights nor granted stock options nor sweat equity during the year.

### **CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Pursuant to Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, Mr. Himanshu Agarwal (having DIN-00065185), Director of the Company will retire by rotation at the ensuing Annual General Meeting, and being eligible, offer himself for re-appointment in accordance with the provisions of the said Act.

The Board has considered that the presence of Mr. Himanshu Agarwal as Director on the Board would be immense benefit to the Company and has decided to recommend their appointment /reappointment for the approval of members of the Company at the ensuing general meeting of the company.

The Company in its meeting held on 01<sup>st</sup> March, 2021 based on the recommendation of Nomination and Remuneration Committee had appointed Mr. Akhilesh Kumar Maheshwari as an Additional Director (Executive Director) subject to the approval of the members of the Company in the ensuing Annual General Meeting.

Mr. Rameshwar Pareek (DIN: 00014224) ceased to be director with effect from 07<sup>th</sup> July, 2020 due to some pre-occupations in other areas and he was not be able to devote his time to perform the duties in the capacity of non-executive independent director of the Company.

Mr. Yash Todi (DIN: 08034207) ceased to be director with effect from 09<sup>th</sup> October, 2020 due to some pre-occupations in other areas and he was not be able to devote his time to perform the duties in the capacity of non-executive non-independent director of the Company.

The Company in its meeting held on 11<sup>th</sup> August, 2020 based on the recommendation of Nomination and Remuneration Committee had appointed Mr. Dharam Chand Agarwal (DIN:00014221) as an Additional Director (Non- Executive Independent Director) and regularize in the 09<sup>th</sup> Annual General Meeting as an Independent Director of the Company.

A brief resume of the Directors being appointed/ re-appointed, the nature of their expertise in specific functional areas, names of other companies in which they hold/have held Directorships, Committee Memberships/ Chairmanships, their shareholding etc., are furnished in the explanatory statement to the notice of the ensuing AGM.

### **DECLARATION FROM INDEPENDENT DIRECTORS**

As provided under Section 149 (7) of the Companies Act, 2013, All Independent Directors of the Company viz. Mr. Dharam Chand Agarwal, Mr. Udit Agarwal, Mr. Pradeep Narain Tandon, Mr. Rajendra Aggarwal and Mrs. Anu Sharma have made declaration to the effect that they meet the criteria of independence as stipulated under Section 149(6) of the Act and Regulation 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors of the Company in pursuant to clause (c) of sub section (3) of Section 134 of the Companies Act, 2013 hereby confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

## **DIRECTORS' REPORT[Contd.]**

- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **DEPOSITS**

During the Financial Year 2020-21, the Company has not invited, accepted or renewed any deposits covered under Chapter V of the Companies Act, 2013 and there is no outstanding amount of deposits at the end of the financial year.

### **AUDITORS AND AUDITORS' REPORT**

Details of the Auditors of the Company and their Audit Reports for the year under report are given below:

#### **Statutory Auditors**

At the Annual General Meeting of the Company held on 30<sup>th</sup> September, 2019, M/s D. Khanna & Associates, Chartered Accountants Firm, Jaipur, (ICAI Firm Registration No-012917N) were reappointed as the Statutory Auditors of the Company for a period of 5 years in terms of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014.

The observations of the Auditors and the relevant notes on the accounts are self-explanatory and therefore do not call for any further comments.

#### **Secretarial Auditor and Secretarial Audit Report**

M/s Gaurav Gupta & Associates, Company Secretaries, Moradabad, a very eminent Corporate Consultant having more than 17 years experience of rendering professional services to several eminent companies including Central PSUs and Banks, were re-appointed as Secretarial Auditors of the Company to conduct the secretarial audit for the financial year ended March 31, 2021 and to give their report thereon.

Pursuant to Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Secretarial Audit Report of M/s Gaurav Gupta & Associates, Company Secretaries, Moradabad for the financial year 2020-21 is annexed to this report as Annexure-I.

The said Secretarial Audit Report has no qualification, reservation or adverse remarks and it is self explanatory. Thus, there is no need to give any further explanation or comment by the Board.

#### **Secretarial Compliance Report**

In Compliance of Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/27/2019 Dated February 08, 2019 and SEBI/HO/CFD/CMD1/CIR/P/2020/38 Dated March 19, 2020, the annual secretarial compliance report issued by the practicing company secretary for the financial year ended on March 31, 2021 is attached as "Annexure-I (i)".

#### **Cost Auditors**

Section 148 of the Companies Act, 2013 provides that such class of companies, which are engaged in the production of such goods or providing such services, shall maintain cost records and shall get audit of such cost records by a Cost Accountant in practice, as may be prescribed in the Rules notified by the Central Government for the purpose.

The Cost Audit Report for the financial year 2020-21, in respect of the Steel Ingot prescribed under Cost Audit Rules, 2014, is not applicable to be filed with MCA since the Company has closed the unit of M.S. Ingot. Hence there is no requirement for the cost audit to be done of the Company's unit of Steel Ingot for the financial year 2020-21.

#### **Internal Auditors**

Pursuant to Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014, the Company is having Internal Auditors to conduct the internal audit of the Company and to give their audit report thereon in the manner as prescribed under the Act.

### **CORPORATE SOCIAL RESPONSIBILITY POLICY**

With the enactment of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 read with various clarifications issued by the Ministry of Corporate Affairs, every Company having the net worth of Rs.500 crores or more or turnover of Rs.1000 crores or more or net profit of Rs.5 crore or more during any financial year have to spend at least 2% of the average net profit of the Company made during the three immediately preceding financial years.

## **DIRECTORS' REPORT[Contd.]**

Accordingly, the Company has to do a CSR Activity for an amount of Rs.28.55 lacs based on the average profits of the three preceding financial years.

The CSR activities carried/to be carried out by the Company is driven by the expertise of the management. Additionally, the Company gives preference to the local area(s) of its operations for CSR activities. The Company believes that the CSR should be in the field(s) which have substantial social impact and which co-relate with the philosophy of the Company to improve the quality of life. During the FY 2020-21, the Company has come across various project, which reflected the above approach and hence the spending prescribed towards CSR were made during FY 2020-21.

The Corporate Social Responsibility Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which is approved by the Board. This CSR policy is also available on the Company's website - [www.genuspaper.com](http://www.genuspaper.com).

For composition of CSR Committee and other details as prescribed, the Annual Report on CSR activities is annexed to this report as **Annexure-II**.

### **RISK MANAGEMENT POLICY**

The Company has framed a Risk Management Policy to identify and access the key business risk areas and a risk mitigation process. A detailed exercise is being carried out that the organization faces such as strategic, financial, credit, market, liquidity, property, and other risks. The Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a properly defined framework.

### **CRITERIA FOR APPOINTMENT OF INDEPENDENT DIRECTORS**

The Independent Directors shall be of high integrity with relevant expertise and experience so as to have as diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, Law, governance and general management.

### **CRITERIA FOR APPOINTMENT OF MANAGING DIRECTOR / WHOLE TIME DIRECTORS**

The Nomination and Remuneration Committee shall identify persons of integrity who possess relevant expertise and experience particularly in Paper Industry, leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

### **REMUNERATION POLICY**

The Company follows a policy on remuneration of Directors and Senior Management employees, details of the same are given in the Corporate Governance Report.

### **PERFORMANCE EVALUATION OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

In accordance with the provisions of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Nomination and Remuneration Committee has laid down the criteria for evaluation of individual Directors, the Board as a whole. Based on the criteria the exercise of evaluation was carried out through as structured process covering various aspects of the Board functioning such as composition of Board and Committees, experience and expertise, performance of specific duties and obligation, governance and compliance issues, attendance, contribution at meeting etc.

The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors at a separately convened meeting and the performance of the Board as a whole evaluated was reviewed. The performance of the Independent Directors was carried out by the entire Board (Excluding the Director being evaluated).The Directors expressed their satisfaction with the evaluation.

### **DISCLOSURES:**

#### **NUMBER OF BOARD MEETINGS**

During the financial year 2020-21, the Board of Directors of the Company met 12 (Twelve) times on 06/04/2020, 22/05/2020, 18/06/2020, 07/07/2020, 11/08/2020, 21/08/2020, 09/10/2020, 26/10/2020, 04/01/2021, 14/01/2021, 25/01/2021 and 01/03/2021.

### **AUDIT COMMITTEE**

The Company has a qualified and independent Audit Committee, the Composition of which is given below:

<b>Name of the Member</b>	<b>Category</b>	<b>Status</b>
Mr. Udit Agarwal	Independent Non Executive Director	Chairman
Mr. Dharam Chand Agarwal	Independent Non Executive Director	Member



## DIRECTORS' REPORT[Contd.]

Mr. Pradeep Narain Tandon	Independent Non Executive Director	Member
Mr. Kailash Chandra Agarwal	Executive Promoter Director	Member

During the financial year 2020-21, the Audit Committee met 4 (Four) times on 18/06/2020, 21/08/2020, 26/10/2020 and 25/01/2020. All recommendations of Audit Committee were accepted by the Board.

### PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The particulars of contracts or arrangement with related parties referred to in Section 188 of the Companies Act, 2013 in the prescribed form AOC-2 are disclosed in **Annexure -III** and forms part of this report.

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Loans, guarantees or investments referred to in Section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in this Annual Report.

The Company envisions becoming the leaders in all the areas of operations. Your Company is holding certain strategic investment, generally long term in nature and the board may evaluate further opportunities in this regard with a view to enhance value for the stakeholders of the Company.

### PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

As prescribed under Section 197(12) of the Companies Act, 2013 ("Act") and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the details are given in **Annexure - IV**.

Pursuant to the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and in terms of provisions of the Section 136 (1) of the Act, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the Registered Office of the Company during the working hours and any member interested in obtaining such information may write to the Company Secretary.

It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company.

### NON EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES:

None of the Independent / Non- Executive Directors has any pecuniary relationship or transactions with the Company which in the Judgment of the Board may affect the independence of the Directors.

### EXTRACT OF ANNUAL RETURN

As required under Section 92(3) and 134(3)(a) of the Act and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 (as amended), Annual Return in E-Form MGT - 7 is available on the website of the Company at the web link **www.genuspaper.com**.

### CREDIT RATING

During the year under review, CARE Ratings Limited, a credit rating agency registered with SEBI had reaffirmed the Company (Genus Paper & Boards Limited) Long Term Bank Facilities at 'BBB+', vide its letter dated December 22, 2020. The Outlook is Stable.

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

Pursuant to Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, the particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo have been given in the prescribed form in **Annexure-V** to this report.

### SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATION OR COURTS OR TRIBUNALS

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern and Company's operation in future.

### MATERIAL CHANGES AND COMMITMENTS BETWEEN THE END OF FINANCIAL YEAR UNDER REVIEW AND THE DATE OF THE REPORT:

#### 1. COVID-19

The World Health Organization (WHO) declared outbreak of Coronavirus Disease (COVID-19) a global pandemic on March 11, 2020. Consequent to this, Government of India declared lockdown on March 23, 2020 and the Company temporarily suspended the operations in compliance with the lockdown instructions issued by the Central and State Governments. COVID-19 has impacted the normal business operations of the Company by way of interruption in production, supply chain disruption, unavailability of personnel, closure / lock down of production facilities etc. during the lock-down period. However, production and supply of goods has commenced from the 2nd week of May 2020 after obtaining permissions from the appropriate government authorities.

**DIRECTORS' REPORT[Contd.]**

The company's operations, revenue and consequently profit during the current period were impacted due to COVID-19. The company has made a detailed assessment of its liquidity position for the next year and the recoverability and carrying value of all its assets. Based on current indicators of future economic conditions and considering the various measures announced by the government to support businesses and fund the paper sector, the company expects to fully recover the carrying amount of these assets. The potential future impact of the COVID-19 may be different from that estimated as at the date of approval of these financial results and the company will continue to closely monitor any material changes in future economic conditions and assess the impact on its business.

**2. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE FINANCIAL YEAR:**

In compliance with the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the National Company Law Tribunal (Allahabad Bench) ('NCLT'), has issued its written order dated 23.02.2021 (**NCLT Order**), approving the resolution plan submitted by **Genus Paper & Boards Limited (GPBL)** ("**Resolution Plan**"), as approved by the Committee of Creditors ("**CoC**") of **NS Papers Limited**, a Company undergoing the Corporate Insolvency Resolution Process (**CIRP**), pursuant to the provisions of the Insolvency and Bankruptcy Code, 2016 (**IBC**) and the regulations made thereunder (**IBC**).

**CORPORATE GOVERNANCE REPORT AND COMPLIANCE CERTIFICATE**

As provided under Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a detailed compliance report on corporate governance is given in a separate section and forms an integral part to this Annual Report. The requisite certificate from Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached to the Report on Corporate Governance.

The Chairman and Managing Director and the Chief Financial Officer have certified to the Board with regard to financial statements and other matters as required under Regulation 17(8) read with Schedule II to the SEBI (LODR) Regulations, 2015.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Pursuant to Regulation 34(3) Part B Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a report on management discussion and analysis is given in a separate section and forms an integral part to this Annual Report.

**DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

Your Directors further state that during the year under review, there were no cases filed, pursuant to the sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

**WHISTLE BLOWER POLICY / VIGIL MECHANISM**

The company has devised a vigil mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy. This mechanism provides for adequate safeguards against victimization of director(s) / employee(s) who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases.

During the financial year 2020-21, there were no instances of unethical behavior, fraud or violation of the company's code of conduct or ethics policy and no personnel have been denied access to the audit committee.

The details of establishment of such mechanism are disclosed on the website of the Company viz. [www.genuspaper.com](http://www.genuspaper.com).

**INSURANCE**

The properties of your Company comprising buildings, plant and machinery, other assets, stocks, etc. were adequately insured against various risks.

**THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF DURING THE FINANCIAL YEAR:**

Not applicable during the financial year.

**LISTING FEES**

The Equity shares of the Company are listed with Bombay Stock Exchange Ltd. (BSE) & National Stock exchange of India Limited (NSE). The annual listing fee for the year 2021-22 was paid within the scheduled time to BSE & NSE.

## **DIRECTORS' REPORT**[Contd.]

### **TRANSFER OF SHARES**

As notified under Regulation 40(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository.

### **CAUTIONARY STATEMENT:**

The Annual Report including those which relate to the Directors' Report, Management Discussion and Analysis Report may contain certain statements on the Company's intent expectations or forecasts that appear to be forward-looking within the meaning of applicable securities laws and regulations while actual outcomes may differ materially from what is expressed herein. The Company bears no obligations to update any such forward looking statement. Some of the factors that could affect the Company's performance could be the demand and supply for Company's product and services, changes in Government regulations, tax laws, forex volatility etc.

### **ACKNOWLEDGEMENT**

Your Directors wish to place on record their gratitude for the assistance and cooperation extended by company's shareholders, suppliers, dealers, business partners, bankers and financial institutions, Central and State Government and others associated with the Company. Your Directors also wish to place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment and look forward to their continued support.

For and on behalf of Board of Directors  
**For Genus Paper & Boards Limited**

Place : Moradabad  
Date : 09<sup>th</sup> August, 2021

Himanshu Agarwal  
Whole Time Director  
DIN-00065185

Kailash Chandra Agarwal  
Managing Director & CEO  
DIN-00895365

**Annexure-I****FORM NO. MR-3****Secretarial Audit Report****FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2021**

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

To,

The Members,

**Genus Paper & Boards Limited**

**Kanth Road, Village Aghwanpur,**

**Moradabad-244001**

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

Based on our verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2021 (audit period), complied with the statutory provisions listed hereunder and also that the company has proper Board- processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minutes' books, forms and returns filed and other records maintained by the company for the financial year ended on 31<sup>st</sup> March, 2021, according to the provisions of:

- (i) The Companies Act, 2013 (**the Act**) and the Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made there under
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and the SEBI (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not Applicable to the Company during the audit period)
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities And Exchange Board Of India (Share Based Employee Benefits) Regulations, 2014 (Not Applicable to the company during the audit period)
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable to the company during the audit period)
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; ; (Not Applicable as the company is not registered as Registrar to issue and Share transfer Agent during the audit period)
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable to the company during the audit period) and
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not Applicable to the company during the audit period)
- (vi) Based on the explanations and information furnished to us, we report that company has complied with labours laws, Pollution control laws, in so far as the same applicable to it.

## Annexure-I[contd.]

(vii.) We have also examined compliance with the applicable clauses/regulations of the following:

- a) Secretarial Standards issued by The Institute of Company Secretaries of India,;
- b) The Listing Agreements entered into by the Company with the Stock Exchanges;
- c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above, subject to the observations that-

- (i) **The company has filed 2 forms (Form AOC-4 XBRL for F.Y. 2020-2021 and Form DPT-3 for F.Y. 2020-2021) availing benefit of the CFSS, 2020 scheme, launched by the Ministry of Corporate affairs, application for grant of immunity certificate from prosecution, under the Companies Act, 2013.**
- (ii) **The company has duly spent the required amount on CSR activities, required to be spent as per Section 135 of the Companies Act 2013 for the current reporting period i.e. 2020-21. The company has also spent the unspent amount of previous year and now there is no pending amount required to be spent on CSR activities.**

The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observation remarks of the Practicing Company Secretary, if any
1	SEBI	Violation of SEBI SAST Regulations, 1997, vide Notice received dated June 08, 2017	Final settlement order received and penalty has been paid off.	Violation has been rectified and penalty has been paid.

We further report that:

- (i) The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non- Executive Director and Independent Directors. The Changes in the composition of the Board of Director, which took place during the period under review, were carried out in Compliance with the provisions of the acts.
- (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) All decisions at Board Meetings and Committee Meetings are carried out with requisite majority as recorded in the minutes at all such meetings.

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

For Gaurav Gupta & Associates  
 (Company Secretaries)

(Nishant Agarwal)

FCS No.8140 CP No. 7965

UDIN: **F008140C000717277**

Place: Moradabad

Date: 30.07.2021

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



**Annexure-A'**

To,  
The Members,  
Genus Paper & Boards Limited,  
Kanth Road, Village Aghwanpur,  
Moradabad-244001 (U.P.)

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

1. Maintenance of Secretarial Records 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 appropriateness to Obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Account 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 Gaurav Gupta & Associates  
(Company Secretaries)

(Nishant Agarwal)  
FCS No.8140 CP No. 7965  
UDIN: **F008140C000717277**

Date: 30.07.2021  
Place: Moradabad

## Annexure- I. (i)

Secretarial Compliance Report of **GENUS PAPER & BOARDS LIMITED** for the financial year ended 31st March, 2021

(Pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

I have examined:

- a) all the documents and records made available to us and explanation provided by **GENUS PAPER & BOARDS LIMITED** having CIN- L21098UP2012PLC048300 ("the listed entity"),
- b) the filings/ submissions made by the listed entity to the stock exchanges,
- c) website of the listed entity,
- d) any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended March 31, 2021 ("Review Period") in respect of compliance with the provisions of
- a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (N.A)
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (N.A)
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (N.A)
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares), Regulations, 2013; (N.A)
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and based on the above examination,

We hereby report that, during the Review Period:

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below: -

Sr. No.	Compliance Requirement (Regulations circulars guidelines including specific clause)	Deviations	Observations Remarks of the Practicing Company Secretary
NIL			

- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from our examination of those records.
- (c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of Violation	Details of Action taken E.g. fines, warning letter, debarment, etc	Observations remarks of the Practicing Company Secretary, if any.
1.	SEBI	Violation of SEBI SAST Regulations, 1997, vide Notice received dated June 08, 2017	Penalty imposed has been paid off	Violation has been rectified and penalty has been paid.

(d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year: NA	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
NA				

For **Komal & Associates**

Company Secretaries

Komal

ACS: 48168

CP: 17597

**UDIN: A048168C0000535875**

Place: Delhi

Date: 29.06.2021

## Annexure-II

### ANNUAL REPORT ON CSR ACTIVITIES

#### For the Financial Year 2020-21

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

- A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**

Genus vision is "SERVING SOCIETY THROUGH INDUSTRY." Genus is committed towards people and society at large for bringing positive changes to the lives of mankind. The activities or programs proposed to be undertaken by the Company as a part of its CSR policy include:

- Eradicating hunger and poverty and malnutrition;
- Promoting health care including preventive health care and sanitation;
- Promotion of education;
- Promoting gender equality and empowering women;
- Training to promote rural sports;
- Ensuring environmental sustainability;
- Employment enhancing vocational skills;
- Rural development projects
- Slum area development etc.

For more details about the company's CSR policy and its projects or programs, please visit the company's website at [www.genuspaper.com](http://www.genuspaper.com) and a weblink thereto is <http://www.genuspaper.com/pdf/CSR%20policy.pdf>

- The Composition of the CSR Committee**

During the year under report, Corporate Social Responsibility (CSR) Committee of the Board of the Company consists of the following members:-

Name of Directors	Category	Status
Mr. Udit Agarwal	Independent Director	Chairman
Mr. Dharam Chand Agarwal	Independent Director	Member
Mr. Kailash Chandra Agarwal	Managing Director & CEO	Member
Mr. Himanshu Agarwal	Whole Time Director	Member

- Average net profit of the company for last three financial years: Rs. 1427.65 Lakhs
- Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): Rs. 28.55 Lakhs
- Details of CSR spent during the financial year:
  - Total amount to be spent for the financial year: Rs. 28.55 Lakhs
  - Amount unspent, if any: NIL
  - Manner in which the amount spent during the financial year is detailed below:

**Annexure-II[contd.]**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto to the reporting period	Amount spent : Direct or through implementing agency*
							<b>Rs. in Lakh</b>
1.	Shree Rajaldesar Goushala	Promotion of animal welfare	Local Area	-	2.64	2.64	Direct
2.	Baldev Agarwal Naturopathy Centre	Promoting health care including preventive health care and sanitation	Local Area	-	2.00	4.64	Direct
3.	Tata Memorial Hospital	Promoting health care including preventive health care and sanitation	Local Area	-	0.33	4.97	Direct
4.	Covid-19 Expenses	Covid Expenses for the safety of people being procured from the Covid-19 Virus	Local Area	-	68.39	73.36	Direct
5.	National Health & Education Society	Promoting health care including preventive health care and sanitation along with the education facility	Local Area	-	0.30	73.66	Direct
6.	Todi Agro Foundation	Promotion of animal welfare	Local Area	-	2.32	75.98	Direct
	<b>TOTAL</b>			-	<b>75.98</b>	-	-

6. We hereby declare and confirm that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

**Kailash Chandra Agarwal**  
 Managing Director & CEO  
 DIN – 00895365

**Udit Agarwal**  
 Chairman - CSR Committee  
 DIN – 02820615



## Annexure-III

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

### Form No. AOC-2

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

1. Details of contracts or arrangements or transactions at arm's length basis (Rs. In Lakhs)						
Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Amount paid as advance, if any:	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
Genus Power Infrastructures Limited (Promoter Company)	Sale/Purchase of Goods and services	N.A.	213.93	In business interest and/or at arm's length basis	N.A.	N.A.
Kailash Coal & Coke Company Limited (Promoter Company)	Sale/Purchase of Goods and services	N.A.	18.86	In business interest and/or at arm's length basis	N.A.	N.A.
Genus Apparels Limited (Group Company)	Sale/Purchase of Goods and services	N.A.	61.48	In business interest and/or at arm's length basis	N.A.	N.A.
Genus Innovation Limited (Promoter Company)	Sale/Purchase of Goods and services	N.A.	32.46	In business interest and/or at arm's length basis	N.A.	N.A.
2. Details of material contracts or arrangement or transactions not at arm's length basis						
NIL						

#### For and on behalf of the Board

**Kailash Chandra Agarwal**  
Managing Director & CEO

**Himanshu Agarwal**  
Whole Time Director

**Sanjay Kumar Agarwal**  
Chief Financial Officer

**Anuj Ahluwalia**  
Company Secretary

## Annexure-IV

### Particulars Pursuant to Section 197(12) of the Companies Act, 2013 and the Rules made there under:

- The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial year:

Executive Directors	Ratio to Median Remuneration
Mr. Kailash Chandra Agarwal	1.79
Mr. Himanshu Agarwal	1.96
Mr. Surya Prakash Sinha	20.95
Mr. Akhilesh Kumar Maheshwari*	3.29

- Percentage increase in the remuneration of the Directors, Managing Director & CFO, Joint Managing Director & CEO and Company Secretary in the Financial Year:

Directors, Managing Director& CFO, Joint Managing Director & CEO and Company Secretary	% increase in the remuneration in the Financial year
Shri Ishwar Chand Agarwal, Chairman	-
Mr. Kailash Chandra Agarwal, Managing Director & CEO	-
Mr. Himanshu Agarwal, Executive Director	-
Mr. Surya Prakash Sinha, Executive Director	-
Mr. Akhilesh Kumar Maheshwari , Executive Director*	-
Mr. Udit Agarwal, Independent Director	-
Mr. Dharam Chand Agarwal , Independent Director	-
Mr. Pradeep Narain Tandon, Independent Director	-
Mrs. Anu Sharma , Independent Director	-
Mr. Yash Todi , Non Executive Director**	-
Mr. Sanjay Kumar Agarwal, Chief Financial Officer	-
Mr. Anuj Ahluwalia, Company Secretary	-

\* Appointed as an Additional Director (Executive Director) in its meeting held on 01<sup>st</sup> March, 2021 subject to the regularisation in the ensuing Annual General Meeting.

\*\* Ceased to be director with effect from 09<sup>th</sup> October, 2020.

- The percentage increase in the median remuneration of employees in the financial year: Nil
- The number of permanent employees on the rolls of the company: 433
- Average percentile increases 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 the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: Nil
- No increase in the salaries of employees other than Managerial Personnel in Financial Year 2020-21.
- Affirmation that the remuneration is as per the Remuneration Policy of the Company: It is affirmed that the remuneration paid is as per the Remuneration Policy, applicable for Directors, Key Managerial Personnel and other employees, adopted by the Company.
- Average percentile 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 the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: No increase in salaries of employees other than managerial personnel in 2020-21
- The key parameters for any variable component of remuneration availed by the directors: No directors have been paid any variable remuneration.
- the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: NIL
- The Company hereby affirm that the remuneration is as per the remuneration policy of the company.

**Annexure-IV [Contd.]**

12. There are no employees of the Company drawing the salary more than the prescribed limit under the Rule 5(2) & 5(3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

**For and on behalf of the Board**

**Kailash Chandra Agarwal**  
Managing Director & CEO

**Himanshu Agarwal**  
Whole Time Director

**Sanjay Kumar Agarwal**  
Chief Financial Officer

**Anuj Ahluwalia**  
Company Secretary

Place: Moradabad

Date: 09<sup>th</sup> August, 2021

## ANNEXURE – V

Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014:

### A. CONSERVATION OF ENERGY:

In line with the Company's commitment towards conservation of natural resources, all business units have continued with their efforts to improve energy usage efficiencies.

