

# 61<sup>st</sup> Annual Report 2019-20

## **NOTICE OF THE 61<sup>st</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that the Sixty First Annual General Meeting of The South India Paper Mills Ltd., will be held on Thursday, the 24<sup>th</sup> September 2020 at 11.30 am by Video Conferencing (VC) to transact the following business :

### **Ordinary Business:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2020 and Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date and the Reports of the Directors and the Auditors thereon.
2. To declare Dividend for the year ended 31<sup>st</sup> March, 2020.
3. To appoint a Director in place of Mr. Ajay D Patel (DIN 00466905), who retires by rotation and is eligible for reappointment.

### **Special Business:**

#### **4. Approval for appointment of Mr Dineshchandra C Patel (DIN 00167581)**

To consider, and if thought fit, to pass the following Resolution as an Special Resolution:

“RESOLVED that, pursuant to the provisions of Sections 149, 150 and 152, read with other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in continuation of the resolution passed at the 59<sup>th</sup> Annual General Meeting held on 20<sup>th</sup> September 2018 (“AGM”), the appointment of Mr. Dineshchandra C Patel (DIN: 00167581) made in the said AGM be and is hereby approved and ratified in terms of the amended Regulation 17(1A) of the SEBI (LODR) Regulations 2015 effective from 1<sup>st</sup> April 2019.”

#### **5. Payment of remuneration to Mr Manish M Patel (DIN 00128179) Managing Director**

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the “Act”) and the Rules framed thereunder, (including any statutory modifications or re-enactment thereof, for the time being in force) and the Articles of Association and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company and subject to such other approvals as may be necessary, consent of Members be and is hereby accorded for the payment of the remuneration as given below to Mr. Manish M Patel (DIN: 00128179), Managing Director, for the remaining period of the tenure of his appointment i.e., upto 19<sup>th</sup> May 2022:

- (1) Salary at the present rate of Rs. 7,50,000 (Rs. Seven Lakh Fifty Thousand Only) per month, with annual increments to be determined by the Board of Directors from time to time subject to limits prescribed in Schedule V to Companies Act 2013, as monthly remuneration, perquisites enumerated in the explanatory statement below and commission of net profits of the Company at the rate of 2% and such remuneration comprising of monthly salary, commission on net profits and value of perquisites shall not exceed 5% of the net profits of the Company computed with reference to Section 198 of the Companies Act 2013 for the time being in force and as amended from time to time, in case the Company has adequate profit.

- (2) In the event of any inadequacy or absence of profits in any financial year or years, the aforementioned remuneration comprising of monthly salary, commission on net profits and the perquisites approved herein be continued to be paid as minimum remuneration subject to the limits prescribed under Schedule V of the Companies Act, 2013;

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee of Directors) be and is hereby authorised to vary and/or revise the remuneration including commission and perquisites, from time to time, within the limits prescribed in Schedule V to the Companies Act 2013; and

RESOLVED FURTHER THAT save and except as aforesaid, the Special Resolution approved and passed by the Members at their 59<sup>th</sup> Annual General Meeting dated September 20, 2018 with respect to the appointment of Mr. Manish M Patel, as Managing Director shall continue to remain in full force and effect.”

By Order of the Board of Directors

Nanjangud  
25<sup>th</sup> June, 2020

**MANISH M PATEL**  
**MANAGING DIRECTOR**

### NOTES

1. The explanatory statement pursuant to Section 102 of the Companies Act 2013 in respect of business under Item No 4 & 5 as set out above are annexed hereto.
2. Considering the present Covid 19 pandemic, the Ministry of Corporate Affairs vide its circular numbers 20/2020 dated May 5, 2020 read with circular numbers 14/2020 dated April 8, 2020 and 17/2020 dated 13 April 2020 and SEBI vide its circular no. SEBI /HO/CFD/CMD1/CIR/P/2020/79 have allowed the Companies to hold AGM through Video Conference, without the physical presence of Members at a common venue. In accordance with the provisions of the MCA Circulars, provisions of Companies Act, 2013 and SEBI (LODR) Regulations 2015, the AGM of the Company is being held through Video Conference (VC) hereinafter called as e-AGM. The deemed venue for the AGM shall be the Registered office of the Company.
3. **e-AGM:** The Company has appointed M/s KFin Technologies Private Limited, Registrars and Transfer Agents, to provide Video Conferencing facility for the Annual General Meeting and the attendant enablers for conducting the e-AGM.
4. Pursuant to the provisions of the Act, since the AGM is being held through Video Conferencing pursuant to MCA Circulars, physical attendance of the members has been dispensed with. Accordingly the facility for appointment of proxies by the members will not be available for the AGM and hence Proxy form and attendance slip are not annexed hereto. However Body Corporates who are members of the Company are entitled to appoint authorised representatives to attend the AGM through Video conference and participate thereat and cast their votes through e - voting. Since the AGM is being held through Video Conference, the route map of the meeting is not annexed thereto.
5. The Members can join the e-AGM 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
6. Up to 1000 members will be able to join on a FIFO basis to the e-AGM.
7. No restrictions on account of FIFO entry into e-AGM in respect of large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc.

