

**29<sup>th</sup>**

**ANNUAL REPORT**

**2020-2021**



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**MOHIT PAPER MILLS LIMITED**

CIN: L21093DL1992PLC116600

**BOARD OF DIRECTORS****EXECUTIVE DIRECTORS**

Mr. Sandeep Jain *Managing Director cum Chairman* (DIN: 00458048)  
Mr. Pradeep Kumar Rajput *Whole Time Director* (DIN: 06685586)

**NON EXECUTIVE DIRECTORS**

Mrs. Shubhi Jain *Director* (DIN: 06685602)  
Mrs. Anju Jain *Director* (DIN: 00459540)

**NON EXECUTIVE INDEPENDENT DIRECTORS**

Mr. Sushil Kumar Tyagi *Director* (DIN: 06362605)  
Mr. Rachit Jain *Director* (DIN: 06982727)  
Mr. Sanjeev Kumar Jain *Director* (DIN: 07018412)  
Mr. Sourabh Mathur *Director* (DIN: 08354589)

**COMPANY SECRETARY**

Mr. Shivam Sharma

**CHIEF FINANCIAL OFFICER (CFO)**

Mr. Arvind Kumar Dixit

**STATUTORY AUDITORS**

M/s Anil Sood & Associates  
Chartered Accountants  
New Delhi

**COST AUDITORS**

M/s H. TARA & Co.  
Cost Accountants  
New Delhi

**BANKERS:**

Andhra Bank (Known as Union Bank)

**REGISTERED OFFICE:**

Mohit Paper Mills Limited, 15A/13, Upper Ground Floor,  
East Patel Nagar, New Delhi-110008  
Telephone: 011-25886798  
Website: www.mohitpaper.in  
E-Mail: investorsmohitpaper@gmail.com

**WORKS:**

Mohit Paper Mills Limited, 9TH KM Stone, Nagina Road,  
Bijnor- 246701 (U.P.)  
Telephone: 01342- 283051  
E-Mail: investorsmohitpaper@gmail.com, mohit.paper@rediffmail.com

**REGISTRAR & TRANSFER AGENT:**

LINK INTIME INDIA PRIVATE LIMITED  
44, Community Centre, 2nd Floor, Naraina Industrial Area,  
Phase-1, New Delhi-110028  
Phone: 011-41410592, 93, 94  
Telefax: 011-41410591  
Website: www.linkintime.co.in  
E-mail: delhi@linkintime.co.in

**INTERNAL AUDITORS**

M/s MAA and Company  
Chartered Accountants  
New Delhi

**SECRETARIAL AUDITORS**

M/s PDS & CO.  
Company Secretaries  
New Delhi

**LISTED ON:**

BSE Limited (BSE)

**29TH ANNUAL GENERAL MEETING**

[through Video Conference (VC) /  
Other Audio Visual Means (OAVM)]  
Date: September 30, 2021 (Thursday)  
Time: 04.00 P.M. (IST)

## **MOHIT PAPER MILLS LIMITED**

Registered Office:15A/13, Upper Ground Floor, East Patel Nagar, New Delhi-110008

Works: 9km Stone, Nagina Road, Bijnor, Utter Pradesh- 246701

CIN:L21093DL1992PLC116600, Telephone:011-25886798

Website: www.mohitpaper.in, E-mail: investorsmohitpaper@gmail.com, mohit.paper@rediffmail.com

### **NOTICE**

Notice is hereby given that the Twenty Ninth (29<sup>th</sup>) Annual General Meeting of the Members of Mohit Paper Mills Limited will be held on Thursday, 30<sup>th</sup> Day of September, 2021 at 04.00 P.M. (IST) through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM") in accordance with the applicable provisions of the Companies Act, 2013 ("Act, 2013") and Security Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 to transact the following businesses:

#### **ORDINARY BUSINESS:**

##### **Item No.1: Adoption of the Financial Statements:**

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March 2021, together with Boards' Report and Auditors' Report thereon.

##### **Item No.2: Re-appointment of Director:**

To re-appoint Mrs. Shubhi Jain (DIN: 06685602) who retires by rotation at this Annual General Meeting and being eligible offers herself for re-appointment.

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

"RESOLVED THAT Mrs. Shubhi Jain (DIN:06685602) who retires by rotation and who is eligible for re-appointment as per her existing terms be and is hereby re-appointed."

#### **SPECIAL BUSINESS:**

##### **Item No.3: Ratification of Remuneration of Cost Auditor:**

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. H.Tara & Co., Cost Accountants appointed by the Board of Directors of the Company, to conduct the audit of the cost records of Mohit Paper Mills Limited for the financial year 2021-22, the remuneration of ₹ 50,000/- p.a. (Rupees Fifty Thousand Only) plus taxes as applicable and reimbursement of actual travel and other out of pocket expenses to be paid to the Cost Auditors of the Company for Financial Year 2021-22 as approved by the Board of Director of the Company be and is hereby ratified."

By Order of the Board of Directors,  
For **Mohit Paper Mills Limited**

Sd/-

**Shivam Sharma**

*Company Secretary*

M.No.: A42083

Address: 15A/13, Upper Ground Floor, East Patel Nagar, New Delhi- 110008

Website: [www.mohitpaper.in](http://www.mohitpaper.in), E-mail: [investorsmohitpaper@gmail.com](mailto:investorsmohitpaper@gmail.com)

Telephone: 011-25886798

Place: New Delhi  
Dated: 30<sup>th</sup> July, 2021

**NOTES:**

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its General Circular No. 20/2020 dated May 5, 2020 read with General Circular No. 14/2020 and 17/2020 dated April 8, 2020, April 13, 2020 and Circular No. 02/2021 dated January 13, 2021 respectively and all other relevant circulars issued from time to time (collectively referred to as "MCA Circulars") and also SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and Circulars No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 Dated January 15, 2021 permitted holding of the Annual General Meeting ("the Meeting/AGM") through Video Conferencing ("VC"/Other Audio Visual Means ("OAVM"), without the physical presence of the Members, Directors, Auditors or other eligible persons at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act, 2013"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and aforesaid MCA and SEBI Circulars, the AGM of the Company will be conducted through VC/OAVM.
2. The Explanatory Statement as required under Section 102 (1) of the Companies Act, 2013 in respect of the special business is annexed to this Notice.
3. In accordance with the provisions of Section 108 of the Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI Listing Regulations and in view of the aforesaid MCA and SEBI Circulars, the Company has engaged the services of Link Intime (India) Private Limited (LIPL) to provide the facility of voting by electronic voting system to all the Members to enable them to cast their votes electronically during the AGM in respect of all the businesses to be transacted at the aforesaid Meeting. The facility of casting the votes by the Members using such electronic voting system from a place other than venue of the AGM ("remote e-voting") is also provided by LIPL.
4. VC/OAVM facility provided by the Company is having a capacity to allow 1000 members to participate at the Meeting on a firstcome- first-served basis. However, the large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, Directors, KMPs, the Chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors etc. may be allowed to attend the Meeting without restriction on account of first-come-first-served principle.
5. The Company is providing two way teleconferencing facility for the ease of participation of the members. The instructions for members attending/ participating in the AGM through VC/ OAVM are provided at point no. 27.
6. The facility for joining the AGM through VC/OAVM shall be open at least 15 minutes before the time scheduled to start the Meeting and shall not be closed till the expiry of 15 minutes after such scheduled time.
7. In compliance with the aforesaid MCA Circulars and SEBI Circulars, electronic copy of the Annual Report for the financial year 2020-21 and Notice of the 29<sup>th</sup> AGM of the Company, inter alia, indicating the process and manner of e-voting will be sent only through electronic mode to all the Members whose e-mail IDs are registered with the Company's Registrar & Share Transfer Agent/Depository Participant(s) for communication purposes, as the requirement of sending the hard copies of annual report and notice of AGM has been dispensed with. Members may note that the Notice and Annual Report will also be available on the Company's website [www.mohitpaper.in](http://www.mohitpaper.in) and websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com).

8. Pursuant to the provisions the Act, a Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll instead of him/her and the proxy need not be a Member of the Company. Since the AGM is being held pursuant to the MCA Circulars and SEBI Circulars, through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, in line with the MCA General Circular No. 14/2020 dated April 08, 2020 and 02/2021 dated January 13, 2021, 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.
9. Institutional/Corporate Members intending to attend the Meeting are required to send a scan of certified copy of the Board Resolution (JPG/PDF format), pursuant to Section 113 of the Act, 2013, authorizing their representative to attend the Meeting through VC/OAVM on its behalf and vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address [pbalodia@gmail.com](mailto:pbalodia@gmail.com).
10. Recorded transcript of the Meeting shall be uploaded on the website of the Company and the same shall also be maintained in safe custody of the Company. The registered office of the company shall be deemed to be the place of Meeting for the purpose of recording of the minutes of the proceedings of this AGM.
11. Required details attached herewith.
12. Members having any queries related to accounts and operations or any other matter to be placed at the AGM of the Company, may write to the Company through an email on [investorsmohitpaper@gmail.com](mailto:investorsmohitpaper@gmail.com), at least seven working days in advance of the Meeting. The same will be replied by the Company suitably.
13. Members are requested to contact the Registrar & Share Transfer Agent (RTA), Mr. Swapan Naskar, Link Intime India Private Limited (LIPL), Noble Heights, 1<sup>st</sup> Floor, Plot NH 2 C-1 Block LSC, Near Savitri Market, Janakpuri, New Delhi-110058 (Phone No.: +91-11- 41410592; Fax No.: +91-11-41410591; Email: [delhi@linkintime.co.in](mailto:delhi@linkintime.co.in)) for reply to their queries/redressal of complaints, if any, or contact Mr. Shivam Sharma, Company Secretary at the Corporate Office/Registered Office of the Company (Phone No.: +91-11-25886798; Email: [investorsmohitpaper@gmail.com](mailto:investorsmohitpaper@gmail.com)).
14. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, to their DPs in case shares are held in electronic form or to Company's RTA i.e. LIPL in case shares are held in physical form.
15. Members may avail the facility of nomination by nominating a person to whom their shares in the Company shall vest in the event of their death. The prescribed form can be obtained from the Company's RTA i.e. LIPL. Members are requested to submit the said details to their DPs in case the shares are held in electronic form and to LIPL in case the shares are held in physical form.
16. Members who hold shares in physical form in multiple folios in identical names or joint names in the same order of names are requested to send the share certificates to the Company's RTA i.e. LIPL for consolidation into single folio.
17. As per Regulation 40 of the SEBI Listing Regulations, as amended, the securities of the listed company cannot be transferred in physical mode w.e.f. April 01, 2019, except in case of request received for



transposition or transmission of securities. In view of this, Members holding shares in physical form are requested to get their shares dematerialized at the earliest. Members can contact the Company or the Company's RTA i.e. LIPL for assistance in this regard.

18. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/RTA i.e. LIPL.
19. In keeping with the Ministry of Corporate Affairs' Green Initiative measures, the Company hereby requests the Members who have not registered their email addresses so far, to register their email addresses with their DPs in case shares are held by them in electronic form and with the Company's RTA i.e. LIPL and in case shares are held by them in physical form for receiving all communication including annual report, notices, circulars etc. from the Company electronically.
20. Members attending the Meeting through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act, 2013.
21. Since the AGM will be conducted through VC / OAVM, the Route Map is not annexed to this Notice.
22. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Act, 2013, the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, 2013 read with Rules issued thereunder will be made available electronically for inspection by the Members during the Meeting. All documents referred to in the Notice will also be available for electronic inspection from the date of circulation of this Notice up to the date of AGM. Also, the Notice for this AGM along with requisite documents and the Annual Report for the financial year 2020-21 shall also be available on the Company's website [www.mohitpaper.in](http://www.mohitpaper.in), Further, the notice received, if any, under Section 160 of the Companies Act, 2013 will be put up on the website of the Company up to the date of the Meeting. Members seeking to inspect such documents can send an email to [investorsmohitpaper@gmail.com](mailto:investorsmohitpaper@gmail.com).
23. The remote e-voting facility will be available during the following voting period:
  - i. Commencement of remote e-voting: From 09.00 A.M. IST of Monday, September 27, 2021.
  - ii. End of remote e-voting: Up to 5.00 P.M. IST of Wednesday, September 29, 2021.
24. 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. Thursday, September 23, 2021 may cast their vote through remote e-voting. The remote e-voting module shall be disabled by LIPL for voting thereafter and the facility will be blocked forthwith.
25. **Remote e-Voting Instructions for shareholders:**

Pursuant to SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can 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 to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode/ physical mode is given below:

Type of shareholders	Login Method
<b>Individual Shareholders holding securities in demat mode with NSDL</b>	<ul style="list-style-type: none"> <li>➤ 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: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> 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.</li> <li>➤ 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.</li> <li>➤ If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS” Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>.</li> <li>➤ Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> 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.</li> </ul>
<b>Individual Shareholders holding securities in demat mode with CDSL</b>	<ul style="list-style-type: none"> <li>➤ Existing user of who have opted for Easi / Easiest, they can login through their 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 are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>➤ After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KARVY, LINK NTIME, CDSL. Click on e-Voting service provider name to cast your vote.</li> <li>➤ 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>➤ Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <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 provided links for the respective ESP where the E Voting is in progress.</li> </ul>

Type of shareholders	Login Method
<b>Individual Shareholders (holding securities in demat mode) &amp; login through their depository participants</b>	<ul style="list-style-type: none"> <li>➤ You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.</li> <li>➤ Once 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 &amp; voting during the meeting.</li> </ul>
<b>Individual Shareholders holding securities in Physical mode &amp; evoting service Provider is LINKINTIME.</b>	<p>1. Open the internet browser and launch the URL: <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a>  <b>Those who are first time users of LIPL e-voting platform or holding shares in physical mode have to mandatorily generate their own Password, as under:</b></p> <ul style="list-style-type: none"> <li>➤ Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details: - <ul style="list-style-type: none"> <li><b>A. User ID:</b> Shareholders/ members holding shares in physical form shall provide Event No (210164) + Folio Number registered with the Company.</li> <li><b>B. PAN:</b> Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.</li> <li><b>C. DOB/DOI:</b> Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format).</li> <li><b>D. Bank Account Number:</b> Enter your Bank Account Number (last four digits), as recorded with your DP/Company. • Shareholders/ members holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above.</li> </ul> </li> <li>➤ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&amp;*), at least one numeral, at least one alphabet and at least one capital letter).</li> <li>➤ Click "confirm" (Your password is now generated).</li> </ul> <p>2. Click on 'Login' under 'SHARE HOLDER' tab.</p> <p>3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'.</p> <p>4. After successful login, you will be able to see the notification for e-voting. Select 'View' icon.</p> <p>5. E-voting page will appear.</p> <p>6. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).</p> <p>7. After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.</p>

#### Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as 'Custodian / Mutual Fund / Corporate Body'. They are also required to upload a scanned certified true copy of the Board Resolution/ authority letter/power of attorney etc. together with attested specimen signature of the duly authorised

representative(s) in PDF format in the 'Custodian/ Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.

**Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME, have forgotten the password:**

- Click on '**Login**' under '**SHARE HOLDER**' tab and further Click 'forgot password?'
- Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on '**Submit**'.
  - In case shareholders/ members is having valid email address, Password will be sent to his/her registered e-mail address.
  - Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
  - The password should contain minimum 8 characters, at least one special character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter.

**Individual Shareholders holding securities in demat mode with NSDL/ CDSL have forgotten the password:**

- Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.
  - It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
  - During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

**Helpdesk for Individual Shareholders holding securities in demat mode:**

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

<b>Login type</b>	<b>Helpdesk details</b>
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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 22-23058542-43.

**Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & evoting service Provider is LINKINTIME.**

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding evoting, they may refer the Frequently Asked Questions ('FAQs') and InstaVote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or send an email to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022- 4918 6000.

## 26. Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting Cast your vote
2. Enter your 16 digit Demat Account No. /Event No. (210164) + Folio Number and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMeet and click on 'Submit'.
3. After successful login, you will see Resolution Description and against the same the option Favour/ Against for voting.
4. Cast your vote by selecting appropriate option i.e. Favour/ Against as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on Save. A confirmation box will be displayed. If you wish to confirm your vote, click on Confirm, else to change your vote, click on Back and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.
7. Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted 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 facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.
8. Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.
9. Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.
10. Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
11. In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or contact on: - Tel: 022-49186175.

## 27. Process and manner for attending the Annual General Meeting through InstaMeet:

1. Open the internet browser and launch the URL: [https:// instameet.linkintime.co.in](https://instameet.linkintime.co.in)
  - » Select the "Company" and 'Event Date' and register with your following details:-
    - A. Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio Number. (Event No.: 210164)
      - Shareholders/ members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.
      - Shareholders/ members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID.

- Shareholders/ members holding shares in physical form shall provide Folio Number registered with the Company
  - B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
  - C. Mobile No.:** Enter your mobile number.
  - D. Email ID:** Enter your email id, as recorded with your DP/Company.
- » Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

**28. Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:**

1. Shareholders who would like to speak during the meeting must register their request 7 days in advance with the company on the investors@mohitpaper@gmail.com.
  2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the Company.
  3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
  4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
  5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device. Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.
29. The voting rights of Members shall be in proportion to their shares of the total paid up equity share capital of the Company as on the cut-off date.
  30. Any person, who acquires shares of the Company and becomes Member of the Company after sending the Notice of the Meeting and holding shares as of the cut-off date i.e. September 23, 2021, needs to refer the instruction above regarding login ID and password and may contact the Company or RTA for any query or assistance in this regard. Any person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
  31. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM through VC/OAVM but shall not be entitled to cast their vote again or change it subsequently.
  32. Only those Members, whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date shall be entitled to avail the facility of remote e-voting as well as e-voting at the AGM.
  33. The Board of Directors of the Company has appointed M/s. PDS & Co., Company Secretaries, address A-53, 1<sup>st</sup> Floor, Gurunanak Pura, Laxmi Nagar, Delhi- 110092 as the Scrutinizer to scrutinize the e-voting and remote e-voting process for the Twenty Ninth (29<sup>th</sup>) Annual General Meeting in a fair and transparent manner.
  34. The Chairman of the AGM shall, at the AGM, at the end of discussion on the Resolutions on which the voting is to be held, allow voting with the assistance of the scrutinizer, by using e-voting facility for all those Members who are present at the AGM through VC/OAVM but have not cast their votes by availing the remote e-voting facility.
  35. The Scrutinizer shall after the conclusion of voting at the Meeting, will first count the votes cast during the Meeting and thereafter unblock the votes cast through remote e-voting and shall make and submit,

within of the Two working days 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 authorized by him in writing, who shall countersign the same and declare the result of the voting within two working days of conclusion of the AGM.

36. The Notice of the AGM shall be placed on the website of the Company and LIPL till the date of AGM. The Results declared, along with the Scrutinizer's Report shall be placed on the Company's website [www.mohitpaper.in](http://www.mohitpaper.in) and on the website of LIPL i.e. [www.linkintime.co.in](http://www.linkintime.co.in) immediately after the declaration of result by the Chairman or a person authorized by him in writing. The Results shall also be immediately forwarded to the Stock Exchange(s) where the shares of the Company are listed. Further, the results shall be displayed on the Notice Board of the Company at its Registered Office as well as Corporate Office.
37. Non-Resident Indian Members are requested to inform RTA, immediately on change in their residential status on return to India for permanent settlement, and update on particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with PIN Code number, if not furnished earlier.

By Order of the Board of Directors,  
For **Mohit Paper Mills Limited**

Sd/-  
**Shivam Sharma**  
*Company Secretary*  
M.No.: A42083

Address: 15A/13, Upper Ground Floor, East Patel Nagar, New Delhi- 110008  
Website: [www.mohitpaper.in](http://www.mohitpaper.in), E-mail: [investorsmohitpaper@gmail.com](mailto:investorsmohitpaper@gmail.com)  
Telephone: 011-25886798

Place: New Delhi  
Dated: 30<sup>th</sup> July, 2021



**STATEMENT SETTING OUT THE MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**
**Item No.: 3**

The Board of Directors of the Company, on the recommendation of the Audit Committee, has approved the appointment of M/s H.Tara & Co., Cost Accountants to conduct the audit of the cost records of product paper of Mohit Paper Mills Limited for the financial year 2021-22 at a remuneration of ₹ 50,000/- P.A. (Rupees Fifty Thousand Only) plus taxes as applicable and reimbursement at actual travels and other out of pocket expenses in accordance with the provisions of Section 148 and other applicable provisions, if any, of the Act, 2013 and Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration payable to the Cost Auditors as approved by the Board of Directors is required to be subsequently ratified by the members of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 3 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year 2021-22.

None of the Directors and/or Key Managerial Personnel (KMP) of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No.3 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the shareholders.

**Details of the Director seeking appointments/re-appointment at Twenty Ninth Annual General Meeting as per Regulation 36 of SEBI (LODR) Regulations, 2015**

<b>Name of the Director</b>	<b>Shubhi Jain</b>
Relationship with other Directors	Daughter in law of Mr. Sandeep Jain, (DIN: 00458048) Managing Director and Mrs. Anju Jain (DIN: 00459540) Director
Date of Birth	19/08/1991
Item Number	2
Date of Appointment	15/07/2013
Qualification	Engineering Graduate
DIN	06685602
Directorship Held in other Company (Including Private Company)	1. Centurion Industries Private Limited,
Chairman/Member of the Committee of the Board of Director as on 31 <sup>st</sup> March, 2021	Nil
Number of Shares Held on 31 <sup>st</sup> March, 2021	1045000 Equity Shares
Category	Women Director (Non-Executive Director)
Remuneration as Director sought to be paid	Nil
Last remuneration drawn	₹ 15000/-
Expertise	Technical expert
No. of Board Meetings attended during FY 20-21	5



For other details such as number of meetings of the Board attended during the year, remuneration drawn and relationship with other directors and key managerial personnel in respect of above directors, please refer to the corporate governance report which is a part of this Annual Report.

By Order of the Board of Directors,  
For **Mohit Paper Mills Limited**

Sd/-  
**Shivam Sharma**  
*Company Secretary*  
M.No.: A42083

Address: 15A/13, Upper Ground Floor, East Patel Nagar, New Delhi- 110008  
Website: [www.mohitpaper.in](http://www.mohitpaper.in), E-mail: [investorsmohitpaper@gmail.com](mailto:investorsmohitpaper@gmail.com)  
Telephone: 011-25886798

Place: New Delhi  
Dated: 30<sup>th</sup> July, 2021

## BOARDS' REPORT OF THE BOARD OF DIRECTORS

Dear Members,

The Board of Directors hereby submits the Twenty Ninth (29th) Board Report of the business and operations of your Company i.e. Mohit Paper Mills Limited ("the Company"), along with the audited financial statements, for the financial year ended March 31, 2021. The performance of the Company has been referred to wherever required.

The working of the company during the year under review has been highlighted below:

### COMPANY OVERVIEW

The Company was incorporated in the year 1992 and listed with BSE in the year 1995. Basically our company is agro based manufacturing company mean that our company use agriculture product for manufacturing of paper and this process is not easy. Processing of Agro product for conversing into paper is costly other than production process. Presently the Company is engaged in manufacturing of Writing Printing Paper, Tissue paper and others various quality papers as required. We pray for better and bright future of the company. Our strategic objectives are to build a sustainable organization that remains relevant to the agenda of our stakeholders and creating growth opportunities for our employee and increase the wealth of the company for our stakeholders and members.

At present the company is facing avoidable and unavoidable challenges and threats. We are facing stiff competition in paper industry.

### Details of financials as per IND AS:

(₹ in Lakhs)

Particulars	Current Financial Year (2021)	Previous Financial Year (2020)
Revenue from Operations	8139.78	13,144.05
Other Income	207.29	248.08
<b>Total Income of the company</b>	<b>8,347.07</b>	<b>13,392.13</b>
<b>Profit before Depreciation, Finance Costs, Exceptional items and Tax Expense</b>	<b>400.2</b>	<b>1208.43</b>
Less: Depreciation/ Amortisation/ Impairment	502.50	457.85
<b>Profit before Finance Costs, Exceptional items and Tax Expense</b>	<b>-102.3</b>	<b>750.58</b>
Less: Finance Costs	294.77	268.02
<b>Profit before Exceptional items and Tax Expense</b>	<b>-397.07</b>	<b>482.56</b>
Add/(less): Exceptional items	0.00	43.85
<b>Profit before Tax Expense</b>	<b>-397.07</b>	<b>438.71</b>
Less: Tax Expense (Current & Deferred)	-53.48	118.89
<b>Profit for the year (1)</b>	<b>-343.59</b>	<b>319.82</b>
Other Comprehensive Income (2)	0.26	0
<b>Total Comprehensive Income (1+2)</b>	<b>-343.33</b>	<b>319.82</b>

(₹ in Lakhs)

Particulars	Current Financial Year (2021)	Previous Financial Year (2020)
No. of Equity Share Capital of ₹ 10/- each	140	140
Paid-Up Equity Share Capital of ₹ 10/- each	1400	1400
Earning Per Equity Share		
<b>1. Basic EPS</b>	<b>-2.45</b>	<b>2.28</b>
<b>2. Diluted EPS</b>	<b>-2.45</b>	<b>2.28</b>

The Company has been periodically reviewing the impact of COVID-19 on its liquidity and operations and is also keeping a close watch on any other possible impacts of second wave of the pandemic. We found that COVID-19 affecting the financial position of the Company badly due to COVID but hopefully Company will give positive result in coming future and recover from this situation.

The Company has not transferred any amount to the reserves during the current year except the surplus in the Statement of Profit & Loss for the year ended on 31.03.2021.

#### Corporate/Operational Review:

Your Company is achieving its objectives and goals. Our company wants to be more economical and bring efficiency in the operations and segment of the company. The company is moving fast to maximization the wealth of shareholders and stakeholders of the Company.

The company is regularly exploring and critically appraising its domestic market, the company saw downfall in respect of revenue and other aspect in the last year due to stiff competition in the market. The Company has maintained good standards in its products and always be trying to give sharpness to the Company's marketing strategies.