<b>Energy Conservation Measures Taken</b>	The Company is running smoothly its own <b>11 MW Co-generation Captive Power Plant.</b>
Additional Investment & Proposal, if any, being implemented for reduction of consumption of energy.	<ul style="list-style-type: none"> <li>The Company is engaged in the continuous process of energy conservation through improved operational and maintenance practices.</li> <li>In Paper Machine 2, 10 numbers of 2<sup>nd</sup> Stage centricleaners has been changed on 02.04.2021. After changing, GSM variation problem has been resolved, no overflow of the centricleaner pit observed saving in fiber loss and cleanliness of the paper has been improved.</li> <li>After changing of barometric legs dia of 150 NB, vaccum has increase because water going into pump has stopped and load variation problem solved and breakage due to vaccum variation has come down.</li> <li>After changing pipe line size 150 NB, now single pump is running for transferring the screen reject. Saving in power of 30KW motor and easy maintenance</li> <li>After purchasing one new tractor, our raw material feeding capacity has been increased and we can run plant at optimum speed/machine draw.</li> <li>After making new pit near poir, all the machine system drain line back water utilize in all pulper and improved pulper efficiency which leads to saving in pulp.</li> <li>Head box over flow line installed and putting in silo, after that foam accumulation inside the head box has been controlled. Saving in paper breakage downtime against the foam coming/leaving form the head box chamber.</li> </ul>
<b>Technology Absorption</b>	<ul style="list-style-type: none"> <li>We have installed in all three pulper and we have save down time 30 minutes in each pulper and also safety of man and machine which is because of timely cleaning of the pulper plastic cutting is less and carry forward of plastic pieces decreased resulting no jamming issues in next stage, now we are able to make 18BF paper with single pulping street and power saving 20 unit/ton of paper.</li> <li>After installing 02 numbers of Hill screen, the consistency of the system is under controlled and we are getting 4% consistency and improvement in quality of paper i.e. in GSM.</li> <li>After installing carrier rope at pope reel, the paper feeding become easy and saving downtime against manual paper feeding, saving power, steam and man safety. In previous year paper feeding time was 10 to 15 minutes per break, now there is only two minutes break time for paper feeding from dryer to pope reel.</li> <li>One separate pump has been installed in Bottom layer silo, this pump is giving dilution at middle and bottom layer pressure screen inlet for dilution, now there is no shortage of water for desire head maintain at 350 mpm speed.</li> <li>Spray filter has been installed in Paper Machine 1 floor, filter water is being used in Paper Machine 1 &amp; 2 head box inside shower, now head box nozzle jamming problem has come down, saving in fresh water and reduction in paper break for foam/lump. Earlier 30 minutes downtime in each shift was coming for cleaning of head box for foam/fiber lumps cleaning.</li> <li>Both turbines synchronized for parallel operation with load shedding. After that one hour production losses saved, which was repeated after every 2-3 days.</li> <li>After installing the separate filter in the all HP Shower, the nozzle jamming problem reduced and cleaning of wire and felt also improved which influence the improvement in final paper moisture/GSM profile</li> <li>After changing of barometric legs dia, vaccum has increase because of proper air flow and load variation problem solved and breakage of paper due to vaccum variation has come down.</li> <li>Pump has been changed which leads to stoppage of over flow of the pit and saving the fiber loss/circulation</li> </ul>
Impact of measures at (1) & (2) above for the reduction of energy consumption and consequent impact on the cost of production of goods.	Improvement in existing process, improved performance, improved productivity, cost reduction etc.
Total Energy Consumption and Energy Consumption per unit of Production.	Please see <b>Form – A</b> annexed herewith.

## FORM A

	POWER & FUEL CONSUMPTION	2020-21	2019-20
<b>1.</b>	<b>Electricity</b>		
	<b>(a) Purchased Units</b> (Lacs)	-	-
	Total Cost (Rs. In Lacs)	-	-
	Rate / Unit (Rs.)	-	-
	<b>(b) Own Generation</b>		
	(i) Through Diesel Generator Units (Lacs)	2.35	5.13
	Electric Units per unit (Ltrs.) of Fuel	3.60	3.55
	Fuel Cost/Unit (Rs.)	18.59	17.38
	(ii) Through Turbine Units (Lacs)	362.71	396.06
	Electric Units per unit of Fuel (MT)	467.99	534.71
	Fuel Cost/Unit (Rs.)	8.63	8.66
<b>2.</b>	<b>Coal/Husk/Wood fire</b>		
	Quantity (Tones)	77503.315	74070.089
	Total Cost (Rs. In Lacs)	3131.61	3429.11
	Average Rate per M.T. (Rs.)	4040.61	4629.55
<b>3.</b>	<b>HSD/FO/SKO/LDO</b>		
	Quantity (K. Ltrs.)	65.300	144.447
	Total Cost (Rs. In Lacs)	43.70	89.10
	Average Rate per Litre (Rs.)	66.92	61.68

<b>B.</b>	<b>TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT (R&amp;D):</b>	The Company is committed to driving sustainable production through innovative technology.
<b>C.</b>	<b>FOREIGN EXCHANGE EARNING AND OUTGO:</b>	
	<b>(a) Activities relating to Export initiatives</b>	Nil
	<b>(b) Total Foreign Exchange Earned and Outgo:</b>	
	Foreign Exchange Earned (Rs.)	Nil
	Foreign Exchange Outgo (Rs.)	<b>364520</b>



**ANNEXURE- VI**
**FORM AOC-1**

**Statement pursuant to first proviso to Section 129(3) of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014**

S.No.	Particulars	
1	<b>Name of the Subsidiary Company</b>	Genus Paper & Coke Limited (formerly known as Kailash Paper & Coke Limited)
2	<b>Financial year of the Subsidiary Company</b>	31.03.2021
3	<b>Date from which it became subsidiary</b>	23.07.2021
4	<b>(i) No. of shares held by holding company with its nominee in the subsidiary at 31.03.2021</b>	20,00,000 Equity Shares and 8,00,000 0% Redeemable Optionally Convertible Preference Shares (OCPS)
	<b>(ii) Extent of interest of holding company as at 31.03.2021</b>	100%
5	<b>The net aggregate amount of profits/(losses) of the subsidiary for the above financial year of the</b> (i) dealt with in the accounts of holding company for the financial year ended March 31st, 2021	-
	(ii) not dealt with in the accounts of holding company for the financial year ended March 31st, 2021 (Rs)	-
6	<b>The net aggregate amount of profits/(losses) of the subsidiary for the previous financial year of the</b> (i) dealt with in the accounts of holding company for the financial year ended March 31st, 2020	-
	(ii) not dealt with in the accounts of holding company for the financial year ended March 31st, 2020 (Rs)	-

**For and on behalf of the Board**

**Kailash Chandra Agarwal**  
Managing Director & CEO

**Himanshu Agarwal**  
Whole Time Director

**Sanjay Kumar Agarwal**  
Chief Financial Officer

**Anuj Ahluwalia**  
Company Secretary

## Report on Corporate Governance

(Pursuant to Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 "Listing Regulations")

The detailed report on Corporate Governance for the financial year ended March 31, 2021, as per regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is set out below:

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Genus is committed to the adoption of and adherence to the best Corporate Governance practices at all times. The essence of good Corporate Governance includes, inter-alia, transparency, integrity, accountability, fair and true disclosure, monitoring, compliance with all laws and regulations, and corporate responsibility towards stakeholders.

The basic philosophy of the Company has been to achieve business excellence, to enhance shareholders value, keeping in view the needs and the interest of the shareholders.

The Board of Directors ('the Board') is at the core of our corporate governance practice and oversees how the Management serves and protects the long-term interests of all our stakeholders. We believe that an active, well-informed and independent Board is necessary to ensure the highest standards of corporate governance.

### BOARD OF DIRECTORS

#### Composition of Board

The Company's Board has an optimum combination of Executive, Non-Executive and Independent Directors who are eminent persons with professional expertise and valuable experience in their respective areas of specialization and bring a wide range of skills and experience to the Board. Currently, the Company has total 9 directors comprising of; four Executive Directors, One Non-Executive Promoter Director and five Non-Executive Independent Directors (including Mrs. Anu Sharma, Independent Woman Director).

The composition of the Board is in conformity with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Chairman of the Board is a Non - Executive Chairman and is a Promoter of the Company. The number of Independent Directors and Non-Executive Directors are more than 50% of the total number of Directors of the Company.

During the financial year 2020-21, none of the Director is a member of more than ten Board level Committees or Chairman of more than five Committees across companies in which he/she is a Director.

Composition of Board of Directors and other details as on 31st March, 2021 are given below:

Name of the Directors	Category of Directorship	No. of other directorships held <sup>1</sup>	Other Committees positions held <sup>2</sup>	
			As Chairman	As Member
Ishwar Chand Agarwal – Chairman	Non Executive, Promoter	6	-	-
Kailash Chandra Agarwal	Executive Director, Promoter	6	-	1
Himanshu Agarwal	Executive Director, Promoter	3	-	-
Surya Prakash Sinha	Executive, Non Independent	2	-	-
Akhilesh Kumar Maheshwari*	Executive, Non Independent	1	1	1
Dharam Chand Agarwal	Independent, Non Executive	2	4	-
Pradeep Narain Tandon	Independent, Non Executive	-	-	-
Udit Agarwal	Independent, Non Executive	2	-	1
Rajendra Aggarwal	Independent, Non Executive	2	-	-
Anu Sharma	Independent, Non Executive	-	-	-
Yash Todi**	Non Executive Non Independent	-	-	-

#### Notes:

- Excluding private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013.
  - Committees viz. the Audit Committee and the Stakeholders Relationship Committee are considered. (Details of Other Companies)
  - Mr. Ishwar Chand Agarwal, Mr. Kailash Chandra Agarwal, Mr. Himanshu Agarwal are relatives of each other. None of other Directors are related to any other Director on the Board.
- \*\*Ceased to be director with effect from 09<sup>th</sup> October, 2020.
- \*Appointed as an Additional Director (Executive Director) with effect from 01<sup>st</sup> March, 2021 subject to the approval of members in the ensuing Annual General Meeting

## Report on Corporate Governance [Contd.]

### Number of Board Meetings and Directors' Attendance Record

During the financial year 2020-21 the Board of Directors met 12 (Twelve) times on 06/04/2020, 22/05/2020, 18/06/2020, 07/07/2020, 11/08/2020, 21/08/2020, 09/10/2020, 26/10/2020, 04/01/2021, 14/01/2021, 25/01/2021 and 01/03/2021. The gap between two Board meetings did not exceed 120 days.

Name of Directors	DIN	Board Meetings during the Year		Attendance at Last Annual General Meeting (AGM)
		Held	Attended	
Ishwar Chand Agarwal	00011152	12	1	No
Kailash Chandra Agarwal	00895365	12	12	Yes
Himanshu Agarwal	00065185	12	12	No
Akhilesh Kumar Maheshwari*	00062645	12	-	No
Pradeep Narain Tandon	08490641	12	12	No
Udit Agarwal	02820615	12	12	No
Surya Prakash Sinha	06530766	12	12	Yes
Rajendra Aggarwal	07036881	12	6	Yes
Anu Sharma	07301904	12	12	Yes
Dharam Chand Agarwal	00014211	12	4	No
Yash Todi	08034207	12	2	No

### INDEPENDENT DIRECTORS

All the Independent Directors on Genus's Board are persons of integrity and possess relevant expertise and experience and have declared that they meet the criteria of independence as prescribed under section 149 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 being qualified as an Independent Director.

In compliance with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Directors on the Board of the Company does not serve as Independent Directors in more than 7 (seven) Listed Companies or in case he/she is serving as a Whole Time Director in any Listed Company, does not hold such position in more than 3 (three) Listed Companies.

The company has issued formal letter of appointment to all independent directors in the manner as provided under Companies Act, 2013. The terms and conditions of their appointment have also been disclosed on the website of the company - [www.genuspaper.com](http://www.genuspaper.com).

### Performance evaluation of Independent Directors

The Board of Directors upon recommendation of Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Board of the Company, its Committees and the individual Board members, including Independent Directors.

In compliance with Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the performance evaluation of all Independent Directors has been done by the entire Board, excluding the Director being evaluated. On the basis of performance evaluation done by the Board, it shall be determined whether to extend or continue their term of appointment, whenever their respective term expires.

### Meeting of Independent Directors

The Independent Directors (IDs) met on 13<sup>th</sup> February, 2021 without the presence of Non-Independent Directors and members of the Management. At this meeting, the IDs reviewed the performance of Non-independent Directors (including the Chairman) and the Board as a whole. The IDs also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform their duties.

### Familiarization Programme for Independent Directors

The Company has formulated a program to familiarize the independent directors with the company, nature of the industry in which the company operates, business model of the company, so as to gain a clear understanding of their roles and responsibilities and contribute significantly towards the growth of the Company. They have full opportunity to interact with Senior Management Personnel and are provided all the documents required and sought by them for enabling them to have a good understanding of the Company, its various operations and the industry of which it is a part. Each newly appointed Independent Director is taken through a formal induction program including the presentation on the Company's manufacturing, marketing, finance and other important aspects. The Company Secretary briefs the Director about their legal and regulatory responsibilities as a Director. The induction for Independent Directors include interactive sessions with Executive Director, Business and Functional Heads, visit to the manufacturing site etc. On the matters of specialized nature, the Company engages outside experts/consultants for presentation and discussion with the Board members.

## Report on Corporate Governance [Contd.]

The details of such Familiarization Programme have been disclosed on the company's website - [www.genuspaper.com](http://www.genuspaper.com) and a web link thereto is <http://www.genuspaper.com/pdf/Familiarisation%20Programme%20for%20IDs.pdf>

### Board Membership Criteria and list of core skills/expertise/competencies identified in the context of the business:

In terms of requirement of Listing Regulations, the Board has identified the following skills/expertise/competencies of the Directors as given below:

Skills and its description	Ishwar Chand Agarwal	Kailash Chandra Agarwal	Himanshu Agarwal	Surya Prakash Sinha	Akhilesh Kumar Maheshwari	Udit Agarwal	Anu Sharma	Pradeep Narain Tandon	Rajendra Agrawal	Dharam Chand Agarwal
<b>Experience of crafting Business Strategies</b> Experience in developing long-term strategies to grow consumer/dealer business, consistently, profitably, competitively and in a sustainable manner in diverse business environments and changing economic conditions	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<b>Finance and Accounting Experience:</b> Leadership experience in handling financial management of a organization along with an understanding of accounting and financial statements	Yes	Yes	Yes	No	Yes	No	No	No	Yes	No
<b>Leadership experience of running enterprise:</b> Experience in leading well-governed organisations, with an understanding of organisational systems and processes complex business and regulatory environment, strategic planning and risk management, understanding of emerging local and global trends and management of accountability and performance.	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes
<b>HR/ people Orientation:</b> Understanding of HR Policies Managing HR activities, talent development and strengthening the people function	No	Yes	Yes	Yes	No	No	No	No	No	No
<b>Understanding of Consumer and Customer Insights in diverse environments and conditions –</b> Experience of having managed organisations with consumer/dealers interface in diverse business environments and economic conditions which helps in leveraging consumer/dealers insights for business benefits.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

## Report on Corporate Governance [Contd.]

### Disclosures of relationships between Directors inter-se:

Name of the Director (Designation)	Category	Relationship with Directors
Shri Ishwar Chand Agarwal	Chairman (Non Executive Director & Promoter )	Father of Mr. Kailash Chandra Agarwal
Mr. Kailash Chandra Agarwal	Managing Director & CEO	Shri Ishwar Chand Agarwal (Father)
Mr. Himanshu Agarwal	Whole Time Director	None
Mr. Surya Prakash Sinha	Whole Time Director	None
Mr. Akhilesh kumar Maheshwari	Whole Time Director	None
Mr. Dharam Chand Agarwal	Independent Director	None
Mr. Anu Sharma	Independent Director	None
Mr. Udit Agarwal	Independent Director	None
Mr. Rajendra Aggarwal	Independent Director	None
Mr. Pradeep Narain Tandon	Independent Director	None

### CODE OF CONDUCT

The Board has adopted the code of conduct for all Board members and senior management of the company. The duties of Directors including duties as an Independent Director as laid down in the Companies Act, 2013 also forms part of the Code of Conduct. The code of conduct is available on the website of the company – [www.genuspaper.com](http://www.genuspaper.com)

All Board members and senior management personnel have affirmed compliance with the code of conduct for the financial year 2020-21. A declaration to this effect signed by the CEO is placed at the end of this report.

### BOARD'S COMMITTEES

Genus has five Board level Committees:

- Audit Committee,
- Nomination and Remuneration Committee,
- Corporate Social Responsibility Committee,
- Risk Management Committee, and
- Stakeholders Relationship Committee.

The Board is responsible for constituting, assigning, co-opting and fixing the terms of reference of various Committees. Details on the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance are provided below.

#### Audit Committee

##### Terms of Reference:

##### (i) Brief description of terms of reference:

The powers, role and terms of reference of the audit Committee are in line with the provisions of Section 177 of the Companies Act 2013, and regulation 18 of SEBI (LODR) 2015.

The primary objective of the Committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures with the highest levels of transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the Management, the internal auditors and the independent auditors and notes the processes and safeguards employed by each of them.

The Committee also reviews the functioning of whistle blower & Vigil mechanism, adequacy and effectiveness of internal audit function, risk management and control systems and results of operation.

#### Business Risk Evaluation and Management

The overview of the risk management policy is also done by the Audit Committee.

Business Risk Evaluation and Management is an ongoing process within the Organization. The Company has a robust risk management framework to identify, monitor and minimize risks as also identify business opportunities.

The objectives and scope of the Audit Committee regarding the Risk Management broadly comprise of;

- Oversight of risk management performed by the executive management;
- Reviewing the BRM policy and framework in line with local legal requirements and SEBI guidelines;



## Report on Corporate Governance [Contd.]

3. Reviewing risks and evaluate treatment including initiating mitigation actions and ownership as per a pre-defined cycle;
4. Defining framework for identification, assessment, monitoring, and mitigation and reporting of risks.
5. Within its overall scope as aforesaid, the Committee shall review risks trends, exposure, and potential impact analysis and mitigation plan.

The Company has a qualified and independent audit committee during the financial year 2020-21.

The Audit Committee met 4 (Four) times on 18/06/2020, 21/08/2020, 26/10/2020 and 25/01/2021. The time gap between any two meetings was less than four months.

The composition of the Committee and the attendance details of the members are given below:

Name of the Member	Category	Status	No. of Meetings	
			Held	Attended
Mr. Udit Agarwal	Independent Non Executive Director	Chairman	4	4
Mr. Rameshwar Pareek*	Independent Non Executive Director	Member	4	1
Mr. Pradeep Narain Tandon	Independent Non Executive Director	Member	4	1
Mr. Kailash Chandra Agarwal	Executive Promoter Director	Member	4	4
Mr. Dharam Chand Agarwal **	Independent Non Executive Director	Member	4	2

\* Ceased to be director with effect from 07<sup>th</sup> July, 2020

\*\* Appointed as director with effect from 11<sup>th</sup> August, 2020

All members of the Audit Committee have accounting and financial knowledge. The Company Secretary acts as the secretary of the committee.

The terms of reference of Audit Committee are wide enough covering the matters specified for Audit Committee under the revised Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

### Nomination and Remuneration Committee

#### (i) Brief description of terms of reference:

The terms of reference of the Nomination & Remuneration Committee are in line with the provisions of section 178 of the Companies Act and Regulation 19 SEBI (LODR) 2015.

The purpose of the Committee is to oversee the nomination process for top-level management positions and review executive remuneration structure. The Committee identifies, screens and reviews individuals qualified to serve as executive directors, non-executive directors and independent directors consistent with criteria approved by the Board and recommends, for approval by the Board, nominees for election at the AGM.

During the financial year 2020-21, the Nomination and Remuneration Committee met 7 (Seven) times on 18/06/2020, 11/08/2020, 16/09/2020, 15/10/2020, 23/11/2020, 10/02/2021 and 24.03.2021

The composition of the Committee and the attendance details of the members are given below:

Name of the Member	Category	Status	No. of Meetings	
			Held	Attended
Mr. Udit Agarwal	Independent Non Executive Director	Chairman	7	7
Mr. Rameshwar Pareek*	Independent Non Executive Director	Member	7	1
Mr. Pradeep Narain Tandon	Independent Non Executive Director	Member	7	5
Mr. Dharam Chand Agarwal**	Independent Non Executive Director	Member	7	3

\* Ceased to be director with effect from 07<sup>th</sup> July, 2020

\*\* Appointed as director with effect from 11<sup>th</sup> August, 2020

## Report on Corporate Governance [Contd.]

The Company Secretary acts as the secretary of the committee.

The roles and responsibilities of the Committee, inter alia, include the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

### Remuneration Policy

In accordance with the relevant provisions of Companies Act, 2013 and Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the following Policies/ Framework have been adopted by the Board upon recommendation of the Nomination and Remuneration Committee:

1. Remuneration Policy relating to remuneration of Directors, Key Managerial Personnel and other employees.
2. Framework for evaluation of the Board, its Committees and individual Board Members including Independent Directors.
3. Framework for determining qualifications, positive attributes and independence of a director.
4. Framework for the appointment of directors and senior management personnel.

#### 1. Non-Executive Directors (including Independent Directors)

Fees and compensation, if any, paid to any Non-Executive Director, including Independent Director shall be fixed by the Board of Directors and shall be previously approved by the shareholders at the general body meeting. Further, the Independent Directors shall not be entitled to any stock options.

#### 2. Executive Directors

The Board of Directors on the recommendation of the Nomination and Remuneration Committee fixes remuneration of Executive Directors (i.e. Managing Director/ Whole-Time Director) and thereafter the same is approved by the shareholders at a General Meeting. The remuneration structure comprises of salary, allowances, commissions, perquisites and employee benefits, if any.

The evaluation criteria of the Board, its Committees and individual Board Members including Independent Directors have been disclosed in the Director's Report which forms part of the Annual Report. The formal Remuneration policy of the Company is available on the website of the Company [www.genuspaper.com](http://www.genuspaper.com) at the web link <http://www.genuspaper.com/pdf/Remuneration%20Policy.pdf>.

### REMUNERATION TO DIRECTORS

Details of remuneration paid to Directors for the Financial Year 2020-21 is as under:

(In Rupees except Share data)

Name of Directors	Salary	Perquisites & Allowances	Commission	Sitting Fee	Total	Service Contract	No of Equity Share held
Ishwar Chand Agarwal	-	-	-	-	-	-	8194447
Kailash Chandra Agarwal	67,20,000	-	6,50,000	-	73,70,000	-	13298356
Himanshu Agarwal	67,20,000	-	-	-	67,20,000	-	7103530
Surya Prakash Sinha	6,30,000	-	-	-	6,30,000	-	-
Akhilesh Kumar Maheshwari*	3,34,000	-	-	-	3,34,000	-	-
Pradeep Narain Tandon	-	-	-	-	-	-	-
Udit Agarwal	-	-	-	-	-	-	-
Rajendra Aggarwal	-	-	-	-	-	-	-
Anu Sharma	-	-	-	-	-	-	-
Yash Todi**	-	-	3,60,000	-	3,60,000	-	-

\*Appointed as an Additional Director (Executive Director) with effect from 01<sup>st</sup> March, 2021 subject to the approval of members in the ensuing Annual General Meeting.

## Report on Corporate Governance [Contd.]

\*\* Resigned with effect from 09<sup>th</sup> October, 2020

The Company does not have any Stock Option Scheme and Pension Scheme.

The Company did not have any material pecuniary relationship or transactions with Non-Executive Directors during the year.

### Notice Period

The Notice Period for the Managing /Executive/Whole-Time Director is one month from either side for resigning/ terminating from the services of the Company.

### Severance Fees

No Severance Fees has been paid or payable by the Company.

## CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

### (i) Brief description of terms of reference:

The terms of reference of the Committee are in line with the provisions of section 135 of the Companies Act, 2013.

The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating, monitoring and implementing a framework in line with the corporate social responsibility policy of the Company.

The terms of reference of the Committee are:

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

During the financial year 2020-21, the Committee met 1 (One) times on 31/03/2021.

The composition of the Committee and the attendance details of the members are given below:

Name of the Member	Category	Status	No. of Meetings	
			Held	Attended
Mr. Udit Agarwal	Independent Non Executive Director	Chairman	1	1
Mr. Dharam Chand Agarwal *	Independent Non Executive Director	Member	1	1
Mr. Kailash Chandra Agarwal	Executive Promoter Director	Member	1	1
Mr. Himanshu Agarwal	Executive Promoter Director	Member	1	1

\* Appointed as director with effect from 11<sup>th</sup> August, 2020

The Company Secretary acts as the secretary of the committee.

The roles and responsibilities of the Committee, inter alia, include the following:

- Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company in compliance with the Companies Act, 2013 and rules thereunder.
- Recommend the amount of expenditure to be incurred on the activities as above, and
- Monitor the CSR Policy of the company from time to time.

The Company has formulated the CSR Policy in line with Schedule VII of the Companies Act, 2013. The key focus areas where special Community Development programmes would be run are:

- Promoting Health care including preventive health care;
- Eradicating hunger, poverty and malnutrition;
- Ensuring environmental sustainability;
- Employment and livelihood enhancing vocational skills and projects.

The formal CSR policy of the Company is available on the website of the Company [www.genuspaper.com](http://www.genuspaper.com/pdf/CSR%20policy.pdf) at the weblink <http://www.genuspaper.com/pdf/CSR%20policy.pdf>

During the Financial Year 2020-21, the Committee periodically monitored the progress on CSR activities undertaken by the Company. The Company has spent the mandatory 2% of average net profits of immediately preceding 3 years on various CSR activities, the details of

## Report on Corporate Governance [Contd.]

which are given in CSR Report approved by the Committee and attached to the Directors' Report.

### Risk Management Committee

During the financial year 2020-21, the Committee met 1 (one) times on 31/03/2021.

The terms of reference of the Committee are:

- Overseeing key risks, including strategic, financial, and operational and compliance risks.
- Assisting the Board in framing, implementing and monitoring the risk management plan for the Company and reviewing and guiding the risk policy.
- Developing risk management policy and risk management system/framework for the Company.

The composition of the Committee and the attendance details of the members are given below:

Name of the Member	Category	Status	No. of Meetings	
			Held	Attended
Mr. Himanshu Agarwal	Executive Promoter Director	Chairman	1	1
Mr. Kailash Chandra Agarwal	Executive Promoter Director	Member	1	1
Mr. Sanjay Kumar Agarwal	CFO	Member	1	1

### Stakeholders Relationship Committee

#### Brief description of terms of reference:

The terms of reference of the Stakeholders Relationship Committee are in line with the provisions of section 178 of the Companies Act 2013 and Regulation 20 SEBI (LODR) 2015.

The Stakeholders Relationship Committee is primarily responsible for redressal of shareholders' / investors' / security holders' grievances including complaints related to transfer of shares, non-receipt of declared dividends, annual reports etc. The Committee's terms of reference also include allotment of equity shares to option grantees under the prevailing ESOP Scheme of the Company.

During the financial year 2020-21, the Committee met 3 (Three) times on 10/07/2020, 23/11/2020 and 30/11/2020.

The Committee ensures cordial investor relations and oversees the mechanism for redressal of investors' grievances. The Committee specifically looks into redressing shareholders' / investors' complaints/ grievances pertaining to share transfers, non-receipts of annual reports, non-receipt of dividend and other allied complaints.

The composition of the Committee and the attendance details of the members are given below:

Name of the Member	Category	Status	No. of Meetings	
			Held	Attended
Mr. Udit Agarwal	Independent Non Executive Director	Chairman	3	3
Mr. Dharam Chand Agarwal*	Independent Non Executive Director	Member	3	2
Mr. Pradeep Narain Tandon	Independent Non Executive Director	Member	3	2

\* Appointed as director with effect from 11<sup>th</sup> August, 2020

### Investor Grievance Redressal

Details of investors complaints during the Financial Year ended 31<sup>st</sup> March, 2021 are given in the table below:

Pending as on 1 April, 2020	NIL
Received during the year	1
Resolved during the year	1
Pending as on 31 March, 2021	NIL

### SUBSIDIARY COMPANIES

During the year under report, the Company has incorporated a wholly owned subsidiary named Genus Paper and Coke Limited (formerly known as Kailash Paper and Coke Limited) on 23<sup>rd</sup> July, 2020.