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8. The participation of members through Video conference will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Companies Act, 2013.
9. The Register of Members of the Company will remain closed from 01<sup>st</sup> September, 2020 to 26<sup>th</sup> September, 2020 (both days inclusive). The Dividend shall be payable to those Shareholders whose names appear on the Register of Members as on the closing of 31<sup>st</sup> August, 2020. In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership as per details furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.
10. Members are requested to communicate the change in address, if any, immediately to the Company's Registrars & Share Transfer Agents M/s KFin Technologies Pvt Limited, Selenium Tower B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032.
11. In compliance with the MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the RTA of the Company / Depositories. Members may please note that the Notice and Annual Report 2019-20 will also be available on the Company's website [www.sipaper.com](http://www.sipaper.com), website of Stock exchange [www.bseindia.com](http://www.bseindia.com) and on the website of the Company's Registrar and Share Transfer Agent, Kfin Technologies Pvt Ltd (KFin Tech) at <https://evoting.kfintech.com>.
12. The relevant details in respect of item No. 3 to 5, pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 are annexed hereto:

## Details of the Directors seeking appointment / re-appointment in the forthcoming Annual General Meeting

Name of the Director & Age	Qualifications	Date of Appointment & No. of equity shares held in the Co.	Experience in specific functional areas	No. of Board Meetings attended during FY 2019- 20	Directorships in other companies	Chairman / membership in committees on the Board of other companies
Mr Ajay D Patel 51	B.E., M.B.A	31.08.1996 Holds 3,32,752 equity shares	About 15 years experience in Paper Industry, providing market information and helping promotion of sales in western region.	4	(1) Laxmi Board and Paper Mills Pvt. Ltd.  (2) Indo Afrique Paper Mills Pvt Ltd  (3) Kalyan Bhiwandi Industrial CETP (4) Chembur Golf Welfare Foundation	----

Mr. Dineshchandra C Patel 81	Bar- at-law	30.08.1975 Holds 5,20,043 equity shares	Vast experience in Paper industry, general management and in handling legal matters.	3	-----	-----
Mr Manish M Patel 61	B.E.Hons. (ChE), M.B.A	09.10.1990 Holds 2,18,252 equity shares	Vast experience in Paper industry, overall management and administration	4	(1) Laxmi Board and Paper Mills Pvt Ltd  (2) Indo Afrique Paper Mills Pvt. Ltd. (3) Indian Corrugated Case Manufacturer's Association	-----

**Relationship with other Directors**

Mr Dineshchandra C Patel is the father of Mr Ajay D Patel

Mr Manish M Patel is not related to any Director

13. In order to protect your interest against fraudulent encashment of Dividend warrants, we request you to provide us the name of your bank, branch & the account number, if not already given, to enable us to incorporate the same in your Dividend warrants.
14. Pursuant to Section 205A of the Companies Act, 1956, all unclaimed dividends / unpaid dividends upto the financial year ended 31<sup>st</sup> March, 1995 have been transferred to the General Revenue Account of the Central Government. Shareholders, who have not yet encashed their dividend warrants for the said period are requested to forward their claims in prescribed Form No.II of the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978 to the Office of the Registrar of Companies, Karnataka, E-Wing, II Floor, Kendriya Sadana, Koramangala, Bangalore - 560 034.
15. Members who have not encashed their Dividend Warrants pertaining to the year 2012-2013 & onwards are requested to approach the Company, immediately for obtaining duplicate Dividend Warrant. As per the provisions of Section 124 (5) and 124 (6) which came to force on 5<sup>th</sup> September 2016, Companies while transferring the unpaid dividend will also have to transfer the underlying equity shares, only if the dividend is not claimed for 7 years. Members may please take note of the same.