The Company has recorded downfall during the year under review the Company has turnover (Net) of ₹ 8,139.78/- (In lakhs) as against previous figure of ₹ 13,144.05/- (In lakhs), the Company recorded decrease in sale -38.07% (approx) and the Company recorded other Income in the respective year of ₹ 207.29/- (In lakhs) as against previous figure of ₹ 248.08/- (In lakhs), the Company recorded decrease in other income -16.44% (approx),

During the year under review PBD FET (Profit before Depreciation, Finance, Exceptional Item and Tax) was ₹ 400.2/- (In lakhs) as compared to previous year figure of ₹ 1,208.43/- (In lakhs), posting an decrease by -66.88% (approx) and PBFET (Profit before Finance, Exceptional Item and Tax) was ₹ -102.3/- (In lakhs) as compared to previous year figure of ₹ 750.59/- (In lakhs), posting an decrease by -113.63% (approx) and PBET (Profit before Exceptional Item and Tax) was ₹ -397.07/- (In lakhs) as compared to previous year figure of ₹ 482.57/- (In lakhs), posting an decrease by -182.28% (approx)

Further under review PBT (Profit Before Tax) was ₹ -397.07/- (In lakhs) as compared to previous year figure of ₹ 438.72/- (In lakhs), posting an decrease by -190.50% (approx) in PBT. Net profit and PAT (Profit after Tax and Other Comprehensive Income) were ₹ -343.33/- (In lakhs) as compared to previous year figure of ₹ 319.83/- (In lakhs) reporting an decrease of -207.34% (approx) in net profit as compared to previous year, Earning Per Share was during the year ₹ -2.45/- (Each Equity Share) as compared to previous year figure of ₹ 2.28/- (Each Equity Share) reporting an decrease of -207.46% (approx) in EPS as compared to previous year.

Further under review Free Reserve and Surplus (Other Equity) was ₹ 1,716.68/- (In lakhs) as compared to previous year figure of ₹ 1,922.22/- (In lakhs), posting an decrease by -10.67% (approx) and Cash and Cash Equivalents was ₹ 76.96/- (In lakhs) as compared to previous year figure of ₹ 41.73/- (In lakhs), posting an increase by 84.42% (approx).

### Impact of COVID-19 on Company

As we look back on 2020, it's impossible to neglect or overstate the impact of the international pandemic on Indian industries. We all watched as every industry in India was shut down in across the globe. As other industries in India paper industry also effected from this pandemic. With more intensification of COVID- 19 pandemic, the sales and profitability has suffered a major setback in the current financial year. The company has suffered a decrease in production during the current financial year and consequently the profitability has taken a big hit.

First, second and third quarter of the year 2021 is not good for the company because all the activity was shutdown in the during the period but in the last quarter of the year 2021 company received positive indication in revenue due to hardship work of team management of the company.

And on the other hand costing like interest, fixed expenses, salaries and other expenses are increased costing of the company during the year company takes many time shutdown the manufacturing process due to government orders and shortage of demand of product.

The education institutions are likely to begin upcoming academic sessions (around June 2021) physically at least for higher class students if not for all the students. Physical study sessions for higher class students have been witnessed in the past few months as well. This is expected to result in better demand for papers like printing & writing that find their usage in education institutions and offices. Considering this factors, the demand for paper & paper products from these segments is expected to improve in 2021-2022.

However, upon reoperation of our factory with required Manpower as per Central and State Government Guidelines. The Company is taking utmost care of its staff and work force like sanitization of work place, office and staff and work force, social distancing, mandatory mask wearing, thermal check at the gate, maintaining proper hygiene. The Supply and demand chain is being monitoring by the management of the company because of to maintain a minimum level of inflow and outflow. We have taken cash flow, capital expenditure, overhead control and others measures to smoothly manage our operations and measures are taken by the management of the company.

### Statement of the Company

The following statement on the affairs of the company under review:

1. The Company engaged in single segment i.e. company engaged in manufacturing of Paper.
2. There is no changes in status of the company.
3. There is no changes in financial year of the company.
4. There is no such as Capital expenditure programmes which fallen effect on the financial position of the company.
5. There are no acquisition, merger, expansion, modernization and diversification during the year in the company under review.
6. There is no any other material event having an impact on the affairs of the company during the year under review.

### Share Capital

Authorized Share Capital of the Company is ₹ 17,50,00,000/- (Rupees Seventeen Crore Fifty Lakhs Only) divided into 1,75,00,000 (One Crore Seventy Five Lakhs) Equity Shares of ₹ 10/- (Rupees Ten Only) each and Issued, Subscribed and Paid-up Capital of the Company is ₹ 14,00,00,000/- (Fourteen Crore Only) divided into 1,40,00,000 (One Crore Forty Lakhs) Equity Shares of ₹ 10/- (Rupees Ten Only) each. There was no change in the Share Capital during the year.

### Cash and Equivalents

Cash & Equivalents as on date 31<sup>st</sup> March, 2021 was ₹ (In lakhs) 76.96/-. The Company is continuing focus on judicious management of its working capital, receivables, inventories and other working capital parameters are kept under strict check through continuous monitoring.

### Earning Per Share (EPS)

The Earning per equity share of the company for the financial year ended on March 31, 2021 was ₹ -2.45/- (Each Equity Share) and pervious year was ₹ 2.28/- (Each Equity Share). The Company has reported an decrement of -207.46% in EPS for the said financial year.

### Dividend

The Board of Directors of your Company, after considering holistically the relevant circumstances and keeping in view the company's dividend distribution policy, has decided that it would be prudent, not to recommend any dividend for future growth of the company for the year under review.

### Development in Industrial Relations/Human resources including number of employee employed

Employee wealth is main key of success of an origination, it is our obligation provide more facilities to the employee. The company is a paper manufacturing industry, we are committed to maintaining a culture and custom for our employee to attract and retain the best talent. During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

### Fixed Deposits

During the year, the Company has not accepted any deposits from the public falling within the purview of section 73 of the Act, read with the (Companies Acceptance of Deposits) Rules, 2015.

### Credit Rating

Your Company enjoys credit rating from Brickwork Ratings, The Brickwork Ratings India Pvt. Ltd. has granting credit ratingon 22 January, 2021 to the company as BWR BB+ (Pronounced as BWR Double B Plus), Outlook: Stable (Downgraded) for Fund Based and BWR A4+ (Pronounced as BWR, A Four Plus) (Downgraded) for Non Fund Based.

### Conservation of energy, research and development, technology absorption, foreign exchange earnings and outgo

The particulars as prescribed under Sub-section (3)(m) of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 are enclosed as **Annexure-A** to the Board's Report.

### Particulars of Loans, Guarantees or Investments

Loans, guarantees and investments covered under Section186 of the Companies Act, 2013 forms part of the notes to the financial statements provided in this Annual Report.

### Transfer to General Reserve

The Company has not transferred any amount to the reserves during the current year except the surplus in the statement of profit and loss for the year ended on 31.03.2021, which has been carried over in the Balance Sheet.

### Subsidiary and Associate Company of the Company

There is noSubsidiaries or Associate Company as on 31<sup>st</sup> March 2021.So there is no requirement of statement in FORM AOC-1, under section 129(3) rule 5 of the Companies (Accounts) Rules, 2014.

**Particulars of contract or arrangements made with related parties**

Particulars of contract or arrangements with referred partner referred to in the section 188(1) of the Companies Act, 2013 in the prescribed form AOC-2 is appended as Annexure-B of the Boards' report.

**Extract of Annual Return**

As required under Section 92(3) and 134(3)(a) of the Act and the Rules made thereunder and amended from time to time, the Annual Return of the Company in prescribed Form MGT-7 is available under 'Investors' section on the website of the Company at <http://www.mohitpaper.com> and hence the extract thereof has been not been annexed herewith.

**Material changes and commitments affecting the financial position between the end of the Financial year and date of report**

There have no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

**Directors and Key Management Personnel ("KMP")**

The Board of Director of the Company having optimum combination of the Executive and Non-Executive Directors, details are below:

**Executive Directors and Key Managerial Personnel**

Mr. Sandeep Jain (Managing Director), Mr. Pradeep Kumar Rajput (Whole Time Director), Mr. Shivam Sharma (Company Secretary), Mr. Arvind Kumar Dixit (Chief Financial Official) of the Company.

**Non-Executive Directors**

Mrs. Anju Jain (Woman Director), Mrs. Shubhi Jain (Woman Director), Mr. Rachit Jain (Independent Director), Mr. Sanjeev Kumar Jain (Independent Director), Mr. Sushil Kumar Tyagi (Independent Director), Mr. Sourabh Mathur (Independent Director) of the Company.

**Reappointment**

Mrs. Shubhi Jain (DIN: 06685602) is liable to be retire by rotation in the ensuing Annual General Meeting and being eligible offered herself for re-appointment.

During the year under review Mr. Sandeep Jain gives resign from Managing Director (Executive Director) due to expiration of his term but after that the Board again reappointed Mr. Sandeep Jain as Managing Director (Executive Director) but subject to the approval of the Members in Previous Annual General Meeting.

Under review Mr. Sandeep Jain appointed as Managing Director cum CEO for a term of Five years w.e.f. 24/08/2020 and other terms and conditions as decided by the Board and the Members of the Company.

Mr. Pradeep Kumar Rajput appointed as Whole Time Director for a term of Five years w.e.f. 24/08/2020 and other terms and conditions as decided by the Board and the Members of the Company.

**Number of Meetings of the Board**

5 (Five) meetings of the Board were held during the financial year under review, the details of which are given in the corporate governance report that forms part of this Annual Report.

**Board Diversity**

We understand the value and importance of balanced and diverse board in the company. We always support a better/best board in the company. The Company believes that a truly diverse board will changes in thoughts, perspective, knowledge, skills, industry experience, cultural and geographical background, age, gender that

will help us retain our competitive advantage. You can find related policy on [http://www.mohitpaper.in/upload/others/policies\\_latest/1\\_Board%20Diversity%20Policy.pdf](http://www.mohitpaper.in/upload/others/policies_latest/1_Board%20Diversity%20Policy.pdf)

### Board, Committee and Directors evaluation

The Board of Directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Companies Act, 2013 (The "Act") and Securities Exchange Board of India (Listing Obligations and Listing Requirements) Regulations, 2015 (SEBI Listing Regulation). The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

The above related policy of evaluation of Board and Directors are placed on website and related link is [http://www.mohitpaper.in/upload/others/policies\\_latest/4\\_EVALUATION%20OF%20THE%20PERFORMANCE%20OF%20BOD.pdf](http://www.mohitpaper.in/upload/others/policies_latest/4_EVALUATION%20OF%20THE%20PERFORMANCE%20OF%20BOD.pdf)

All details as per the Company policy and SEBI Listing Regulation guidelines. During the year under review the Company conducted familiarization programme of independent directors for familiar the independent director with the culture of the Company.

In a separate meeting of independent directors, performance of non-independent directors, the Board as a whole and the Chairman of the Company was evaluated, taking into account the views of executive directors and non-executive directors. The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

### Managerial Remuneration and Particulars of employees

The information required under section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as **Annexure -D**.

The information required under section 197(12) of the Companies Act, 2013 read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to our Company as there is no employee getting remuneration as prescribed in the rule.

### Vigil Mechanism

The Company has set up vigil mechanism viz. Whistle Blower Policy to enable the employee and directors to report genuine concerns and irregularities, is any in the Company noticed by them. The policy is annexed as **Annexure -E**. link of policy is [http://www.mohitpaper.in/upload/others/policies\\_latest/9\\_WISTLE%20BLOWER\\_VIGIL%20MACHANISM.pdf](http://www.mohitpaper.in/upload/others/policies_latest/9_WISTLE%20BLOWER_VIGIL%20MACHANISM.pdf)

### Directors Nomination and Remuneration Policy

The policy on directors' Nomination and Remuneration, including criteria for determining qualification, positive attribute and independence of a director and other relevant matter, as required as per section 178(3) of the Act, and SEBI Listing Regulation, The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. Remuneration policy has posted on website of the Company at [http://www.mohitpaper.in/upload/others/policies\\_latest/5\\_Nomination%20and%20Remeuneration%20Policy.pdf](http://www.mohitpaper.in/upload/others/policies_latest/5_Nomination%20and%20Remeuneration%20Policy.pdf). The Directors' Nomination and Remuneration Policy also stated in Annual Report as **Annexure -F**.



### Corporate Governance Report

In terms of the provisions of SEBI Listing Regulations, 2015, Corporate Governance Report is annexed as **Annexure –G** and Certificate on Corporate Governance Report is annexed as **Annexure –H**.

### Management’s Discussion and Analysis Report

In the term of Regulation 34 of SEBI Listing, Regulation 2015, the Management Discussion and Analysis is set out in this Annual Report. the Management’s discussion and analysis is annexed as **Annexure-I**.

### Committees of the Board

As on March 31, 2021, the Board had three committees, the Audit Committee, the Nomination and Remuneration Committee and the Stakeholders Relationship Committee. The Committees consists of majority of independent directors. During the year, all recommendations made by the committees were approved by the Board.

A detailed note on the composition of the Board and its committees is provided in the Corporate governance report.