### RELATED PARTY TRANSACTIONS AND DISCLOSURE

The Company has formulated a policy on materiality of Related Party Transactions and a policy on dealing with Related Party Transactions, in accordance with the relevant provisions of Companies Act, 2013 and Regulation 27 of SEBI (Listing Obligations and Disclosure

## Report on Corporate Governance [Contd.]

Requirements) Regulations, 2015.

Such policies are available on the website of the Company at [www.genuspaper.com](http://www.genuspaper.com) and a web link thereto is <http://www.genuspaper.com/pdf/Policy%20for%20Related%20Party%20Transactions.pdf>

All related party transactions are entered into with prior approval of Audit committee. However, Related Party Transactions of repetitive nature are approved by the Audit Committee on omnibus basis for one year at a time. Statements of all RPTs entered into by the company pursuant to omnibus approvals basis are reviewed by the Audit Committee on a quarterly basis.

During the financial year 2020-21, the Company did not have materially significant transactions with related parties (i.e. its promoters, Directors or KMPs, or their relatives and its subsidiaries, etc.), that may have potential conflict with the interest of the Company at large.

[As per Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a transaction with related party shall be considered material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the company as per the last audited financial statements of the company.]

Transactions with related parties have been disclosed in Note no. 41 of the Standalone Financial Statements.

### DISCLOSURES

#### Disclosure of Accounting Treatment

In the preparation of financial statements, the Company has followed the Accounting Standards. The significant accounting policies which are applied have been set out in the Notes to Financial Statements.

#### Whistle Blower Policy / Vigil Mechanism

The company has devised a vigil mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy. This mechanism provides for adequate safeguards against victimization of director(s) / employee(s) who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases.

During the financial year 2020-21, there were no instances of unethical behavior, fraud or violation of the company's code of conduct or ethics policy and no personnel have been denied access to the audit committee.

The details of establishment of such mechanism are disclosed on the website of the Company viz. [www.genuspaper.com](http://www.genuspaper.com) and in the Board's report.

#### Details of non-compliance

There is no such non-compliance during the financial year 2020-21 in the Company.

#### Auditors' certificate on corporate governance

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the auditors' certificate is annexed to this report.

#### CEO and CFO certification

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the CEO and CFO have given appropriate certifications to the Board of Directors and are annexed to this report.

#### Prohibition of Insider Trading Practices

In compliance with the SEBI regulations for Insider Trading and the provisions of Companies Act, 2013, the Company has in place a comprehensive Code of Conduct for Prevention of Insider Trading, for its directors and designated persons.

The Company has also formulated and adopted a Code of Conduct for Prevention of Insider Trading and a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015.

The Code lays down guidelines and procedures to be followed and disclosures to be made while dealing with the shares of the Company.

The Company Secretary has been appointed as the Compliance Officer.

The above Code of Conduct is available on the website of the Company - [www.genuspaper.com](http://www.genuspaper.com).

#### Legal Compliance Reporting

The Board of Directors reviews quarterly report of compliance with respect to all laws and regulations applicable to the Company. The Company has devised a Legal Compliance reporting mechanism, wherein the Company Secretary shall obtain the Compliance status reports from the respective person who is responsible for compliance within the Company, and submit periodically a comprehensive

## Report on Corporate Governance [Contd.]

compliance report to the Executive Director(s) of the Company.

Any non compliance is seriously taken up by the Board, with fixation of accountability and reporting of steps taken for rectification of non-compliance.

### MANAGEMENT: Management Discussion and Analysis

A detailed report on the Management Discussion and Analysis is presented in a separate section, which forms part of this Annual Report.

### SHAREHOLDERS

#### Appointment / Re-appointment of Directors

A brief resume of the Directors being appointed/ re-appointed, the nature of their expertise in specific functional areas, names of other companies in which they hold/have held Directorships, Committee Memberships/ Chairmanships, their shareholding etc., are furnished in the explanatory statement to the notice of the ensuing AGM.

### GENERAL BODY MEETINGS

#### Annual General Meetings

Details of the last three Annual General Meetings held are given below:

Financial Year	Location / Venue of the Meeting	Date & Time
2017-18	Village Aghwanpur, Kanth Road, Moradabad-244001 (Uttar Pradesh)	22.09.2018/10.00 A.M.
2018-19	Village Aghwanpur, Kanth Road, Moradabad-244001 (Uttar Pradesh)	30.09.2019/10.00 A.M.
2019-20	Village Aghwanpur, Kanth Road, Moradabad-244001 (Uttar Pradesh) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	30.09.2020/11.30 A.M.

The following Special Resolutions were passed in the previous three Annual General Meetings (AGM):

AGM Date	Particulars of Special Resolutions passed at AGM
22.09.2018	<ul style="list-style-type: none"> <li>• Appointment of Mr. Yash Todi as a Non-Executive Director of the Company</li> <li>• Transaction with related party u/s 188 of the Companies Act, 2013.</li> <li>• Approval for payment of commission to the Non-Executive Director</li> </ul>
30.09.2019	<ul style="list-style-type: none"> <li>• Reappointment of Rajendra Aggarwal as an Independent Non Executive Director</li> <li>• Reappointment of Rameshwar Pareek as an Independent Non Executive Director</li> <li>• Reappointment of Udit Agarwal as an Independent Non Executive Director</li> <li>• Appointment of Mr. Pradeep Narain Tandon as an Independent Non Executive Director</li> <li>• Transaction with related party under Section 188 of the Companies Act, 2013.</li> </ul>
30.09.2020	<ul style="list-style-type: none"> <li>• Reappointment of Shri Kailash Chandra Agarwal as Managing Director &amp; CEO</li> <li>• Reappointment of Shri Himanshu Agarwal as Whole Time Director</li> <li>• Reappointment of Anu Sharma as an Independent Non Executive Woman Director</li> <li>• Reappointment of Mr. Dharam Chand Agarwal as an Independent Non Executive Director</li> <li>• Power to borrow fund in excess of the limits prescribed u/s 180(1)(c) of the Companies Act, 2013</li> <li>• Transaction with related party under Section 188 of the Companies Act, 2013.</li> </ul>

#### Postal Ballot

During the last year, the Company has passed no resolution through Postal Ballot.

During the financial year 2020-21, no resolution is proposed to be passed through postal ballot at this AGM.

### MEANS OF COMMUNICATION

- In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website [www.genuspaper.com](http://www.genuspaper.com), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com).
- The financial results are normally published in the newspaper viz. Financial Express (All Editions-English) and Jan Satta (Delhi Edition-Hindi).
- Periodical compliances like Financial Results, Shareholding Pattern and Corporate Governance Report etc. are filed electronically on NEAPS/ BSE Listing centre.
- All price sensitive information or clarifications on the decisions of the Board are communicated immediately to the Stock Exchanges for dissemination to the shareholders.



## Report on Corporate Governance [Contd.]

- e) The Company's financial results and other official news releases and presentations are displayed on the website of the Company - [www.genuspaper.com](http://www.genuspaper.com).

### GENERAL SHAREHOLDERS' INFORMATION

<b>Company Registration Details</b>	The Company is registered in the State of Uttar Pradesh, India. The Corporate Identification Number (CIN) of the Company is L21098UP2012PLC048300.
<b>Annual General Meeting</b>	
<b>Date</b>	September 18, 2021
<b>Time</b>	11.30 A.M.
<b>Nature</b>	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")
<b>Financial Year</b>	01 <sup>st</sup> April to 31 <sup>st</sup> March
<b>Tentative Calendar for FY 2020-21</b>	
For 1st Quarter ended 30th June, 2021	By 15 <sup>th</sup> September, 2021 (One Month Extension as per SEBI Circular)
For 2nd Quarter ending 30th September, 2021	By 14th November, 2021
For 3rd Quarter ending 31st December, 2021	By 14th February, 2022
For 4th quarter ending 31st March, 2022	By 30th May, 2022
<b>Date of Book Closure</b>	Monday, 13 <sup>th</sup> September, 2021 to Saturday, 18 <sup>th</sup> September, 2021 (both days inclusive)
<b>Dividend Payment Date</b>	Not Applicable, as no dividend has been declared for the financial year 2020-21.
<b>Listing on Stock Exchange</b>	The Equity Shares of Company are listed at BSE Ltd. (BSE), and National Stock Exchange of India Ltd. (NSE). The Company has paid annual listing fees for the year 2021-22 to BSE and NSE.
<b>Stock Exchange Code Number</b>	<b>BSE : 538961     NSE : GENUSPAPER</b>
<b>Demat ISIN numbers in NSDL &amp; CDSL</b>	INE949P01018
<b>Plant Locations</b>	<b>Moradabad:</b> Village Aghwanpur, Kanth Road, Moradabad-244001(Uttar Pradesh) <b>Tel:</b> 0591-2511171 <b>Fax:</b> 0591-2511242

### Registrar and Share Transfer Agent

The Company has appointed M/s Niche Technologies Private Limited as its Registrar and Transfer Agent for handling the share registry work relating to shares held both in physical and electronic form at a single point. The shareholders may address their communications and any grievances or queries pertaining to share transfer/demat including physical transfer requests and demat requisition forms, to the Registrar & Transfer Agent of the Company at the following address:

#### Niche Technologies Pvt. Ltd.

3A, Auckland Place, 7<sup>th</sup> Floor,

Room No. 7A & 7B, Kolkata-700 001

Phone: 033 22806616 /17/18 Fax: 033 22806619

Email: [nichetechpl@nicetechpl.com](mailto:nichetechpl@nicetechpl.com) Website: [www.nichetechpl.com](http://www.nichetechpl.com)

### Share Transfer System

To expedite the process and disposal of share transfers and other shareholders' matters, the Board of Directors has delegated the power of share transfer, transmission, split /consolidation of share certificates, demat / remat of shares, issue of duplicate certificates etc. to the Registrar and Transfer Agent (RTA) of the Company viz. M/s Niche Technologies Pvt. Ltd. The RTA has fully computerized system and attends to all delegated matter, timely and appropriately.

Share transfers are processed and share certificates duly endorsed are delivered within a period of fifteen days from the date of receipt, subject to documents being valid and complete in all respects. A summary of transfer/transmission of securities of the Company so approved by RTA is placed at every Board meeting / Stakeholders' Relationship Committee meeting. The Company obtains from a Company Secretary in Practice half-yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) & 40(10) of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 and files a copy of the said certificate with Stock Exchanges.

### Designated e-mail address for investor services

## Report on Corporate Governance [Contd.]

In terms of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, the designated e-mail address for investor complaints is cs@genuspaper.com.

**Market Price Data:** High and Low price of shares of the Company during the year 2020-21 at BSE and NSE:

Month	Bombay Stock Exchange (BSE)		National Stock Exchange (NSE)	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April, 2020	4.52	3.17	4.65	3.05
May, 2020	4.38	3.23	3.90	3.15
Jun, 2020	6.22	3.61	6.20	3.45
Jul, 2020	6.84	4.74	7.00	4.75
Aug, 2020	5.61	4.84	5.70	4.80
Sep, 2020	5.36	4.59	5.35	4.40
Oct, 2020	5.15	4.54	5.20	4.40
Nov, 2020	6.00	4.56	6.45	4.65
Dec, 2020	8.85	5.48	8.90	5.25
Jan, 2021	8.05	6.55	7.85	6.45
Feb, 2021	7.50	6.22	7.50	6.25
Mar, 2021	8.52	6.82	8.50	6.85

[Source: This information is compiled from the data available from the websites of BSE and NSE]

### Distribution of shareholding

Details of distribution of shareholding of the equity shares of the Company by size and by ownership class as on March 31, 2021 are given below:

- Shareholding pattern by size as on March 31, 2021

Number of Shares held	Shareholders		Shares	
	Number	% of Holders	Number	% to Total Shares
1 – 500	12889	57.6715	2310417	0.8986
501 – 1000	3430	15.3474	3097813	1.2048
1001 – 5000	4351	19.4684	11226386	4.3661
5001 – 10000	790	3.5348	6379235	2.4810
10001 – 50000	699	3.1277	15413963	5.9947
50001 – 100000	97	0.4340	7023541	2.7316
100001 – and Above	93	0.4161	211674585	82.3233
<b>Total</b>	<b>22349</b>	<b>100.0000</b>	<b>257125940</b>	<b>100.0000</b>

- Shareholding pattern by ownership as on March 31, 2021

Sl. No.	Category of Shareholders	No of Shares held	No of Shares in De-mat Form	% shareholding
<b>A.</b>	<b>Promoters and Promoters Group: Indian</b>			
<b>1.</b>	<b>Indian</b>			
a.	Individuals / HUF	69211931	69211931	26.918
b.	Bodies Corporate	60611227	60611227	23.573
<b>2.</b>	<b>Foreign</b>	0	0	0.000
	<b>Promoter &amp; Promoter Group Shareholding Total - (A)</b>	<b>129823158</b>	<b>129823158</b>	<b>50.490</b>
<b>B.</b>	<b>Public Shareholding:</b>			
<b>1.</b>	<b>Institutions:</b>			
a.	Mutual Funds /UTI	99000	0	0.039
b.	Financial Institutions /Banks	9194	5194	0.004
c.	Foreign Portfolio Investors Corporate Cap First	77865	77865	0.030
d.	Foreign Portfolio Investors Corporate Cap Second	0	0	0.000

## Report on Corporate Governance [Contd.]

e.	Foreign Institutional Investors	0	0	0.000
f.	Foreign VC Investors	43000	0	0.017
	<b>Sub-Total – B(1)</b>	<b>229059</b>	<b>83059</b>	<b>0.089</b>
2.	<b>Non-Institutions:</b>			
a.	Bodies Corporate	11803429	<b>11783429</b>	4.591
b.	Individuals	40827517	39176079	15.878
c.	Others:			
i.	NRI/OCBs	3196559	2310559	1.243
ii.	Clearing Member/Clearing Corporation	342011	342011	0.133
	<b>Sub-Total – B (2)</b>	<b>127073723</b>	<b>124516285</b>	<b>49.421</b>
	<b>Total – B = B(1)+B(2)</b>	<b>127302782</b>	<b>124599344</b>	<b>49.510</b>
	<b>Grand Total (A + B)</b>	<b>257125940</b>	<b>254422502</b>	<b>100.00</b>

### Dematerialization of Shares and Liquidity

The Company's equity shares are being traded compulsorily in dematerialized mode from the date of approval of listing at the Stock Exchanges (BSE & NSE) i.e. 16<sup>th</sup> February, 2015.

As at 31st March, 2021, 98.95 % of total equity shares were held in electronic / dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL). The equity shares of the Company are frequently traded at BSE Ltd. and National Stock Exchange of India Ltd.

The International Securities Identification Number (ISIN) of the Company's equity shares is INE949P01018.

### SCORES (SEBI Complaints Redressal System)

SEBI complaints redressal system i.e. SCORES is an online complaint redressal system for investors / shareholders. Through this system a shareholder can lodge complaint against a company for his grievance. The Company uploads the action taken on the complaint which can be viewed by the shareholder.

### Reconciliation of Share Capital Audit

Patni & Co., an independent firm of practicing Chartered Accountants, carries out the Reconciliation of Share Capital Audit as mandated by SEBI, and reports on the reconciliation of total issued and listed Capital with that of total share capital admitted / held in dematerialized form with NSDL and CDSL and those held in physical form.

This audit is carried out on quarterly basis and the report thereof is submitted to the Stock Exchanges, where the Company's shares are listed and is also placed in every Board meeting / Stakeholders' Relationship Committee meeting.

### Proceeds from public issues, right issue, preferential issues etc.

During the year 2020-21, the Company has raised no funds through public issues, rights issues, preferential issues etc.

### Commodity price risk or foreign exchange risk and hedging activities:

Risks associated with foreign exchange transactions particularly during imports such as trade payable, credit notes, trade receivables, Letter of Credit Payment etc., could lead to loss of financial business if left unaddressed. The nature of risk impact is medium on the surge of foreign exchange risk whereas the mitigation for the same is that of a dedicated team of professionals who consistently monitor financial markets along with their risk coverage as a mitigation strategy. There is no hedging activity during the year.

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

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

### Address for correspondence by Shareholders of the Company

- For share transfer / dematerialization of shares, payment of dividend and any other query relating to the shares:

**Niche Technologies Pvt. Ltd.**

3A, Auckland Place, 7<sup>th</sup> Floor,

Room No. 7A & 7B, Kolkata-700 001

## Report on Corporate Governance [Contd.]

**Phone:** 033 22806616 /17/18 **Fax:** 033 22806619

**Email:** nichetechpl@nichetechpl.com **Website:** www.nichetechpl.com

- Compliance Officer:

Mr. Anuj Ahluwalia

Company Secretary

### Genus Paper & Boards Limited

Village Aghwanpur, Kanth Road, Moradabad (U. P.) – 244 001

Phone - (0591) 2511171 Fax - (0591) 2511242

E-mail: cs@genuspaper.com

### List of all credit ratings obtained by the Company:

During the year under review, CARE Ratings Limited, a credit rating agency registered with SEBI had has reaffirmed the Company (Genus Paper & Boards Limited) Long Term Bank Facilities at 'BBB+', vide its letter dated December 22, 2020. The Outlook is Stable.

### Other Disclosures

- The Company does not have materially significant related party transactions that may have potential conflict with the interests of listed entity at large; the necessary disclosure of related party transactions has been made.
- There has been no non-compliance by the Company and no penalties, strictures imposed on the Company by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years;
- The Company has establishment of vigil mechanism, whistle blower policy, and it is affirmed that no personnel has been denied access to the audit committee;
- The Company has complied with all the mandatory requirements as prescribed in the SEBI Listing Regulations and the Companies Act, 2013; the Company has not adopted the non- mandatory requirements;
- During the year under report, the Company has incorporated a wholly owned subsidiary named Genus Paper and Coke Limited (formerly known as Kailash Paper and Coke Limited) on 23<sup>rd</sup> July, 2020.
- The policy on related party transactions is available on the website www.genuspaper.com.
- There is no commodity price risks and commodity hedging activities taken by the Company.
- The Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).
- a certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is annexed to this Report.
- During the financial year 2020-21, there were no instances where the board had not accepted any recommendation of any committee of the board which is mandatorily required.
- Total fees for all services paid by the Company to the statutory auditor

a) Statutory Audit Fee	Rs. 4,00,000
b) Fees for other statutory certifications	Rs. 29,500
Total	Rs. 4,29,500

- During the year in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
  - number of complaints filed during the financial year : Nil
  - number of complaints disposed of during the financial year: Nil
  - number of complaints pending at the end of the financial year.: Nil

- The Company has complied with the applicable requirement specified in Regulations 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## **CERTIFICATE ON CORPORATE GOVERNANCE**

To the Members of

**Genus Paper & Boards Limited**

We have examined the compliance of conditions of Corporate Governance by Genus Paper & Boards Limited for the year ended on March 31, 2021, as stipulated in Clause E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Regulations").

The compliance of conditions of corporate governance is the responsibility of the management. 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.

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 SEBI (LODR) Regulation 2015.

We state that, there was no investor grievance pending against the company for a period exceeding one month.

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

For and on behalf of  
For Gaurav Gupta & Associates  
(Company Secretaries)

(Nishant Agarwal)  
FCS No.8140 CP No. 7965  
UDIN: **F008140C000717961**

Date: 31.07.2021

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## **CERTIFICATE ON COMPLIANCE WITH CODE OF CONDUCT**

I, Kailash Chandra Agarwal, Managing Director & CEO of Genus Paper & Boards Limited declare that to the best of my knowledge and belief, all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year 2020-21.

**Kailash Chandra Agarwal**  
Managing Director & CEO

Moradabad, 09<sup>th</sup> August, 2021

**CERTIFICATE**

**(As stipulated in Clause C (10)(i) of Schedule V : Annual Report to the SEBI (Listing Obligations and Disclosure Requirements), 2015)**

Based on our verification of the books, paper, minutes book, forms and returns filed and other records maintained by Genus Paper & Boards Limited, having its registered office at Village Awghanpur, Kanth Road, Moradabad-244001, Uttar Pradesh and also the information provided by the Company, its officers, agents, and authorized representatives, we hereby report that during the Financial Year ended on March 31, 2021, in our opinion, none of the director on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of the Company by the Board/Ministry of Corporate Affairs or any such statutory Authority.

**For Gaurav Gupta & Associates**  
(Company Secretaries)  
(Nishant Agarwal)  
FCS No.8140 CP No. 7965

Place: Moradabad  
Date: 31.07.2021

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**CEO' AND CFO' CERTIFICATION**

We, Kailash Chandra Agarwal, Managing Director & Chief Executive Officer (CEO) and Sanjay Kumar Agarwal, Chief Financial Officer (CFO), of Genus Paper & Boards Limited, to the best of our knowledge and belief certify that:

1. We have reviewed the financial statements and the cash flow statements of the Company for the year ended March 31, 2021.
2. To the best of our knowledge and information:
  - a. These statements do not contain any materially untrue statement or omit to state a material fact or contains statement that might be misleading;
  - b. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. We also certify, that based on our knowledge and the information provided to us, there are no transactions entered into by the Company, which are fraudulent, illegal or violate the Company's code of conduct.
4. The Company's other certifying officers and we are responsible for establishing and maintaining internal controls for financial reporting and procedures for the Company, and we have evaluated the effectiveness of the Company's internal controls and procedures pertaining to financial reporting.
5. The Company's other certifying officers and we have disclosed, based on our most recent evaluation, wherever applicable, to the Company's auditors and through them to the Audit Committee of the Company's Board of Directors:
  - a. All significant deficiencies in the design or operation of internal controls, which we are aware and have taken steps to rectify these deficiencies;
  - b. Significant changes in internal control over financial reporting during the year;
  - c. Any fraud, which we have become aware of and that involves Management or other employees who have a significant role in the Company's internal control systems over financial reporting;
  - d. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements.

Moradabad,  
09<sup>th</sup> August, 2021

**Sanjay Kumar Agarwal**  
Chief Financial Officer

**Kailash Chandra Agarwal**  
Managing Director & CEO



## AUDITORS' CERTIFICATE

(On Compliance with the conditions of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To the Members of

**Genus Paper & Boards Limited**

We have examined the compliance of conditions of Corporate Governance by Genus Paper & Boards Limited, for the year ended on 31 March, 2021, as stipulated in Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said Company with the stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Regulation. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 27 of the above mentioned SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

**For D. Khanna & Associates**

Chartered Accountants  
ICAI Firm Regn. Number: 012917N

Deepak Khanna  
Partner

Membership No. 092140

Jaipur, 09<sup>th</sup> August, 2021

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **I. INDIAN ECONOMIC REVIEW**

In line with the global economy, India witnessed major economic disruptions in FY 2020-21, as the outbreak of COVID-19 Perversely impacted human health and safety of the country's inhabitants. This prompted the government to undertake one of the world's tightest lockdowns, bringing manufacturing and trade activities to a screeching halt. Prolonged lockdown exacerbated existing vulnerabilities of the country including the weakened financial sector, private investments, liquidity constraints and consumption demand. An accommodative monetary policy from the Reserve Bank of India (RBI) and fiscal policy interventions by the central government, coupled with the gradual reopening of the economic activities from June 2020, have led to a sequential recovery in economic output. India's economy contracted during the first half of FY 2020-21, before returning to positive territory in third quarter of FY 2020-21 with a growth of 0.4 per cent. GDP had seen revival, albeit marginally, as economic activities resumed after a long and arduous lockdown and overall sentiment improved with the rollout of vaccination drive.

The Indian economy passed through one of the volatile periods in living memory in 2020-21. At the start of 2020, India was among five largest global economies; its economic growth rate was the fastest among major economies (save China); its market size at 1.38 billion was the second largest in the world; its rural population of the under-consumed was the largest in the world. The Indian economy de-grew 23.9% in the first quarter of 2020-21, the sharpest de-growth experienced by the country since the index was prepared.

The pandemic affected both demand and supply, at least in the short-term. As lockdowns eased across the world economic activity gradually started to recover. The contraction in GDP seen in many countries, including India, was because of reduced economic activity and restricted mobility, due to COVID-19 as people curtailed discretionary spending and focused on essentials and precautionary savings due to the level of uncertainty.

The November RBI Consumer Confidence Survey showed that while consumer sentiment was higher by November, compared to July and September 2020. The pandemic affected both demand and supply, at least in the short-term. Exports and imports both declined as a result of reduced consumer and industrial demand, according to NCAER. According to the Economic Survey 2020-2021, the government adopted a four-pillar strategy of containment, fiscal, financial, and long-term structural reforms and the country remained a preferred investment destination in financial year 2020-21.

#### **INDIAN ECONOMY RECOVERY**

There were a number of positive features of the Indian economy during the year under review.

A slowdown in economic growth and inflation weakened the country's currency rate nearly 2.83% in 2020 from INR 71.28 to INR 73.30 to a US dollar before recovering towards the close of the financial year. Despite the gloomy economic scenario, foreign direct investments (FDI) in India increased 13% to USD 57 billion in 2020. India jumped 14 places to 63 in the 2020 World Bank's Ease of Doing Business ranking and was the only country in the emerging market basket that received positive FPIs of \$23.6 billion in 2020; the country ranked eighth among the world's top stock markets with a market capitalization of \$2.5 trillion in 2020. The per capita income was estimated to have declined by 5% from INR 1.35 lacs in 2019-20 to INR 1.27 lacs in 2020-21, which was considered moderate in view of the extensive demand destruction in the first two quarters of 2020-21.

### **II. IMPACT OF COVID-19 ON INDIAN PAPER INDUSTRY**

The prime reasons for the rise in Kraft paper prices are shortage of wastepaper in the international market (primarily the USA and Europe) which is affecting waste paper imports by India in addition to already lower supply of waste paper in the domestic market due to Covid-19 disruptions. The pandemic has also affected the usage of paper globally which is thus resulting in shortage of wastepaper creation in the international market. It is important to note that of the total paper produced in India, paper manufactured from wastepaper/recycled fiber as raw material is estimated at 58% followed by 25% and 17% from wood/bamboo and agro residue (bagasse/wheat straw), respectively. (Source: CARE Ratings Ltd)

Moreover, scarcity of containers which are used for imports is also adding to the higher costs of kraft paper manufacturers. All these factors are thus causing the prices of corrugated boxes to rise as well. Apart from this, higher exports of kraft paper from India to China amid shortage of its raw materials for domestic manufacturers are also resulting in higher prices of corrugated boxes in India. China has imposed ban on imports of waste paper since 1 January 2021 which is encouraging China to import kraft paper directly instead of waste paper.

The increase in prices of corrugated boxes however have come at a time when all the user industries may not be fully ready for such price hikes given the current situation which remains affected by the disturbances caused by Covid-19 pandemic. Such a situation may have an impact on the profitability of paper & paper products industry.