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16. The Board of Directors at their meeting held on 25<sup>th</sup> June 2020 has recommended payment of Dividend @ 15% i.e Rs.1.50 per equity share of face value Rs.10 for the financial year 2019-20. Subject to the approval of the members at the AGM, Dividend will be paid within 23<sup>rd</sup> October 2020.
17. Payment of Dividend shall be made through electronic mode to those members who have updated their bank account details with their DP or with the Company / RTA. The payment of such Dividend is subject to deduction of tax at source.
18. Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of the Shareholders with effect from April 1, 2020 and the Company is required to deduct TDS from dividend paid to the Members at prescribed rates under the Income Tax Act, 1961 ('IT Act'). In general, to enable compliance with TDS requirements, Members are requested to complete and/ or update their Residential Status, Permanent Account Number ('PAN'), category as per the IT Act with their Depository Participants ('DPs') or in case shares are held in physical form, with the Company by sending documents through e-mail by 15<sup>th</sup> Sept, 2020.
  - i) A Resident individual shareholder with Permanent Account Number ('PAN') and who is not liable to pay income tax can submit a yearly declaration in Form No 15G/15H, to avail the benefit of non-deduction of tax at source by email to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) and [corporate@sipaper.com](mailto:corporate@sipaper.com) by 15<sup>th</sup> Sept 2020. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.
  - ii) Non-Resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by forwarding the above documents by email to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) and [corporate@sipaper.com](mailto:corporate@sipaper.com). The aforesaid declarations and documents need to be submitted by the shareholders by 15<sup>th</sup> Sept 2020.

No tax will be deducted on payment of dividend to the resident individual shareholders if the total dividend paid does not exceed Rs.5,000/-

19. For members who have not updated their bank account details Dividend warrants/ demand drafts will be sent to their registered addresses after normalisation of postal service.
20. In order to avoid delay in receiving the Dividend, members holding shares in physical form are requested to register / update their complete bank account details for receiving Dividend directly to their bank accounts.

The members are required to send scanned copy of the following documents to our RTA @ [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) for updation of their bank account details.

Signed Request letter mentioning your name, folio number, complete address, Name & branch of the Bank, bank account type, bank account number and type allotted by the banks after implementation of core banking solutions, 9 digit MICR code number, 11 digit IFS Code, cancelled cheque leaf bearing name of the first member, self attested copy of PAN Card and self attested copy of any document such as Adhar card, driving license or Passport or election ID.

Members holding shares in demat form are requested to update their bank mandate with their respective DP's.

21. Companies Act, 2013 provides for Nomination facility to members. Members desirous of making use of this facility may contact the Company or our Registrars & Transfer Agents.
22. Members may please take note that w.e.f 1<sup>st</sup> April 2019, no physical shares will be accepted for share transfer unless the shares are dematerialized, as per amendment to SEBI Listing Regulations. Please ensure to demat your physical holdings. SEBI Circular dated 20<sup>th</sup> April 2018 mandates shareholders whose PAN and Bank account details are not registered with the Company, to provide PAN and Bank account details for updation of the same in the Company records. In this regard communications are sent to physical shareholders whose PAN and Bank account details are not registered. Members may please contact the Company or our RTA M/s KFin Technologies Pvt Ltd, Hyderabad for updation of PAN and Bank account details.
23. In case of change of address with respect to physical shareholding, members are requested to send a letter duly signed by the shareholder (s) along with certified copies of Electricity or Telephone Bill and Ration card and PAN Card copy in support of your changed address.

By Order of the Board of Directors

Nanjangud  
25<sup>th</sup> June, 2020

**MANISH M PATEL**  
**MANAGING DIRECTOR**

### **EXPLANATORY STATEMENT**

As required by Section 102 of the Companies Act, 2013, the following explanatory statement sets out all the material facts relating to the business mentioned under Item No. 4 & 5 of the accompanying notice.

