

THE SOUTH INDIA PAPER MILLS LTD
CIN: L85110KA1959PLC001352
Registered Office: Chikkayana Chatra, Nanjangud 571302
Karnataka State, India
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NOTICE OF THE EXTRA ORDINARY GENERAL MEETING

NOTICE is hereby given that an Extra Ordinary General Meeting of the Members of the THE SOUTH INDIA PAPER MILLS LIMITED will be held on Thursday, the 23rd March 2023 at 11.00 am by Video Conferencing (VC) to transact the following Special Business :

1.TO OFFER, ISSUE AND ALLOT EQUITY SHARES ON PREFERENTIAL BASIS THROUGH PRIVATE PLACEMENT

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

RESOLVED THAT in accordance with the provisions of Section 23(1)(b), 42, 62(c) and other provisions, applicable, if any, of the Companies Act, 2013 read with Companies (Prospectus and allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification thereto or re-enactment thereof for the time being in force)(the “Act”), SEBI (Issue of Capital and Disclosure Requirements) Regulations 2018 [SEBI(ICDR) Regulations 2018] & SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 [SEBI (LODR)Regulations, 2015]and pursuant to the Articles of Association of the Company and subject to necessary approvals/permissions of the Statutory Authority / Regulatory authorities, if applicable, the approval of the Shareholders of the Company, be and is hereby accorded to offer and issue up to 37,50,000 Equity Shares of Rs. 10/- (Ten) each for cash at a premium of Rs.111 per equity share aggregating upto Rs.45,37,50,000- (Rupees Forty Five Crores Thirty Seven Lakhs Fifty Thousand) on preferential basis through private placement the (“Issue”), in a single tranche, to the below mentioned allottees on such terms and conditions as may be determined by the Board, in accordance with the Act, SEBI (ICDR) Regulations and other applicable laws

SI No	Name of the proposed allottees & Category	PAN No	Adhar No.	No of equity shares	Amount (in Rs)
1.	Harshad Natvarlal Modi – Non Promoter	AEAPM8485M	4571 8565 9713	12,50,000	Rs 15,12,50,000
2.	Harshad Natvarlal Modi & Rajul Harshad Modi – Non Promoter	AEAPM8485M AEAPM8483P	4571 8565 9713 7290 1126 4033	12,50,000	Rs15,12,50,000
3.	Rajul Harshad Modi & Harshad Natvarlal Modi – Non Promoter	AEAPM8483P AEAPM8485M	7290 1126 4033 4571 8565 9713	12,50,000	Rs 15,12,50,000
			TOTAL	37,50,000	Rs 45,37,50,000

RESOLVED FURTHER THAT in accordance with the provisions of Chapter V of the SEBI (ICDR) Regulations, the relevant date for determining the floor price for the issue of equity shares is 21st February 2023, being the date 30 days prior to the date of this Extra Ordinary General Meeting i.e 23rd March 2023 on which the special resolution is proposed to be passed.

RESOLVED FURTHER THAT pursuant to the provisions of the Companies Act, 2013, the names of the Proposed Allottees be recorded for the issue of invitation to subscribe to the Equity Shares and a private placement offer cum application letter in Form No. PAS-4 be issued to the Proposed Allottees inviting them to subscribe to the Equity Shares and consent of the Members of the Company be and is hereby accorded for the issuance of PAS 4 to the Proposed Allottees inviting them to subscribe to the Equity Shares and the offer letter in PAS 4 submitted to this meeting is approved

RESOLVED FURTHER THAT without prejudice to the generality of the above resolution, the issue of the equity shares to the proposed allottees under Preferential Issue shall be subject to the following terms and conditions

(a)The Equity shares to be issued and allotted shall be listed on BSE, where the Equity shares of the Company are listed, subject to the receipt of necessary regulatory permissions and approvals.