### **III. GROWTH AND OPPORTUNITIES**

Paper Industry is a core industry that plays a vital role in the economic growth of our country. The industry is expected to grow in the range of 12-15% in the coming year due to increased economic activities. Infrastructure spending and rural growth being the focus areas of this budget — all industries like FMCG, pharma, health and hygiene are expected to grow significantly. Subsequently, more than 75% of the paper industry producing packaging paper and board is also expected to witness a high growth opportunity. Consumer awareness concerning eco-friendliness, sustainability, replacement of plastic, rise of e-commerce and growth in retail are again big boosters for the demand of packaging paper and paper board. Indian paper mills are investing and would be required to invest more in the capacity building and technology upgradation of their facilities to address the demand growth."

## MANAGEMENT DISCUSSION AND ANALYSIS [Contd].

The Indian paper market can be classified on the basis of raw material and application. On the basis of raw materials used, the market can be categorized into waste and recycled paper, wood and agro residue, of which the waste and recycle paper segment, is expected to grow faster owing to growing concerns about felling trees to produce pulp. On the basis of application, the market can be classified into writing and printing paper, paper board and Kraft paper for packaging and newsprint. Of this, the biggest share is accounted for by the paper board and Kraft paper packaging segment, which is expected to grow on the back of rising growth in the e-commerce sector. The growing use of paper in food packaging is also expected to strengthen off take. Writing and printing paper accounts for the second biggest share of the sector on the back of growing policy-induced literacy.

### III. OUTLOOK

Kraft paper is a paper or paperboard that has a more high strength and high tear resistance. It is largely used in the packaging industry and is made from wood pulp or recycling materials and adding chemicals to increase its fiber's strength, thickness, and durability while maintaining the light weighted property. The growing environmental concerns to use recyclable and degradable packages have led to a rise in the demand for Kraft papers. Kraft papers have a rising trend of manufacturing it through natural recycling which has though lesser strength than virgin natural craft paper, but it is more eco-friendly and still has enough strength to fill void applications. The growing packaging industry and paper industry is largely driving the growth of the global kraft paper market.

The Kraft paper market is projected to grow from USD 15.6 billion in 2019 to USD 18.7 billion by 2025, recording a CAGR of 3.0% during the forecast period. The rise in demand for Kraft paper in various end-use industries, such as food & beverages, building & construction, cosmetics & personal care automotive, and consumer durables, is a key factor that is projected to drive the growth of the Kraft paper market across the globe. In addition, factors such as rapid urbanization across regions and the recyclability feature of Kraft paper are projected to contribute to the growth of the Kraft paper market during the forecast period.

**In terms of value and volume, the corrugated boxes segment is projected to lead the Kraft paper market from 2019 to 2025.**

Based on packaging form, the corrugated segment is projected to dominate the Kraft paper market, in terms of value and volume, from 2019 to 2025. Corrugated boxes not only offer protection to shipped goods from damages but also offer easy handling features. The reusable and recyclable nature of corrugated boxes reduces packaging waste. This has resulted in an increased demand for corrugated boxes in various industries such as food & beverages, building & construction, clothing, freight forwarding, logistics, cosmetics & personal care, and pharmaceuticals.

### IV. RISKS AND CONCERNS

The Company is deriving 99.66% of its revenue from paper business and 0.33% from other business. Environmental issues, continuous availability of raw materials & fuels and increasing interest rates are the important issues concerning the paper industry. The paper industry is one of the highly polluting categories of industries today. The Company is meeting all the norms as prescribed under Environment Protection Act, 1986 and other environmental laws consistently.

### V. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

(Rs. in Lakh)

Financial Highlights	2020-21
Gross Sales	28571.77
Net Sales	28571.77
Other Income	94.89
Profit before Tax (PBT)	1013.77
Profit after Tax (PAT)	768.79
EPS (Basic & Diluted) (in Rs.)	0.30

The Company posted Net sales of Rs. 28571.77 Lakh and the Net profit after tax stands at Rs. 768.79 Lakh.

#### Ratios:

The Company has maintained a healthy capital structure as is evident from its debt to equity ratio. Irrespective of Covid-19, the Company has improved its Sales, Net Profit Ratio and Return on Net Worth as compared to last year.

S. No.	Particulars	March 31, 2021	March 31, 2020
1	Debtors Turnover	4.79	4.84
2	Inventory Turnover	6.34	6.88
3	Interest Coverage Ratio	7.91	6.26
4	Current Ratio	1.93	1.43

**MANAGEMENT DISCUSSION AND ANALYSIS [Contd].**

5	Debt Equity Ratio	0.11	0.15
6	Operating Profit Margin (%)	3.22%	3.38%
7	Net Profit Margin (%)	3.55%	3.38%
8	Return on Net Worth	2.77%	2.39%

**VI. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

Your Company has evolved a system of internal controls to ensure that the assets are safeguarded and transactions are authorized, recorded and correctly reported. The internal control system is supplemented by management reviews and independent periodical reviews by the outside chartered accountancy firms which evaluate the functioning and quality of internal controls and provides assurance of its adequacy and effectiveness. The scope of internal audit covers a wide variety of operational methods and, as a minimum, ensures compliance with specified standards with regard to availability and suitability of policies and procedures, extent of adherence, reliability of management information system and authorization procedures including steps for safeguarding of assets. The Reports of internal audit are placed before Audit Committee of the Directors. Audit Committee reviews such audit findings and the adequacy of internal control systems. The Statutory Auditors, Internal Auditors and the Cost Auditors of the Company also interact with the Audit Committee to share their findings and the status of corrective actions under implementation.

**VII. HUMAN RESOURCES**

Inspite of enduring perhaps the toughest phase in the Company's history it must be mentioned that the trusted loyal work force has always stood firmly in the hour of need. The Company also looks after its human resources well and always judiciously rewarded performance.

**VIII. CAUTIONARY STATEMENT**

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

# FINANCIAL SECTION

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## INDEPENDENT AUDITOR'S REPORT

To the Members of

**Genus Paper & Boards Limited**

**Report on the Audit of the Financial Statements**

### Opinion

We have audited the Standalone financial statements of Genus Paper & Boards Limited ("the Company"), which comprise the balance sheet as at 31st March 2021, and the statement of Profit and Loss, and Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its Profit and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statement.

### Emphasis of Matter

We draw attention to Note No. 49 to the Financial Statements, which describes the uncertainties and impact of COVID-19 pandemic on the Company's operation and result as assessed by the management. Our opinion is not modified in respect of this matter.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2021. 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

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

Key audit matters	How our audit addressed the key audit matter
<b>1. Existence of inventory of raw materials, work in progress, finished goods, stores and spares, consumables and packing material stock (refer note 8 to the standalone financial statements)</b> The company has its inventory located in factory premises and in godowns. The company has a policy of performing yearly count of its inventory. Due to travel restrictions imposed because of COVID-19, we were unable to participate physically in the physical verification of inventory performed by the management subsequent to the year end. In view of the forgoing, obtaining sufficient appropriate audit evidence regarding existence of inventories as at the balance sheet date is identified as a key audit matter.	<b>We perform the following alternate audit procedures to audit the existence of inventories as per the guidance provided in SA 501 "Audit Evidence- Specific Considerations for Selected Items", as at the year-end since we were not able to physically observed the physical stock verification:</b> <ol style="list-style-type: none"> <li>Understood and evaluated the management's internal controls process to establish the existence of inventory such as (i) the process of physical verification carried out by the management, the scope and coverage of the verification programme, the results of such verification included analysis of discrepancies, if any; (ii) maintenance of stock records at all locations;</li> <li>Observed the physical verification of the inventories carried out by the management subsequent to year end through virtual mediums, to verify the compliance with the standard operating procedures issued by the management for physical verification of inventory to determine existence of inventory.</li> <li>On a sample basis, performed roll back procedures (by inspecting documentations relating to subsequent sales supported by acknowledged lorry receipts, purchases, stock transfer, production records, as applicable) from the inventory quantities physically verified by the management subsequent to the year end to arrive at the quantities at the balance sheet date. Compared such quantities at the balance sheet date based on such roll back procedures with the quantities as per the inventory records and obtained explanations for differences, if any.</li> </ol>



## INDEPENDENT AUDITOR'S REPORT [Contd].

	d) We have performed alternate procedures to audit the existence of inventory, which includes inspection of supporting documentation relating to purchases, sales, stock transfer records and result of count performed by the management.
<b>2. Procurement of Raw Materials and Valuation of Inventories</b>	
We identified procurement of Raw material and valuation of inventories as a key audit matters because of significance of costs incurred during the year, related inventories as at reporting date and significant degree of management judgment involved in verification and valuation thereof.	<p>Evaluated the design and operating effectiveness of internal controls relating to procurement and inventory. We carried out a combination of procedures involving inquiry and observation, re-performance and inspection of evidence in respect of operation of these controls.</p> <p>We performed substantive testing by selecting samples of purchase transactions recorded during the year by verifying the underlying documents, i.e. supplier invoices, goods receipt notes etc.</p> <p>Observed inventory value verification on a sample basis.</p> <p>Re-computed the closing rate of sample items of inventories to check whether the same are in line with the accounting policy of the Company.</p> <p>Obtained an understanding of the underlying data and estimates used for calculation of the yield ratio and compared the same with the previous years.</p> <p>We performed cut-off testing for samples of purchase transactions recorded before and after the financial year end date by comparing with relevant underlying documentation, which included supplier invoices, goods receipt notes etc. to assess whether the purchases were recognized in the correct period.</p> <p>We assessed manual journals posted to purchases to identify unusual items.</p>

### Other Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report and other company related information, but does not include the financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of this Auditor's Report.

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.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless 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.

**INDEPENDENT AUDITOR'S REPORT [Contd].**

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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

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 for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the said Order.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement and statement of changes in equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board

**INDEPENDENT AUDITOR'S REPORT [Contd].**

of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

- f) With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure 2' to this report.
- g) With respect to the other matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act, and

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements. Refer Note No. 32 to the Financial Statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **D Khanna & Associates**

Chartered Accountants

FRN: 012917N

**[Deepak Khanna]**

Partner

M. No. 092140

UDIN: 21092140AAAADO7871

Date: June 28, 2021

Place: Jaipur

**ANNEXURE '1' TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Genus Paper & Boards Limited of even date for the year ended on 31-03-2021)

- (i) In respect of the Company's fixed assets:
  - (a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets (Property, Plant & Equipment).
  - (b) 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 3 years. 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) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the title deeds of immovable properties are held in the name of the Company.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- (iii)
  - (a) The Company has granted loans, the principal and interest thereof are re-payable on demand, to a company covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grants and loans are not prejudicial to the Company's interest.
  - (b) The Company has granted loans that are re-payable on demand, to a company covered in the register maintained under section 189 of the Companies Act, 2013. We are informed that the Company has not demanded repayment of any such loan and interest during the year, and thus, there has been no default on the part of the parties to whom the money has been lent.
  - (c) There are no overdue amounts in respect of the loan granted to a company covered in the register maintained under Section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company.
- (v) The company has not accepted deposits from the public within the meaning of Sections 73 to 76 of the Companies Act, 2013 and the rules made there under, hence this clause is not applicable.
- (vi) We have broadly reviewed the accounts and records maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act read with Companies (Cost Records & Audit) Rules, 2014 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made detailed examination of the records with a view to determine whether they are accurate and complete.
- (vii)
  - (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other material statutory dues applicable to it. There are no undisputed statutory dues outstanding as on 31<sup>st</sup> March 2021 for a period of more than six months from the date they became payable.
  - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, goods and service tax, income-tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
  - (c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax and cess on account of any dispute, are as follows:

## ANNEXURE '1' TO THE INDEPENDENT AUDITOR'S REPORT [Contd].

						(Rs. in Lacs)
Name of the Statute	Nature of the Dues (including interest and penalty where applicable)	Forum	Period to which amount relates (Financial Year)	Gross Amount (Rs. In Lacs)	Amount Deposited under Protest (Rs. In Lacs)	Net Amount Payable (Rs. In Lacs)
The Central Sales Tax / The State Sales Tax	CST / VAT and Entry Tax	Hon'ble High Court / Commissioner Appeals	Various year (2013-2018)	92.50	58.32	34.18
The Central Excise	Excise Duty / Service Tax	Appellate Tribunal / Appeals	Various year (2008-2017)	46.19	0.80	45.39
Income Tax	Income Tax	ITAT	Various year (2013-2019)	119.95	131.79	0.00
	<b>Total</b>			<b>258.64</b>	<b>190.91</b>	<b>79.57</b>

- (viii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, debenture holders, bank or government.
- (ix) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loans for the purposes for which they were raised. The Company has not raised any money way of initial public offer/further public offer/debt instruments and hence, not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xi) of the order are not applicable to the Company and hence not commented upon.
- (xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.
- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

### For D Khanna & Associates

Chartered Accountants

FRN: 012917N

### [Deepak Khanna]

Partner

M. No. 092140

UDIN: 21092140AAAADO7871

Date: June 28, 2021

Place: Jaipur

## **ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT**

**Referred to in Paragraph 2 under "Report on Other Legal and Regulatory Requirements" section of our report on even date to the members of Genus Paper & Boards Limited on the Financial Statements for the year ended 31<sup>st</sup> March, 2021.**

**Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Act.**

We have audited the internal financial controls with reference to Financial Statements of Genus Paper & Boards Limited ("the Company") as of 31<sup>st</sup> March, 2021 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

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

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. 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 was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system with reference to Financial Statements and their operating effectiveness. Our audit of internal financial control with reference to Financial Statements included obtaining an understanding of internal financial control 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 system with reference to Financial Statements.

### **Meaning of Internal Financial Controls over Financial Reporting with reference to Financial Statements**

A Company's internal financial control 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 control with reference to Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Financial Statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting 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.

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to Financial Statements in place and such internal financial controls with respect to Financial Statements were operating effectively as at 31 March 2021, based on the internal controls over financial reporting criteria established by the Company considering the components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **For D Khanna & Associates**

Chartered Accountants

FRN: 012917N

**[Deepak Khanna]**

Partner

M. No. 092140

UDIN: 21092140AAAADO7871

Date: June 28, 2021

Place: Jaipur



## BALANCE SHEET AS AT MARCH 31, 2021

All Amounts are Stated in INR in lacs except otherwise stated

Particulars	Note	March 31, 2021	March 31, 2020
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	3	19,940.93	20,888.96
Capital work-in-progress	3	149.39	-
Financial Assets			
Investments	4	8,317.21	8,884.40
Loans	5	2,232.27	3,713.99
Non-financial assets	12	1,208.00	937.05
Other Non Current Assets	7	153.00	-
		32,000.80	34,424.41
<b>Current Assets</b>			
Inventories	9	4,282.62	4,732.55
Financial Assets			
Loans	5	6.82	6.27
Trade Receivables	10	6,171.68	5,760.92
Cash and cash equivalents	11	1,309.60	259.10
Other bank balances	11	1,372.00	236.58
Others	6	9.19	20.62
Non-financial assets	12	1,673.73	1,197.09
		14,825.63	12,213.13
<b>TOTAL</b>		<b>46,826.43</b>	<b>46,637.54</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	13	2,571.26	2,571.26
Other Equity	14	33,963.95	33,358.68
<b>Total equity</b>		<b>36,535.21</b>	<b>35,929.94</b>
<b>Non-Current Liabilities</b>			
Financial Liabilities			
Borrowings	15	931.06	378.42
Provisions	16	126.89	114.81
Deferred Tax Liability	17	1,538.51	1,648.29
		2,596.46	2,141.52
<b>Current Liabilities</b>			
Financial Liabilities			
Borrowings	15	2,440.24	4,303.70
Trade payables			
- Micro and Small Enterprises	18	483.54	219.48
- Other than Micro and Small Enterprises	18	3,662.57	2,741.77
Other liabilities	19	778.20	1,039.07
Provisions	16	13.39	12.45
Tax Liabilities (Net)	8	109.22	171.15
Non-financial liabilities	20	207.60	78.48
		7,694.76	8,566.09
<b>TOTAL</b>		<b>46,826.43</b>	<b>46,637.54</b>
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements

**For and on behalf of the Board of Directors of Genus Paper & Boards Limited**

As per our report of even date  
**For D.Khanna & Associates**  
ICAI Firm Regn. No. 012917N  
Chartered Accountants

**Deepak Khanna**  
Partner  
Membership No. 092140

Place : Jaipur  
Date: June 28, 2021

**Akhilesh Kr. Maheshwari**  
Director (Finance)  
DIN: 00062645

Place : Moradabad  
Date: June 28, 2021

**Kailash Chandra Agarwal**  
Managing Director & CEO  
DIN: 00895365

**Sanjay Kr. Agarwal**  
Chief Financial Officer

**Himanshu Agarwal**  
Director  
DIN: 00065185

**Anuj Ahluwalia**  
Company Secretary

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON MARCH 31, 2021**

All Amounts are Stated in INR in lacs except otherwise stated

Particulars	Note	March 31, 2021	March 31, 2020
<b>INCOME</b>			
Revenue from Operations	21	28,571.77	25,393.27
Other income	22	94.89	-
<b>Total Income</b>		<b>28,666.66</b>	<b>25,393.27</b>
<b>EXPENDITURE</b>			
Cost of raw materials consumed	23	18,944.03	16,052.48
Purchased of traded goods		-	-
Changes in inventories of finished goods and work-in-progress	24	(7.16)	(144.73)
Employees Benefit Expenses	25	1,203.30	1,293.57
Other Expenses	26	5,850.82	5,475.42
Finance Cost	27	390.92	527.06
Depreciation & Amortisation Expenses	28	1,270.98	1,331.50
<b>Total Expenses</b>		<b>27,652.89</b>	<b>24,535.32</b>
<b>Profit before tax</b>		<b>1,013.77</b>	<b>857.95</b>
<b>Tax Expenses</b>	29		
Current tax		323.55	297.71
Earlier year tax		9.54	11.36
Deferred tax		(88.11)	(342.23)
<b>Total tax expense</b>		<b>244.98</b>	<b>(33.16)</b>
<b>Profit for the year</b>		<b>768.79</b>	<b>891.11</b>
<b>Other Comprehensive Income (OCI)</b>	30		
<b>Items that will not be reclassified to profit or loss</b>			
Re-measurement gains on defined benefit plans		-	-
Net gain on FVTOCI equity Securities		(84.55)	(707.43)
Income tax effect relating to items that will not be reclassified to profit or loss		21.67	295.62
Net impact on FVTOCI equity Securities		<b>(62.89)</b>	<b>(411.81)</b>
<b>Total Other Comprehensive Income for the year, net of tax</b>		<b>705.91</b>	<b>479.30</b>
<b>Earnings per equity share</b>	31		
Basic and Diluted earnings per share (In Indian Rupees per share)		0.30	0.35
Nominal value per equity share (In Indian Rupees per share)		1.00	1.00
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements

**For and on behalf of the Board of Directors of Genus Paper & Boards Limited**

As per our report of even date

**For D.Khanna & Associates**

ICAI Firm Regn. No. 012917N

Chartered Accountants

**Kailash Chandra Agarwal**

Managing Director &amp; CEO

DIN: 00895365

**Himanshu Agarwal**

Director

DIN: 00065185

**Deepak Khanna**

Partner

Membership No. 092140

**Akhilesh Kr. Maheshwari**

Director (Finance)

DIN: 00062645

**Sanjay Kr. Agarwal**

Chief Financial Officer

**Anuj Ahluwalia**

Company Secretary

Place : Jaipur

Date: June 28, 2021

Place : Moradabad

Date: June 28, 2021

## CASH FLOW STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2021

All Amounts are Stated in INR in lacs except otherwise stated

1.	Particulars	March 31, 2021	March 31, 2020
<b>A.</b>	<b>Cash Flow from Operating Activities</b>		
	<b>Net profit before tax</b>	<b>1013.77</b>	<b>857.95</b>
	Adjustments for:		
	Depreciation & Amortisation Expenses	1,270.98	1,331.50
	Loss on Sale of Fixed Assets	0.02	0.29
	Profit/Loss on Sale of Investment	(93.51)	-
	Finance Cost (net)	390.92	527.06
	Dividend income	-	-
	<b>Operating profit before working capital changes</b>	<b>2,582.19</b>	<b>2,716.80</b>
	Adjustments for:		
	(Increase)/Decrease in Inventories	449.94	(2083.09)
	(Increase)/Decrease in Trade Receivables	(410.76)	(1018.04)
	(Increase)/Decrease in Loans and Others	580.59	780.51
	Increase/(Decrease) in Trade payables	1184.86	732.86
	Increase in financial, Non Financial Liabilities & Provisions	77.11	27.09
	<b>Cash generated from Operations</b>	<b>4,463.93</b>	<b>1156.13</b>
	Direct Taxes paid (Net)	(395.02)	(268.47)
	<b>Cash from operating activities</b>	<b>4,068.91</b>	<b>887.66</b>
<b>B.</b>	<b>Cash Flow from Investing Activities</b>		
	Purchase of property, plant and equipment and capital work in progress	(472.61)	(1008.94)
	Sale of fixed assets	0.25	30.80
	Sale (Purchase) of Investments (Net)	475.51	-
	Interest received	26.05	16.91
	Dividend received	-	-
	<b>Net Cash from / (used in) investing activities</b>	<b>29.20</b>	<b>(961.23)</b>
<b>C.</b>	<b>Cash Flows from Financing Activities</b>		
	Proceeds/(Repayment) of Long Term borrowings	356.81	(999.63)
	Interest paid	(405.54)	(555.05)
	<b>Net Cash from / (used in) financing activities</b>	<b>(48.74)</b>	<b>(1554.68)</b>
	<b>Net increase/(Decrease) in cash and cash equipment</b>	<b>4049.37</b>	<b>(1628.25)</b>
	Cash and Cash equivalent at beginning of the year	(3808.01)	(2179.76)
	<b>Cash and Cash equivalent at end of the year</b>	<b>241.36</b>	<b>(3808.01)</b>
	<b>Components of Cash and Cash equivalent</b>		
	Balances with Banks	1300.77	256.54
	Cash in hand	8.83	2.56
	Other Bank Balances	1372.00	236.58
	Cash credit from Banks	(2440.24)	(4303.70)
		<b>241.36</b>	<b>(3808.01)</b>

For and on behalf of the Board of Directors of Genus Paper & Boards Limited

As per our report of even date  
**For D.Khanna & Associates**  
ICAI Firm Regn. No. 012917N  
Chartered Accountants

**Deepak Khanna**  
Partner  
Membership No. 092140

Place : Jaipur  
Date: June 28, 2021

**Akhilesh Kr. Maheshwari**  
Director (Finance)  
DIN: 00062645

Place : Moradabad  
Date: June 28, 2021

**Kailash Chandra Agarwal**  
Managing Director & CEO  
DIN: 00895365

**Sanjay Kr. Agarwal**  
Chief Financial Officer

**Himanshu Agarwal**  
Director  
DIN: 00065185

**Anuj Ahluwalia**  
Company Secretary

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021**

(All Amounts expressed in Indian rupees in Lakhs, except otherwise stated)

<b>a. Equity Share Capital</b>				
	<b>March 31, 2021</b>		<b>March 31, 2020</b>	
	<b>No.</b>	<b>Amount</b>	<b>No.</b>	<b>Amount</b>
<b>Equity Shares of Rs. 1 each issued, subscribed and fully paid up</b>				
<b>At the beginning of the year</b>	<b>25,71,25,940</b>	<b>2,571.26</b>	<b>25,71,25,940</b>	<b>2,571.26</b>
Issued during the year	-	-	-	-
<b>At the end of the year</b>	<b>25,71,25,940</b>	<b>2,571.26</b>	<b>25,71,25,940</b>	<b>2,571.26</b>

**b. Other Equity**

	<b>Reserves and surplus</b>		<b>Items of OCI</b>	<b>Total Equity</b>
	<b>Business reconstruction reserve</b>	<b>Retained Earnings</b>	<b>FVTOCI reserve</b>	
<b>As at April 01, 2019</b>	<b>24,658.74</b>	<b>8,486.68</b>	<b>(266.05)</b>	<b>32,879.38</b>
Profit for the year	-	891.11	-	891.11
Other Comprehensive Income/(loss) for the year (Refer Note 30)	-	-	(411.81)	(411.81)
<b>At March 31, 2020</b>	<b>24,658.74</b>	<b>9,377.80</b>	<b>(677.86)</b>	<b>33,358.68</b>
Profit for the year	-	768.79	-	768.79
Fair Value Gain/Loss on Sale/Transfer/Coverion of Shares	-	-	(100.64)	(100.64)
Other Comprehensive Income/(loss) for the year (Refer Note 30)	-	-	(62.89)	(62.89)
<b>At March 31, 2021</b>	<b>24,658.74</b>	<b>10,146.59</b>	<b>(841.39)</b>	<b>33,963.95</b>

**For and on behalf of the Board of Directors of Genus Paper & Boards Limited**

As per our report of even date

**For D.Khanna & Associates**

ICAI Firm Regn. No. 012917N

Chartered Accountants

**Deepak Khanna**

Partner

Membership No. 092140

**Akhilesh Kr. Maheshwari**

Director (Finance)

DIN: 00062645

**Kailash Chandra Agarwal**

Managing Director &amp; CEO

DIN: 00895365

**Himanshu Agarwal**

Director

DIN: 00065185

**Sanjay Kr. Agarwal**

Chief Financial Officer

**Anuj Ahluwalia**

Company Secretary

Place : Jaipur

Date: June 28, 2021

Place : Moradabad

Date: June 28, 2021

## NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

All Amounts are in Lakhs of Indian Rupees except share data and unless otherwise stated

### 1. Corporate Information

Genus Paper & Boards Limited (referred to as "Genus" or the "Company") is a public company domiciled in India. The Company is primarily engaged in the business manufacturing of Kraft paper (Core business Division). The company has also been engaged in making strategic investment activity, where under investments are made in shares and securities and Loans basis a thorough and systematic evaluation by the Company and the management. The equity shares of the Company are listed on National Stock Exchange of India Limited and BSE Limited. The registered office of the Company is located at Village Aghwanpur, Kanth Road, Moradabad, Uttar Pradesh – 244 001.

The financial statements were authorised for issue in accordance with a resolution of the directors on June 28, 2021.

### 2. Significant Accounting Policies for the year ended March 31, 2021

#### 2.1 Basis of Preparation

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the Standalone Financial Statements.

The standalone financial statement has been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments
- Certain financial assets and liabilities measured at fair value (refer accounting policies regarding financial instruments)

The standalone financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated.

#### 2.2 Summary of Significant Accounting Policies

##### a. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent 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 current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

##### b. Use of Estimates

The preparation of financial statement requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the results and estimates are recognized in the period in which the results are known / materialized.

##### c. Foreign currencies

The financial statements are presented in Indian rupees, which is the functional currency of the Company.

**NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021 [Contd.]**

All Amounts are in Lakhs In Indian Rupee except share data and unless otherwise stated

**Transactions and balances**

Transactions in foreign currencies are initially recorded by the Company in INR at spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at INR spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

**d. Fair Value Measurement**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure the fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**e. Revenue Recognition**

Revenue from contracts with customer is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Ind AS 115 supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise Judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers.

The cumulative effect of initially applying Ind AS 115, if any, is recognised at the date of initial application as an adjustment to the opening balance of retained earnings. Therefore, the comparative information is not restated and continues to be reported under Ind AS 11 and Ind AS 18.



## NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]

All Amounts are in Lakhs of Indian Rupees except share data and unless otherwise stated

The Goods and service Tax (GST) is not received by the Company on its own account. It is a tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it has been excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

### Sale of goods

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances.

### Interest income

For all financial instrument measured at amortised cost, interest income is recorded using effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included under the head "other income" in the statement of profit and loss.