### Declaration by the Independent Directors

The Company received necessary declaration from each independent director under section 149(7) of Companies Act, 2013, that Mr. Rachit Jain (Independent Director), Mr. Sanjeev Kumar Jain (Independent Director), Sushil Kumar Tyagi (Independent Director), Mr. Sourabh Mathur (Independent Director) meets the criteria of independency laid down in section 149(6) of Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

Pursuant to the Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and based on the confirmation/affirmation received from Mr. Rachit Jain (Independent Director), Mr. Sanjeev Kumar Jain (Independent Director), Sushil Kumar Tyagi (Independent Director), Mr. Sourabh Mathur (Independent Director), that they were not aware of any circumstances that are contrary to the declarations submitted by Independent Directors, the Board acknowledges the veracity of such confirmation and takes on record the same.

### Familiarization Program and Independent Directors Meeting

During the relevant financial year, as per company policy the Independent Directors of the company has conducted a separate meeting of Independent Directors of the company on 24/02/2021. The meeting conducted for the purpose of evaluation of the Board of Directors as whole and individually and also conducted the familiarization program for Independent Directors to introduction to the Board and to attend an orientation program. The Details of training and familiarization program are provided in the corporate governance report and also available on company’s website [http://www.mohitpaper.in/upload/others/extra/Familiarization%20programe\\_%2020-21.pdf](http://www.mohitpaper.in/upload/others/extra/Familiarization%20programe_%2020-21.pdf).

### Director’s responsibility statement as required under Section 134(3)(c) of the Companies Act,2013

Pursuant to the requirement under section 134(3)(c ) of the Companies Act,2013 with respect to directors responsibility statement, it is hereby confirmed that:

- In preparation of the annual accounts for the financial year ended March 31, 2021, the applicable accounting standards have been followed.
- The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the Statement of Profit & Loss of the Company for the period.



- The directors have taken proper and sufficient care towards 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.
- The directors have prepared the annual accounts on-going concern basis.
- The directors have laid down internal financial controls, which are adequate and are operating effectively.
- The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

### **Internal Financial Control System**

Companies Internal Financial Control System is designed to help and ensure the effectiveness and efficiency of operations, proper financial reporting and compliance of laws and regulations. The Company have adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including the adherence to the Companies Policies, the safeguarding of its assets, the prevention and detection of fraud and errors, the accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures.

M/s MAA and Company is appointed as Internal Auditor, who along with the audit committee formulates the system and ensures the effectiveness and adequacy of the system.

### **Significant and material orders**

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

### **Reporting of frauds by auditors**

During the year under review, neither the statutory auditors nor the secretarial auditor has reported to the audit committee, under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's report.

### **Secretarial Standards**

The Company complies with all applicable mandatory secretarial standards issued by the Institute of Company Secretaries of India.

### **Listing on Stock Exchange**

The Company's equity shares are listed on BSE Limited.

### **Auditors**

#### **Statutory Auditors**

M/s Anil Sood & Associates, Chartered Accountants (Registration Number-004985N) acted as statutory auditors and their appointment was ratified by the shareholders in the AGM held on 28/09/2017.

The remarks as contained in the auditor's report read with Notes forming part of the accounts are self-explanatory

#### **Cost Audit and Records**

Pursuant to the provision of the section 148 (3) of Companies Act, 2013 read with rule 6 (2) of Companies (Cost Records and Audit) Amendment Rule, 2014 (include any modification or reenactment thereof, if any) and other applicable law, rules or regulations, if any. The cost record are maintained by the company and the Company

appointed M/s H. TARA & Co. for the financial year ended 2021 with such remuneration and other term and condition as may be agree by the Board of Directors of the Company.

### **Secretarial Auditor**

Pursuant to the provisions of Section 204 of the Act, and the Companies(Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company have appointed M/s. PDS & Co., Practicing Company Secretaries, to undertake the secretarial audit of the Company for the year 2020-21. The points noted by the Secretarial Auditor in its secretarial auditor report regarding the certain information related to appointment/re-appointments of Board level functionaries have been intimated by the Company to the stock exchanges as outcome of the Board meeting and one e-forms is delayed in submission to concern the Registrar of Companies due to COVID-19 pandemic and the company has represented, the same has been filed/ in process of being filling with Registrar of Companies and any other authorities if any with addition fee/penalty. The Secretarial Audit Report by PDS & Co. for the year 2020-21 is annexed herewith as **Annexure-J**”.

### **Risk Management**

Company has implemented an integrated risk management approach through which it review and assess significant risks on a regular basis to help ensure that there is a robust system of risk control and mitigation.

Senior Management periodically reviews this risk management framework to keep updated and address emerging challenges.

Major risk identified for the Company by the management is price of raw-materials and fuel, Currency Fluctuation, Compliance, financing. The management is of the view that none of the above risks may threaten the existence of the Company as risk mitigation process is put in place to ensure that there is nil or minimum impact on the Company in case any of these risk materialize.

### **Corporate Social Responsibility**

Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility does not apply to your Company as your Company is outside the threshold limit required for the same.

### **Sexual Harassment of Women at Workplace**

Company has complied with provisions relating to the constitution of Internal Complaints Committee under Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act,2013

No such incidence of sexual harassment of women was reported during the year 2020-21.

### **Acknowledgement**

Your Directors would like to express their thanks to banks for their co-operation and assistance from time to time. The directors would also like to record appreciation to the members of staff and workers, who despite of constraints have been working hard for the company and are maintaining cordial relations.

For and on behalf of Board of Directors of **Mohit Paper Mills Limited**

Sd/-

**Sandeep Jain**

*Managing Director cum Chairman*

DIN-00458048

Place: New Delhi

Date: July 30, 2021

**Annexure to Director's Report****Annexure -A****Disclosure of Particulars under section 134(3)(m) read with Rule 8(3) of The Companies Act, 2013****A. CONSERVATION OF ENERGY**

- a. Energy Conservation measures taken:
- i. The Company is self sufficient in terms of power. Co-generation power plant is running good.
  - ii. Training sessions of Shop Floor Workmen had been organized periodically.
  - iii. The Company has revamped and realigned the existing facilities to optimize power consumption in various power consuming facilities.
  - iv. The Bio Digester Plant is running satisfactorily which is utilising the waste of Paper (Sludge) for making gas which is used as fuel for Boiler for reducing the cost of fuel and is used as a tool for making the environment clean and pollution free.
- b. Additional Investments and proposals, if any, being implemented for reduction of energy consumption.
- i. Better power factor management across the unit.
  - ii. Identifying and eliminating non-productive energy consumption areas.
- c. Impact of the measures at(a) and (b) for reduction of energy Consumption on the cost of Production of goods.
- The above efforts shall help in restoring efficiency in conservation of energy. No separate costing had been done to measure energy saved, if any, by the company.
- d. Total energy consumption and energy consumption per unit of production:
- As per Form 'A' enclosed.

**B. TECHNOLOGY ABSORPTION**

Efforts made in technology absorption  
As per 'B' enclosed.

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO.**

The Company operates in domestic market of India and has not undertaken exports during the year. Foreign Exchange earnings on account of Exports was NIL. Total foreign exchange outgo during the year amounted to 522.80/- (₹ in Lakhs) on account of Import on CIF Basis of waste paper and machinery part if any.

For and on behalf of Board of Directors of **Mohit Paper Mills Limited**

Sd/-

**Sandeep Jain**

*Managing Director cum Chairman*

DIN-00458048

Place: New Delhi

Date: July 30, 2021

**FORM- A**

Disclosure of particulars with respect to conservation of energy:

**A. POWER & FUEL CONSUMPTION**

<b>1. ELECTRICITY</b>	<b>CURRENT YEAR 31.03.2021</b>	<b>PREVIOUS YEAR 31.03.2020</b>
<b>PURCHASED:</b>		
UNITS	1664911	1585878
TOTAL AMOUNT (₹)	17311530	14741998
RATE/UNIT	10.40	9.30
<b>THROUGH STEAM TURBINE/GENERATOR</b>		
<b>a. UNITS PRODUCED</b>	20447778	29661152
COST/UNITS	NIL	NIL
UNITS PER Ltrs OF FUEL	NIL	NIL
<b>b. UNITS SOLD</b>	2149482	2388380
RATE/UNITS	8/-	8/-
<b>c. NET UNITS CONSUMED FOR PRODUCTION</b>		
UNITS	19963207	28858650
COST/UNITS	NIL	NIL
UNITS PER Ltrs OF FUEL	NIL	NIL
<b>2. CHARCOL:</b>		
QTY (MT)	53.74	39.5
TOTAL COST (₹)	808618	594949
AVERAGE RATE	15046.86	15062.01
<b>3. TEL RAHIT BHUSSI:</b>		
QTY (MT)	25257	44765.5
TOTAL COST (₹)	91488437	182335957
AVERAGE RATE	3622.30	4073.14
<b>4. LUBRICANT:</b>		
QTY (MT)	6387	18509
TOTAL COST (₹)	1029371	2403677
AVERAGE RATE	161.17	129.87
<b>5. BAGASSE</b>		
QTY (MT)	2743.19	13209.48

	CURRENT YEAR 31.03.2021	PREVIOUS YEAR 31.03.2020
TOTAL COST (₹)	5905221.07	34333208
AVERAGE RATE	2152.68	2599.13
<b>6. COAL:</b>		
QTY (MT)	24601.633	27161.53
TOTAL COST (₹)	151742673.4	132605455.5
AVERAGE RATE	6167.99	4882.11

**B. CONSUMPTION/TONES OF PRODUCTION:**

PRODUCT	CURRENT YEAR 31.03.2021	PREVIOUS YEAR 31.03.2020
	W/P PAPER/ POSTER PAPER	W/P PAPER/ POSTER PAPER
PRODUCTION (MT)	18393.026	26489.526
ELECTRICITY (UNITS/MT)	1085	1089
TEL RAHIT BHUSSI (IN BOILER) (ON DIRECTLY ATTRIBUTABLE BASIS TO PRODUCTION)	1.373	1.69
CHARCOAL (IN BOILER) (ON DIRECTLY ATTRIBUTABLE BASIS TO PRODUCTION)	0.003	0.001
LUBRICANT (IN BOILER) (ON DIRECTLY ATTRIBUTABLE BASIS TO PRODUCTION)	0.347	0.699
BAGASSE (IN BOILER) (ON DIRECTLY ATTRIBUTABLE BASIS TO PRODUCTION)	0.149	0.499
COAL (IN BOILER) (ON DIRECTLY ATTRIBUTABLE BASIS TO PRODUCTION)	1.338	1.025

For and on behalf of Board of Directors of **Mohit Paper Mills Limited**

Sd/-

**Sandeep Jain**

*Managing Director cum Chairman*

DIN-00458048

Place: New Delhi

Date: July 30, 2021

**FORM – B**

Disclosure of particulars with respect with to Technology Absorption Research & Development

**1. Research & Development (R & D):**

The Company is a manufacturing organization and is not engaged in any major Research & Development activity. However, continuous efforts are made to improve the quality and efficiency and to develop new product/product mix.

**2. Technology, Absorption, Adoption and Innovation:**

The Company had successfully installed and commissioned MG Poster Paper Plant.

The latest technology has been adopted in various sections for improving production and production quality and suitable efforts has been taken by the engineers to reduce the consumption of chemicals and energy which has helped in price and quality maintenance.

**3. Imported Technology : NIL**

For and on behalf of Board of Directors of **Mohit Paper Mills Limited**

Sd/-

**Sandeep Jain**

*Managing Director cum Chairman*

DIN-00458048

Place: New Delhi

Date: July 30, 2021

**FORM – C**

Disclosure of particulars of Imports/Exports and Foreign Exchange Earning and outgo

**A. Imports**

Imported raw materials during the year by the company, detailed as per mentioned in notes of financials statements of the company.

**B. Exports**

The Company do not deals with exports.

Details are provided under the Notes of Accounts of the Financials of the Company for the financial year ended as on 31<sup>st</sup> March 2021.

For and on behalf of Board of Directors of **Mohit Paper Mills Limited**

Sd/-

**Sandeep Jain**

*Managing Director cum Chairman*

DIN-00458048

Place: New Delhi

Date: July 30, 2021

**ANNEXURE -B**

Particulars of contracts/ arrangement made with related party

**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 (Account) Rules, 2014)**

This form pertains to the 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 arm's length transactions under third proviso thereto.

**1. Details of contracts or arrangements or transactions not at arm's length basis:**

The Company has not entered into any contract/arrangement/transaction with its Related Parties which is not in ordinary course of business or at arm's length during FY 2020-21. The Company has laid down policies and processes/procedures so as to ensure compliance to the subject section in the Companies Act, 2013 and the corresponding Rules. In addition, the process goes through internal and external checking, followed by quarterly reporting to the Audit Committee.