(b)The Equity shares to be issued and allotted shall be fully paid up and rank pari passu with the existing equity shares of the Company, in all respects

(c)the Equity shares to be allotted shall be locked in for such period as specified under Regulation 167 of SEBI (ICDR) Regulations 2018

(d)The allottees shall be required to bring in the entire consideration for the Equity shares to be allotted, on or before the date of allotment thereof and the consideration for the allotment of Equity shares shall be paid to the Company from the Bank accounts of the respective proposed allottees.

(e)The moneys received by the Company from the proposed allottees for application to the Equity shares pursuant to this Preferential Issue be kept by the Company in a separate bank account.

(f) The equity shares shall be allotted in dematerialised form only within a period of 15 days from the date of passing of the special resolution by the Members, provided that where the allotment of Equity shares is subject to receipt of any approval or permission from applicable regulatory authorities, the allotment shall be completed within a period of 15 days from the date of receipt of last of such approvals or permissions.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, including issuing clarifications, resolving all questions of doubt, effecting any modifications or changes to the foregoing (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the Preferential Issue) and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the Members and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the Equity Shares and listing thereof with the Stock Exchanges as appropriate and utilisation of proceeds of the Preferential Issue, open one or more bank accounts in the name of the Company or otherwise, as may be necessary or expedient in connection with the Preferential Issue, apply to Stock Exchanges for

obtaining of in-principle and listing approval of the Equity Shares and other activities as may be necessary for obtaining listing and trading approvals, file necessary forms with the appropriate authority or expedient in this regard and undertake all such actions and compliances as may be necessary, for the purpose of giving effect to this resolution in accordance with applicable law including the SEBI (ICDR) Regulations and the SEBI Listing Regulations and take all other steps which may be incidental or ancillary in this connection.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the power herein conferred, to any committee or to one or more Director(s) or executive of the Company to give effect to the aforesaid resolution.

RESOTVED FURTHER THAT all actions taken by the Board in connection with any matter(s) referred to or contemplated in any of the foregoing resolution be and are hereby approved, ratified and confirmed in all respects.

By Order of the Board

Nanjangud
28th February 2023

VIDYA BHAT
Company Secretary
Membership No. A29436

NOTES

1. In view of the continuing 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, 22/2020, 33/2020, 39/2020, 3/2022, 11/2022 & such other circulars as issued by MCA and SEBI vide its circular no.'s SEBI /HO/CFD/CMD1/CIR/P/2020/79 & SEBI/HO/CFD/ CMD2/CIR/P/ 2022/ 62 and Circular No SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5th January 2023 have allowed the Companies to hold AGM / EGM 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 EGM of the Company is being held through Video Conference (VC) hereinafter called as e-AGM. The deemed venue for the EGM shall be the Registered office of the Company.
2. **e-EGM:** The Company has appointed M/s KFin Technologies Limited, Registrars and Transfer Agents, to provide Video Conferencing facility for the Annual General Meeting and the attendant enablers for conducting of the e-EGM.
3. Pursuant to the provisions of the Act, since the EGM 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 EGM 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 EGM through Video conference and participate thereat and cast their votes through e - voting. Since the EGM is being held through Video Conference, the route map of the meeting is not annexed thereto.
4. The Members can join the e-EGM 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
5. Up to 2000 members will be able to join on a FIFO basis to the e-EGM.
6. No restrictions on account of FIFO entry into e-EGM 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.
7. The participation of members through Video conference will be reckoned for the purpose of quorum for the EGM as per Section 103 of the Companies Act, 2013
8. Members are requested to communicate the change in address, if any, immediately to the Company's Registrars & Share Transfer Agents M/s KFin Technologies Limited, Selenium

Tower B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032

9. In compliance with the MCA Circulars and SEBI Circulars Notice of the EGM 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 will also be available on the Company's website www.sipaper.com , website of Stock exchange www.bseindia.com and on the website of the Company's Registrar and Share Transfer Agent, Kfin Technologies Ltd (KFintech) at <https://evoting.kfintech.com>.
10. Members who have not encashed their Dividend Warrants pertaining to the year 2015-2016 & onwards are requested to approach the Company/ Company's Registrar and Share Transfer Agents, immediately for payment of Dividend thereof. As per the provisions of Section 124(5) and 124 (6) which came to force on 5th 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.
11. SEBI has recently introduced simplified common request forms for various investor services such as KYC Updation, Updation of signature etc for all physical shareholders.