### Dividends

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

### Other Income

Other Income is accounted for on accrual basis except, where the receipt of income is uncertain.

### Foreign currency transactions

Foreign currency transactions are translated into Indian rupee using the exchange rates prevailing on the date of the transaction. Foreign exchange gains and losses resulting from the settlement of these transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss.

## f. Taxes

### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in India.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provision where appropriate.

### Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax 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 assets and liabilities are measured at the tax rates that are expected to apply in the period/year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

**NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]**

All Amounts are in Lakhs of Indian Rupees except share data and unless otherwise stated

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as deferred tax asset only to the extent it is probable that sufficient taxable profit will be available to allow all or part of MAT credit to be utilised during the specified period, i.e., the period for which such credit is allowed to be utilised.

**g. Property, Plant & Equipment**

Under the previous GAAP (Indian GAAP), property, plant and equipment and capital work in progress were carried in the balance sheet at cost of acquisition. The Company has elected to regard those values of property as deemed cost at the date of the acquisition since they were broadly comparable to fair value and there is no change in the functional currency of the Company except for Freehold Land which have been measured at fair value at the date of transition to Ind AS. The Company regards the fair value as deemed cost at the transition date, viz., April 01, 2016.

Property, plant and equipment and capital work in progress are stated at cost, net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and other costs directly attributable to bringing the asset to a working condition for its intended use. Borrowing costs that are directly attributable to the construction or production of a qualifying asset are capitalized as part of the cost of that asset.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance or extends its estimated useful life.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses upon disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized net within "other (income)/expense, net" in the statement of profit and loss.

Depreciation is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management, which is equal to the life prescribed under the Schedule II to the Companies Act, 2013.

The lives of the assets are as follows:

<b>Assets</b>	<b>Life of the assets (In Years)</b>
Buildings	30 - 60
Plant and equipment	4 - 40
Furniture & fixtures	10
Computers	3
Vehicles	8

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial period/year end and adjusted prospectively, if appropriate.

**h. Intangible Assets**

Costs relating to computer software, which is acquired, are capitalized and amortised on a straight-line basis over their estimated useful lives of three years.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognised in the statement of profit and loss when the asset is derecognised.

## NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]

All Amounts are in Lakhs of Indian Rupee except share data and unless otherwise stated

### i. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

### j. Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined on weighted average basis

Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

- Raw materials and Components: Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.
- 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.

### k. Impairment of Non- Financial Assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated.

Impairment losses, including impairment on inventories, are recognised in the statement of profit and loss. An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior periods/ years. Such reversal is recognised in the statement of profit and loss.

### l. Provision

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

#### Other Litigation claims

Provision for litigation related obligation represents liabilities that are expected to materialise in respect of matters in appeal.

#### Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

**NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]**

All Amounts are in Lakhs of Indian Rupee except share data and unless otherwise stated

The cost of providing benefits under the defined benefit plan is determined based on actuarial valuation under purchase unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

Past service costs are recognised in statement of profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

The Company treats accumulated leave, as a long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on an actuarial valuation using the projected unit credit method at the period-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire liability in respect of leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement beyond 12 months after the reporting date.

**m. Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**Financial assets**

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

**Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

**Debt instrument at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

**Debt instrument at FVTOCI**

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method

## NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]

All Amounts are in Lakhs of Indian Rupee except share data and unless otherwise stated

### Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

### Equity investments:

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in OCI subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

a) the rights to receive cash flows from the asset have expired, or

The Company has transferred its rights to receive cash flows from the asset, and

(i) the Company has transferred substantially all the risks and rewards of the asset, or

(ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

### Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

### Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

#### Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss

### Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

**NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021 [Contd.]**

All Amounts are in Lakhs of Indian Rupee except share data and unless otherwise stated

**Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**n. Cash and Cash Equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**o. Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted EPS amounts are calculated by dividing the profit attributable to equity shareholders by the weighted average number of Equity shares outstanding during the year plus the weighted average number of equity shares outstanding, for the effects of all dilutive potential shares.

**p. Segment reporting**

The Company's operations predominantly relate only to manufacture and sale of Kraft Paper and allied product and accordingly this is the only primary segment. Further, the Company has major operations in one part of India and therefore there are no geographical segments but the Group has made significant strategic Investments in the past and has undertaken the said activity in a focused and organised manner. Effective April 01, 2020, the Board of Directors of the company has decided to recognize the 'Strategic Investment Division' as a separate business division of the company with a dedicated team reporting directly to the senior management. Consequently, the Chief Operating Decision Maker (CODM) reviews the business as two operating segments 'Kraft Paper business' and 'Strategic Investment Activity'.

**q. Contingent Liability and contingent assets**

A contingent liability is possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise the contingent liability but discloses its existence in the financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The Company does not recognise the contingent assets but discloses its existence in the financial statements.

**r. CSR expenditure**

The Company has opted to charge its CSR expenditure incurred during the year to the statement of profit and loss.

**For and on behalf of the Board of Directors of Genus Paper & Boards Limited**

As per our report of even date

**For D.Khanna & Associates**

ICAI Firm Regn. No. 012917N

Chartered Accountants

**Deepak Khanna**

Partner

Membership No. 092140

**Akhilesh Kr. Maheshwari**

Director (Finance)

DIN: 00062645

**Kailash Chandra Agarwal**

Managing Director & CEO

DIN: 00895365

**Himanshu Agarwal**

Director

DIN: 00065185

**Sanjay Kr. Agarwal**

Chief Financial Officer

**Anuj Ahluwalia**

Company Secretary

Place : Jaipur

Date: June 28, 2021

Place : Moradabad

Date: June 28, 2021



## NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]

All Amounts are Stated in INR in lacs except otherwise stated

### 3. Property, plant and equipment

Particulars	Freehold land	Residential buildings	Factory buildings	Plant and equipment	Furniture and fixtures	Computers	Vehicles	Total Property, Plant and equipment
<b>Gross Carrying Value</b>								
<b>At March 31, 2019</b>	<b>8,373.08</b>	<b>164.45</b>	<b>660.42</b>	<b>14,177.84</b>	<b>92.10</b>	<b>47.91</b>	<b>258.08</b>	<b>23,773.88</b>
Additions	-	-	-	994.74	4.23	9.50	0.47	1,008.95
Disposals	-	-	-	-60.62	-	-	-43.26	-103.88
<b>At March 31, 2020</b>	<b>8,373.08</b>	<b>164.45</b>	<b>660.42</b>	<b>15,111.95</b>	<b>96.33</b>	<b>57.41</b>	<b>215.30</b>	<b>24,678.95</b>
Additions	-	-	-	303.63	2.42	2.40	14.77	323.22
Disposals	-	-	-	-	-	-	-8.60	-8.60
<b>At March 31, 2021</b>	<b>8,373.08</b>	<b>164.45</b>	<b>660.42</b>	<b>15,415.59</b>	<b>98.75</b>	<b>59.81</b>	<b>221.47</b>	<b>24,993.58</b>
<b>Depreciation and Impairment</b>								
<b>At March 31, 2019</b>	<b>-</b>	<b>5.72</b>	<b>51.76</b>	<b>2,374.82</b>	<b>21.42</b>	<b>20.46</b>	<b>57.07</b>	<b>2,531.26</b>
Depreciation Charge for the year		2.86	25.88	1,242.89	11.58	12.48	35.81	1,331.50
Disposals	-	-	-	-35.10			-37.69	-72.79
<b>At March 31, 2020</b>	<b>-</b>	<b>8.59</b>	<b>77.63</b>	<b>3,582.62</b>	<b>33.01</b>	<b>32.94</b>	<b>55.19</b>	<b>3,789.98</b>
Depreciation Charge for the year		2.86	25.88	1,186.97	11.77	12.59	30.91	1,270.98
Disposals	-	-	-	-			-8.32	-8.32
<b>At March 31, 2021</b>	<b>-</b>	<b>11.45</b>	<b>103.51</b>	<b>4,769.59</b>	<b>44.77</b>	<b>45.53</b>	<b>77.78</b>	<b>5,052.64</b>
<b>Net value</b>								
<b>At March 31, 2020</b>	<b>8,373.08</b>	<b>155.86</b>	<b>582.79</b>	<b>11,529.33</b>	<b>63.32</b>	<b>24.47</b>	<b>160.11</b>	<b>20,888.96</b>
<b>At March 31, 2021</b>	<b>8,373.08</b>	<b>153.00</b>	<b>556.91</b>	<b>10,646.00</b>	<b>53.98</b>	<b>14.29</b>	<b>143.69</b>	<b>19,940.93</b>

#### Capital Work In Progress

Capital work-in-progress Rs. 149.39 (March 31, 2020: NIL)

**NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]**

All Amounts are Stated in INR in lacs except otherwise stated

<b>4</b>	<b>Investments</b>	<b>March 31, 2021</b>	<b>March 31, 2020</b>
	<b>Non-Current</b>		
	Investment in Equity Instruments (Quoted)	-	-
	Investment in Equity Instruments (Unquoted)	3,106.36	4,534.40
	Investment in Preference shares (Unquoted)	3,910.85	3,050.00
	Investment in Debenture (Unquoted)	1,300.00	1,300.00
		<b>8,317.21</b>	<b>8,884.40</b>
	<b>Details of Non-current investments</b>		
	<b>Investment in Equity Instruments (Unquoted) (at Fair value through Other Comprehensive Income)</b>		
	NIL (March 31, 2020: 279,500;) Equity Shares of Rs. 10 each in Genus Electrotech Limited	-	190.65
	60,80,000 (March 31, 2020: 60,80,000;) Equity Shares of Rs. 10 each in Yajur Commodities Limited (Formerly Virtuous Urja Limited)	1,483.52	1,720.03
	NIL (March 31, 2020: 12,500;) Equity Shares of Rs. 10 each in Virtuous Infra Limited	-	1.25
	NIL (March 31, 2020: 10,000;) Equity Shares of Rs. 10 each in Indo Global Papers Limited	-	1.00
	800 (March 31, 2020: 800;) Equity Shares of Rs. 10 each in Rajasthan Assets Management Company Private Limited	0.80	0.80
	477,000 (March 31, 2020: 477,000;) Equity Shares of Rs. 10 each in Kailash Coal & Coke Company Limited	765.11	695.61
	407,000 (March 31, 2020: 407,000) Equity Shares of Rs. 10 each in Parsee Leasing & Finvest Limited	369.31	358.36
	NIL (March 31, 2020: 1,975,000;) Equity Shares of Rs. 10 each in Vinsan Credit & Securities Limited	-	1,267.36
	1,250,000 (March 31, 2020: 1,250,000) Equity Shares of Rs. 10 each in Genus Apparels Limited	261.63	238.50
	NIL (March 31, 2020: 35,375) Equity Shares of Rs. 10 each in Genus International Commodity Limited	-	60.85
	20,00,000 (March 31, 2020: NIL;) Equity Shares of Rs. 10 each in Genus Paper & Coke Limited	226.00	-
		<b>3,106.36</b>	<b>4,534.40</b>
	<b>Investment in Preference shares (Unquoted) (at amortised cost)</b>		
	232,500 (March 31, 2020: 250,000) 9% Redeemable Cumulative Non Convertible Preference shares of Rs. 100 each in Kailash Vidyut & Ispat Limited	232.50	250.00
	17500 (March 31, 2020: NIL) Non Convertible Redeemable Preference shares of Rs. 100 each in Hi Print Electromack Pvt Ltd.	17.50	-
	2476 (March 31, 2020: NIL) Optionally Convertible Redeemable Preference shares of Rs. 100 each in Hi Print Electromack Pvt Ltd.	60.85	-
	800000 (March 31, 2020: NIL) Optionally Convertible Redeemable Preference shares of Rs. 100 each in Genus Paper & Coke Limited	800.00	-
	28,00,000 (March 31, 2020: 28,00,000) 9% Redeemable Cumulative Non Convertible Preference shares of Rs. 100 each in Yajur Commodities Limited (Formerly Virtuous Urja Limited)	2,800.00	2,800.00
		<b>3,910.85</b>	<b>3,050.00</b>
		<b>March 31, 2021</b>	<b>March 31, 2020</b>
	<b>Investment in Debenture (Unquoted) (at amortised cost)</b>		
	100,00,000 (March 31, 2020: 100,00,000;) Optionally Convertible Debenture at 7% of Rs. 10 each in Antordaya Commerical and holdings Private Limited	1,000.00	1,000.00
	300 (March 31, 2020: 300;) Secured, Unrated, Unlisted and reedemable optionally convertible debentures of Rs. 100000 each in JETSETGO Aviation Services Private Limited	300.00	300.00
		<b>1,300.00</b>	<b>1,300.00</b>
		<b>8,317.21</b>	<b>8,884.40</b>
	<b>Notes:</b>		
	Aggregate value of quoted investment	-	-
	Aggregate value of unquoted investment	8,317.21	8,884.40
		<b>8,317.21</b>	<b>8,884.40</b>

**NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]**

All Amounts are Stated in INR in lacs except otherwise stated

**5 Loans**

(Unsecured, considered good)

	March 31, 2021	March 31, 2020
<b>A) Non-current</b>		
<b>Advances recoverable in cash or kind</b>		
From related party	-	-
From others	2,232.27	3,713.99
<b>Total</b>	<b>2,232.27</b>	<b>3,713.99</b>

	March 31, 2021	March 31, 2020
<b>B) Current</b>		
Trade deposits	6.82	6.27
<b>Total</b>	<b>6.82</b>	<b>6.27</b>

**6 Others**

(Unsecured, considered good)

	March 31, 2021	March 31, 2020
<b>Current</b>		
Interest receivable	9.19	20.62
	<b>9.19</b>	<b>20.62</b>

**7 Other Non Current Assets**

	March 31, 2021	March 31, 2020
Pre-Operative Expenses	153.00	
	<b>153.00</b>	-

**8 Non-current tax assets and current tax liabilities**

	March 31, 2021	March 31, 2020
<b>Non-current tax assets</b>		
Advance Income tax (Net of provision for tax)	-	-
	-	-
<b>Current tax liabilities</b>		
Provision for tax (net of advance tax payments)	109.22	171.15
	<b>109.22</b>	<b>171.15</b>

**9 Inventories**

	March 31, 2021	March 31, 2020
<b>(Valued at lower of cost and net realisable value)</b>		
Raw materials	2,173.28	1,850.35
Finished goods	781.59	799.89
Work-in-progress	25.46	-
Stores and spares	1,302.29	2,082.31
	<b>4,282.62</b>	<b>4,732.55</b>

**NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]**

All Amounts are Stated in INR in lacs except otherwise stated

**10 Trade Receivables**

(Unsecured, considered good unless otherwise stated)

	March 31, 2021	March 31, 2020
Due to others	6,171.68	5,760.92
	<b>6,171.68</b>	<b>5,760.92</b>
Unsecured, considered good	6,171.68	5,760.92
Trade Receivables which have significant increase in credit Risk	-	-
Trade Receivables -Credit impaired	-	-
	<b>6,171.68</b>	<b>5,760.92</b>
<b>Impairment allowances</b>		
Credit impaired	-	-
	<b>6,171.68</b>	<b>5,760.92</b>

**11 Cash and Bank Balances**
**A) Cash and cash equivalents**

	March 31, 2021	March 31, 2020
<b>Current</b>		
Balance with banks:		
On current accounts	1,150.76	256.54
On Cheque in Hand	150.01	-
Cash on hand	8.83	2.56
	<b>1,309.60</b>	<b>259.10</b>

**B) Other bank balances**

	March 31, 2021	March 31, 2020
<b>Current</b>		
Margin money deposits	1,372.00	236.58
	<b>1,372.00</b>	<b>236.58</b>

**Breakup of financial assets carried at amortised cost / fair value**

	March 31, 2021	March 31, 2020
Investments	8,317.21	8,884.40
Loans	2,239.09	3,720.26
Trade receivable	6,171.68	5,760.92
Cash and Bank balances	2,681.60	495.68
Others	9.19	20.62
	<b>19,418.78</b>	<b>18,881.89</b>

**12 Non-financial assets**

(Unsecured, considered good)

**A) Non-current**

Particulars	March 31, 2021	March 31, 2020
Advances recoverable in cash or kind		
From related party	-	-
From others	1,208.00	937.05
<b>Total</b>	<b>1,208.00</b>	<b>937.05</b>

**NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]**

All Amounts are Stated in INR in lacs except otherwise stated

**B) Current**

	March 31, 2021	March 31, 2020
Advances recoverable in cash or kind	1,190.40	719.11
Balance with statutory/government authorities	483.32	477.98
	<b>1,673.73</b>	<b>1,197.09</b>

**13 Equity share capital**

	March 31, 2021	March 31, 2020
<b>Authorised</b>		
260,000,000 (March 31, 2020: 260,000,000;) equity shares of Re.1 each	2,600.00	2,600.00
<b>Issued, subscribed and fully paid-up shares</b>		
257,125,940 (March 31, 2020: 257,125,940;) equity shares of Re.1 each	2,571.26	2,571.26
	<b>2,571.26</b>	<b>2,571.26</b>

**a. Reconciliation of the equity shares outstanding at the beginning and at the end of the year.**

	March 31, 2021		March 31, 2020	
<b>Equity shares</b>	<b>Numbers</b>	<b>Value</b>	<b>Numbers</b>	<b>Value</b>
At the beginning of the year	25,71,25,940	2,571.26	25,71,25,940	2,571.26
Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>25,71,25,940</b>	<b>2,571.26</b>	<b>25,71,25,940</b>	<b>2,571.26</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. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting. 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. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

**c. Details of shareholders holding more than 5% equity shares in the Company**

	March 31, 2021		March 31, 2020	
	<b>Numbers</b>	<b>% holding</b>	<b>Numbers</b>	<b>% holding</b>
Vikas Kothari (on behalf of Genus Shareholders' Trust)	4,75,43,850	18.49%	4,75,43,850	18.49%
Hi Print Electromack Private Limited	4,73,02,827	18.40%	4,73,02,827	18.40%
Kailash Chandra Agarwal	1,32,98,356	5.17%	1,32,98,356	5.17%

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 except for the Vikas Kothari who is holding equity shares on behalf of Genus Shareholders' Trust.

**14 Other Equity**

	March 31, 2021	March 31, 2020
Business reconstruction reserve	24,658.74	24,658.74
Retained earnings	10,146.59	9,377.80
OCI Reserve	(841.39)	(677.86)
	<b>33,963.95</b>	<b>33,358.68</b>

The movement in balance of other equity is as follows:

	March 31, 2021	March 31, 2020
<b>Business reconstruction reserve</b>		
As per last balance sheet	24,658.74	24,658.74
Add: Additions during the year	-	-
<b>Closing balance</b>	<b>24,658.74</b>	<b>24,658.74</b>

**NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]**

All Amounts are Stated in INR in lacs except otherwise stated

**Retained earnings**

Balance as per last financial statements	9,377.80	8,486.69
Add: Profit for the year	768.79	891.11
<b>Net surplus in the statement of profit and loss</b>	<b>10,146.59</b>	<b>9,377.80</b>
<b>OCI Reserve</b>		
As per last balance sheet	(677.86)	(266.05)
Fair Value Gain/Loss on Sale/Transfer/Coverion of Shares	(100.64)	-
Add: Additions during the year	(62.89)	(411.81)
<b>Closing balance</b>	<b>(841.39)</b>	<b>(677.86)</b>
	<b>33,963.95</b>	<b>33,358.68</b>

**15 Borrowings**
**A) Non Current borrowings**

	March 31, 2021	March 31, 2020
<b>From Banks (secured)</b>		
Term loans	1,454.95	1,089.92
<b>Other loans (secured)</b>		
Vehicle Loans	129.76	137.98
<b>Other loans (unsecured)</b>		
ICDs	-	-
<b>TOTAL</b>	<b>1,584.71</b>	<b>1,227.90</b>
<b>Less : Current Maturities of Non Current borrowings</b>		
<b>From Banks (secured)</b>		
Term loans	611.45	814.56
<b>Other loans (secured)</b>		
Vehicle Loans	42.21	34.93
	<b>653.65</b>	<b>849.48</b>
	<b>931.06</b>	<b>378.42</b>
The above amount includes:		
<b>Secured borrowings</b>	<b>1,584.71</b>	<b>1,227.90</b>
<b>Unsecured borrowings</b>	-	-

**B) Current borrowings**

	March 31, 2021	March 31, 2020
<b>Other short term borrowings</b>		
Cash credit from banks (Secured)	2,440.24	4,303.70
<b>TOTAL</b>	<b>2,440.24</b>	<b>4,303.70</b>
The above amount includes:		
<b>Secured borrowings</b>	<b>2,440.24</b>	<b>4,303.70</b>
<b>Unsecured borrowings</b>	-	-

**Notes :**

- Term loan from SBI of Rs. 1351.17 (previous year 580.72) are secured by hypothecation of Plant & Machinery, equipments, tools etc. (existing / future) of paper & board division on rank pari passu with Yes Bank Limited. These loans are repayable in un-equal monthly installment starting from December 2019 and will end in Jan 2025. The above facilities are further secured by first pari pasu charge by way of EM of factory land & building situated at Aghwanpur, Moradabad.
- Term loan from Yes Bank Limited of Rs. 103.78 (previous year Rs. 509.21) are secured by hypothecation of Land, Building and Plant & Machinery, equipments, tools etc. (existing / future) of paper & board division on rank pari passu with SBI. situated at Agwanpur, Moradabad. These loans are repayable in equal monthly installment starting from February, 2018 and will end in June, 2021.
- Term loan of Rs. 14.99 from HDFC Bank. (previous year Rs. 20.76) are secured by hypothecation of vehicles, repayable in monthly equal installment.



**NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]**

All Amounts are Stated in INR in lacs except otherwise stated

- 4 Term loan of Rs. 33.62 from Punjab National Bank (previous year Rs. 43.56) are secured by hypothecation of vehicles.
- 5 Term loan of Rs. 2.74 from Axis Bank (previous year Rs. 4.95) are secured by hypothecation of vehicles.
- 6 Term loan of Rs. 67.23 from Indusind Bank (previous year Rs. 68.71) are secured by hypothecation of vehicles & Machinery.
- 7 Term loan of Rs. 11.18 from ICICI Bank Ltd. (previous year Rs. Nil) are secured by hypothecation of vehicles.
- 8 Working Capital Loan from SBI Rs. 2440.24 (previous Year Rs. 4303.70) are secured by first charge by way of hypothecation of entire current assets ( present & future ) including all stocks & receivables of the Company.
- 9 The above facilities are further secured by first pari pasu charge by way of EM of factory land & building, Plant & Machinery situated at Agwanpur, Moradabad.

**16 Provisions**
**A) Non-current**

	March 31, 2021	March 31, 2020
Gratuity & Leave Encashment	126.89	114.81
	<b>126.89</b>	<b>114.81</b>

**B) Current**

	March 31, 2021	March 31, 2020
Others	13.39	12.45
	<b>13.39</b>	<b>12.45</b>
	<b>140.28</b>	<b>127.26</b>

**17 Deferred Tax Liability**

	March 31, 2021	March 31, 2020
<b>Deferred tax liability arising on account of timing differences relating to:</b>		
Written down value difference of property, plant and equipment between tax and financial books	1,428.49	1,516.60
Impact on account of investment carried at FVTOCI	111.47	133.14
Impact on account of actuarial gain / (loss) on gratuity valuation	(1.45)	(1.45)
<b>A</b>	<b>1,538.51</b>	<b>1,648.29</b>
<b>Deferred tax asset arising on account of timing differences relating to:</b>		
MAT credit entitlement	-	-
<b>B</b>	<b>-</b>	<b>-</b>
<b>(A-B)</b>	<b>1,538.51</b>	<b>1,648.29</b>

**Deferred tax assets/ (liabilities):**
**For the year ended March 31, 2021**

	Opening Balance	Recognised in profit & loss	Recognised in OCI	Closing balance
Written down value difference of property, plant and equipment between tax and financial books	1,516.60	(88.11)	-	1,428.49
Impact on account of investment carried at FVTOCI	133.14	-	(21.67)	111.47
Impact on account of actuarial gain / (loss) on gratuity valuation	(1.45)	-	-	(1.45)
MAT credit entitlement	-	-	-	-
	<b>1,648.29</b>	<b>(88.11)</b>	<b>(21.67)</b>	<b>1,538.51</b>

**NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]**

All Amounts are Stated in INR in lacs except otherwise stated

**For the year ended March 31, 2020**

Particulars	Opening Balance	Recognised in profit & loss	Recognised in OCI	Closing balance
Written down value difference of property, plant and equipment between tax and financial books	1,858.83	(342.23)	-	1,516.60
Impact on account of investment carried at FVTOCI	428.76	-	(295.62)	133.14
Impact on account of actuarial gain /(loss) on gratuity valuation	(1.45)	-	-	(1.45)
MAT credit entitlement	-	-	-	-
	<b>2,286.14</b>	<b>(342.23)</b>	<b>(295.62)</b>	<b>1,648.29</b>

**18 Trade payables**

	March 31, 2021	March 31, 2020
Trade payables (Refer note 39 for details of dues to micro and small enterprises)		
- Total outstanding dues of micro and small enterprises	483.54	219.48
- Total outstanding dues of creditors other than micro and small enterprises	3,662.57	2,741.77
	<b>4,146.11</b>	<b>2,961.25</b>

**Breakup of financial liabilities carried at amortised cost**

	March 31, 2021	March 31, 2020
Borrowing	4,024.95	5,531.60
Other liabilities	124.54	189.59
Trade Payables	4,146.11	2,961.25
	<b>8,295.60</b>	<b>8,682.43</b>

**19 Other liabilities**
**Current**

	March 31, 2021	March 31, 2020
Current maturities of long-term borrowings (refer note 15)	653.65	849.48
Others	124.54	189.59
	<b>778.20</b>	<b>1,039.07</b>

**20 Non-financial liabilities**

	March 31, 2021	March 31, 2020
Statutory liabilities	207.60	78.48
	<b>207.60</b>	<b>78.48</b>

**21 Revenue from Operations**

	March 31, 2021	March 31, 2020
Sale of products		
Kraft Paper-Domestic	28,461.24	24,981.55
Kraft Paper-Export	99.73	290.99
Other Sales	9.20	120.72
Export Sale Incentives	1.60	-
	<b>28,571.77</b>	<b>25,393.27</b>

**22 Other income**

	March 31, 2021	March 31, 2020
<b>Other non-operating income</b>		
Profit on sale of investment	93.51	-
Miscellaneous receipt	1.39	-
	<b>94.89</b>	<b>-</b>

**NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]**

All Amounts are Stated in INR in lacs except otherwise stated

**23 Cost of raw materials consumed**

	March 31, 2021	March 31, 2020
<b>Raw material consumed</b>		
Opening stock at the beginning of the year	1,850.35	791.76
Add: Purchases	19,266.97	17,111.07
	<b>21,117.31</b>	<b>17,902.83</b>
Less: Closing stock at the end of the year	2,173.28	1,850.35
	<b>18,944.03</b>	<b>16,052.48</b>

**24 Changes in inventories of finished goods and work-in-progress**

	March 31, 2021	March 31, 2020
<b>Inventories at the end of the year</b>		
Finished goods	781.59	799.89
Work-in-progress	25.46	-
	<b>807.05</b>	<b>799.89</b>
<b>Inventories at the beginning of the year</b>		
Finished goods	799.89	633.63
Work-in-progress	-	21.53
	<b>799.89</b>	<b>655.16</b>
	<b>(7.16)</b>	<b>(144.73)</b>