- (a) Name(s) of the related party and nature of relationship: Not Applicable
- (b) Nature of contracts/arrangements/transactions: Not Applicable
- (c) Duration of the contracts / arrangements/transactions: Not Applicable
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
- (e) Justification for entering into such contracts or arrangements or transactions: Not Applicable
- (f) Date(s) of approval by the Board: Not Applicable
- (g) Amount paid as advances, if any: Not Applicable
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: Not Applicable

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

S. No.	Name of Related Party	Name of the director who is related and nature of relation	Nature of contract/ arrangement	Duration of Contract/ arrangement	Amount/ Value of the transaction in the year (in lakhs)	Amount paid as advance, if any
1.	Sandeep Jain (Managing Director)	Husband of Mrs. Anju Jain, Father of Mr. Mohit Jain, Father in law of Mrs. Shubhi Jain	Managerial Remuneration	Regular services	53.00	NIL
2.	Mohit Jain (GM Marketing and Administration)	Son of Mr. Sandeep jain and Mrs. Anju Jain Husband of Mrs. Snhubhi Jain	Salary	Regular Services	25.44	NIL
3.	Shivam Sharma (Company Secretary)	NA	Salary	Regular Services	3.52	NIL

S. No.	Name of Related Party	Name of the director who is related and nature of relation	Nature of contract/ arrangement	Duration of Contract/ arrangement	Amount/ Value of the transaction in the year (in lakhs)	Amount paid as advance, if any
4.	Arvind Dixit (CFO)	NA	Salary	Regular Services	4.11	NIL
5.	Pradeep Kumar Rajput (Whole Time Director)	NA	Salary	Regular Services	5.89	NIL
6.	Neelam Dixit	Wife of Mr. Arvind Dixit (CFO)	Supply of wastepaper (Indigenous)	As applied	102.60	NIL
7.	M/s Centurion Industries Private Limited	Mrs. Anju Jain and Mrs. Shubhi Jain Directors of Mohit Paper Mills Limited are directors in this Company	Electricity supplied to Centurion Industries Private Limited	As applied	61.13	NIL
8.	M/s Centurion Paper and Board	Mrs. Anju Jain and Mrs. Shubhi Jain Directors of Mohit Paper Mills Limited are partners in this firm	Supply of packing material	As applied	6.00	NIL
9.	M/s Centurion Rubber	Mr. Mohit Jain is proprietor of this firm is son of Mr. Sandeep Jain and Mrs. Anju Jain and husband of Mrs. Shubhi Jain	Electricity supplied to Centurion Rubber	As applied	110.82	NIL
10	Anju Jain (Director)	Wife of Mr. Sandeep jain Mother-in-law of Mrs. Shubhi Jain	Rent paid to Mr. Anju Jain	As applied	18.00	NIL

For and on behalf of Board of Directors of **Mohit Paper Mills Limited**

Sd/-

**Sandeep Jain**

*Managing Director cum Chairman*

DIN-00458048

Place: New Delhi

Date: July 30, 2021



## Annexure–D

## Particulars of Employees

### Pursuant to Section 197 (3) of the Companies Act, 2013 read with rule 5 of the Companies (Appointment & Remuneration of Managerial Personal) Rules, 2014

The Mohit Paper Mills Limited is paper manufacturing company. The remuneration and perquisites provided to our employees including management of the company are on par with industries benchmarks. The Board of Directors and Nomination and Remuneration committee continuously review the compensation of our MD, WTD/CFO and other KMP to align both the short term and long term business objectives of the company and to link with the performance of the directors and KMPs. The details of remuneration to KMP including MD and WTD/CFO in the below table:

#### a. Remuneration of Managing Director, Whole Time Director, Company Secretary and Chief Financial Officer (CFO):

Name of Director	Designation	Remuneration in the year 2021 (In Lakhs)	% increase in remuneration	Ratio to median remuneration of employees
Sandeep Jain	Managing Director	53	NA	40.38
Pradeep Kumar Rajput	Whole Time Director	5.89	NA	4.37
Shivam Sharma	Company Secretary	3.52	(62.5)	2.68
Arvind Dixit	CFO	4.11	NA	3.13

Note:

- The details in the table are on accrual basis.
- Remuneration provided to MD and WTD recommended by the Nomination and Remuneration Committee and approved by Board of Directors.
- Remuneration calculation of MD and WTD/CFO as per provisions of Companies Act, 2013 and others applicable rules and regulation. If any.
- No increment in salary recorded in the salary of directors and KMPs but Company Secretary's salary reduce due to change in the terms and conditions of appointment.

#### b. Setting fees of Directors (Non-executive) other than MD, WTD, CS and KMP:

Name of Director	DIN	Designation	Meeting Fees in 2021 (In Lakhs)
Anju Jain	00459540	Director	0.15
Shubhi Jain	06685602	Director	0.15
Sushil Kumar Tyagi	06362605	Director	0.48
Rachit Jain	06982727	Director	0.24
Sanjeev Kumar Jain	07018412	Director	0.48
Sourabh Mathur	08354589	Director	0.27

Note:

The details in the above table are on accrual basis, for the purpose of meeting fees for the financial year 2020-2021.

**c. Information as per Rule 5(2) of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.**

**Top 10 Employee in terms of remuneration draw during the year:**

Employee Name	Designation	Educational Qualification	Experience (in years)	Remuneration in 2021 (in Lakhs)	Previous employment and designation	Date of Commencement of employment	Date of Birth/ Age as on 01.01.21	No of share held	Relationship with Director
Mohit Jain	Senior marketing manager	B.Sc. (Honors)	9	25.44	NA	2012	13/03/1989/32 YEARS	1625318	Son of Mr. Sandeep Jain and Mrs. Anju Jain and husband of Mrs. Shubhi Jain
M.P.Verma	VP	Paper Tech.	39	7.83	Nani Paper/ Tec. Depart	2018	19/04/1955/65	NA	NA
Sunil Kumar Singh	Manager production	Paper Tech.	19	5.89	Rajshri paper mill/GM	2017	20/12/1979/42	NA	NA
Rajkumar	Asst. Manager	B.tech. (diploma)	14	5.24	NA	2007	21/03/1985/36	NA	NA
Ratan lal Sharma	Manager Sales tissue	Graduate	21	5.17	DSG paper mills/ Marketing manager	2017	02/01/1962/59	NA	NA
Sohail Sidqui	Manger recovery	ChemicalEngg. (diploma)	20	4.63	Nani paper/ engineer	2006	11/08/1977/44	NA	NA
Atul Saxsena	DGM Sales	B.sc.	27	4.60	NA	1994	17/07/1964/57	NA	NA
Nagina Singh	In-charge	Inter	37	4.45	Sanjay paper/ electrician	1995	05/08/1964/56	NA	NA
Mohan Joshi	Ass. Sales Manager	Graduation	17	4.18	Vishal Paper/ Deputy Mang	2016	20/02/1980/41	NA	NA
S.C Shrivastv	DGM	B.Sc.	34	4.14	BGPPL	2019	16/06/1958/ 63	NA	NA

d. The percentage decrease/increase in the median remuneration of employee during the financial year(25.30%). The Company recorded decrement in median employee salary due to COVID-19 because number of employee and working time of employee was reduce due to shutdown of manufacturing unit in the pandemic COVID duration.

The number of permanent employees on the rolls of company as on 31<sup>st</sup> March, 2021 is 180

e. Average percentage increase in the salaries of employees other than the managerial personnel in the financial year 2020-21 was in negative form due to COVID-19 and there is no change or no increment in the managerial remuneration for the same financial. However, the company is paying fixed remuneration to the individuals based on the responsibility and position, the Company is paying remuneration to the Key Managerial Person (KMP) as per skills and experience. Increment in Managerial remuneration of the Key Managerial Persons (KMP) and MD and WTD as per Managerial Remuneration Policy.

- f. Key parameter for any variable component of remuneration availed by the director-Variance in managerial remuneration as per Managerial Remuneration Policy.
- g. We affirm that the remuneration paid to the Directors, Key Managerial Personnel and employees is as per the remuneration policy of the Company.
- h. Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:
- g. 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 any exceptional circumstances to increase in the managerial remuneration:

No employee was in receipt of remuneration of not less than one crore and two lakh rupees if employed throughout the year or eight lakh and fifty thousand per month in case employed for part of the year.

For and on behalf of Board of Directors of **Mohit Paper Mills Limited**

Sd/-

**Sandeep Jain**

*Managing Director cum Chairman*

DIN-00458048

Place: New Delhi

Date: July 30, 2021

**ANNEXURE-E :****Vigil Mechanism/ Whistle Blower Policy****Preamble:**

Pursuant to the section 177 of the Companies Act, 2013 (hereinafter called "the Act") and as per provisions of Regulation 22 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called "the Regulation") requires Mohit Paper Mills Limited (hereinafter called "the Company") to establish a whistle Blower Policy for directors and employees to report genuine concerns of unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy.

**Objective of the Policy:**

This Policy is adopted by the Company considering the requirements of establishing a Vigil Mechanism of the Act and as per Regulations, any amendments thereof and any other Law(s), Rule(s), Regulation(s) if any. The objective of the policy is to provide a mechanism for directors and employees of the Company to report unethical behavior, fraud, or violation of Code of Conduct or ethics policy and provide for safeguards against victimization of persons who use such mechanism. It also allows the directors and employees of the Company direct access to the Chairman of the Audit Committee of the Company in exceptional cases.

**Definitions:-**

"Audit Committee" means the Audit committee formed under Section 177 of the Companies Act, 2013 and read with as per provisions of Regulation 22 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable other law(s), Rule(s), Regulation(s), if any.

"Board of Directors" or "Board" means the collective body of the Directors of the Company.

"Company" means Mohit Paper Mills Limited.

"Complaint" means a complaint made under this policy providing the details in respect of unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct and ethics policy.

"Employee" means every person in employment of the Company including those working abroad, if any.

"Fraud" includes any act, omission, concealment of any fact or abuse of position committed by any employee or with his connivance, in any manner, with intent to deceive, to gain undue advantage from, or to injure the interests of the Company or its employees.

"Policy" means Whistle Blower Policy.

"Subject" means a person or group of persons against or in relation to whom a complaint is made or evidence gathered during the course of an investigation.

"Vigilance Officer" is the person appointed by the Audit Committee to receive and place the complaint before the Audit Committee.

"Whistle Blower" means an employee making complaint under this policy.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, or any other applicable law(s), rule(s) and regulation(s), if any.

**Scope of the Policy:**

The Policy is an extension of the Code of Conduct for Directors and Senior Management Personnel and covers disclosures of any unethical and improper or malpractices and events which have taken place/ suspected to take place involving:

- \* Breach of the Company's Code of Conduct.

- \* Breach of Business Integrity and Ethics.
- \* Breach of terms and conditions of employment and rules thereof.
- \* Intentional Financial irregularities, including fraud, or suspected fraud.
- \* Deliberate violation of laws/ regulations.
- \* Gross or Willful Negligence causing substantial and specific danger to health, safety and environment.
- \* Manipulation of company data/ records.
- \* Perforation of confidential/ propriety information.
- \* Gross Wastage/ misappropriation of Company funds/ assets.

#### **Eligibility:**

All the employees and directors of the company are entitled to use this mechanism.

Cases to be referred to the Chairman of the Audit Committee:

Following complaints shall be referred to the Chairman of the Audit Committee:-

- \* Complaints in respect of fraud.
- \* Complaints for matters relating to Finance/Accounts.
- \* Complaints against the Board Level Executives, employees at the levels of Vice-Presidents and above.
- \* Other complaints against the employees of the company shall be forwarded to the Vigilance Officer.

#### **Procedure for making complaint:**

- \* The complaint should be addressed to your concern Manager, Human Resources Manager or to Vigilance Officer or to the Chairman of the Audit Committee. Following are the contact details of the Vigilance Officer and the Chairman of the Audit Committee:

Address of related officer:

#### **Manager/ Human Resources Manager,**

Mohit Paper Mills Limited,

Address: 15A/13, Upper Ground Floor, East Patel Nagar, New Delhi- 110008 OR

Works: 9km stone, Nagina Road, Bijnor, UP- 246701

Ph: 011-25886798, 01342-283051

#### **The Vigilance Officer,**

Mohit Paper Mills Limited,

Address: 15A/13, Upper Ground Floor, East Patel Nagar, New Delhi- 110008 OR

Works: 9km stone, Nagina Road, Bijnor, UP- 246701

#### **The Chairman of the Audit Committee,**

Mohit Paper Mills Limited,

Address: 15A/13, Upper Ground Floor, East Patel Nagar, New Delhi- 110008 OR

Works: 9km stone, Nagina Road, Bijnor, UP- 246701

Ph: 011-25886798, 01342-283051

You can also write to Company Secretary at [investorsmohitpaper@gmail.com](mailto:investorsmohitpaper@gmail.com)

- \* The complaint should be either typed or written in legible handwriting in English, Hindi or in the regional language of the place of employment of the Whistle Blower.
- \* The complaint can be sent either in a securely sealed envelope or through e-mail with the subject "Complaint under the Whistle Blower Policy".
- \* The complaint should be enclosed with a covering letter bearing the identity of the whistle blower.
- \* Manager/The Vigilance Officer/Chairman of Audit committee shall detach the covering letter and forward the complaint to the Vigilance Committee after verification of identity of the whistle blower.
- \* Complaint received from anonymous sources will not be considered by the Manager/Vigilance Officer/Chairman of the Audit Committee.
- \* The Whistle Blower will be informed about the disposition of his complaint except for overriding legal or other reasons.