For availing the following investor services, send a written request in the prescribed forms along with supporting documents to the RTA of the Company, Kfin Technologies Ltd, Selenium Tower B, Plot No 31 & 31, Gachibowli Financial District, Nanakramgud, Serilingampally, Hyderabad – 500032, Telangana

The following are the various investor request forms available to the shareholder

1. Form for availing investor services to register PAN, email address, bank details and other KYC details or changes in address / update thereof for securities held in physical mode Form ISR-1
2. Updation of signature of securities holder Form ISR-2
3. For nomination as provided in the Rules 19 (1) of Companies (Share capital and debenture) Rules, 2014 Form SH-13
4. Declaration to opt out of Nomination Form ISR-3
5. Cancellation of nomination by the holder(s) (along with ISR-3) / Change of Nominee Form SH-14
6. Form for requesting issue of Duplicate Certificate and other service requests for shares / debentures / bonds, etc., held in physical form ISR-4
7. Transmission Request form ISR 5

The forms for updating the above details are available at the Company's website: <https://www.sipaper.com>

12. Companies Act, 2013 provides for Nomination facility to members. 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 www.sipaper.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 RTA in case the shares are held in physical form
13. Members may please take note that w.e.f 1st 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 20th 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 Ltd, Hyderabad for updation of PAN and Bank account details.
14. SEBI has recently also mandated that physical folio's without PAN, KYC Details and Nomination on or after 1st April 2023 shall be frozen by the RTA. The shareholder's whose folio has been frozen shall not be eligible to lodge any grievance or avail any service request or eligible for payment of Dividend. Members may please take note of the same and update their KYC immediately.

PROCEDURE FOR REMOTE E-VOTING

- i. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting Facility Provided by Listed Entities, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by KFintech , on all the resolutions set forth in this Notice. The instructions for e-Voting are given herein below.
- ii. However, pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the **individual demat account holders**, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.
- iii. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility
- iv. The remote e-voting period commences on 20-03-2023 (9.00 AM) and ends on 22-03-2022 (5.00PM). During this period shareholders' of the Company, holding shares either in physical form in in dematerialized form, as on the cut-off date 16-03-2023, may cast their vote electronically in the manner and process set out herein below. 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.

- v. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e 16th March 2023.
- vi. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@Kfintech.com. However, if he / she is already registered with KFinTech for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.
- vii. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under “Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
- viii. The details of the process and manner for remote e-Voting and e-EGM are explained herein below:

Step 1 : Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access to KFinTech e-Voting system in case of shareholders holding shares in physical and non-individual shareholders in demat mode.

Step 3 : Access to join virtual meetings(e-EGM) of the Company on KFin system to participate e-EGM and vote at the EGM.

Details on Step 1 are mentioned below:

- I) **Login method for remote e-Voting for Individual shareholders holding securities in demat mode.**

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<p>1. User already registered for IDeAS facility:</p> <ul style="list-style-type: none"> I. Visit URL: https://eservices.nsdl.com II. Click on the “Beneficial Owner” icon under “Login” under ‘IDeAS’ section. III. On the new page, enter User ID and Password. Post successful authentication, click on “Access to e-Voting” IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period. <p>2. User not registered for IDeAS e-Services</p> <ul style="list-style-type: none"> I. To register click on link : https://eservices.nsdl.com II. Select “Register Online for IDeAS” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp III. Proceed with completing the required fields.