**25 Employees Benefit Expenses**

	March 31, 2021	March 31, 2020
Salaries, wages and bonus	1,129.71	1,214.59
Contribution to provident and other funds	60.72	63.32
Staff welfare expenses	12.87	15.67
<b>Total</b>	<b>1,203.30</b>	<b>1,293.57</b>

**26 Other Expenses**

	March 31, 2021	March 31, 2020
Power and fuel	3,238.71	3,578.29
Stores and Packing material consumed	888.39	568.91
Repairs and maintenance		
Plant and machinery	106.16	101.72
Others	12.04	32.01
Printing, postage, telegram and telephones	16.59	20.65
Donation to Political Party	-	10.00
Travelling and conveyance	42.30	101.39
Rates and taxes	7.12	21.57
Legal and professional charges	23.29	94.40
Payment to statutory auditors	5.25	5.25
Advertisement expenses	0.83	0.95
Security service	41.85	49.37
Export Sales Expenses	-	17.47
Sales Commission & Discount	657.23	827.10
Sales Promotion	7.50	4.98
CSR Expenditure	75.98	9.22
Freight and forwarding expense	686.56	5.19
Loss on sale / discard of fixed assets (net)	0.02	0.29
Miscellaneous expenses	41.01	26.66
	<b>5,850.82</b>	<b>5,475.42</b>

**NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]**

All Amounts are Stated in INR in lacs except otherwise stated

**27 Finance Cost**

	March 31, 2021	March 31, 2020
Interest on W.C	265.47	340.09
Interest on T.L	72.89	94.16
Bank charges	67.18	120.80
	405.54	555.05
Less : Interest Received	14.62	27.99
	<b>390.92</b>	<b>527.06</b>

**28 Depreciation & Amortisation Expenses**

	March 31, 2021	March 31, 2020
Depreciation	1,270.98	1,331.50
	<b>1,270.98</b>	<b>1,331.50</b>

**29 Tax Expenses**
**(a) Tax charge**

	March 31, 2021	March 31, 2020
The Major component of income tax expenses are as follows:		
<b>Current Income tax:</b>		
Current income tax charges	323.55	297.71
Adjustment in respect of current income tax of previous years	9.54	11.36
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	(88.11)	(342.23)
<b>Income tax expenses reported in the statement of profit or loss</b>	<b>244.98</b>	<b>(33.16)</b>

**OCI Section**

Deferred tax related to items recognised in OCI during the year:

	March 31, 2021	March 31, 2020
Items that will be reclassified to profit or loss		
Items that will not be reclassified to profit or loss	(84.55)	(707.43)
<b>Income tax charged to OCI</b>	<b>(84.55)</b>	<b>(707.43)</b>

**(b) Reconciliation of effective tax rate:**

	March 31, 2021	March 31, 2020
Profit before tax (A)	1,013.77	857.95
Enacted tax rate in India (B)	25.1680%	25.6256%
Expected Tax Expenses (C= A*B)	255.15	219.85
Actual Tax expense (net of taxes of earlier years)	235.44	(44.52)
<b>Difference (Note A)</b>	<b>19.71</b>	<b>264.37</b>
<b>Note A :Reconciliation of difference of effective tax</b>	<b>March 31, 2021</b>	<b>March 31, 2020</b>
<b>Other than temporary difference</b>		
Expenses Disallowed under Income Tax Act, 1961	20.80	2.71
Others	(1.09)	261.66
	<b>19.71</b>	<b>264.37</b>

## NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]

All Amounts are Stated in INR in lacs except otherwise stated

### 30 Other Comprehensive Income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown as below:

	March 31, 2021	March 31, 2020
Remeasurement costs on net defined benefit liability	-	-
Deferred tax effect on remeasurement costs	-	-
Remeasurement of Financial assets	(84.55)	(707.43)
Tax on same	21.67	295.62
	<b>(62.89)</b>	<b>(411.81)</b>

### 31 Earnings per equity share

	March 31, 2021	March 31, 2020
The following reflects the profit and share data used in the basic and diluted EPS computations:		
Profit available for equity shareholders	768.79	891.11
Weighted average number of equity shares in computing basic EPS	25,71,25,940	25,71,25,940
Face value of each equity share (Rs.)	1.00	1.00
Earnings per equity share: Basic and Diluted (Rs.)	0.30	0.35

### 32 Commitments and Contingencies

(A) There are no outstanding commitment as at the balance sheet date

#### (B) Contingent liabilities

Particulars	March 31, 2021	March 31, 2020
a. Bank Guarantee issued by Banks and against which margin money of Rs. 836.50 Lakhs (March 31, 2020: Rs. 33 Lakhs) was provided in the form of fixed deposits. (net of margin money)	139.50	497.00
b. Outstanding letter of credit issued by Banks against which margin money of Rs. 535.50 lakhs (March 31, 2020: Rs. 203.58 Lakhs) was provided in the form of Fixed deposits. (net of margin money)	792.26	814.98
c. Claims arising from disputes not acknowledged as debts - indirect taxes (excise duty, sales tax, custom duty and service tax) net of deposits	79.57	84.15
d. Claims arising from disputes not acknowledged as debts - direct taxes (net of deposits)	-	-
e. Claims against the Company not acknowledged as debts (net of deposits)	-	0.75

### 33 Gratuity and other post-employment benefit plans

#### (1) Disclosures related to defined contribution plan

Particulars	March 31, 2021	March 31, 2020
Provident fund contribution recognized as expense in the statement of profit and loss	44.23	43.45

#### (2) Disclosures related to defined benefit plan

The Company has a defined benefit gratuity plan and governed by Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days last drawn salary for each completed year of service. The following tables summarise net benefit expenses recognised in the statement of profit and loss, the status of funding and the amount recognised in the Balance sheet for the gratuity plan:

##### Statement of profit and loss

Particulars	March 31, 2021	March 31, 2020
<b>A) Net employee benefit expense (recognised in Employee benefits expenses)</b>		
Current service cost	26.03	25.70
Interest cost on benefit obligation	6.31	4.61
Net actuarial (gain) / loss recognized in the year	-12.83	4.34
<b>Net employee benefit expenses</b>	<b>19.51</b>	<b>34.65</b>
Amount recognised in the statement of profit and loss	19.51	34.65
Amount recognised in other comprehensive income	-	-

**NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]**

All Amounts are Stated in INR in lacs except otherwise stated

**B) Amount recognised in the Balance Sheet**

Particulars	March 31, 2021	March 31, 2020
<b>Details of Provision for gratuity</b>		
Defined benefit obligation (DBO)	109.94	92.80
<b>Net plan liability</b>	<b>109.94</b>	<b>92.80</b>

**C) Changes in the present value of the defined benefit obligation for gratuity are as follows :**

Particulars	March 31, 2021	March 31, 2020
<b>Opening defined benefit obligation</b>	92.80	60.15
Current service cost	26.03	25.70
Interest cost	6.31	4.61
Benefits paid	-2.37	-2.00
Actuarial (gains) / losses on obligation for the year recognised in OCI	-12.83	4.34
<b>Closing defined benefit obligation</b>	<b>109.94</b>	<b>92.80</b>

**D) The principal assumptions used in determining gratuity obligations for the Company's plans are shown below**

Particulars	March 31, 2021	March 31, 2020
Discount rate (p.a.)	6.80%	6.80%
Expected return on assets (p.a.)	0.00%	0.00%
Increment rate (p.a.)	6.00%	6.00%

**E) Sensitivity Analysis**

A quantitative sensitivity analysis for the significant assumption is as shown below:

Particulars	March 31, 2021	March 31, 2020
<b>(a) Effect of 0.5% change in assumed discount rate</b>		
- 0.5% increase	-8.44	-7.31
- 0.5% decrease	9.47	8.21
<b>(b) Effect of 0.5% change in assumed salary escalation rate</b>		
- 0.5% increase	9.49	8.23
- 0.5% decrease	-8.54	-7.39

**(3) Notes:**

- The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

**34 Remuneration to statutory auditors (excluding applicable taxes)**

Particulars	March 31, 2021	March 31, 2020
<b>As Auditors:</b>		
Statutory audit including limited review	4.00	4.00
Tax audit	1.00	1.00
Certification Fees	0.25	0.25
<b>Total</b>	<b>5.25</b>	<b>5.25</b>

**35 Hedging Activities and Derivatives**

The Company uses foreign currency denominated borrowings and foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from one week to twelve months.

**Particulars of unhedged foreign currency exposure are detailed below at the exchange rate prevailing as at the reporting date :**



## NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]

All Amounts are Stated in INR in lacs except otherwise stated

(Equivalent amount in Indian Rupees)

Particulars	Currency	March 31, 2021	March 31, 2020
Trade payables	USD	3,143.05	1,193.65

### 36 Fair Values

The fair value of the financial assets and liabilities approximates their carrying amounts as at the balance sheet date.

### 37 Fair Value Hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

#### Quantitative disclosures fair value measurement hierarchy of assets as at March 31, 2021

	Total	Level 1	Level 2	Level 3
<b>Assets measured at Fair Value</b>				
Investment in Equity Shares (Quoted)	-	-	-	-
Investment in Equity Shares(Unquoted)	3,106.36		3,106.36	-
	<b>3,106.36</b>	-	<b>3,106.36</b>	-

#### Quantitative disclosures fair value measurement hierarchy of assets as at March 31, 2020

	Total	Level 1	Level 2	Level 3
<b>Assets measured at Fair Value</b>				
Investment in Equity Shares (Quoted)	-	-	-	-
Investment in Equity Shares(Unquoted)	4,534.40		4,534.40	-
<b>Total</b>	<b>4,534.40</b>	-	<b>4,534.40</b>	-

#### Measurement of Fair Value - Valuation techniques

The following table shows the valuation techniques used in measuring Level 2 fair values for assets and liabilities carried at fair value through profit or loss.

Type	Valuation Technique
<b>Assets measured at fair value:</b>	
Investment in Equity Instruments (Unquoted)	The fair value is determined using discounted cash flow method.

### 38 Financial risk management objectives and policies

#### Financial Risk Management Framework

The Company is exposed primarily to Credit Risk, Liquidity Risk and Market risk. The Company has a risk management policy and its management is supported by a risk management committee that advises on risk and appropriate financial risk governance framework for the Company. The risk management committee provides assurance to the Company's management that the risk activities are governed by appropriate policies and procedures and that risks are identified, measured and managed in accordance with the Company's policies and risk objectives. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee are responsible for overseeing Company's financial risk assessment and management policies and processes.

#### Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and loans to companies).

#### Exposure to credit risk:

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer and the carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was Rs. 8,403.96 lakhs, (March 31, 2020: Rs. 9,474.91 lakhs, being the total of the carrying amount of balances with trade receivables and loans to companies).

#### Liquidity Risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

**NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]**

All Amounts are Stated in INR in lacs except otherwise stated

The table below summarises the maturity profile of the Company's financial liabilities based in contractual undiscounted payments:

Particulars	Upto 1 year	1 to 5 years	> 5 years	Total
<b>March 31, 2021</b>				
Non current Borrowings	-	931.06		931.06
Current Maturities of Non Current Borrowings	653.65			653.65
Current Borrowings	2,440.24			2,440.24
Trade Payables	4,146.11			4,146.11
Other Payables	124.54			124.54
	<b>7,364.55</b>	<b>931.06</b>	<b>-</b>	<b>8,295.60</b>
<b>March 31, 2020</b>				
Non current Borrowings	-	378.42	-	378.42
Current Maturities of Non Current Borrowings	849.48		-	849.48
Current Borrowings	4,303.70		-	4,303.70
Trade Payables	2,961.25		-	2,961.25
Other Payables	189.59		-	189.59
<b>Total</b>	<b>8,304.01</b>	<b>378.42</b>	<b>-</b>	<b>8,682.43</b>

**Market Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

**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 change in market interest rates. The borrowings of the Company are fixed rates and therefore the Company is not exposed significantly to the interest rate risk.

**Foreign Currency exchange rate risk**

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. The risks primarily relate to fluctuations in US Dollar, Japanese Yen , SGD and Euro against the functional currency of the Company. The Company, as per its risk management policy, uses derivative instruments primarily to hedge foreign currency payable. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. It hedges a part of these risks by using derivative financial instruments in line with its risk management policies.

**39 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006**

Particulars	March 31, 2021	March 31, 2020
The principal amount remaining unpaid as at the end of the year.	483.54	219.48
The amount of interest accrued and remaining unpaid at the end of the year.	-	-
Amount of interest paid by the Company in terms of section 16 of Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of payments made beyond the appointed date during the year.	-	-
Amount of interest due and payable for the period of delay in making payment without the interest specified under the Micro Small and Medium Enterprise Development Act, 2006.	-	-
The amount of further interest remaining due and payable in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006.	-	-

- 40** In respect of the amounts mentioned under section 125 of the Companies Act, 2013 there are no dues that are to be credited to the investor education and protection fund.

**NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]**

All Amounts are Stated in INR in lacs except otherwise stated

**41 Related party disclosures**
**Names of related parties and description of relationship**

Relationship	Name of the Party
Subsidiary	Genus Paper & Coke Limited (Formerly Known as Kailash Paper & Coke Limited) - 100% (w.e.f. 23rd July, 2020)
Enterprises in the control of the Management	Genus Power Infrastructures Limited Kailash Coal & Coke Co. Ltd. Yajur Commodities Ltd (formerly Virtuous Urja Ltd.) Genus Innovation Ltd. Genus Apparels Ltd.
Key managerial personnel	Kailash Chandra Agarwal      Managing Director Himanshu Agarwal      Executive Director Surya Prakash Sinha      Executive Director Akhilesh Kumar Maheshwari      Director (w.e.f. 01.03.2021) Sanjay Kumar Agarwal      Chief Financial Officer Anuj Ahluwalia      Company Secretary
Relatives to key managerial personnel	Simple Agarwal
Independent and Non Executive Directors	Pradeep Narain Tondon Rameshwar Pareek Udit Agarwal Rajendra Aggarwal Anu Sharma
Non Independent and Non Executive Directors	Yash Todi (upto 08.10.2020)

**Transactions with related parties**

Particulars	March 31, 2021	March 31, 2020
<b>Enterprises in the control of the Management</b>		
<b>Genus Power Infrastructures Limited</b>		
Sale of goods and services	213.93	292.86
Purchase of goods and services	-	-
Interest receivd	-	-
<b>Kailash Coal &amp; Coke Co. Ltd.</b>		
Sale of goods and services	-	-
Purchase of goods and services	18.86	545.18
Interest receivd	-	-

<b>Yajur Commodities Ltd (formerly Virtuous Urja Ltd.)</b>		
Sale of goods and services	-	0.36
Purchase of goods and services	-	98.08
Interest receivd	-	-

Particulars	March 31, 2021	March 31, 2020
<b>Genus Innovation Ltd</b>		
Sale of goods and services	32.46	46.25
Purchase of goods and services	-	-
Interest receivd	-	-

**NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]**

All Amounts are Stated in INR in lacs except otherwise stated

<b>Genus Apparels Ltd</b>		
Sale of goods and services	-	-
Purchase of goods and services	61.48	-
Interest receivd	-	-

<b>Key managerial personnel</b>		
Mr. Kailash Chandra Agarwal		
Remuneration Paid	73.70	73.20

Mr. Himanshu Agarwal		
Remuneration Paid	67.20	67.20

Mr.Surya Prakash Sinha		
Remuneration Paid	6.30	7.20

Mr.Akhilesh Kumar Maheshwari		
Remuneration Paid	3.34	-

Mr. Sanjay Kumar Agarwal		
Salary Paid	16.33	17.47

Mr. Anuj Ahluwalia		
Salary Paid	5.49	6.00

<b>Non Independent and Non Executive Directors</b>		
Yas Todi - Commission Paid		
Commission Paid	3.60	7.20

<b>Relatives to key managerial personnel</b>		
Simple Agarwal - Remuneration Paid	30.00	30.00

**42 Disclosure required under section 186 (4) of the Companies Act, 2013**

Included in loans and advance are certain inter-corporate deposits the particulars of which are disclosed below as required by section 186 (4) of Companies Act, 2013:

Particulars	Rate of Interest	March 31, 2021	March 31, 2020
Shree Salasar Casting Pvt. Ltd.	6%	Nil	384.95
Orchid Infrastructure Developers Private Limited	NIL	1,946.76	3,071.76
Tejswi Impex Private Limited	8%	285.51	257.28
<b>Total</b>		<b>2,232.27</b>	<b>3,713.99</b>

The above loans are unsecured and are repayable on demand and were proposed to be utilised for business purposes by the recipient of loans.

## NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]

All Amounts are Stated in INR in lacs except otherwise stated

### 43 Loans and advances given to Subsidiary, Associates and Companies in which director are interested

Name of the Company	Closing Balance	
	March 31, 2021	March 31, 2020
NIL	Nil	Nil
	<b>Max. amount outstanding during the year</b>	
	<b>March 31, 2021</b>	<b>March 31, 2020</b>
NIL	Nil	Nil

- 44 The Group has made significant strategic Investments in the past and has undertaken the said activity in a focused and organised manner. Effective April 01, 2020, the Board of Directors of the company has decided to recognize the ' Strategic Investment Division' as a separate business division of the company with a dedicated team reporting directly to the senior management. Consequently, the Chief Operating Decision Maker (CODM) reviews the business as two operating segments 'Kraft Paper business' and 'Strategic Investment Activity'. In accordance with the core principles of Ind AS 108 "Operating Segments", these have been considered as reportable segments of the company.

### Segment Reporting

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
<b>Segment Revenue</b>		
- Kraft Paper Business	28,571.77	25,393.27
- Strategic Investment Activity	145.65	35.81
	<b>28,717.42</b>	<b>25,429.08</b>
Add Un-allocable Income	-	-
<b>Total Income</b>	<b>28,717.42</b>	<b>25,429.08</b>

### Segment Result

- Kraft Paper Business	1,267.85	1,359.62
- Strategic Investment Activity	136.85	25.39
	<b>1,404.69</b>	<b>1,385.01</b>
Less: Un-allocable Expense/(Income)	-	-
Less : Finance Cost	390.92	527.06
<b>Profit/ (Loss) before Tax</b>	<b>1,013.77</b>	<b>857.95</b>

### Segment Assets

Particulars	As at March 31, 2021	As at March 31, 2020
- Kraft Paper Business	37302.94	33102.09
- Strategic Investment Activity	9523.49	13535.45
- Un-allocated	-	-
<b>Total Segment Assets</b>	<b>46826.43</b>	<b>46637.54</b>

### Segment Liabilities

- Kraft Paper Business	46417.42	46117.97
- Strategic Investment Activity	409.01	519.57
- Un-allocated	-	-
<b>Total Segment Liabilities</b>	<b>46826.43</b>	<b>46637.54</b>

### 45 Significant accounting judgements, estimates and assumptions

The preparation of the Company's separate financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. There are no significant areas involving a high degree of judgement or complexity.

**NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]**

All Amounts are Stated in INR in lacs except otherwise stated

**Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**Defined benefit plans (gratuity benefits)**

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation. Further details about gratuity obligations are given in Note 36(2).

**46 Capital Management**

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value and keep the debt equity ratio within acceptable range. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders and issue new shares.

**47 Ind AS 115 Revenue from Contracts with Customers**

Ind AS 115 was notified on March 28, 2018 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under Ind AS. Either a full retrospective application or a modified retrospective application is required for annual periods beginning on or after April 01, 2018 and will be applied accordingly. The Company is evaluating the impact of Ind AS 115 related to the recognition of revenue from contracts with customers and it continues to evaluate the changes to accounting system and processes, and additional disclosure requirements that may be necessary. A reliable estimate of the quantitative impact of Ind AS 115 on the financial statements will only be possible once the evaluation has been completed.

**Other Amendments:**

On March 28, 2018, the MCA, issued certain amendments to Ind AS. The amendments relate to following standards:

- Ind AS 21, The Effects of Changes in Foreign Exchange Rates
- Ind AS 12, Income Taxes
- Ind AS 28, Investments in Associates and Joint Ventures

- 48** The Company has spent Rs 75.98 Lakhs (March 20: Rs 9.22 Lakhs) as against total requirement of Rs 28.55 Lakhs (March 20: Rs 29.02 Lakhs) as per section 135 of the Companies Act, 2013. The amount contributed towards CSR activities are for various items mentioned in schedule VII of the Companies Act, 2013 and is approved by the CSR committee is as below:-

	Paid	Yet to be Paid
<b>March 31, 2021</b>		
i) Construction/acquisition of any asset		
ii) On purposes other than (i) above	75.98	0.35
<b>March 31, 2020</b>		
i) Construction/acquisition of any asset		
ii) On purposes other than (i) above	9.22	47.78



**NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]**

All Amounts are Stated in INR in lacs except otherwise stated

**49 Covid Impact**

The World Health Organization (WHO) declared outbreak of Coronavirus Disease (COVID-19) a global pandemic on March 11, 2020. Consequent to this, Government of India declared lockdown on March 23, 2020 and the Company temporarily suspended the operations in compliance with the lockdown instructions issued by the Central and State Governments. COVID-19 has impacted the normal business operations of the Company by way of interruption in production, supply chain disruption, unavailability of personnel, closure / lock down of production facilities etc. during the lock-down period. However, production and supply of goods has commenced from the 2nd week of May 2020 after obtaining permissions from the appropriate government authorities.

The company has made a detailed assessment of its liquidity position for the next year and the recoverability and carrying value of all its assets. Based on current indicators of future economic conditions and considering the various measures announced by the government to support businesses and fund the paper sector, the company expects to fully recover the carrying amount of these assets. The potential future impact of the COVID-19 may be different from that estimated as at the date of approval of these financial results and the company will continue to closely monitor any material changes in future economic conditions and assess the impact on its business.

**For and on behalf of the Board of Directors of Genus Paper & Boards Limited**

As per our report of even date

**For D.Khanna & Associates**

ICAI Firm Regn. No. 012917N

Chartered Accountants

**Deepak Khanna**

Partner

Membership No. 092140

Place : Jaipur

Date: June 28, 2021

**Akhilesh Kr. Maheshwari**

Director (Finance)

DIN: 00062645

Place : Moradabad

Date: June 28, 2021

**Kailash Chandra Agarwal**

Managing Director &amp; CEO

DIN: 00895365

**Sanjay Kr. Agarwal**

Chief Financial Officer

**Himanshu Agarwal**

Director

DIN: 00065185

**Anuj Ahluwalia**

Company Secretary

## INDEPENDENT AUDITOR'S REPORT

To the Members of

**Genus Paper & Boards Limited**

**Report on the Audit of the Consolidated Financial Statements**

### Opinion

We have audited the accompanying consolidated financial statements of **Genus Paper & Boards Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31, 2021, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of another auditor on separate financial statements and financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Emphasis of Matter

We draw attention to Note No. 48 to the Financial Statements, which describes the uncertainties and impact of COVID-19 pandemic on the Company's operation and result as assessed by the management. Our opinion is not modified in respect of this matter.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2021. 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

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

Key audit matters	How our audit addressed the key audit matter
<b>1. Existence of inventory of raw materials, work in progress, finished goods, stores and spares, consumables and packing material stock (refer note 8 to the standalone financial statements)</b> The company has its inventory located in factory premises and in godowns. The company has a policy of performing yearly count of its inventory. Due to travel restrictions imposed because of COVID-19, we were unable to participate physically in the physical verification of inventory performed by the management subsequent to the year end. In view of the forgoing, obtaining sufficient appropriate audit evidence regarding existence of inventories as at the balance sheet date is identified as a key audit matter.	<b>We perform the following alternate audit procedures to audit the existence of inventories as per the guidance provided in SA 501 "Audit Evidence-Specific Considerations for Selected Items", as at the year-end since we were not able to physically observed the physical stock verification:</b> <ol style="list-style-type: none"> <li>Understood and evaluated the management's internal controls process to establish the existence of inventory such as (i) the process of physical verification carried out by the management, the scope and coverage of the verification programme, the results of such verification included analysis of discrepancies, if any; (ii) maintenance of stock records at all locations;</li> <li>Observed the physical verification of the inventories carried out by the management subsequent to year end through virtual mediums, to verify the compliance with the standard operating procedures issued by the management for physical verification of inventory to determine existence of inventory.</li> </ol>

## INDEPENDENT AUDITOR'S REPORT [Contd].

	<p>c) On a sample basis, performed role back procedures (by inspecting documentations relating to subsequent sales supported by acknowledged lorry receipts, purchases, stock transfer, production records, as applicable) from the inventory quantities physically verified by the management subsequent to the year end to arrive at the quantities at the balance sheet date. Compared such quantities at the balance sheet date based on such roll back procedures with the quantities as per the inventory records and obtained explanations for differences, if any.</p> <p>d) We have performed alternate procedures to audit the existence of inventory, which includes inspection of supporting documentation relating to purchases, sales, stock transfer records and result of count performed by the management.</p>
<b>2. Procurement of Raw Materials and Valuation of Inventories</b>	
<p>We identified procurement of Raw material and valuation of inventories as a key audit matters because of significance of costs incurred during the year, related inventories as at reporting date and significant degree of management judgment involved in verification and valuation thereof.</p>	<p>Evaluated the design and operating effectiveness of internal controls relating to procurement and inventory. We carried out a combination of procedures involving inquiry and observation, re-performance and inspection of evidence in respect of operation of these controls.</p> <p>We performed substantive testing by selecting samples of purchase transactions recorded during the year by verifying the underlying documents, i.e. supplier invoices, goods receipt notes etc.</p> <p>Observed inventory value verification on a sample basis.</p> <p>Re-computed the closing rate of sample items of inventories to check whether the same are in line with the accounting policy of the Company.</p> <p>Obtained an understanding of the underlying data and estimates used for calculation of the yield ratio and compared the same with the previous years.</p> <p>We performed cut-off testing for samples of purchase transactions recorded before and after the financial year end date by comparing with relevant underlying documentation, which included supplier invoices, goods receipt notes etc. to assess whether the purchases were recognized in the correct period.</p> <p>We assessed manual journals posted to purchases to identify unusual items.</p>

### Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the management report and chairman's statement, but does not include the consolidated financial statements and our auditor's report thereon. The management report and chairman's statement is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

### Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of

## **INDEPENDENT AUDITOR'S REPORT [Contd].**

preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the

independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2021 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

## INDEPENDENT AUDITOR'S REPORT [Contd].

so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matter

The consolidated financial statements also include the total assets of Rs. 6202.59 Lakhs, Total Revenue of Rs. Nil and share of net profit of Rs. Nil for the year ended March 31, 2021, as considered in the consolidated financial statements for the year ended March 31, 2021, in respect of Subsidiary company which have been audited by us.

Our opinion on the statements in so far as it relates to the amounts and disclosures included in respect of one subsidiary is based solely on our reports and the procedure performed by us as stated in paragraph above. Our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters.

### Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

- (a) We on the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company and its subsidiary companies incorporated in India, refer to our separate Report in "Annexure 2" to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Group to its directors in accordance with the provisions of section 197 read with Schedule V to the Act; and
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:
  - i. The consolidated financial statements does not have any impact of pending litigations on its consolidated financial position of the Group;
  - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses. and
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiaries incorporated in India during the year ended March 31, 2021.