#### **Item No. 4**

##### Approval for appointment of Mr. Dineshchandra C Patel (DIN 00167581)

Mr. Dineshchandra C Patel (DIN 00167581) was reappointed as a Director (liable to retire by rotation) at the 59<sup>th</sup> Annual General Meeting held on 20<sup>th</sup> September 2018 unanimously by way of Ordinary Resolution. As per the amended Regulation 17(1A) of the SEBI (LODR) Regulations 2015 which was effective from 1<sup>st</sup> April 2019, no listed entity shall appoint a person or continue the directorship of any person as a non executive director who has attained the age of 75 years unless a special resolution is passed to that effect and explanatory statement for such motion shall indicate the justification for appointing such a person. The board recommends item no.4 for consideration and approval of members by way of special resolution in terms of the amended Regulation 17(1A) of the SEBI (LODR) Regulations 2015.

Mr. Dineshchandra C Patel is presently 81 years of age. His vast experience and continued association with the Company would be of immense value and benefit to the Company and it is desirable to continue to avail his services despite his age crossing 75.

Mr. Dineshchandra C Patel is the father of Mr Ajay D Patel. Except Mr. Dineshchandra C Patel being appointee to his respective re appointment and Mr Ajay D Patel, Director, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolutions set out in Item No 4.



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## **Item No. 5 Payment of remuneration to Mr. Manish M Patel, Managing Director:**

In the 59<sup>th</sup> Annual General Meeting held on September 20, 2018 Mr. Manish M Patel was re-appointed as the Managing Director for a period of five years from 20<sup>th</sup> May 2019 on a salary of ₹7,50,000 per month with Annual increments to be determined by the Board of Directors from time to time and perquisites as given below and a commission of 2% on Net Profits of the Company.

The Members, while approving the above appointment/ remuneration, had also approved that, if the Company has no profits or inadequate profits, the aforementioned remuneration comprising monthly salary, commission on net profits and the perquisites for the Financial year ending 31.03.2018, 31.03.2019 and 31.03.2020 be continued to be paid as minimum remuneration subject to the limits prescribed under Schedule V of the Companies Act, 2013.

Profitability may be affected for the FY 2020-21 due to the impact of ongoing pandemic COVID-19 on the economy. Also, paper Industry is cyclical and dependence on imports, weakening rupee may affect the profitability of the Company. It is therefore, possible that there could be a situation of inadequacy of profit (computed in the manner prescribed under Section 198) read with 197 of the Act in FY 2020-21 and the managerial remuneration paid/payable during FY-2020-21 may exceed the limits prescribed under Sections 196 to 198 of the Act.

The Company is required to obtain the approval of members by way of special resolution for payment of remuneration to the Managing Director in case of no profits or inadequate profits in any financial year during the remaining period of his tenure of appointment i.e., up to 19<sup>th</sup> May 2022 in terms of Section 197(1) read with Schedule V of the Companies Act, 2013. Further, pursuant to a recent amendment in the SEBI (LODR) Regulations effective from April 1, 2019, the fees or compensation payable to Executive Directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by special resolution in a general meeting, if the annual remuneration payable to such Executive Director exceeds ₹5 Crore or 2.5% of the net profits of the Company, whichever is higher; or where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5% of the net profits of the Company. The proposed special resolution being approved in respect of resolution set out at Item No. 5 of this Notice would also be in compliance with the requirements of SEBI (LODR) Regulations.

In view of the above, approval of the Members is sought for remuneration paid/payable to the Managerial Personnel as set out at Item nos. 5 of the Notice.

It is clarified that no increase in remuneration of the Managerial Personnel is envisaged in terms of the resolutions set out at Item no 5 of this Notice, and the same is in line with the remuneration already approved by the Members.

The written Memorandum under Section 190 of the Act setting out the terms of payment of remuneration of Mr. Manish M Patel as Managing Director is available for inspection at the Registered Office of the Company, by the Members without any fee on all business days (except Saturday, Sunday and Public Holidays) during 10.00 AM to 4.00 PM upto the date of book closure.

The Company, as on date, is not in default in payment of dues to any bank / public financial institution or to any other secured creditor, and accordingly their prior approval is not required, for approval of the proposed special resolutions.

The remuneration package is approved by the Nomination and Remuneration Committee and the Board of Directors.

The Board of Directors recommend the Special Resolution(s) set out at Item no. 5 of the Notice for approval of the Members.