	<p>IV. Follow steps given in points 1 .</p> <p>3. Alternatively by directly accessing the e-Voting website of NSDL</p> <p>I. Open URL: https://www.evoting.nsd.com/</p> <p>II. Click on the icon “Login” which is available under ‘Shareholder/Member’ section.</p> <p>III. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen.</p> <p>IV. Post successful authentication, you will requested to select the name of the company and the e-Voting Service Provider name, i.e.KFintech.</p> <p>V. On successful selection, you will be redirected to KFintech e-Voting page for casting your vote during the remote e-Voting period.</p>
<p><u>Individual Shareholders holding securities in demat mode with CDSL</u></p>	<p>1. Existing user who have opted for Easi / Easiest</p> <p>I. Visit URL: https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com</p> <p>II. Click on New System Myeasi</p> <p>III. Login with your registered user id and password.</p> <p>IV. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFintech e-Voting portal.</p> <p>V. Click on e-Voting service provider name to cast your vote.</p> <p>2. User not registered for Easi/Easiest</p> <p>I. Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>II. Proceed with completing the required fields.</p> <p>III. Follow the steps given in point 1</p> <p>3. Alternatively, by directly accessing the e-Voting website of CDSL</p> <p>I. Visit URL: www.cdslindia.com</p> <p>II. Provide your demat Account Number and PAN No.</p> <p>III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account.</p> <p>IV. After successful authentication, user will be provided links for the respective ESP, i.e KFintech where the e- Voting is in progress.</p>
<p><u>Individual Shareholder login through their demat accounts / Website of Depository Participant</u></p>	<p>I. You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility.</p> <p>II. Once logged-in, 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.</p> <p>III. Click on options available against company name or e-Voting service provider – Kfintech and you will be redirected to e-Voting website of KFintech for casting your vote during the remote e-Voting period without any further authentication.</p>

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

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

Login type	Helpdesk details
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Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

Details on Step 2 are mentioned below:

II) Login method for e-Voting for shareholders other than Individual's shareholders holding securities in demat mode and shareholders holding securities in physical mode.

{A) Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from KFintech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:

- i. Launch internet browser by typing the URL: <https://emeetings.kfintech.com/>
- ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx, followed by folio number.-In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting the vote.
- iii. After entering these details appropriately, click on "LOGIN".
- iv. You will now reach 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.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the "EVEN" i.e., ' THE SOUTH INDIA PAPER MILLS LIMITED – EGM" and click on "Submit"
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in

“FOR/AGAINST” taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either “FOR” or “AGAINST” it will be treated as “ABSTAIN” and the shares held will not be counted under either head.

viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.

ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

You may then cast your vote by selecting an appropriate option and click on “Submit”.

x. A confirmation box will be displayed. Click “OK” to confirm else “CANCEL” to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

xi. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the EGM through VC / OAVM on its behalf and to cast its vote through remote e-voting. Together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email id hitaishkumar@gmail.com with a copy marked to evoting@kfintech.com. The scanned image of the above-mentioned documents should be in the naming format “ SIPM_Even No.”

(B) Members whose email IDs are not registered with the Company/Depository Participants(s), and consequently the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, will have to follow the following process:

i. Members who have not registered their email address and in consequence the Notice of EGM and e-voting instructions cannot be serviced, may temporarily get their email address and mobile number provided with KFintech, by accessing the link: <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx>.

Members are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, member may write to einward.ris@kfintech.com.

ii Alternatively, member may send an e-mail request at the email id

einward.ris@kfintech.com along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Notice of EGM and the e-voting instructions.

- iii. After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.

Details on Step 3 are mentioned below:

