




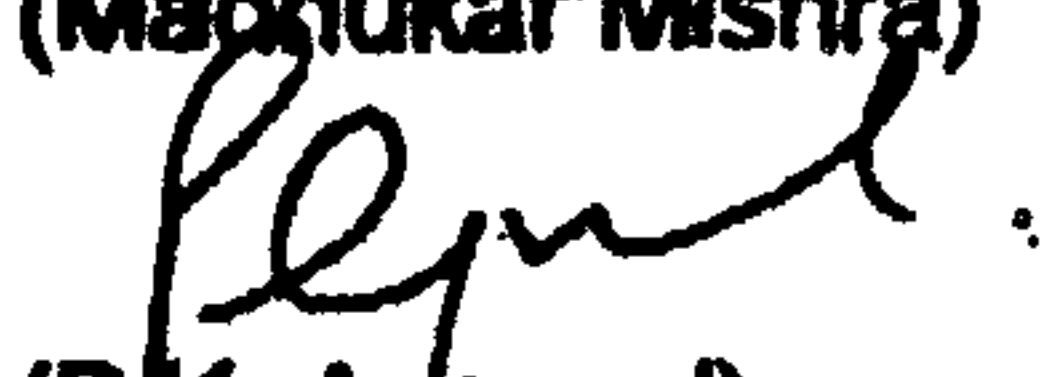


STAR PAPER MILLS LIMITED

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DUNCAN GOENKA

FORM B

Format of covering letter of the annual audit report to be filed with the Stock Exchange

1.	Name of the company	Star Paper Mills Ltd.
2.	Annual financial statements for the year ended	31 st March, 2014.
3.	Type of Audit qualification	'Qualification'
4.	Frequency of qualification	Since the year ended 31 st March, 2011
5.	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	Note No. 23.1 given on Page-40 of the Annual Report for the FY 2013-14-In view of inadequacy of profits, excess remuneration of Rs. 64.51 lacs, being the remuneration already approved by the shareholders, payable to managerial personnel for earlier years is subject to approval of the Central Government. The company is in the process of seeking necessary approval. The Directors' response to the above auditors' qualification has been given on Page-7 of the Annual Report for the FY 2013-14.
6.	Additional comments from the board/audit committee chair:	There is a qualification in the Auditors' Report for the year ended 31 st March, 2014 regarding remuneration payable to managerial personnel for earlier years amounting to Rs. 64.51 is subject to approval of the Central Government. It is stated that due to inadequacy of profits, the minimum agreed remuneration payable to managerial personnel has exceeded the limits prescribed under the Companies Act, 1956 by Rs. 64.51 lacs. The company has filed necessary applications seeking approval of the Central Government.
7.	To be signed by- <ul style="list-style-type: none">CEO/Managing DirectorCFOAuditor of the companyAudit Committee Chairman	 (Madhukar Mishra)  (P.K. Agrawal)  (H.K. Verma)  (Shiromani Sharma) 