**Investigation:-**

- \* The Company has constituted Audit Committee, who shall operate the vigil mechanism/ whistle blower policy.
- \* The Audit Committee, on satisfaction that there are sufficient reasons for the existence of an unethical behavior or act or that there is a breach of code of conduct, will either direct the Vigilance Officer or appoint any other person as it may deem fit to conduct an investigation.
- \* In case of the complaints forwarded to the Chairman of the Audit Committee, he/she either on his own or along with Vigilance Officer will conduct an investigation on the matter.
- \* If there is any conflict of interest of the Vigilance Officer or any member of the Audit Committee then he/she will not be a part of the investigation and process of dealing with the complaint.
- \* The Chairman of the Audit Committee may seek further information, if required, from the whistle blower.
- \* The subject will be informed about the investigation and will be given an opportunity to be heard.
- \* Investigation will be completed within 60 days of receipt of the complaint and is extendable by such period as the Audit Committee deems fit.
- \* The Vigilance Officer/ Chairman of the Audit Committee will submit the results of the investigation to the Vigilance Committee.
- \* If the Committee concludes that the allegations are true and that an unethical behavior/act, fraud, violation of code of conduct has been committed, then it shall have the authority to take appropriate disciplinary or corrective action.
- \* If the complaint made is found to be false then the Committee shall take disciplinary action against the whistle blower.
- \* Outcome of the complaint will be informed to the whistle blower as well as to the subject.
- \* In case of repeated frivolous complaints being filed by a director or an employee, the Committee may take suitable action against the concerned director or employee including reprimand.

**Protection to the Whistle Blower:-**

- \* Identity of the whistle blower as well as the subject will be kept strictly confidential.
- \* It will be ensured that there is a fair treatment with the whistle blower and that there is no discrimination, harassment, victimization or any kind of unfair practice such as threat, demotion etc. adopted against the whistle blower by virtue of his making complaint under this policy.

- \* In case of any requirement of evidence to be given in criminal or disciplinary proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure etc.
- \* Any other person involved in conducting the investigation on the complaints received under this policy will also be provided protection.

**Review by Audit Committee:-**

Audit Committee shall take note of the Complaints received and action taken on quarterly basis.

**Maintenance of Records:-**

The Vigilance Officer shall maintain the records such as complaints received, result of the investigation, action taken by the Audit Committee for seven years.

**Amendment:-**

The policy may be amended time to time by the Audit Committee with the approval of Board of Directors of the company.

**ANNEXURE-F:****Nomination and Remuneration Policy:****Introduction:**

The Nomination & Remuneration Policy (hereinafter called "Policy") of Mohit Paper Mills Limited (hereinafter called "Company") is formulated under the requirements of applicable laws, including the Companies Act, 2013 (hereinafter called "Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (hereinafter called "Listing Regulations"). The Policy is intended to set out criteria to pay equitable remuneration to the Directors, Key Managerial Personnel (KMP), senior management (as defined below) and other employees of the Company and to harmonies the aspirations of human resources with the goals of the Company.

**Objective:**

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and as per regulation 19 of SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015 and other applicable Law(s), Rule(s) and Regulation(s), if any.

The Key Objectives of the Committee would be:

- i. To guide the Board of Directors of the company (hereinafter called "Board") in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- ii. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- iii. To recommend to the Board on Remuneration payable to the Directors (Executive and Non-Executive), Key Managerial Personnel and Senior Management.
- iv. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- v. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- vi. To devise a policy on Board diversity.
- vii. To develop a succession plan for the Board and to regularly review the plan;

**Constitution of the Nomination and Remuneration Committee:**

The Board has constituted the "Nomination and Remuneration Committee" of the Board. This is in line with the requirements under the Act and Regulation. This Policy and the Nomination and Remuneration Committee Charter are integral to the functioning of the Nomination and Remuneration Committee and are to be read together. The Board has authority to reconstitute this Committee from time to time as required.

**Definitions:**

- A. Act means the Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015 and other applicable Law(s), Rule(s) and Regulation(s), if any Rules framed there under, as amended from time to time.
- B. Board means Board of Directors of the Company.
- C. Company means Mohit Paper Mills Limited.
- D. Directors mean Executive and Non-Executive Directors of the Company.
- E. Key Managerial Personnel (KMP) means



1. Chief Executive Officer or the Managing Director or the Manager;
  2. Whole-time director;
  3. Chief Financial Officer;
  4. Company Secretary; and
  5. such other officer as may be prescribed time to time as per Act and Regulation.
- F. Senior Management means Senior Management means personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.

#### **Role of Committee:**

Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee. The Committee shall:

- \* Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- \* Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- \* Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.
- \* Reviewing the structure, size and composition of the Board, and making recommendations to the Board with regard to changes, if any
- \* Evaluating the balance of skills, knowledge and experience of the Board and, in light of this evaluation, preparing a description of the roles and capabilities required for particular appointments.
- \* Reviewing time required from each non-executive Director, and assessing whether he or she has given sufficient commitment to the role.
- \* Considering succession planning taking into account the challenges and opportunities facing the Company, and what skills and expertise are needed from members of the Board in the future.
- \* Ensuring that on appointment to the Board, the non-executive directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment.
- \* Identifying persons who are qualified to become directors and who may be appointed in senior management and recommending to the Board their appointment and removal.
- \* Formulating the criteria for determining qualifications, positive attributes and independence of a director.
- \* Carrying out evaluation of the performance of the Board, individual directors and of the various board committees.

#### **Matter shall be dealt with the Committee:**

##### **Devising a policy on Board diversity:**

The committee recommending to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees. While formulating the policy, the committee must ensure that:

- i. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully.
- ii. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- iii. The remuneration of directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

- iv. A significant proportion of executive Directors' remuneration is structured so as to link rewards to corporate and individual performance.
- v. Taking into account factors it deems relevant and gives due regard to the interests of shareholders and to the financial and commercial health of the Company.

**Size and composition of the Board:**

Periodically reviewing the size and composition of the Board as per applicable provisions of Act and Regulation to have an appropriate mix of executive and independent Directors to maintain its independence and separate its functions of governance and management and to ensure that it is structured to make appropriate decisions, with a variety of perspectives and skills, in the best interests of the Company;

**Evaluation of performance:**

The Committee shall make recommendations to the Board on appropriate performance criteria for the Directors and also formulate the criteria and framework for evaluation of performance of every Director on the Board of the Company or may engage with a third party facilitator in doing so. The committee Identify ongoing training and education/familiarization programs for the Board to ensure that Non-Executive Directors are provided with adequate information regarding the business, the industry and their legal responsibilities and duties.

**Succession plans:**

Establishing and reviewing Board, KMP and Senior Management succession plans in order to ensure and maintain an appropriate balance of skills, experience and expertise on the Board and Senior Management.

**Remuneration framework and policies:**

The Committee is responsible for reviewing and making recommendations to the Board on:

- i. Remuneration of executive Directors to be presented for shareholders' approval including severance, if any.
- ii. Individual and total remuneration/fees of non-executive Directors and the chairperson (if nonexecutive),
- iii. The remuneration and remuneration policies for KMP and Senior Management including base pay, incentive payments, equity awards, retirement rights, severance pay if any and service contracts having regard to the need to:
  - a. attract and motivate talent to pursue the Company's long term growth;
  - b. demonstrate a clear relationship between executive compensation and performance;
  - c. be reasonable and fair, having regard to best governance practices and legal requirements and
  - d. balance between fixed and incentive pay reflecting short and long-term performance objectives as appropriate for the Company and its goals
- iv. The Company's incentive compensation and equity based plans including a consideration of performance thresholds and regulatory and market requirements;

**Directors:**

Formulate the criteria determining qualifications, positive attributes and independence of a Director and recommend candidates to the Board when circumstances warrant the appointment of a new Director, having regard to qualifications, integrity, expertise and experience for the position.

**Policy for appointment and removal of Director, KMP and Senior Management:****i. Appointment criteria and qualifications:**

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Managing Director or Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

**ii. Term / Tenure:**

- a) **Managing Director/Whole-time Director:** The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
- b) **Independent Director:** An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report, No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director or as per provisions of the act or regulation.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on specified date or such other date as may be determined by the Committee as per regulatory requirement; he/she shall be eligible for appointment for one more term of 5 years only. At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act

**iii. Evaluation the Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).**

**iv. Removal:**

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

**v. Retirement:**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

**Policy relating to the Remuneration for (Executive and Non-Executive Director) Managing Director/ Whole-time Director/KMP and Senior Management Personnel:****A. General:**

- i) The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- ii) The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.
- iii) Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.
- iv) Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

**B. Remuneration to (Executive Director) Whole Time Director/Managing Director, KMP and Senior Management Personnel:**

- i) Fixed pay:  
The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.
- ii) Minimum Remuneration:  
If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act.
- iii) Provisions for excess remuneration:  
If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

**C. Remuneration to Non- Executive/Independent Director:**

- i) Remuneration: The remuneration payable to each Non-Executive Director is based on the remuneration structure as determined by the Board, and is revised from time to time, depending on individual contribution, the Company's performance, and the provisions of the Companies Act, 2013 and the rules made thereunder.

- ii) **Sitting Fees:** The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed ₹ One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.
- iii) **Commission:** Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.
- iv) **Stock Options:** An Independent Director shall not be entitled to any stock option of the Company.

**Membership:**

- i. The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent.
- ii. Minimum two (2) members shall constitute a quorum for the Committee meeting.
- iii. Membership of the Committee shall be disclosed in the Annual Report.
- iv. Term of the Committee shall be continued unless terminated by the Board of Directors.

**Chairperson:**

- i. Chairperson of the Committee shall be an Independent Director.
- ii. Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- iii. In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.
- iv. Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

**Frequency of Meetings:**

The meeting of the Committee shall be held at such regular intervals as may be required under the provisions of the Act and Regulation.

**Conclusion:**

This Policy is framed based on the provisions of the Companies Act, 2013 and rules thereunder and the requirements of Regulations. In case of any subsequent changes in the provisions of the Companies Act, 2013 or any other regulations which makes any of the provisions in the policy inconsistent with the Act or regulations, then the provisions of the Act or regulations would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with law. This policy shall be reviewed by the Nomination and Remuneration Committee as and when any changes are to be incorporated in the policy due to change in regulations or as may be felt appropriate by the Committee. Any changes or modification to the policy as recommended by the Committee would be placed before the Board of Directors for their approval.

## ANNEXURE –G

**REPORT ON CORPORATE GOVERNANCE****(Pursuant to Chapter IV of SEBI (LODR) Regulations, 2015)****1. Company's Philosophy on Code of Governance:**

Mohit Paper Mills Limited (hereinafter called "the Company" or "MPML") is committed to good corporate governance and ensuring adequate disclosure for its stakeholders as on time to time. We believe that governance process should be such so as to ensure adequate utilization of resources to meet the expectations of the shareholders and stakeholders.

We believe in accountability, self-responsibility, transparency, safety, professionalism of the people and environment.

Corporate philosophy envisages complete transparency and adequate disclosures with an ultimate aim of value creation for all players i.e. Stakeholders, the Creditors, the Governments and employees.

It is an ethically driven business process that is committed to values and conduct aimed at enhancing an organization's wealth generating capacity. This is ensured by taking ethical business decisions and conducting the business with a firm commitment to values, while meeting stakeholders' expectations. Good governance practices stem from the culture and mindset of the organization and we are committed to meet the aspirations of all our stakeholders and believes in adopting best corporate practices for ethical conduct of business. The essence of Corporate Governance lies in promoting and maintaining integrity, transparency and accountability in the management's higher echelons. The demands of corporate governance require professionals to raise their competence and capability levels to meet the expectations in managing the enterprise and its resources effectively with the highest standards of ethics.

The Company has adopted a Code of Conduct for its employees including Directors. Apart from the performance evaluation of regular employees, the company has formed the Performance Evaluation Mechanism (PEM) for its Executive and Non- Executive Directors which suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013 ("the Act"). This code is available on the Company's website. We have also established a mechanism called 'Whistle Blower Policy' for employees to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct, rules of laws or ethics policy. The spirit of governance of the Company is derived from this philosophy and has been articulated through the Company's various policies. We are committed to meet the aspirations of all our stakeholders.

Corporate Governance ensures transparency and accountability, it also has broader social and institutional dimensions, under these rules of corporate governance focus on implementing the values of fairness, transparency, accountability and responsibility to all the stakeholders. The Company is in compliance with the requirements stipulated under regulation 17 to 27 read with Para C and D of Schedule V and clauses (b) to (i) to Sub-Regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulation") with regard to Corporate Governance.

The Company is committed to achieve the best standards of Corporate Governance not only in word but in true value.

**2. Board of Directors:**

The Board of Directors of the Company provides leadership and strategic guidance, objective judgement and exercises control over the Company, while remaining at all times accountable to the stakeholders. The Board has adopted a policy which sets out the approach to diversity of the Board of Directors. The Board functions either as a full Board or through various committees constituted to oversee specific areas.

The Company Policy formulation, setting up of goals, evaluation of performance and control functions vest with the Board. The Board also provides directions and exercises appropriate control to ensure that the Company fulfills stakeholders' aspirations and societal expectations.