- III) Instructions for all the shareholders, including Individual, other than Individual and Physical, for attending the EGM of the Company through VC/OAVM and e-Voting during the meeting.**
 - i. Member will be provided with a facility to attend the EGM through VC / OAVM platform provided by KFintech. Members may access the same at <https://emeetings.kfintech.com/> by using the e-voting login credentials provided in the email received from the Company/KFintech. After logging in, click on the Video Conference tab and select the EVEN of the Company. Click on the video symbol and accept the meeting etiquettes to join the meeting. 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 above.
 - ii. Facility for joining EGM though VC/ OAVM shall open atleast 15 minutes before the commencement of the Meeting.
 - iii. Members are encouraged to join the Meeting through Laptops/ Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.
 - iv. Members will be required to grant access to the webcam to enable VC / OAVM. Further, Members 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.
 - v. As the EGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the EGM, Members are encouraged to express their views / send their queries in advance mentioning their name, demat account number / folio number, email id, mobile number at corporate@sipaper.com. Questions /queries received by the Company till 21st March 2023 shall only be considered and responded during the EGM.
 - vi. The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the EGM. E-voting during the EGM is integrated with the VC / OAVM platform. The Members may click on the voting icon displayed on the screen to cast their votes.

- vii. A Member can opt for only single mode of voting i.e., through Remote e-voting or voting at the EGM. If a Member casts votes by both modes, then voting done through Remote e-voting shall prevail and vote at the EGM shall be treated as invalid
- viii. Facility of joining the EGM through VC / OAVM shall be available for atleast 2000 members on first come first served basis.
- ix. Institutional Members are encouraged to attend and vote at the EGM through VC / OAVM.

Instructions for members for e-Voting during the e-EGM 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-EGM 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. The Chairman shall fix the time for voting at the meeting.

OTHER INSTRUCTIONS

1. Speaker Registration: The Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views. They can visit <https://emeetings.kfintech.com> and login through the user id and password provided in the mail received from Kfintech. On successful login, select ‘Speaker Registration’ which will opened from 19th March 2023 to 21st March 2023. Members shall be provided a ‘queue number’ before the meeting. The Company reserves the right to restrict the speakers at the EGM to only those Members who have registered themselves, depending on the availability of time for the EGM.

2. Post your Question: The Members who wish to post their questions prior to the meeting can do the same by visiting <https://emeetings.kfintech.com>. Please login through the user id and password provided in the mail received from Kfintech. On successful login, select ‘Post Your Question’ option which will opened from 19th March 2023 to 21st March 2023

3. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.kfintech.com> (Kfintech Website) or contact Mr N Shivakumar at evoting@kfintech.com or call Kfintech’s toll free No. 1-800-309-4001 for any further clarifications.

4. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Thursday, 16th March, 2023, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.

5. In case a person has become a Member of the Company after dispatch of EGM Notice but on or before the cut-off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below:

- i. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399
 1. Example for NSDL:
 2. MYEPWD <SPACE> IN12345612345678
 3. Example for CDSL:
 4. MYEPWD <SPACE> 1402345612345678
 5. Example for Physical:
 6. MYEPWD <SPACE> XXXX1234567890
- ii. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.kfintech.com/>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
- iii. Members who may require any technical assistance or support before or during the EGM are requested to contact KFinTech at toll free number 1-800-309-4001 or write to them at evoting@kfintech.com.

6. 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 EGM. Once the member has cast his vote on a resolution, he will not be allowed to change it subsequently or cast the vote again

7. The Board of Directors have 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 EGM 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 EGM 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 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.

EXPLANATORY STATEMENT

As required by Sec.102 of the Companies Act, 2013 and Companies (Prospectus and Allotment) Rules, 2014, & SEBI (Issue of Capital and Disclosure Requirements) Regulations 2018, the following explanatory statement sets out all the material facts relating to the Special Business mentioned in the accompanying Notice

1. The Company proposes to issue 37,50,000 equity shares of Rs.10 each at a premium of Rs.111 per share aggregating to an amount of Rs.45,37,50,000. This proposal to issue equity shares has been approved by the Board of Directors at their meeting held on 28.02.2023.
2. The equity shares of the Company are listed on BSE Limited and are frequently traded in accordance with the SEBI (ICDR) Regulations. Floor price in terms of Regulation 164 of SEBI (ICDR) Regulations is Rs 120.90 being the higher of the following
 - (a) 90 trading days volume weighted average price of the Equity shares of the Company quoted on BSE preceding the relevant date is Rs 120.90 or
 - (b) 10 trading days volume weighted average price of the Equity shares of the Company quoted on BSE preceding the relevant date is Rs 116.26

In terms of Regulation 166A of SEBI (ICDR) Regulations the Company has obtained a valuation report issued by Mr Ravindranath Narayana Rao, Registered Valuer, Registration No. : IBBI/RV/04/2019/11084, # 522 /C, 2nd Floor, 15th Main, 3rd Stage, 4th Block, WCR, Basaveshwaranagar, Bangalore – 560079 (Ph No. 98452 58480) and the price determined by the registered valuer is Rs 120.90.