The details are set out below:

**Perquisites:**

- i) Unfurnished rent free accommodation provided the expenditure in this behalf shall not exceed fifty percent of the salary or House rent allowance in lieu thereof.
- ii) Reimbursement of expenditure on gas, electricity, water and furnishings valued as per Income Tax Rules, 1962, subject to a ceiling of ten percent of the salary.
- iii) Reimbursement of medical expenses incurred for self and family including any medical expenses incurred outside India and traveling, incidental expenses in relation to medical treatment outside India. Provided that the expenses to be incurred outside India, shall be limited to the extent permitted by the Reserve Bank of India.
- iv) Leave Travel concession for self and family once in a year, subject to a ceiling of one month's salary.
- v) Reimbursement of club fees subject to maximum of membership in two clubs excluding admission and life membership fees.
- vi) Personal accident insurance subject to a ceiling on premium of ₹10,000 per annum.
- vii) Contribution to Provident Fund and Superannuation Fund, as per rules of the Company.
- viii) Gratuity at the rate of half month's salary for each completed year of service. The service prior to the period of this agreement in the Company, shall also be counted for the above purpose.
- ix) Provision of car for use on Company's business, with chauffeur.
- x) Provision of telephone at residence and the personal long distance calls shall be billed by the Company, on the appointee.
- xi) Subject to any statutory ceiling, the appointee may be given any other allowance, performance bonus, incentive, perquisites, benefits and facilities as the Board of Directors of the Company may from time to time decide.

**ANNEXURE**

**Disclosure(s) in terms of Sections 197 read with Schedule V to the Companies Act, 2013, applicable Rules thereunder and SEBI LODR, as the case may be**

**I. General Information relating to the Industry and the Company**

- i) Nature of Industry – Manufacture of paper, paper boards, cartons and power generation.
- ii) Date of commercial production: Paper in 1959, power in 2001 and cartons in the year 2008.
- iii) Financial performance for the last three years.

(₹ In lakhs)

	<b>FY 2019-20</b>	<b>FY 2018-19</b>	<b>FY 2017-18</b>
Net Sales	21,659.95	24,188.66	13,448.91
Profit before tax	2,133.44	2,321.71	80.60
Profit after tax	1,594.78	1,836.75	95.28
Export performance	402.80	1,220.16	98.69

- iv) Foreign investments on collaborations : - NIL



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## II. Information about the appointee

- i) **Background detail:-** The appointee is aged about 61 years and is an Engineer and MBA. He is associated with the Company since 1985 and is responsible for the progress of the Company upto the present stage.
- ii) **Past remuneration:-** For the year ended 31.03.2020, Salary and Allowance ₹90,00,000, perquisite ₹12,36,246 commission on net profits – ₹9,80,000, contribution to provident fund ₹21,600, Contribution to Super Annuation Fund ₹1,00,000, totalling ₹1,13,37,846.
- iii) **Job Profile:-** Management of the business and affairs of the Company under the supervision and control of the Board of the Director of the Company.
- iv) **Remuneration proposed:-** As per resolution annexed.
- v) Comparative remuneration profile with respect to Industry, size of the Company, profile of the position and person- Not Available.

## III. Other Information

### i) Reason of loss or inadequate profit :

In FY 2020-21, profitability may be affected due to ongoing pandemic COVID 19. Also, paper Industry is cyclical and dependence on imports, weakening rupee may affect the profitability of the Company.

### ii) Steps taken or proposed to be taken for improvement :

To remain competitive in the current challenges of economy and industry, the Company has taken the following steps

- To manufacture higher grades of Paper with higher value addition
- To strengthen technical and marketing functions

### iii) Expected increase in productivity and profits in measurable terms :

The Company has taken measures to reduce costs and to improve operating efficiency and it is exploring possibilities to increase the realisations to the extent possible considering the current market conditions

## IV. Disclosures

The required disclosures as to the remuneration package, etc have been appropriately provided in the Directors' Report under heading Corporate Governance Report, forming part of the Annual Report which may be referred to.

The above may be treated as an abstract of the terms and conditions governing the remuneration and memorandum of interest.

Except Mr. Manish Patel, none of the Directors or Key Managerial Personnel and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item No. 5 of the Notice.