### For D Khanna & Associates

Chartered Accountants  
FRN: 012917N

### [Deepak Khanna]

Partner  
M. No. 092140  
UDIN : 21092140AAAADQ3329  
Date: June 28, 2021  
Place: Jaipur

**ANNEXURE '1' TO THE INDEPENDENT AUDITOR'S REPORT of even date on the consolidated financial statements of Genus Paper & Boards Limited****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of Genus Paper & Boards Limited as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of Genus Paper & Boards Limited (hereinafter referred to as the "Holding Company") and its Subsidiary companies which is incorporated in India, as of that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these consolidated financial statements.

**Meaning of Internal Financial Controls Over Financial Reporting with Reference to these Consolidated Financial Statements**

A company's internal financial control over financial reporting with reference to these consolidated 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 control over financial reporting with reference to these consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting with Reference to these Consolidated Financial Statements**

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



**ANNEXURE '1' TO THE INDEPENDENT AUDITOR'S REPORT [Contd.]****Opinion**

In our opinion, the Holding Company and its subsidiary companies which is incorporated in India, have maintained in all material respects, an adequate internal financial controls system over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31<sup>st</sup>, 2021, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Other Matters**

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, insofar as it relates to subsidiary companies which is incorporated in India, is based on the corresponding reports of the auditors of such subsidiary companies.

**For D Khanna & Associates**

Chartered Accountants

FRN: 012917N

**[Deepak Khanna]**

Partner

M. No. 092140

UDIN : 21092140AAAADQ3329

Date: June 28, 2021

Place: Jaipur

**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2021**

All Amounts are Stated in INR in lacs except otherwise stated

Particulars	Note	March 31, 2021
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, Plant and Equipment	3	19,940.93
Capital work-in-progress	3	4,082.45
Financial Assets		
Investments	4	7,291.21
Loans	5	2,232.27
Non-financial assets	12	-
Other Non Current Assets	7	239.29
		33,786.16
<b>Current Assets</b>		
Inventories	9	6,074.03
Financial Assets		
Loans	5	6.82
Trade Receivables	10	6,171.68
Cash and cash equivalents	11	1,349.75
Other bank balances	11	1,372.00
Others	6	39.12
Non-financial assets	12	1,995.45
		17,008.85
<b>TOTAL</b>		<b>50,795.01</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	13	2,571.26
Other Equity	14	33,944.61
<b>Total equity</b>		<b>36,515.87</b>
<b>Non-Current Liabilities</b>		
Financial Liabilities		
Borrowings	15	2,777.06
Provisions	16	126.89
Deferred Tax Liability	17	1,531.85
		4,435.80
<b>Current Liabilities</b>		
Financial Liabilities		
Borrowings	15	2,440.24
Trade payables		
- Micro and Small Enterprises	18	484.95
- Other than Micro and Small Enterprises	18	5,318.79
Other liabilities	19	1,269.15
Provisions	16	13.39
Tax Liabilities (Net)	8	109.22
Non-financial liabilities	20	207.60
		9,843.34
<b>TOTAL</b>		<b>50,795.01</b>
Summary of significant accounting policies	2.1	

The accompanying notes are an integral part of the financial statements

**For and on behalf of the Board of Directors of Genus Paper & Boards Limited**

As per our report of even date

**For D.Khanna & Associates**

ICAI Firm Regn. No. 012917N

Chartered Accountants

**Kailash Chandra Agarwal**

Managing Director &amp; CEO

DIN: 00895365

**Himanshu Agarwal**

Director

DIN: 00065185

**Deepak Khanna**

Partner

Membership No. 092140

Place : Jaipur

Date: June 28, 2021

**Akhilesh Kr. Maheshwari**

Director (Finance)

DIN: 00062645

Place : Moradabad

Date: June 28, 2021

**Sanjay Kr. Agarwal**

Chief Financial Officer

**Anuj Ahluwalia**

Company Secretary

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON MARCH 31, 2021

All Amounts are Stated in INR in lacs except otherwise stated

Particulars	Note	March 31, 2021
<b>INCOME</b>		
Revenue from Operations	21	28,571.77
Other income	22	94.89
<b>Total Income</b>		<b>28,666.66</b>
<b>EXPENDITURE</b>		
Cost of raw materials consumed	23	18,944.03
Purchased of traded goods		-
Changes in inventories of finished goods and work-in-progress	24	-7.16
Employees Benefit Expenses	25	1,203.30
Other Expenses	26	5,850.82
Finance Cost	27	390.92
Depreciation & Amortisation Expenses	28	1,270.98
<b>Total Expenses</b>		<b>27,652.89</b>
<b>Profit before tax</b>		<b>1,013.77</b>
<b>Tax Expenses</b>	29	
Current tax		323.55
Earlier year tax		9.54
Deferred tax		-88.11
<b>Total tax expense</b>		<b>244.98</b>
<b>Profit for the year</b>		<b>768.79</b>
<b>Other Comprehensive Income (OCI)</b>	30	
<b>Items that will not be reclassified to profit or loss</b>		
Re-measurement gains on defined benefit plans		-
Net gain on FVTOCI equity Securities		-110.55
Income tax effect relating to items that will not be reclassified to profit or loss		28.33
Net impact on FVTOCI equity Securities		<b>(82.22)</b>
<b>Total Other Comprehensive Income for the year, net of tax</b>		<b>686.57</b>
<b>Earnings per equity share</b>	31	
Basic and Diluted earnings per share (In Indian Rupees per share)		0.30
Nominal value per equity share (In Indian Rupees per share)		1.00
Summary of significant accounting policies	2.1	

The accompanying notes are an integral part of the financial statements

**For and on behalf of the Board of Directors of Genus Paper & Boards Limited**

As per our report of even date

**For D.Khanna & Associates**

ICAI Firm Regn. No. 012917N

Chartered Accountants

**Deepak Khanna**

Partner

Membership No. 092140

Place : Jaipur

Date: June 28, 2021

**Akhilesh Kr. Maheshwari**

Director (Finance)

DIN: 00062645

Place : Moradabad

Date: June 28, 2021

**Kailash Chandra Agarwal**

Managing Director &amp; CEO

DIN: 00895365

**Sanjay Kr. Agarwal**

Chief Financial Officer

**Himanshu Agarwal**

Director

DIN: 00065185

**Anuj Ahluwalia**

Company Secretary

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2021**

All Amounts are Stated in INR in lacs except otherwise stated

	Particulars		March 31, 2021
<b>A.</b>	<b>Cash Flow from Operating Activities</b>		
	<b>Net profit before tax</b>		<b>1013.77</b>
	Adjustments for:		
	Depreciation & Amortisation Expenses		1,270.98
	Loss on Sale of Fixed Assets		0.02
	Profit on Sale of Investment		(93.51)
	Finance Cost (net)		390.92
	Dividend income		-
	<b>Operating profit before working capital changes</b>		<b>2,582.18</b>
	Adjustments for:		
	(Increase)/Decrease in Inventories		(1341.47)
	(Increase)/Decrease in Trade Receivables		(410.76)
	(Increase)/Decrease in Loans and Others		1350.64
	Increase/(Decrease) in Trade payables		2842.50
	Increase in financial, Non Financial Liabilities & Provisions		390.06
	<b>Cash generated from Operations</b>		<b>5,413.14</b>
	Direct Taxes paid (Net)		(395.02)
	<b>Cash from operating activities</b>		<b>5,018.12</b>
<b>B.</b>	<b>Cash Flow from Investing Activities</b>		
	Purchase of property, plant and equipment and capital work in progress		(4405.67)
	Sale of fixed assets		0.25
	Sale (Purchase) of Investments (Net)		1,475.51
	Interest received		26.05
	Dividend received		-
	<b>Net Cash from / (used in) investing activities</b>		<b>(2903.86)</b>
<b>C.</b>	<b>Cash Flows from Financing Activities</b>		
	Proceeds/(Repayment) of Long Term borrowings		2380.81
	Interest paid		(405.54)
	<b>Net Cash from / (used in) financing activities</b>		<b>1975.27</b>
	<b>Net increase/(Decrease) in cash and cash equipment</b>	<b>(A+B+C)</b>	<b>4089.53</b>
	Cash and Cash equivalent at beginning of the year		(3808.01)
	<b>Cash and Cash equivalent at end of the year</b>		<b>281.51</b>
	<b>Components of Cash and Cash equivalent</b>		
	Balances with Banks		1340.39
	Cash in hand		9.36
	Other Bank Balances		1372.00
	Cash credit from Banks		(2440.24)
			<b>281.51</b>

For and on behalf of the Board of Directors of Genus Paper &amp; Boards Limited

As per our report of even date

**For D.Khanna & Associates**

ICAI Firm Regn. No. 012917N

Chartered Accountants

**Deepak Khanna**

Partner

Membership No. 092140

Place : Jaipur

Date: June 28, 2021

**Akhilesh Kr. Maheshwari**

Director (Finance)

DIN: 00062645

Place : Moradabad

Date: June 28, 2021

**Kailash Chandra Agarwal**

Managing Director &amp; CEO

DIN: 00895365

**Sanjay Kr. Agarwal**

Chief Financial Officer

**Himanshu Agarwal**

Director

DIN: 00065185

**Anuj Ahluwalia**

Company Secretary

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

All Amounts expressed in Indian Rupee in lakhs, except otherwise stated

### a. Equity Share Capital

March 31, 2021		
Equity Shares of Rs. 1 each issued, subscribed and fully paid up	No.	Amount
At the beginning of the year	25,71,25,940	2,571.26
Issued during the year	-	-
At the end of the year	25,71,25,940	2,571.26

### b. Other Equity

	Reserves and surplus		Items of OCI	Total Equity
	Business reconstruction reserve	Retained Earnings	FVTOCI reserve	
At March 31, 2020	24,658.74	9,377.80	(677.86)	33,358.67
Profit for the year	-	768.79	-	768.79
Fair Value Gain/Loss on Sale/Transfer/Coverion of Shares			(100.64)	(100.64)
Other Comprehensive Income/(loss) for the year (Refer Note 30)	-	-	(82.22)	(82.22)
At March 31, 2021	24,658.74	10,146.59	(860.72)	33,944.61

For and on behalf of the Board of Directors of Genus Paper & Boards Limited

As per our report of even date  
**For D. Khanna & Associates**  
ICAI Firm Regn. No. 012917N  
Chartered Accountants

**Deepak Khanna**  
Partner  
Membership No. 092140  
Place : Jaipur  
Date: June 28, 2021

**Akhilesh Kr. Maheshwari**  
Director (Finance)  
DIN: 00062645  
Place : Moradabad  
Date: June 28, 2021

**Kailash Chandra Agarwal**  
Managing Director & CEO  
DIN: 00895365

**Sanjay Kr. Agarwal**  
Chief Financial Officer

**Himanshu Agarwal**  
Director  
DIN: 00065185

**Anuj Ahluwalia**  
Company Secretary

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021**

(All amounts are in lakhs of Indian Rupees except share data and unless otherwise stated)

**1. Corporate Information**

The consolidated financial statements comprises of Genus Paper & Boards Limited (the "Parent Company" or "Holding Company") and its wholly owned subsidiary (collectively, "the Group") for the year ended March 31, 2021. The Holding Company is a public company domiciled in India. The Company is primarily engaged in the business manufacturing of Kraft paper (Core business Division). The company has also been engaged in making strategic investment activity, where under investments are made in shares and securities and Loans basis a thorough and systematic evaluation by the Company and the management. The equity shares of the Company are listed on National Stock Exchange of India Limited and BSE Limited. The registered office of the Company is located at Village Aghwanpur, Kanth Road, Moradabad, Uttar Pradesh – 244 001.

The Consolidated financial statements were authorised for issue in accordance with a resolution of the directors on June 28, 2021.

**2. Significant Accounting Policies for the year ended March 31, 2021**
**2.1 Basis of Preparation**

The Consolidated financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the Consolidated Financial Statements.

The financial statement has been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments
- Certain financial assets and liabilities measured at fair value (refer accounting policies regarding financial instruments)

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated.

**2.2 Basis of consolidation**

- a.** The consolidated financial statements comprise the financial statements of the Group as at March 31, 2021.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

The Group owns 100% voting rights in its subsidiary. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the beginning date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

- b.** Consolidation procedure:

1. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Holding Company with those of its subsidiary.
2. Eliminate the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
3. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. IND AS12 "Income Taxes" applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]**

4. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent company of the Group.
5. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

A change in the ownership interest of a subsidiary, without a loss of control, accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

**c. Investment in Subsidiary**

The Group's investments in its subsidiary are accounted for using the equity method. Under the equity method, the investment in a subsidiary is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the subsidiary since the acquisition date. Goodwill/Capital reserve relating to the subsidiary is recognised separately in the books of accounts.

The statement of profit and loss reflects the Group's share of the results of operations of the subsidiary. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the subsidiary, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

The Consolidated Financial Statements for the year ended March 31, 2021 have been prepared on the basis of the following entities:

Name of the Entity	Relationship	Percentage of Holding as at March 31, 2021
Genus Paper & Coke Limited (Formerly Known as Kailash Paper & Coke Limited)	Wholly Owned Subsidiary	100%

**2.3 Summary of Significant Accounting Policies**
**a. Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent 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 current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]**

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

**b. Use of Estimates**

The preparation of financial statement requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the results and estimates are recognized in the period in which the results are known / materialized.

**c. Foreign currencies**

The financial statements are presented in Indian rupees, which is the functional currency of the Company.

**Transactions and balances**

Transactions in foreign currencies are initially recorded by the Company in INR at spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at INR spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

**d. Fair Value Measurement**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure the fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]**
**e. Revenue Recognition**

Revenue from contracts with customer is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Ind AS 115 supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise Judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers.

The cumulative effect of initially applying Ind AS 115, if any, is recognised at the date of initial application as an adjustment to the opening balance of retained earnings. Therefore, the comparative information is not restated and continues to be reported under Ind AS 11 and Ind AS 18.

The Goods and service Tax (GST) is not received by the Company on its own account. It is a tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it has been excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

**Sale of goods**

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances.

**Interest income**

For all financial instrument measured at amortised cost, interest income is recorded using effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included under the head "other income" in the statement of profit and loss.

**Dividends**

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

**Other Income**

Other Income is accounted for on accrual basis except, where the receipt of income is uncertain.

**Foreign currency transactions**

Foreign currency transactions are translated into Indian rupee using the exchange rates prevailing on the date of the transaction. Foreign exchange gains and losses resulting from the settlement of these transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss.

**f. Taxes**
**Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in India.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provision where appropriate.

**Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]**

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax 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 assets and liabilities are measured at the tax rates that are expected to apply in the period/year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as deferred tax asset only to the extent it is probable that sufficient taxable profit will be available to allow all or part of MAT credit to be utilised during the specified period, i.e., the period for which such credit is allowed to be utilised.

**g. Property, Plant & Equipment**

Under the previous GAAP (Indian GAAP), property, plant and equipment and capital work in progress were carried in the balance sheet at cost of acquisition. The Company has elected to regard those values of property as deemed cost at the date of the acquisition since they were broadly comparable to fair value and there is no change in the functional currency of the Company except for Freehold Land which have been measured at fair value at the date of transition to Ind AS. The Company regards the fair value as deemed cost at the transition date, viz., April 01, 2016.

Property, plant and equipment and capital work in progress are stated at cost, net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and other costs directly attributable to bringing the asset to a working condition for its intended use. Borrowing costs that are directly attributable to the construction or production of a qualifying asset are capitalized as part of the cost of that asset.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance or extends its estimated useful life.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses upon disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized net within "other (income)/expense, net" in the statement of profit and loss.

Depreciation is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management, which is equal to the life prescribed under the Schedule II to the Companies Act, 2013.

The lives of the assets are as follows:

<b>Assets</b>	<b>Life of the assets (In Years)</b>
Buildings	30 - 60
Plant and equipment	4 - 40
Furniture & fixtures	10
Computers	3
Vehicles	8

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial period/year end and adjusted prospectively, if appropriate.

### h. Intangible Assets

Costs relating to computer software, which is acquired, are capitalized and amortised on a straight-line basis over their estimated useful lives of three years.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognised in the statement of profit and loss when the asset is derecognised.

### i. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

### j. Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined on weighted average basis

Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

- Raw materials and Components: Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.
- 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.

### k. Impairment of Non- Financial Assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated.

Impairment losses, including impairment on inventories, are recognised in the statement of profit and loss. An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior periods/ years. Such reversal is recognised in the statement of profit and loss.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]**
**l. Provision**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**Other Litigation claims**

Provision for litigation related obligation represents liabilities that are expected to materialise in respect of matters in appeal.

**Retirement and other employee benefits**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

The cost of providing benefits under the defined benefit plan is determined based on actuarial valuation under purchase unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

Past service costs are recognised in statement of profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

The Company treats accumulated leave, as a long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on an actuarial valuation using the projected unit credit method at the period-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire liability in respect of leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement beyond 12 months after the reporting date.

**m. Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**Financial assets**

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

**Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]**
**Debt instrument at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

**Debt instrument at FVTOCI**

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method

**Debt instrument at FVTPL**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

**Equity investments:**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in OCI subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- a) the rights to receive cash flows from the asset have expired, or

The Company has transferred its rights to receive cash flows from the asset, and

- (i) the Company has transferred substantially all the risks and rewards of the asset, or
- (ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

**Financial liabilities**

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

**Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]**
**Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss

**Reclassification of financial assets**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

**Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**n. Cash and Cash Equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**o. Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted EPS amounts are calculated by dividing the profit attributable to equity shareholders by the weighted average number of Equity shares outstanding during the year plus the weighted average number of equity shares outstanding, for the effects of all dilutive potential shares.

**p. Segment reporting**

The Company's operations predominantly relate only to manufacture and sale of Kraft Paper and allied product and accordingly this is the only primary segment. Further, the Company has major operations in one part of India and therefore there are no geographical segments but the Group has made significant strategic Investments in the past and has undertaken the said activity in a focused and organised manner. Effective April 01, 2020, the Board of Directors of the company has decided to recognize the ' Strategic Investment Division' as a seperate business division of the company with a dedicated team reporting directly to the senior management. Consequently, the Chief Opertaing Decision Maker (CODM) reviews the business as two operating segments 'Kraft Paper business' and 'Strategic Investment Activity'

**q. Contingent Liability and contingent assets**

A contingent liability is possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise the contingent liability but discloses its existence in the financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The Company does not recognise the contingent assets but discloses its existence in the financial statements.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]****r. CSR expenditure**

The Company has opted to charge its CSR expenditure incurred during the year to the statement of profit and loss.

**For and on behalf of the Board of Directors of Genus Paper & Boards Limited**

As per our report of even date

**For D.Khanna & Associates**

ICAI Firm Regn. No. 012917N  
Chartered Accountants

**Deepak Khanna**

Partner  
Membership No. 092140

Place : Jaipur

Date: June 28, 2021

**Akhilesh Kr. Maheshwari**

Director (Finance)  
DIN: 00062645

Place : Moradabad

Date: June 28, 2021

**Kailash Chandra Agarwal**

Managing Director & CEO  
DIN: 00895365

**Sanjay Kr. Agarwal**

Chief Financial Officer

**Himanshu Agarwal**

Director  
DIN: 00065185

**Anuj Ahluwalia**

Company Secretary

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]**

(All Amounts are Stated in INR in lakhs except otherwise stated)

**3 Property, plant and equipment**

	Freehold land	Residential buildings	Factory buildings	Plant and equipment	Furniture and fixtures	Computers	Vehicles	Total Property, Plant and equipment
<b>Gross Carrying Value</b>								
<b>At March 31, 2020</b>	<b>8,373.08</b>	<b>164.45</b>	<b>660.42</b>	<b>15,111.95</b>	<b>96.33</b>	<b>57.41</b>	<b>215.30</b>	<b>24,678.95</b>
Additions	-	-	-	303.63	2.42	2.40	14.77	323.22
Disposals	-	-	-	-	-	-	-8.60	-8.60
<b>At March 31, 2021</b>	<b>8,373.08</b>	<b>164.45</b>	<b>660.42</b>	<b>15,415.59</b>	<b>98.75</b>	<b>59.81</b>	<b>221.47</b>	<b>24,993.58</b>
<b>Depreciation and Impairment</b>								
<b>At March 31, 2020</b>	<b>-</b>	<b>8.59</b>	<b>77.63</b>	<b>3,582.62</b>	<b>33.01</b>	<b>32.94</b>	<b>55.19</b>	<b>3,789.98</b>
Depreciation Charge for the year		2.86	25.88	1,186.97	11.77	12.59	30.91	1,270.98
Disposals	-	-	-	-			-8.32	-8.32
<b>At March 31, 2021</b>	<b>-</b>	<b>11.45</b>	<b>103.51</b>	<b>4,769.59</b>	<b>44.77</b>	<b>45.53</b>	<b>77.78</b>	<b>5,052.64</b>
<b>Net value</b>								
<b>At March 31, 2021</b>	<b>8,373.08</b>	<b>153.00</b>	<b>556.91</b>	<b>10,646.00</b>	<b>53.98</b>	<b>14.29</b>	<b>143.69</b>	<b>19,940.93</b>

**'Capital Work In Progress**

'Capital work-in-progress Rs. 4082.45 (March 31, 2020: NIL )

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]**

(All Amounts are Stated in INR in lakhs except otherwise stated)

**4 Investments**

Particulars	March 31, 2021
<b>Non-Current</b>	
Investment in Equity Instruments (Quoted)	-
Investment in Equity Instruments (Unquoted)	2,880.36
Investment in Preference shares (Unquoted)	3,110.85
Investment in Debenture (Unquoted)	1,300.00
	<b>7,291.21</b>
<b>Details of Non-current investments</b>	
<b>Investment in Equity Instruments (Unquoted) (at Fair value through Other Comprehensive Income)</b>	
60,80,000 Equity Shares of Rs. 10 each in Yajur Commodities Limited (Formerly Virtuous Urja Limited)	1,483.52
800 Equity Shares of Rs. 10 each in Rajasthan Assets Management Company Private Limited	0.80
477,000 Equity Shares of Rs. 10 each in Kailash Coal & Coke Company Limited	765.11
407,000 Equity Shares of Rs. 10 each in Parsee Leasing & Finvest Limited	369.31
1,250,000 Equity Shares of Rs. 10 each in Genus Apparels Limited	261.63
	<b>2,880.36</b>
<b>Investment in Preference shares (Unquoted) (at amortised cost)</b>	
232,500 9% Redeemable Cumulative Non Convertible Preference shares of Rs. 100 each in Kailash Vidyut & Ispat Limited	232.50
17500 Non Convertible Redeemable Preference shares of Rs. 100 each in Hi Print Electromack Pvt Ltd.	17.50
2476 Optionally Convertible Redeemable Preference shares of Rs. 100 each in Hi Print Electromack Pvt Ltd.	60.85
28,00,000 9% Redeemable Cumulative Non Convertible Preference shares of Rs. 100 each in Yajur Commodities Limited (Formerly Virtuous Urja Limited)	2,800.00
	<b>3,110.85</b>
	<b>March 31, 2021</b>
<b>Investment in Debenture (Unquoted) (at amortised cost)</b>	
100,00,000 Optionally Convertible Debenture at 7% of Rs. 10 each in Antordaya Commerical and holdings Private Limited	1,000.00
300 Secured, Unrated, Unlisted and reedemable optionally convertible debentures of Rs. 100000 each in JETSETGO Aviation Services Private Limited	300.00
	<b>1,300.00</b>
	<b>7,291.21</b>
<b>Notes:</b>	
Aggregate value of quoted investment	-
Aggregate value of unquoted investment	7,291.21
	<b>7,291.21</b>

**5 Loans**

(Unsecured, considered good)

<b>A) Non-current</b>	
	<b>March 31, 2021</b>
<b>Advances recoverable in cash or kind</b>	
From related party	-
From others	2,232.27
<b>Total</b>	<b>2,232.27</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]**

(All Amounts are Stated in INR in lakhs except otherwise stated)

<b>B) Current</b>	
	<b>March 31, 2021</b>
Trade deposits	6.82
	<b>6.82</b>

**6 Others**  
(Unsecured, considered good)

	<b>March 31, 2021</b>
<b>Current</b>	
Interest receivable	9.19
Others	29.93
	<b>39.12</b>

**7 Other Non Current Assets**

	<b>March 31, 2021</b>
Pre-Operative Expenses	153.00
Others	86.30
	<b>239.29</b>

**8 Non-current tax assets and current tax liabilities**

	<b>March 31, 2021</b>
<b>Non-current tax assets</b>	
Advance Income tax (Net of provision for tax)	-
	-
<b>Current tax liabilities</b>	
Provision for tax (net of advance tax payments)	109.22
	<b>109.22</b>

**9 Inventories**

	<b>March 31, 2021</b>
<b>(Valued at lower of cost and net realisable value)</b>	
Raw materials	3,964.70
Finished goods	781.59
Work-in-progress	25.46
Stores and spares	1,302.29
	<b>6,074.03</b>

**10 Trade Receivables**  
(Unsecured, considered good unless otherwise stated)

	<b>March 31, 2021</b>
Due to others	6,171.68
	<b>6,171.68</b>
Unsecured, considered good	6,171.68
Trade Receivables which have significant increase in credit Risk	-
Trade Receivables -Credit impaired	-
	<b>6,171.68</b>
<b>Impairment allowances</b>	
Credit impaired	-
	<b>6,171.68</b>



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]**

(All Amounts are Stated in INR in lakhs except otherwise stated)

**11 Cash and Bank Balances**
**A) Cash and cash equivalents**

	March 31, 2021
<b>Current</b>	
Balance with banks:	
On current accounts	1,190.38
On Cheque in hand	150.01
Cash on hand	9.36
	<b>1,349.75</b>

**B) Other bank balances**

	March 31, 2021
<b>Current</b>	
Margin money deposits	1,372.00
	<b>1,372.00</b>

**Breakup of financial assets carried at amortised cost / fair value**

	March 31, 2021
Investments	7,291.21
Loans	2,239.09
Trade receivable	6,171.68
Cash and Bank balances	2,721.75
Others	39.12
	<b>18,462.86</b>

**12 Non-financial assets**

(Unsecured, considered good)

**A) Non-current**

	March 31, 2021
Advances recoverable in cash or kind	
From related party	-
From others	-
	<b>-</b>

**B) Current**

	March 31, 2021
Advances recoverable in cash or kind	1,269.66
Balance with statutory/government authorities	725.79
	<b>1,995.45</b>

**13 Equity share capital**

	March 31, 2021
<b>Authorised</b>	
260,000,000 equity shares of Re.1 each	2,600.00
<b>Issued, subscribed and fully paid-up shares</b>	
257,125,940 equity shares of Re.1 each	2,571.26
	<b>2,571.26</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]**

(All Amounts are Stated in INR in lakhs except otherwise stated)

**a. Reconciliation of the equity shares outstanding at the beginning and at the end of the year.**

Equity shares	March 31, 2021	
	Numbers	Value
At the beginning of the year	25,71,25,940	2,571.26
Issued during the year	-	-
<b>Outstanding at the end of the year</b>	<b>25,71,25,940</b>	<b>2,571.26</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. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting. 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. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

**c. Details of shareholders holding more than 5% equity shares in the Company**

	March 31, 2021	
	Numbers	% holding
Vikas Kothari (on behalf of Genus Shareholders' Trust)	4,75,43,850	18.49%
Hi Print Electromack Private Limited	4,73,02,827	18.40%
Kailash Chandra Agarwal	1,32,98,356	5.17%

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 except for the Vikas Kothari who is holding equity shares on behalf of Genus Shareholders' Trust.