The pricing of this issue at Rs.121 per equity share (above the floor price) has been based on the Valuation Report of the approved and registered valuer. The above mentioned capital is proposed to be raised by issued of equity shares at premium as per the details given above. These equity shares will rank pari passu with the existing equity shares.

3. The amount of Rs.45,37,50,000 raised by further issue of equity shares at premium will be utilized by the company for augmenting the working capital needs of the company and partly the amount will utilized to reduce the Term debt from the Banks with a view to conserve cashflows by reduction of interest and repayment of instalments. Members are aware that the company has completed implementation of expansion of paper production capacity of 350 TPD by installation of the state-of-the-art paper machine. Promoters or directors of the company has not sought any allotment of the equity shares in the proposed private placement.

Necessary information or details in respect of the proposed Preferential Issue of Equity Shares in terms of Section 42 and 62(1)(c) of the Companies Act, 2013 read with Rule 14(1) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Chapter V of the SEBI (ICDR) Regulations are as under:

1. Objects of the preferential issue

The Company has done capacity building recently by adding a paper machine with all other supporting and auxiliary equipment including enhanced utility equipment, material handling equipment and effluent treatment plant. The proposed issue of capital is to augment the working capital of the Company and also to retire part of the debt to reduce the interest expenditure and also to reduce the cash out go on account of term loan repayments.

2. Particulars of the offer including date of passing of the Board resolution, kind of securities offered, Total/maximum number of securities to be issued and the Issue Price:

The Board of Directors of the Company at their Meeting held on Tuesday 28th February , 2023 had, subject to the approval of the Members of the Company and such other approvals, as may be required, approved the issue of Equity shares having face value Rs 10 on a preferential basis for cash consideration as given below

Sl No	Name	PAN No.	No of equity shares	Price of each security	Value (in Rs)
1.	Harshad Natvarlal Modi	AEAPM8485M	12,50,000	Rs. 121 (including a premium of Rs 111)	Rs 15,12,50,000
2.	Harshad Natvarlal Modi & Rajul Harshad Modi	AEAPM8485M AEAPM8483P	12,50,000	Rs. 121 (including a premium of Rs 111)	Rs15,12,50,000
3.	Rajul Harshad Modi & Harshad Natvarlal Modi	AEAPM8483P AEAPM8485M	12,50,000	Rs. 121 (including a premium of Rs 111)	Rs 15,12,50,000
		TOTAL	37,50,000		Rs 45,37,50,000

The pricing of this issue at Rs.121 (including a premium of Rs 111) per equity share has been based on the Valuation Report of an approved and registered valuer.

3. Relevant Date

In terms of provisions of Chapter V of SEBI (ICDR) Regulations, the relevant date for determining the floor price for the preferential issue of Equity shares is 21st February 2023 being the date 30 days prior to the date of this Extra Ordinary General Meeting i.e 23rd March 2023

4. Intent of the Promoters, Directors or Key Managerial Personnel of the Company to subscribe to the Preferential Issue

None of the Promoters or directors or Key Managerial Personnel of the Company have sought any allotment of the equity shares in the proposed private placement.

5. Share holding pattern of the issuer before and after the preferential issue

The Shareholding pattern of the Company is the position as on the latest available Benpos dated 24-02-2023 being the latest practicable date prior to the date of approval of Board of Directors of the Company and issuance of notice to the members of the Company. The shareholding pattern is provided as 'Annexure 1' to the notice.