#### Composition and Categories of Directors:

During the financial year 2020-2021, the Board of the Company has optimum combination of Executive and Non-Executive Directors. Out of which there are two Executive Directors and six Non-Executive Directors. Non-Executive Directors includes four Independent Director and two Non-Executive Director related to promoter group and it include Two woman director who is related to promoter group.

The Composition of the Board of directors consists of the following as on 31<sup>st</sup> March, 2021:

Name	Category	Qualification/ Skills/ Expertise	Experience (In years)	No. of directorship in other company (include private limited company)	Number of committee position held in other public company*	
					Chairman	Member
Sandeep Jain	Managing Director/ executive/ promoter group	Sales and administration	29	2	No	1
Anju Jain	Director/non- executive/ promoter	Finance	29	3	No	No
Sushil Kumar Tyagi	Director/non- executive/ Independent	Technically skilled	34	No	No	3
Pradeep Kumar Rajput	Whole Time Director/ Executive	Technically skilled/ administration	33	No	No	1
Shubhi Jain	Director/non- executive/ promoter	Technically skilled	7	No	No	No
Rachit Jain	Director/non- executive/ Independent	Leadership and financially skilled	14	No	No	1
Sanjeev Kumar Jain	Director/non- executive/ Independent	Business Leadership	27	No	3	No
Sourabh Mathur	Director/non- executive/ Independent	Technically skilled	27	No	No	1

\*In line with SEBI Listing Regulations, only the Chairmanship and Membership of Audit Committee and Stakeholder Relationship Committee have been taken in to consideration in reckoning the membership/ chairmanship of committees in all other public Companies



Pursuant to the applicable provisions of the Act and Chapter IV read with Schedule V of the Listing Regulations, the Board has carried out an evaluation of its own performance, the Directors individually as well as the valuation of the working of its Committees viz Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.

**Expertise, Key skills and Competence of the Directors:**

The Board comprises experienced and competent members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and its committees. The Board members are committed to ensuring that the Board is in compliance with the highest standards of corporate governance and code of conduct.

The main skills/expertise/competencies as identified by the Board of directors as required in the context of its business(es) and sector(s) for it to function effectively such as leadership, management, financial expertise, governance, strategy development and implementation. The Board annually reviewed the performance of the Board, individually directors and committee for better performance of the Board.

**Board Meeting Details:**

As per provisions of Act and Listing Regulations, the Board meets at least once in every quarter to discuss and decide on, inter-alia, business strategies/policies and review the financial performance of the Company and the intervening gap between any two meetings was within the period prescribed by the Act and Listing Regulations.

The total number of Board Meetings held during the financial year ended on 31<sup>st</sup> March 2021 are Five (5). The details of Board meeting held during the year 2020-2021 are as follows:

02/04/2020, 30/07/2020, 24/08/2020, 12/11/2020, 13/02/2021

**Attendance of Directors at the Board Meetings:**

Details of the Board of Directors and their Directorship(s)/Committee Membership(s)/Chairmanship(s), as on 31<sup>st</sup> March 2021 and attendance of Directors at Board Meetings and at Annual General Meeting held during FY 20-21 are given below:

Name of the Director	Designation/ Category		Board Meetings in F.Y. 20-21	Whether attended last AGM	No. of Directorships in other public companies held as on 31 <sup>st</sup> March 2021	No. of Committee Chairmanship/ Membership in other public companies as on 31 <sup>st</sup> March 2021*	
	Meeting held	Attended meeting				Chairman	Member
Sandeep Jain	Managing Director/ Promoter/ Executive Director/ Chairperson	5	5	Yes	NA	NA	NA
Anju Jain	Director/non-executive/ promoter	5	5	Yes	NA	NA	NA



Name of the Director	Designation/ Category		Board Meetings in F.Y. 20-21	Whether attended last AGM	No. of Directorships in other public companies held as on 31 <sup>st</sup> March 2021	No. of Committee Chairmanship/ Membership in other public companies as on 31 <sup>st</sup> March 2021*	
	Meeting held	Attended meeting				Chairman	Member
Shubhi Jain	Director/non-executive/promoter	5	5	Yes	NA	NA	NA
Pradeep Kumar Rajput	Whole Time Director/Promoter/Executive Director	5	4	Yes	NA	NA	NA
Sushil Kumar Tyagi	Director/Non-Executive Director/Independent Director	5	4	Yes	NA	NA	NA
Rachit Jain	Director/Non-Executive Director/Independent Director	5	4	Yes	NA	NA	NA
Snjeev Kumar Jain	Director/Non-Executive Director/Independent Director	5	4	Yes	NA	NA	NA
Sourabh Mathur	Director/Non-Executive Director/Independent Director	5	5	Yes	NA	NA	NA

Name of the Director	Relationship with other director	No. of share held	Directorships in other listed entities
Sandeep Jain	Husband of Mrs. Anju Jain and Father-in-law of Mrs. Shubhi Jain	27,64,900	NA
Anju Jain	Wife of Mr. Sandeep Jain and Mother-in-law of Mrs. Anju Jain	30,77,529	NA

<b>Name of the Director</b>	<b>Relationship with other director</b>	<b>No. of share held</b>	<b>Directorships in other listed entities</b>
Shubhi Jain	Daughter-in-law of Mr. Sandeep Jain and Mrs. Anju Jain	10,45,000	NA
Pradeep Kumar Rajput	NA	NA	NA
Sushil Kumar Tyagi	NA	NA	NA
Rachit Jain	NA	NA	NA
Snjeev Kumar Jain	NA	NA	NA
Sourabh Mathur	NA	NA	NA

Note:

1. \*As per Listing Regulations, in relation with the Chairmanship and Membership of Audit Committee and Stakeholder Relationship Committee have been taken in to consideration in reckoning the membership/ chairmanship of committees in all other Companies exclude MPML and private companies.
2. As per Regulation 26 of Listing Regulation that none of the Directors of the MPML are members in more than 10 (ten) committees excluding private limited companies, foreign companies and companies under Section 8 of the Act or act as Chairperson of more than 5 (five) committees across all listed entities in which he/she is a Director. For the purpose of determination of limit, chairpersonship and membership of the Audit Committee and the Stakeholders' Relationship Committee alone has been considered and companies including private limited companies, foreign companies and companies under Section 8 of the Act have not been considered.

#### **Mechanism of evaluation of the Board, its committees and Directors:**

As required as per provisions of the Act and Listing Regulations, the Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual Directors. The Board works with the nomination and remuneration committee to lay down the evaluation criteria for the performance of the directors by Board effectiveness survey. Each Board member is requested to evaluate the effectiveness of the Board, its committees and individual directors on the basis of the decision making, company performance, company strategy, relationship to stakeholders, information flow on the scale of one to five.

On the basis of Policy for Performance Evaluation of Independent Directors, a process of evaluation is being followed by the Board for its own performance and that of its Committees and individual Directors. The Committee may amend the Policy, if required, to ascertain its appropriateness as per the needs of the Company. The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc. The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of the criteria such as the composition of Committees, effectiveness of Committee meetings and meeting fees etc. The Board and the Nomination and Remuneration Committee reviewed the performance of the individual Directors including Independent Directors on the basis of the criteria such as the contribution of the individual Director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of Executive Directors and Non-Executive Directors. The same was discussed in the Board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its Committees and individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

Independent director's key roles are governance, control and guidance. Some of the performance indicators based on which the independent directors are evaluated:

- Ability to contribute and monitor corporate governance practices.
- Active participation in long term strategic planning
- Commitment to the fulfillment of director's obligations and fiduciary responsibilities, these include participation in Board and committee meetings

#### **Appointment and Resignation of Directors:**

The Company appoint or re-appoint the directors with the approval of the shareholders and shall remain in office in accordance with the provisions of the Act, Listing Regulation and as applicable law on the terms and conditions of appointment as approved by the Board of Directors or shareholders, as the case may be. The Company has issued letter of appointment to all the Independent Directors and the terms and conditions of their appointment have been disclosed on the Company's website [www.mohitpaper.in](http://www.mohitpaper.in). During the year under review, no director(s) has resigned.

#### **Independent director databank registration and declaration:**

All the Independent Directors of the MPML have registered themselves in the data bank maintained with the Indian Institute of Corporate Affairs, Manesar ('IICA'). In terms of Section 150 of the Act read with Rule 6(4) of the Companies (Appointment & Qualification of Directors) Rules, 2014, the Independent Directors are required to undertake online proficiency self-assessment test conducted by the IICA within a period of one (1) year from the date of inclusion of their names in the data bank. The Independent Directors, whosoever is required, shall undertake the said proficiency test. The Board is also of the opinion that the independent directors fulfil the conditions specified in SEBI Listing Regulations and are independent of the management.

The Company has received necessary declaration from each independent Director under Section 149 of the Act, that he meets the criteria of independence laid down in Section 149(6) of the Act along with rules framed thereunder and Regulation 16(b) & 25 of the SEBI Listing Regulations and other rules and regulation, if applicable and they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective Independent judgment and without any external influence.

#### **Familiarization program for independent directors:**

##### **Familiarization program and Meeting of independent directors**

As per Company annual strategy and planning, a Familiarization program of the independent directors of the company conducted by the company during the financial year on 31<sup>st</sup> March 2021. All Independent Director of the company introduce to the Board attend an orientation program. In accordance with the provisions of Schedule IV of the Companies Act, 2013 and Regulation 25 of the SEBI (LODR) Regulation, 2015 a separate meeting of the Independent Directors of the Company was held on Wednesday, 24<sup>th</sup> Day of February, 2021. Mr. Sanjeev Kumar Jain was unanimously elected as Chairman of the meeting and Mr. Sushil Kumar Tyagi, Mr. Rachit Jain and Mr. Sourabh Mathur was present at the said Meeting.

During the year under review, the Independent Directors met on March 31<sup>st</sup> 2021 interalia, to discuss:

1. Evaluation of the performance of Non Independent Directors and the Board of Directors as a Whole;
2. Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non Executive Directors.
3. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties. All the independent Directors were present at the meeting.

At such meetings, the independent directors discuss, among other matters, the performance of the Company and risks faced by it, the flow of information to the Board, competition, strategy, leadership strengths and weaknesses, governance, compliance, Board movements, human resource matters and performance of the executive members of the Board, including the Chairman. During the year, the independent directors met without the presence of the Management.

The details of familiarization program also available on companies website i.e.

[http://www.mohitpaper.in/upload/others/extra/Familiarization%20programe\\_%2020-21.pdf](http://www.mohitpaper.in/upload/others/extra/Familiarization%20programe_%2020-21.pdf)

### **3. Committees of the Board of Directors of the Company:**

#### **A. Audit Committee**

##### **a. Terms of Reference:**

Apart from all the matters provided in Regulation 18 of Listing Regulations and section 177 of the Act, the Audit Committee reviews reports of the internal auditor, meets statutory auditors as and when required and discusses their findings, suggestions, observations and other related matters. It also reviews major accounting policies followed by the Company.

In order to effectively discharge their role and responsibility, the Audit Committee members have been empowered:-

- \* Management discussion and analysis of financial condition and results of operations;
- \* Statement of significant related party transactions (as defined by the Audit Committee), submitted by management; \* Management letters / letters of internal control weaknesses issued by the statutory auditors;
- \* Internal audit reports relating to internal control weaknesses;
- \* The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee;
- \* Investigate any activity within its terms of reference;
- \* Seek information from any employee of the Company;
- \* Obtain outside legal or other professional advice;
- \* Invite statutory/internal auditors;

The Audit Committee also review/control these information:

- \* Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- \* Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

- \* Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- \* Pursuant to the section 134 (3)(c) of the Act, the Audit committee reviewing the Directors Responsibility Statement in Boards' Report
- \* Reviewing Changes, if any, in accounting policies and practices and reasons for the same;
- \* Reviewing themajor accounting entries involving estimates based on the exercise of decision taken by management;
- \* Reviewing significant adjustments made in the financial statements arising out of audit findings and modified opinions in the draft audit report;
- \* Reviewing compliance with listing and other legal requirements relating to financial statements;
- \* Reviewing disclosure of any related party transactions;
- \* Reviewing, with the management, the quarterly/half yearly/yearly financial statements before submission to the board for approval;
- \* Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- \* Approval or any subsequent modification of transactions of the Company with related parties;
- \* Scrutiny of inter-corporate loans and investments;
- \* Valuation of the assets of the Company, wherever it is required;
- \* Evaluation of internal financial controls and risk management systems;
- \* Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- \* Discussion with statutory auditors, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- \* To look into the reasons for substantial defaults in the payment to the Bank, creditors and other if any;
- \* To review the functioning of the Whistle Blower mechanism;

The Committee acts as a link between the Internal Auditor, Statutory Auditor and the Board of Directors of the Company. The Committee reviews the financial statements and other related matters before submission to the Board for approval. The audit committee charter containing terms and condition is available on our website i.e. [www.mohitpaper.in](http://www.mohitpaper.in)

**b. Composition:**

As per provisions of Act and Listing Regulation, the Audit Committee consist balanced combination of Executive and Non-Executive Directors. The Audit committee of the company consists four (4) directors out of which three are Non-Executive-Independent Directors and one is Executive Director.