**Instructions for the Members for attending the e-AGM through Video Conference:**

1. **Attending e-AGM through Video conference:** Members will be provided with a facility to attend the e-AGM through video conferencing platform provided by M/s KFin Technologies Private Limited. Members may access the same at <https://emeetings.kfintech.com> and **click on “video conference”** and access the shareholders/members login by using the remote e-voting credentials. The link for e-AGM will be available in shareholder/members login where the EVENT and the name of the company can be selected.
2. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice.
3. Members are encouraged to join the Meeting through Laptops with Google Chrome for better experience.
4. Further Members will be required to allow Camera, if any, and use Internet 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 fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
6. **AGM Questions prior to e-AGM:** Shareholders who would like to express their views/ask questions during the meeting may log into <https://emeetings.kfintech.com> and click on “Post your Questions”. The shareholders may post their queries/views/questions in the window provided by mentioning the name, demat account number/folio number, email id, mobile number. Please note that, members questions will be answered only if the shareholder continues to hold the shares as on the cut-off date benpos. The facility of ‘post the questions’ shall be available from 14<sup>th</sup> September 2020 from 9.00 AM to 19<sup>th</sup> September 2020 at 5.00 PM.
7. Due to limitations of transmission and coordination during the Q&A session, the company may dispense with the speaker registration during the e-AGM conference.
8. **Speaker Registration during e-AGM session:** Shareholders who would like to register as speaker may log into <https://emeetings.kfintech.com/> and **click on “Speaker Registration”** by mentioning the demat account number/folio number, city, email id, mobile number and submit. The speaker registration shall commence on 14<sup>th</sup> Sept 2020 from 9.00 AM and closes on 19<sup>th</sup> Sept 2020 at 5.00 PM.

**Instructions for members for e-Voting during the e-AGM session:**

1. The e-Voting “Thumb sign” on the left hand corner of the video screen shall be activated upon instructions of the chairman during the e-AGM proceedings. Shareholders shall click on the same to take them to the “instapoll” page.
2. Members to click on the “Instapoll” icon to reach the resolution page and follow the instructions to vote on the resolutions.
3. Only those shareholders, who are present in the e-AGM and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the e-AGM.
4. The Chairman shall fix the time for voting at the meeting.

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## **Remote Voting through electronic means**

In terms of the provisions of Section 108 of the Act, read with rule 20 of the Companies (Management and Administration) Rules, 2014 as amended (hereinafter called 'the Rules' for the purpose of this section of the Notice) and Regulation 44 of the Listing Regulations, the Company is providing facility of remote e-voting facility to exercise votes on the items of business given in the Notice through electronic voting system, to members holding shares as on **17<sup>th</sup> Sept 2020** (end of day), being the cut-off date fixed for determining voting rights of members, entitled to participate in the remote e-voting process, through the e-voting platform provided by KFin or to vote at the e-AGM. Person who is not a member as on the cut-off date should treat this Notice for information purposes only.

### **The details of the process and manner for remote e-voting are given below:**

- i. Initial password is provided in the body of the email.
- ii. Launch internet browser and type the URL: <https://evoting.kfintech.com> in the address bar.
- iii. Enter the login credentials i.e. User ID and password mentioned in your email. Your Folio No./DP ID Client ID will be your User ID. However, if you are already registered with KFin for e-voting, you can use your existing User ID and password for casting your votes.
- iv. After entering the details appropriately, click on LOGIN.
- v. You will reach the password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$,etc.). It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vi. You need to login again with the new credentials.
- vii. On successful login, the system will prompt you to select the EVENT i.e. The South India Paper Mills Limited
- viii. On the voting page, the number of shares (which represents the number of votes) held by you as on the cut-off date will appear. If you desire to cast all the votes assenting/dissenting to the resolution, enter all shares and click 'FOR'/'AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR' and/or 'AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN' and the shares held will not be counted under either head.
- ix. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.
- x. Cast your votes by selecting an appropriate option and click on 'SUBMIT'. A confirmation box will be displayed. Click 'OK' to confirm, else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.
- xi. Corporate/institutional members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned image (PDF/JPG format) of certified true copy of relevant board resolution/authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who is/are authorised to vote, to the

Scrutinizer through email at [hitaishkumar@gmail.com](mailto:hitaishkumar@gmail.com) and may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format 'SIPM\_EVENT No.'

- xii. Members can cast their vote online from 21<sup>st</sup> Sept 2020 (9.00 a.m.) till 23<sup>rd</sup> Sept 2020 (5.00 p.m.). Voting beyond the said date shall not be allowed and the remote e-voting facility shall be blocked.
- xiii. In case of any queries/grievances, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting User Manual available at the 'download' section of <https://evoting.kfintech.com> or call KFin on 1800 345 4001 (toll free).