6. Time frame within which the Preferential Issue shall be completed

As required under the SEBI (ICDR) Regulations, the Equity Shares shall be allotted by the Company within a period of 15 days from the date of passing of this Resolution, provided that where the allotment of the proposed Equity Shares is pending on account of receipt of any approval or permission from any regulatory authority or Government of India, the allotment shall be completed within a period of 15 days from the date of receipt of last of such approvals or permissions.

7. Identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottees

Not Applicable as shares are being proposed to be allotted to Individuals

8. Name of the proposed allottee, class and percentage of post Preferential issue capital that may be held by them

Sl No	Name	Class	Pre issue holding No of Equity shares	%	Post issue holding No of Equity shares	%
1.	Harshad Natvarlal Modi	Non Promoter	6,000	0.04	12,56,000	6.70
2.	Harshad Natvarlal Modi & Rajul Harshad Modi	Non Promoter	34,240	0.23	12,84,240	6.85
3.	Rajul Harshad Modi & Harshad Natvarlal Modi	Non Promoter	NIL HOLDING	NIL	12,50,000	6.67

9. Change in Control or Management, if any, that would occur in the Company consequent to the Preferential Issue:

There shall be no change in management or control of the Company pursuant to the aforesaid issue of Equity Shares. However, the percentage of shareholding and voting rights exercised by the shareholders of the Company will change in accordance with the change in the shareholding pattern pursuant to the Preferential Issue.

10. The current and proposed status of the allottee (s) post the preferential issues namely, promoter or non promoter : All the allottees belong to Non Promoter Category

SI No	Name	Current Status	Proposed Status
1.	Harshad Natvarlal Modi	NON PROMOTER	NON PROMOTER
2.	Harshad Natvarlal Modi & Rajul Harshad Modi	NON PROMOTER	NON PROMOTER
3.	Rajul Harshad Modi & Harshad Natvarlal Modi	NIL HOLDING	NON PROMOTER

11. Practising Company Secretary Certificate & Valuation Report

The certificate from Mr S N Hitaish Kumar, Practicing Company Secretary (Membership No. 6564, CP No.6553) having his office at # 29, K B L Layout, Alanahalli, Mysore – 570028, certifying that the Preferential Issue is being made in accordance with the requirements contained in the SEBI (ICDR) Regulations shall be available for inspection by the Members during the Meeting and is available on the Company's website www.sipaper.com.

Valuation report obtained from registered Valuer Mr. Ravindranath Narayana Rao is also available on our website www.sipaper.com

12. Justification for offer being made for consideration other than cash together with the valuation report of the Registered Valuer

Not applicable. The Offer which are specified in item no. 1 is being made for cash.

13. Number of persons to whom allotment on preferential basis has already been made during the year, in terms of number of securities as well as price

Save and except the preferential issue as proposed in the resolution as set in the accompanying Notice, the Company has made no other issue or allotment of securities on preferential basis during the financial year 2022-2023.

14. Lock-in Period

The Equity Shares proposed to be allotted on preferential basis shall be locked in for such period as specified under Regulation 167 of SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2018

15. Listing

The Company will make an application to the Stock Exchange at which the existing Equity Shares are listed, for listing of the Equity Shares. Such Equity Shares, once allotted, shall rank pari-passu with the existing Equity Shares of the Company in all respects.

OTHER DISCLOSURES :