**14 Other Equity**

	March 31, 2021
Business reconstruction reserve	24,658.74
Retained earnings	10,146.60
OCI Reserve	(860.72)
	<b>33,944.61</b>

**The movement in balance of other equity is as follows:**

	March 31, 2021
<b>Business reconstruction reserve</b>	
Opening balance	24,658.74
Add: Additions during the year	-
<b>Closing balance</b>	<b>24,658.74</b>
<b>Retained earnings</b>	
Opening balance	9,377.80
Add: Profit for the year	768.79
<b>Net surplus in the statement of profit and loss</b>	<b>10,146.60</b>
<b>OCI Reserve</b>	
Opening balance	(677.86)
Fair Value Gain/Loss on Sale/Transfer/Coverion of Shares	(100.64)
Add: Additions during the year	-82.22
<b>Closing balance</b>	<b>(860.72)</b>
	<b>33,944.61</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]**

(All Amounts are Stated in INR in lakhs except otherwise stated)

**15 Borrowings**
**A) Non Current borrowings**

	March 31, 2021
<b>From Banks (secured)</b>	
Term loans	3,478.95
<b>Other loans (secured)</b>	
Vehicle Loans	129.76
<b>Other loans (unsecured)</b>	
ICDs	-
<b>TOTAL</b>	<b>3,608.71</b>
<b>Current Maturities of Non Current borrowings</b>	
<b>From Banks (secured)</b>	
Term loans	789.45
<b>Other loans (secured)</b>	
Vehicle Loans	42.21
	<b>831.65</b>
	<b>2,777.06</b>
The above amount includes:	
<b>Secured borrowings</b>	<b>3,608.71</b>
<b>Unsecured borrowings</b>	-

**B) Current borrowings**

	March 31, 2021
<b>Other short term borrowings</b>	
Cash credit from banks (Secured)	2,440.24
<b>TOTAL</b>	<b>2,440.24</b>
The above amount includes:	
<b>Secured borrowings</b>	<b>2,440.24</b>
<b>Unsecured borrowings</b>	-

**Notes :**

- Term loan from SBI of Rs. 1351.17 are secured by hypothecation of Plant & Machinery, equipments, tools etc. (existing / future) of paper & board division on rank pari passu with Yes Bank Limited. These loans are repayable in un-equal monthly installment starting from December 2019 and will end in Jan 2025. The above facilities are further secured by first pari passu charge by way of EM of factory land & building situated at Aghwanpur, Moradabad.
- Term loan from Yes Bank Limited of Rs. 103.78 are secured by hypothecation of Land, Building and Plant & Machinery, equipments, tools etc. (existing / future) of paper & board division on rank pari passu with SBI. situated at Agwanpur, Moradabad. These loans are repayable in equal monthly installment starting from February, 2018 and will end in June, 2021.
- Term loan from Axis Bank Limited of Rs. 2024.00 lakh are primarily secured by charge over company's movable and immovable assets located at Survey no.14 & 15, Bachao, Village Chopadva, Kachchh, Gujrat. These loans are repayable in 27 equal quarterly installment of Rs. 89 Lakhs each starting from Dec., 2021.
- Term loan of Rs. 14.99 from HDFC Bank. are secured by hypothecation of vehicles, repayable in monthly equal installment.
- Term loan of Rs. 33.62 from Punjab National Bank are secured by hypothecation of vehicles.
- Term loan of Rs. 2.74 from Axis Bank are secured by hypothecation of vehicles.
- Term loan of Rs. 67.23 from Indusind Bank are secured by hypothecation of vehicles & Machinery.
- Term loan of Rs. 11.18 from ICICI Bank Ltd. (previous year Rs. Nil) are secured by hypothecation of vehicles.
- Working Capital Loan from SBI Rs. 2440.24 are secured by first charge by way of hypothecation of entire current assets (present & future) including all stocks & receivables of the Company.
- The above facilities are further secured by first pari passu charge by way of EM of factory land & building, Plant & Machinery situated at Agwanpur, Moradabad.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]**

(All Amounts are Stated in INR in lakhs except otherwise stated)

**16 Provisions**
**A) Non-current**

	March 31, 2021
Gratuity & Leave Encashment	126.89
	<b>126.89</b>

**B) Current**

	March 31, 2021
Others	13.39
	<b>13.39</b>
	<b>140.28</b>

**17 Deferred Tax Liability**

	March 31, 2021
<b>Deferred tax liability arising on account of timing differences relating to:</b>	
Written down value difference of property, plant and equipment between tax and financial books	1,428.49
Impact on account of investment carried at FVTOCI	104.81
Impact on account of actuarial gain / (loss) on gratuity valuation	(1.45)
<b>A</b>	<b>1,531.85</b>
<b>Deferred tax asset arising on account of timing differences relating to:</b>	
MAT credit entitlement	-
<b>B</b>	<b>-</b>
<b>(A-B)</b>	<b>1,531.85</b>

**Deferred tax assets/ (liabilities):**
**For the year ended March 31, 2021**

	Opening Balance	Recognised in profit & loss	Recognised in OCI	Closing balance
Written down value difference of property, plant and equipment between tax and financial books	1,516.60	(88.11)	-	1,428.49
Impact on account of investment carried at FVTOCI	133.14	-	(28.33)	104.81
Impact on account of actuarial gain / (loss) on gratuity valuation	(1.45)	-	-	(1.45)
MAT credit entitlement	-	-	-	-
	<b>1,648.29</b>	<b>(88.11)</b>	<b>(28.33)</b>	<b>1,531.85</b>

**18 Trade payables**

	March 31, 2021
Trade payables (Refer note 39 for details of dues to micro and small enterprises)	
- Total outstanding dues of micro and small enterprises	484.95
- Total outstanding dues of creditors other than micro and small enterprises	5,318.79
	<b>5,803.74</b>

**19 Other liabilities**
**Current**

	March 31, 2021
Current maturities of long-term borrowings (refer note 15)	831.65
Others	437.49
	<b>1,269.15</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]**

(All Amounts are Stated in INR in lakhs except otherwise stated)

**Breakup of financial liabilities carried at amortised cost**

	<b>March 31, 2021</b>
Borrowing	6,048.95
Other liabilities	437.49
Trade Payables	5,803.74
	<b>12,290.19</b>

**20 Non-financial liabilities**

	<b>March 31, 2021</b>
Statutory liabilities	207.60
	<b>207.60</b>

**21 Revenue from Operations**

	<b>March 31, 2021</b>
Sale of products	
Kraft Paper-Domestic	28,461.24
Kraft Paper-Export	99.73
Other Sales	9.20
Export Sale Incentives	1.60
	<b>28,571.77</b>

**22 Other income**

	<b>March 31, 2021</b>
<b>Other non-operating income</b>	
Profit on sale of investment	93.51
Miscellaneous receipt	1.39
	<b>94.89</b>

**23 Cost of raw materials consumed**

	<b>March 31, 2021</b>
<b>Raw material consumed</b>	
Opening stock at the beginning of the year	1,850.35
Add: Purchases	19,266.97
	<b>21,117.31</b>
Less: Closing stock at the end of the year	2,173.28
	<b>18,944.03</b>

**24 Changes in inventories of finished goods and work-in-progress**

	<b>March 31, 2021</b>
<b>Inventories at the end of the year</b>	
Finished goods	781.59
Work-in-progress	25.46
	<b>807.05</b>
<b>Inventories at the beginning of the year</b>	
Finished goods	799.89
Work-in-progress	-
	<b>799.89</b>
	<b>(7.16)</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]**

(All Amounts are Stated in INR in lakhs except otherwise stated)

**25 Employees Benefit Expenses**

	<b>March 31, 2021</b>
Salaries, wages and bonus	1,129.71
Contribution to provident and other funds	60.72
Staff welfare expenses	12.87
	<b>1,203.30</b>

**26 Other Expenses**

	<b>March 31, 2021</b>
Power and fuel	3,238.71
Stores and Packing material consumed	888.39
Repairs and maintenance	
Plant and machinery	106.16
Others	12.04
Printing, postage, telegram and telephones	16.59
Travelling and conveyance	42.30
Rates and taxes	7.12
Legal and professional charges	23.29
Payment to statutory auditors	5.25
Advertisement expenses	0.83
Security service	41.85
Sales Commission & Discount	657.23
Sales Promotion	7.50
CSR Expenditure	75.98
Freight and forwarding expense	686.56
Loss on sale / discard of fixed assets (net)	0.02
Miscellaneous expenses	41.01
	<b>5,850.82</b>

**27 Finance Cost**

	<b>March 31, 2021</b>
Interest on W.C	265.47
Interest on T.L	72.89
Bank charges	67.18
	<b>405.54</b>
Less : Interest Received	14.62
	<b>390.92</b>

**28 Depreciation & Amortisation Expenses**

	<b>March 31, 2021</b>
Depreciation	1,270.98
	<b>1,270.98</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]**

(All Amounts are Stated in INR in lakhs except otherwise stated)

**29 Tax Expenses**
**(a) Tax charge**

	March 31, 2021
The Major component of income tax expenses are as follows:	
<b>Current Income tax:</b>	
Current income tax charges	323.55
Adjustment in respect of current income tax of previous years	9.54
<b>Deferred tax:</b>	
Relating to origination and reversal of temporary differences	(88.11)
<b>Income tax expenses reported in the statement of profit or loss</b>	<b>244.98</b>

**OCI Section**

Deferred tax related to items recognised in OCI during the year:

	March 31, 2021
Items that will be reclassified to profit or loss	
Items that will not be reclassified to profit or loss	(110.55)
<b>Income tax charged to OCI</b>	<b>(110.55)</b>

**(b) Reconciliation of effective tax rate:**

	March 31, 2021
Profit before tax (A)	1,013.77
Enacted tax rate in India (B)	25.1680%
Expected Tax Expenses (C= A*B)	255.15
Actual Tax expense (net off tax for earlier years)	235.44
<b>Difference (Note A)</b>	<b>19.71</b>

Note A

	March 31, 2021
<b>Other than temporary difference</b>	
Expenses Disallowed under Income Tax Act, 1961	20.80
Others	(1.09)
	<b>19.71</b>

**30 Other Comprehensive Income (OCI)**

The disaggregation of changes to OCI by each type of reserve in equity is shown as below:

	March 31, 2021
Remeasurement costs on net defined benefit liability	-
Deferred tax effect on remeasurement costs	-
Remeasurement of Financial assets	(110.55)
Tax on same	28.33
<b>Total</b>	<b>(82.22)</b>

**31 Earnings per equity share**

	March 31, 2021
The following reflects the profit and share data used in the basic and diluted EPS computations:	
Profit available for equity shareholders	768.79
Weighted average number of equity shares in computing basic EPS	25,71,25,940
Face value of each equity share (Rs.)	1.00
Earnings per equity share: Basic and Diluted (Rs.)	0.30



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]**

(All Amounts are Stated in INR in lakhs except otherwise stated)

**32 Commitments and Contingencies**
**(A)** There are no outstanding commitment as at the balance sheet date

**(B) Contingent liabilities**

Particulars	March 31, 2021
a. Bank Guarantee issued by Banks and against which margin money of Rs. 836.50 Lakhs (March 31, 2020: Rs. 33 Lakhs ) was provided in the form of fixed deposits. (net of margin money)	139.50
b. Outstanding letter of credit issued by Banks against which margin money of Rs. 535.50 lakhs (March 31, 2020: Rs. 203.58 Lakhs) was provided in the form of Fixed deposits. (net of margin money)	792.26
c. Claims arising from disputes not acknowledged as debts - indirect taxes (excise duty, sales tax, custom duty and service tax) net of deposits	79.57
d. Claims arising from disputes not acknowledged as debts - direct taxes (net of deposits)	-
e. Claims against the Company not acknowledged as debts (net of deposits)	-

**33 Gratuity and other post-employment benefit plans**
**(1) Disclosures related to defined contribution plan**

Particulars	March 31, 2021
Provident fund contribution recognized as expense in the statement of profit and loss	44.23

**(2) Disclosures related to defined benefit plan**

The Company has a defined benefit gratuity plan and governed by Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days last drawn salary for each completed year of service. The following tables summarise net benefit expenses recognised in the statement of profit and loss, the status of funding and the amount recognised in the Balance sheet for the gratuity plan:

**Statement of profit and loss**

Particulars	March 31, 2021
<b>A) Net employee benefit expense (recognised in Employee benefits expenses)</b>	
Current service cost	26.03
Interest cost on benefit obligation	6.31
Net actuarial (gain) / loss recognized in the year	-12.83
<b>Net employee benefit expenses</b>	<b>19.51</b>
Amount recognised in the statement of profit and loss	19.51
Amount recognised in other comprehensive income	-

Particulars	March 31, 2021
<b>B) Amount recognised in the Balance Sheet</b>	
<b>Details of Provision for gratuity</b>	
Defined benefit obligation (DBO)	109.94
<b>Net plan liability</b>	<b>109.94</b>

Particulars	March 31, 2021
<b>C) Changes in the present value of the defined benefit obligation for gratuity are as follows :</b>	
<b>Opening defined benefit obligation</b>	<b>92.80</b>
Current service cost	26.03
Interest cost	6.31
Benefits paid	-2.37
Actuarial (gains) / losses on obligation for the year recognised in OCI	-12.83
<b>Closing defined benefit obligation</b>	<b>109.94</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]**

(All Amounts are Stated in INR in lakhs except otherwise stated)

**D) The principal assumptions used in determining gratuity obligations for the Company's plans are shown below**

Particulars	March 31, 2021
Discount rate (p.a.)	6.80%
Expected return on assets (p.a.)	0.00%
Increment rate (p.a.)	6.00%

**E) Sensitivity Analysis**

A quantitative sensitivity analysis for the significant assumption is as shown below:	
Particulars	March 31, 2021
<b>(a) Effect of 0.5% change in assumed discount rate</b>	
- 0.5% increase	-8.44
- 0.5% decrease	9.47
<b>(b) Effect of 0.5% change in assumed salary escalation rate</b>	
- 0.5% increase	9.49
- 0.5% decrease	-8.54

**(3) Notes:**

- The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

**34 Remuneration to statutory auditors (excluding applicable taxes)**

Particulars	March 31, 2021
<b>As Auditors:</b>	
Statutory audit including limited review	4.00
Tax audit	1.00
Certification fees	0.25
<b>Total</b>	<b>5.25</b>

**35 Hedging Activities and Derivatives**

The Company uses foreign currency denominated borrowings and foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from one week to twelve months.

Particulars of unhedged foreign currency exposure are detailed below at the exchange rate prevailing as at the reporting date :

Particulars	(Equivalent amount in Indian Rupees)	
	Currency	March 31, 2021
Trade payables	USD	3,143.05

**36 Fair Values**

The fair value of the financial assets and liabilities approximates their carrying amounts as at the balance sheet date.

**37 Fair Value Hierarchy**

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

**Quantitative disclosures fair value measurement hierarchy of assets as at March 31, 2021**

	Total	Level 1	Level 2	Level 3
<b>Assets measured at Fair Value</b>				
Investment in Equity Shares (Quoted)	-	-	-	-
Investment in Equity Shares(Unquoted)	2,880.36		2,880.36	-
	<b>2,880.36</b>	-	<b>2,880.36</b>	-

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]**

(All Amounts are Stated in INR in lakhs except otherwise stated)

**Measurement of Fair Value - Valuation techniques**

The following table shows the valuation techniques used in measuring Level 2 fair values for assets and liabilities carried at fair value through profit or loss.

Type	Valuation Technique
<b>Assets measured at fair value:</b>	
Investment in Equity Instruments (Unquoted)	The fair value is determined using discounted cash flow method.

**38 Financial risk management objectives and policies**
**Financial Risk Management Framework**

The Company is exposed primarily to Credit Risk, Liquidity Risk and Market risk. The Company has a risk management policy and its management is supported by a risk management committee that advises on risk and appropriate financial risk governance framework for the Company. The risk management committee provides assurance to the Company's management that the risk activities are governed by appropriate policies and procedures and that risks are identified, measured and managed in accordance with the Company's policies and risk objectives. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee are responsible for overseeing Company's financial risk assessment and management policies and processes.

**Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and loans to companies).

**Exposure to credit risk:**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer and the carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was Rs. 8,403.96 lakhs, being the total of the carrying amount of balances with trade receivables and loans to companies.

**Liquidity Risk**

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

The table below summarises the maturity profile of the Company's financial liabilities based in contractual undiscounted payments:

	Upto 1 year	1 to 5 years	> 5 years	Total
<b>March 31, 2021</b>				
Non current Borrowings	-	2,777.06		2,777.06
Current Maturities of Non Current Borrowings	831.65			831.65
Current Borrowings	2,440.24			2,440.24
Trade Payables	5,803.74			5,803.74
Other Payables	437.49			437.49
	<b>9,513.13</b>	<b>2,777.06</b>	-	<b>12,290.19</b>

**Market Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]**

(All Amounts are Stated in INR in lakhs except otherwise stated)

**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 change in market interest rates. The borrowings of the Company are fixed rates and therefore the Company is not exposed significantly to the interest rate risk.

**Foreign Currency exchange rate risk**

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. The risks primarily relate to fluctuations in US Dollar, Japanese Yen, SGD and Euro against the functional currency of the Company. The Company, as per its risk management policy, uses derivative instruments primarily to hedge foreign currency payable. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. It hedges a part of these risks by using derivative financial instruments in line with its risk management policies.

**39 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006**

Particulars	March 31, 2021
The principal amount remaining unpaid as at the end of the year.	484.95
The amount of interest accrued and remaining unpaid at the end of the year.	
Amount of interest paid by the Company in terms of section 16 of Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of payments made beyond the appointed date during the year.	
Amount of interest due and payable for the period of delay in making payment without the interest specified under the Micro Small and Medium Enterprise Development Act, 2006.	
The amount of further interest remaining due and payable in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006.	

- 40** In respect of the amounts mentioned under section 125 of the Companies Act, 2013 there are no dues that are to be credited to the investor education and protection fund.

**41 Related party disclosures**
**Names of related parties and description of relationship**

Relationship	Name of the Party
Subsidiary	Genus Paper & Coke Limited (Formerly Known as Kailash Paper & Coke Limited) - 100% (w.e.f. 23rd July, 2020)
Enterprises in the control of the Management	Genus Power Infrastructures Limited Kailash Coal & Coke Co. Ltd. Yajur Commodities Ltd (formerly Virtuous Urja Ltd.) Genus Innovation Ltd. Genus Apparels Ltd.
Key managerial personnel	Kailash Chandra Agarwal Himanshu Agarwal Surya Prakash Sinha Akhilesh Kumar Maheshwari Sanjay Kumar Agarwal Anuj Ahluwalia Managing Director Executive Director Executive Director Director (w.e.f. 01.03.2021) Chief Financial Officer Company Secretary
Relatives to key managerial personnel	Simple Agarwal
Independent and Non Executive Directors	Pradeep Narain Tondon Rameshwar Pareek Udit Agarwal Rajendra Aggarwal Anu Sharma
Non Independent and Non Executive Directors	Yash Todi (upto 08.10.2020)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]**

(All Amounts are Stated in INR in lakhs except otherwise stated)

**Transactions with related parties**

Particulars	March 31, 2021
<b>Enterprises in the control of the Management</b>	
<b>Genus Power Infrastructures Limited</b>	
Sale of goods and services	213.93
Purchase of goods and services	-
Interest receivd	-
<b>Kailash Coal &amp; Coke Co. Ltd.</b>	
Sale of goods and services	-
Purchase of goods and services	18.86
Interest receivd	-

Particulars	March 31, 2021
<b>Genus Innovation Ltd</b>	
Sale of goods and services	32.46
Purchase of goods and services	-
Interest receivd	-
<b>Genus Apparels Ltd</b>	
Sale of goods and services	-
Purchase of goods and services	61.48
Interest receivd	-
<b>Key managerial personnel</b>	
Mr. Kailash Chandra Agarwal	
Remuneration Paid	73.70
Mr. Himanshu Agarwal	
Remuneration Paid	67.20
Mr.Surya Prakash Sinha	
Remuneration Paid	6.30
Mr.Akhilesh Kumar Maheshwari	
Remuneration Paid	3.34
Mr. Sanjay Kumar Agarwal	
Salary Paid	16.33
Mr. Anuj Ahluwalia	
Salary Paid	5.49
<b>Non Independent and Non Executive Directors</b>	
Yash Todi - Commission Paid	
Commission Paid	3.60

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]**

(All Amounts are Stated in INR in lakhs except otherwise stated)

Relatives to key managerial personnel	
Simple Agarwal - Remuneration Paid	30.00

**42 Disclosure required under section 186 (4) of the Companies Act, 2013**

Included in loans and advance are certain inter-corporate deposits the particulars of which are disclosed below as required by section 186 (4) of Companies Act, 2013:

Particulars	Rate of Interest	March 31, 2021
Shree Salasar Casting Pvt. Ltd.	6%	Nil
Orchid Infrastructure Developers Private Limited	NIL	1,946.76
Tejswi Impex Private Limited	8%	285.51
<b>Total</b>		<b>2,232.27</b>

The above loans are unsecured and are repayable on demand and were proposed to be utilised for business purposes by the recipient of loans.

**43 Loans and advances given to Subsidiary, Associates and Companies in which director are interested**

Name of the Company	Closing Balance
	March 31, 2021
NIL	Nil

	Max. amount outstanding during the year
	March 31, 2021
NIL	Nil

**44 Significant accounting judgements, estimates and assumptions**

The preparation of the Company's separate financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. There are no significant areas involving a high degree of judgement or complexity.

**Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**Defined benefit plans (gratuity benefits)**

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation. Further details about gratuity obligations are given in Note 36(2).

**45 Capital Management**

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value and keep the debt equity ratio within acceptable range. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders and issue new shares.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021[Contd.]**

(All Amounts are Stated in INR in lakhs except otherwise stated)

**46 Ind AS 115 Revenue from Contracts with Customers**

Ind AS 115 was notified on March 28, 2018 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under Ind AS. Either a full retrospective application or a modified retrospective application is required for annual periods beginning on or after April 01, 2018 and will be applied accordingly. The Company is evaluating the impact of Ind AS 115 related to the recognition of revenue from contracts with customers and it continues to evaluate the changes to accounting system and processes, and additional disclosure requirements that may be necessary. A reliable estimate of the quantitative impact of Ind AS 115 on the financial statements will only be possible once the evaluation has been completed.

**Other Amendments:**

On March 28, 2018, the MCA, issued certain amendments to Ind AS. The amendments relate to following standards:

- Ind AS 21, The Effects of Changes in Foreign Exchange Rates
- Ind AS 12, Income Taxes
- Ind AS 28, Investments in Associates and Joint Ventures

- 47** The Company has spent Rs 75.98 Lakhs as against total requirement of Rs 28.55 Lakhs as per section 135 of the Companies Act, 2013. The amount contributed towards CSR activities are for various items mentioned in schedule VII of the Companies Act, 2013 and is approved by the CSR committee is as below:-

	Paid	Yet to be Paid
<b>March 31, 2021</b>		
i) Construction/acquisition of any asset		
ii) On purposes other than (i) above	75.98	0.35

**48 Covid Impact**

The World Health Organization (WHO) declared outbreak of Coronavirus Disease (COVID-19) a global pandemic on March 11, 2020. Consequent to this, Government of India declared lockdown on March 23, 2020 and the Company temporarily suspended the operations in compliance with the lockdown instructions issued by the Central and State Governments. COVID-19 has impacted the normal business operations of the Company by way of interruption in production, supply chain disruption, unavailability of personnel, closure / lock down of production facilities etc. during the lock-down period. However, production and supply of goods has commenced from the 2nd week of May 2020 after obtaining permissions from the appropriate government authorities.

The company has made a detailed assessment of its liquidity position for the next year and the recoverability and carrying value of all its assets. Based on current indicators of future economic conditions and considering the various measures announced by the government to support businesses and fund the paper sector, the company expects to fully recover the carrying amount of these assets. The potential future impact of the COVID-19 may be different from that estimated as at the date of approval of these financial results and the company will continue to closely monitor any material changes in future economic conditions and assess the impact on its business.

**For and on behalf of the Board of Directors of Genus Paper & Boards Limited**

As per our report of even date

**For D.Khanna & Associates**

ICAI Firm Regn. No. 012917N

Chartered Accountants

**Deepak Khanna**

Partner

Membership No. 092140

Place : Jaipur

Date: June 28, 2021

**Akhilesh Kr. Maheshwari**

Director (Finance)

DIN: 00062645

Place : Moradabad

Date: June 28, 2021

**Kailash Chandra Agarwal**

Managing Director &amp; CEO

DIN: 00895365

**Sanjay Kr. Agarwal**

Chief Financial Officer

**Himanshu Agarwal**

Director

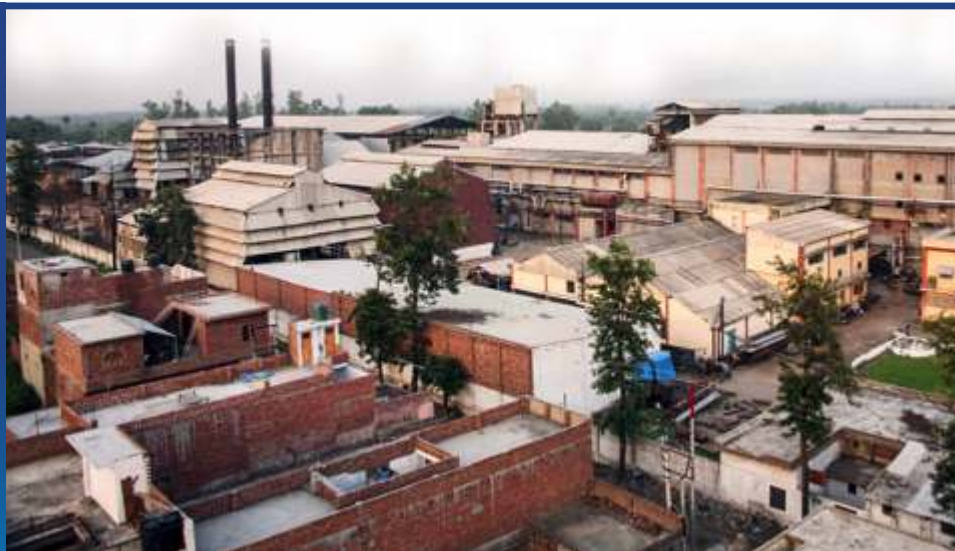
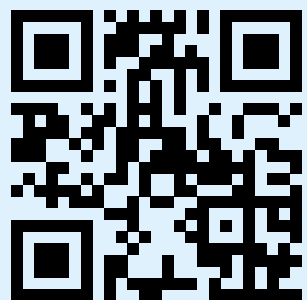
DIN: 00065185

**Anuj Ahluwalia**

Company Secretary




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[www.genuspaper.com](http://www.genuspaper.com)

## **Genus Paper & Boards Limited** (A Kailash Group Company)

**IF UNDELIVERED, PLEASE RETURN TO**

 **Registered Office :** Village Aghwanpur, Kanth Road, Moradabad-241001, Uttar Pradesh

 **Tel.:** 0591-2511171  **Fax :** 0591-2511242

 **Corporate Office :** D-116, Okhla Industrial Area, Phase-1, New Delhi-110020

 **Tel.:** 011-47114800  **Fax :** 011-47114833