**In case a Member whose email address is not registered / updated with Company/ Kfin Technologies Pvt Ltd/ Depository participants.**

Procedure for registering the E-mail addresses and obtaining the AGM Notice, Annual Report and e-voting user ID and password by the Members whose E-mail addresses are not registered with the Depositories (in case of Members holding shares in Demat form) or with KFinTech (in case of Members holding shares in physical form).

**I. Those Members who have not yet registered their E-mail addresses are requested to get their E-mail addresses registered by following the procedure given below:**

- a) Members holding shares in demat form can get their E-mail ID registered by contacting their respective Depository Participant.
- b) Members holding shares in physical form may register their E-mail address and mobile number with Company's Registrar and Transfer Agents, KFin Technologies Private Limited by sending an E-mail request at their E-mail ID **einward.ris@kfintech.com** alongwith signed scanned copy of the request letter providing the E-mail address, mobile number, self-attested copy of the PAN card and copy of the Share Certificate.

**II. To facilitate Members to receive this Notice electronically and cast their vote electronically,**

The Company has made special arrangements with KFinTech for Temporary registration of E-mail addresses of the Members in terms of the MCA Circulars.

Eligible Members who have not submitted their E-mail address to the Depository Participant or

KFinTech are required to provide their E-mail address to KFinTech, on or before 5:00 p.m. (IST) on September 17<sup>th</sup> 2020.

- a) Visit the link: **ris.kfintech.com/email\_registration/** b) Select the Company name viz. The South India Paper Mills Limited c) Enter the DP ID & Client ID / Physical Folio Number d) Enter the PAN details e) Enter your E-mail address and Mobile Number f) The system will then confirm the E-mail address for receiving this AGM Notice.

**III. After successful registration of E-mail address, KFinTech will send by E-mail, the AGM Notice, Annual Report and e-voting user ID and password to the Members.**

Please follow all steps from Sl. No. (i) to Sl. No. (xii) as given above, to cast vote.

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## GENERAL INSTRUCTIONS

1. Members who have cast their vote by e-Voting are entitled to attend the AGM through Video conference but they cannot cast their vote at the AGM. Once the member has cast his vote on a resolution, he will not be allowed to change it subsequently or cast the vote again  
  
A member can opt for only single mode of vote either through remote e voting or voting at the meeting.
2. In case a shareholder by inadvertence or otherwise has voted under more than one option, his voting through remote e-voting shall prevail and votes cast at the meeting shall be treated as invalid
3. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
4. The e-voting period commences on 21-09-2020 (9.00 AM) and ends on 23-09-2020 (5.00PM). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 17-09-2020, may cast their vote electronically in the manner and process set out herein above. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
5. The voting rights of shareholders shall be in proportion to their shares of the paid up Equity share capital of the Company as on the cut-off date 17-09-2020.
6. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 17-09-2020, may obtain the login ID and password by sending a request at [evoting@kfintech.com](mailto:evoting@kfintech.com)
7. The Board of Directors has appointed Mr.S N Hitaish Kumar, Practicing Company Secretary (Membership No. 6564, CP No. 6553) as the Scrutinizer to scrutinize the e-Voting and voting at the AGM in a fair and transparent manner.
8. The Scrutinizer shall immediately after the conclusion of E voting at the general meeting, count the votes cast at the meeting and then unblock the votes cast through remote evoting in the presence of at least two witnesses not in the employment of the Company and make not later than three days of the conclusion of the meeting, a consolidated Scrutinizer's Report (integrating the votes cast at the meeting and through remote evoting) of the total votes cast in favour or against, if any, forthwith to the Chairman or any person authorised by the Chairman in writing, who shall countersign the same. The result of evoting shall be declared within 48 hours of the conclusion of the meeting.
9. The Chairman or the person authorised by him in writing, shall forthwith on receipt of the Consolidated Scrutinizer's Report declare the Results of the voting. The resolutions shall be deemed to be passed on the AGM Date subject to the receipt of requisite no of votes.
10. The Results declared, along with the Scrutinizer's Report, shall be placed on the Company's website [www.sipaper.com](http://www.sipaper.com) and on the website of service provider (<https://evoting.kfintech.com>) immediately after the results are declared by the Chairman. The Company shall simultaneously forward the results to BSE Limited where the shares of the Company are listed.