- a) Neither the Company nor its Directors or Promoters have been declared as wilful defaulter or fraudulent borrower as defined under the Schedule VI of SEBI (ICDR) Regulations. None of its Directors or Promoter is a fugitive economic offender as defined under the SEBI (ICDR) Regulations;
- b) The Company is eligible to make the Preferential Issue under Chapter V of the SEBI (ICDR) Regulations
- c) As the Equity Shares have been listed for a period of more than 90 (Ninety) trading days as on the Relevant Date, the provisions of Regulation 164(3) of SEBI (ICDR) Regulations governing recomputation of the price of shares shall not be applicable
- d) The Company shall re-compute the price of the Equity Shares to be allotted under the Preferential Issue in terms of the provisions of SEBI (ICDR) Regulations where it is required to do so.
- e) If the amount payable on account of the re-computation of price is not paid within the time stipulated in the SEBI (ICDR) Regulations, the Equity Shares to be allotted under the Preferential Issue shall continue to be locked-in till the time such amount is paid by the Proposed Allottees.
- f) The Company is in compliance with the conditions for continuous listing of Equity Shares as specified in the listing agreement with the Stock Exchanges and the SEBI Listing Regulations, as amended and circulars and notifications issued by the SEBI thereunder.
- g) The proposed allottees have not sold or transferred any Equity Shares during 90 (Ninety) trading days preceding the relevant date.

Accordingly, the approval of the Members of the Company is hereby sought by way of special resolution for authorizing the Board of Directors of the Company to create, offer, issue and allot Equity Shares of the Company as specifically described in the resolutions set out at Item No. 1 of this Notice.

In terms of Rule 14(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a Company can make a Private Placement of its securities under the Companies Act, 2013 only after the approval of its shareholders by way of a special resolution has been obtained. Further in terms of Regulations 160 of SEBI (ICDR) Regulations, a special resolution needs to be passed by shareholders of a Listed Company to issue Equity shares on Preferential basis.

The documents referred to in the Notice, for which this shareholder's approval is being obtained, will be available on our website www.sipaper.com.

Issue of the said Equity Shares would be well within the Authorised Share Capital of the Company.

The Board of Directors believe that the proposed issue is in the best interest of the Company and its Members and therefore recommends the Special Resolution as set out in the Item No. 1 in the accompanying notice for approval by the Members.

None of the Directors, Managers, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise in the said resolution, except to the extent of their shareholding, if any, in the Company

Nanjangud
28th February, 2023

By Order of the Board of Directors

VIDYA BHAT
COMPANY SECRETARY
Membership No. A29436

ANNEXURE – 1

SHAREHOLDING PATTERN PRE AND POST PREFERENTIAL ALLOTMENT

SL No	Category		Pre Issue shareholding(as on 24th February 2023)		Post Issue shareholding if shares are allotted as per the resolution proposed to be passed (Adjusted for preferential allotment)	
			No of shares	% of shares	No of shares	% of shares
1	A	Promoter's Holding				
		Indian Promoters	44,83,458	29.89	44,83,458	23.91
		Foreign Promoters	17,43,752	11.63	17,43,752	9.30
		Sub Total	62,27,210	41.51	62,27,210	33.21
	B	Non Promoter's Holding				
2		Institutional Investors				
	A	Mutual Funds and UTI	1,200	0.01	1,200	0.01
	B	Banks, Financial Institutions,	12,000	0.08	12,000	0.06
		Insurance Companies				
		(Central/ State Govt. Institutions,)	61,085	0.41	61,085	0.33
		Non Government Institutions				
		Sub Total	74,285	0.50	74,285	0.40
3		Others				
	A	Private Corporate Bodies	1,83,271	1.22	1,83,271	0.98
	B.	Directors and their relatives (excluding independent directors and nominee directors)	29,952	0.20	29,952	0.16

	C	Key Managerial Personnel	905	0.01	905	0.00
	D	Relatives of promoters	12,000	0.08	12,000	0.06
	E	Indian Public	75,72,290	50.48	1,13,22,290	60.39
	F	NRI's	5,60,032	3.73	5,60,032	2.99
	G	Any other (Please specify)				
		(a) Welfare Fund / Trusts	38,000	0.25	38,000	0.20
		(c) IEPF	1,07,800	0.72	1,07,800	0.57
		(d) HUF	1,94,255	1.29	1,94,255	1.04
		Sub Total	86,98,505	57.99	1,24,48,505	66.39
		Grand Total	1,50,00,000	100.00	1,87,50,000	100.00