Mr. Sanjeev Kumar Jain, Non-Executive- Independent Director)is the Chairman of the Audit Committee.. Duering the FY 20-21the composition of the Audit Committee and members attend meeting, details are as follows:

Sr. No.	Name of the Member	Designation	Status	No. of Meetings Held	No. of Meetings Attended
1.	Sanjeev Kumar Jain	Non-Executive-Independent Director	Chairman	4	4
2.	Sourabh Mathur	Non-Executive-Independent Director	Member	4	4
3.	Sushil Kumar Tyagi	Non-Executive-Independent Director	Member	4	4
4.	Pradeep Kumar Rajput	Executive Director	Member	4	4

The Company Secretary acts as Secretary to the Committee. The minutes of each Audit Committee are placed in the next Meeting of the Board. The Managing Director, Whole Time Director, CFO, Statutory Auditors and Internal Auditors are the invites of the Audit Committee.

Four (4) Audit Committee Meetings held during the Financial Year 2020-2021:

Sr. No.	Date of Meeting
1.	30-07-2020
2.	24-08-2020
3.	12-11-2020
4.	13-02-2021

The necessary quorum was present for all the meetings. The maximum interval between any two meetings was within the maximum allowed gap of 120 days or as decided/directed by SEBI. The Chairperson of the Audit Committee was present at the last Annual General Meeting held on 28<sup>th</sup> September 2020 to answer the queries of the shareholders.

## B. Nomination and Remuneration Committee:

Pursuant to the provisions of Regulation 19 of Listing Regulation and section 178 of the Act, Nomination and Remuneration Committee ("NRC") inter alia include succession planning for Board of Directors and Senior Management Employees for identifying and selection of candidates for appointment of Directors/Independent Directors and senior management employees based on laid down criteria. The NRC identifying potential individuals for appointment of Directors, Key Managerial Personnel ("KMPs") and other senior managerial employee and review the performance of the Board of Directors and Senior Management personnel including KMPs based on certain criteria approved by the Board. The Nomination and Remuneration Committee charter containing terms and condition is available on our website i.e.

[http://www.mohitpaper.in/upload/others/policies\\_latest/5\\_Nomination%20and%20Remeuneration%20Policy.pdf](http://www.mohitpaper.in/upload/others/policies_latest/5_Nomination%20and%20Remeuneration%20Policy.pdf)

### Term of Reference:

Role and responsibilities of the nomination and remuneration committee are as follows:

- \* Recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other senior managerial employees and formulation of the criteria for determining qualifications, positive attributes and independence of a director;
- \* formulation of criteria for evaluation of performance of independent directors and the board of directors;

- \* devising a policy on diversity of board of directors;
- \* 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 of directors their appointment and removal.
- \* to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- \* recommend to the Board, all remuneration, in whatever form, payable to senior management.

#### Payment to Managing Director and Whole Time Director:

Name of the Director	Designation	Remuneration (₹ In Lakhs)
Mr. Sandeep Jain	Managing Director	53
Mr. Pradep Kumar Rajput	Whole Time Director	5.89

#### Payment to Director (other than Managing Director and Whole Time Director/CFO):

Name of the Member	Designation	Remuneration (₹ In Lakhs)
NA	NA	NA

#### Payment sitting fees to Non-Executive Directors:

Name	Category of Director	Sitting Fees (Amount in lakhs)
Mrs. Anju Jain	Non-executive	0.15
Mrs. Shubhi Jain	Non-executive	0.15
Mr. Sushil Kumar Tyagi	Independent	0.48
Mr. Rachit Jain	Independent	0.24
Mr. Sanjeev Kumar Jain	Independent	0.48
Mr. Saourabh Mathur	Independent	0.27

The Company is paying amount of sitting fee per meeting may also be mentioned. Non- Executive Independent Directors are paid sitting fee at ₹ 3000/ (Rupees Three Thousand Only) per meeting of Board and the Committee

#### Composition:

As per provisions of Act and Listing Regulation, the NRC consist of 3 Directors and all are Non-Executive Independent Directors.

Mr. Sanjeev Kumar Jain, (Non-Executive- Independent Director) is the Chairman on the NRC, During the FY 20-21 the composition of the Committee and members attend meeting, details are as follows:

Sr. No.	Name of the Member	Designation	Status	No. of Meetings Held	No. of Meetings Attended
1.	Sanjeev Kumar Jain	Non-Executive-Independent Director	Chairman	4	4
2.	Sushil Kumar Tyagi	Non-Executive-Independent Director	Member	4	4
3.	Rachit Jain	Non-Executive-Independent Director	Member	4	4

The Company Secretary acts as Secretary to the Committee. The minutes of each NRC Committee are placed in the next Meeting of the Board.

Four (4) NRC Meetings held during the Financial Year 2020-2021:

<b>Sr. No.</b>	<b>Date of Meeting</b>
1.	30-07-2020
2.	24-08-2020
3.	12-11-2020
4.	13-02-2021

### **Board members and Independent directors evaluation**

Pursuant to the provision of the Act and the SEBI (Listing Regulations, 2015, the Board and Nomination and Remuneration Committee have carried out the annual evaluation of performance of individual Board of Directors and Independent Directors as individual for the financial year 20-21. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairperson of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board and by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

No observation was find out in evaluation of Board of Directors of the company, so it does not required to any action.

### **C. Stakeholders Relationship Committee**

Pursuant to the provisions of the regulation 20 of the Listing Regulation and section 178 of the Act, The Stakeholders Relationship Committee ("SRC") of the Board consider and resolve the grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of annual report and etc..

#### **Term of reference:**

Particulars of the term of reference of the SRC, details are follows:

- \* To supervise and ensure efficient share transfers, share transmission, transposition, etc;
- \* To approve allotment, transfer, transmission, transposition, consolidation, split, name deletion and issue of duplicate share certificate of equity shares of the Company;
- \* To redress shareholder and depositor complaints like non-receipt of Balance Sheet, non-receipt of declared Dividend, if any, etc.
- \* To review service standards and investor service initiatives undertaken by the Company;
- \* To address all matters pertaining to Registrar and Share Transfer Agent including appointment of new Registrar and Share Transfer Agent in place of existing one;
- \* To address all matters pertaining to Depositories for dematerialization of shares of the Company and other matters connected therewith and To attend to any other responsibility as may be entrusted by the Board within terms of reference.



**Composition:**

As per provisions of the Act and Listing Regulation, Stakeholder Relationship Committee consists of Executive and Non-executive Directors. It consist three (3) Directors out of which Two (2) are Non-Executive Independent Directors, One (1) Director is Executive Director, details are follows:

Sr. No.	Name of the Member	Designation	Status	No. of Meetings Held	No. of Meetings Attended
1.	Sanjeev Kumar Jain	Non-Executive-Independent Director	Chairman	4	4
2.	Sushil Kumar Tyagi	Non-Executive-Independent Director	Member	4	4
3.	Sandeep Jain	Executive Director	Member	4	4

Four (4) SRC Meetings held during the Financial Year 2020-2021:

Sr. No.	Date of Meeting
1.	30-07-2020
2.	24-08-2020
3.	12-11-2020
4.	13-02-2021

The Committee is chaired by Mr. Sanjeev Kumar Jain, Non-Executive-Independent Director and meets as per the requirement or dependency. The Chairman of the Committee also attended the last Annual General Meeting of the Company held on 28th September 2020. The SRC charter containing terms and condition is available on our website [www.mohitpaper.in](http://www.mohitpaper.in).

**Status of Investor Complaints:**

Status of Investors complaint received and resolved during the year 2020-2021.

Investors' complaints	Complaints status
Pending at the beginning of the year	0
Received during the year	0
Disposed of during the year	0
Remaining unresolved at the end of the year	0

The company did not received any complaint during the year.

**4. General Body Meeting(s):****i. The last Three (3) Annual General Meetings were held as under:**

Year	Venue	Date	Time	No. of SR passed	No. of OR passed
2019-2020	AGM held through video conferencing (VC)/other Audio Video Visual Means (OAVM)	28.09.2020	04.00 P.M.	2	3
2018-2019	Bharat Banquet Hall, A-5, Naveen Vihar, Rajiv Nagar Extension, Begumpur Main Barwala Road, Delhi-110081	27.09.2019	10.00 A.M.	1	2
2017-2018	Bharat Banquet Hall, A-5, Naveen Vihar, Rajiv Nagar Extension, Begumpur Main Barwala Road, Delhi-110081	28.09.2018	10.00 A.M.	4	1

During the year ended 31<sup>st</sup> March, 2021, no Special Resolutions were passed through Postal Ballot. As on the date of this report, no special resolutions proposed to be conducted through Postal Ballot. No Extra-Ordinary-General Meeting (EOGM) held during the year.

**DISCLOSURES :**

**Compliance by the Company**

There were no instances of non-compliance nor have any penalties, strictures imposed by Stock Exchanges or SEBI or any other regulatory authorities on any matter related to capital market during the last 3 years.

**Code for Prevention of Insider Trading Practices**

In compliance with the SEBI Regulations on prevention of insider trading, the company has instituted a comprehensive code of conduct for its management and staff. The Code lays down guidelines, which advise them on procedures to be followed and disclosures to be made, while dealing with the shares of the company, and cautioning them of the consequences of violations.

**Code for conduct for Board/Committee Members/Senior Management**

**The Board of Directors of the Company have adopted a Code of Conduct for directors and Senior Management**

As required by Regulation 17(5) of SEBI (LODR) Regulations, 2015, the Company have instituted a code of conduct for its Board/Committee Members and Senior Management. A code of conduct is a written document that outlines company values, principles, and guidelines in a variety of areas and enable the company to state to their suppliers, customers, consumers, and other stakeholders the way in which they intend to do business. Commitment to ethical professional conduct is a must for every employee of the company in all of its businesses/Units. This code, consisting of imperatives formulated as statements of personal responsibility, identifies the elements of such a commitment.

**Status of Compliance of Non-Mandatory requirements.**

- i. The Chairman of the Company is an executive Chairman.
- ii. The Statutory Auditors have expressed no qualification in their report.
- iii. The Internal auditor periodically reports to the audit committee.

**PARTICULARS RELATING TO THE SEXUAL HARASSMENT OF WOMAN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has always believed in providing a safe and harassment free workplace for every individual working in its premises through various policies and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Company has adopted a policy on Prevention of Sexual Harassment at Workplace which aims at prevention of harassment of employees and lays down the guidelines for identification, reporting and prevention of undesired behavior. An Internal Complaints Committee (“ICC”) has been set up from the senior management which is responsible for redressed of complaints related to sexual harassment and follows the guidelines provided in the Policy.

During the year ended March 31, 2021 no complaints pertaining to sexual harassment have been received.

- |                                                                         |     |
|-------------------------------------------------------------------------|-----|
| (i) Number of complaints filed during the financial year:               | Nil |
| (ii) Number of complaints disposed of during the financial year:        | Nil |
| (iii) Number of complaints pending as at the end of the financial year: | Nil |

## 5. Means of Communication:

We always give the preference to the implementation of best corporate governance in the company in all levels in true words. It is a key element of the Corporate Governance framework and therefore emphasizes continuous, efficient and relevant in all levels. Quarterly/Annual financial results are usually published in financial and national newspapers like Top stories in English and Haribhomi in Hindi. The same are also available on the website of the Company, viz. [www.mohitpaper.in](http://www.mohitpaper.in) and have also been submitted to stock exchanges BSE i.e. [www.bseindia.com](http://www.bseindia.com) as per requirement of the Listing Regulations.

As per Listing Regulation, the company is maintaining its own website i.e. [www.mohitpaper.in](http://www.mohitpaper.in) for publishing or issuing required information to investors or public at large, other information like shareholding pattern notices of relevant Board Meetings and other information are published at company's website.

All important information pertaining to the Company is also mentioned in the Annual Report of the Company containing inter-alia audited financial statements, Directors' report, Auditors' report, report on Corporate Governance which is circulated to the members and others entitled thereto for each financial year and is displayed on the Company's website: [www.mohitpaper.in](http://www.mohitpaper.in).

### General Shareholder Information:

As per provisions of Listing regulation and Act, the company is providing general information for the shareholders or investors of the company. details are follows:

### Annual General Meeting:

No. of AGM	Day and Date	Time	Venue
29 <sup>th</sup> AGM	Thursday, 30 <sup>th</sup> September, 2021	04.00 P.M.	through video conferencing (VC)/other Audio Video Visual Means (OAVM)

As per required details of agenda(s) dealing in 29<sup>th</sup> AGM details are in annexed to the Notice of the AGM.

### Financial Calendar:

#### a. Tentative Financial calendar for year ending on 31<sup>st</sup> March 2022:

Particulars	Tentative Date
Un-Audited financial results for the first three quarters	Un-audited financial results for the first, second and third quarter will be announced and published within 45 days from the end of respective quarter or as directed/notified by SEBI time to time.
Annual Financial Results	Audited financial results Will be announced and published within 60 days from the end of the respective Financial Year or as directed/notified by SEBI time to time.

#### b. Financial year ended on 31<sup>st</sup> March 2021.

Particulars	Published Date
Financial year	1 <sup>st</sup> April 2020 to 31 <sup>st</sup> March 2021
Un-audited financial results for the first three quarters	Un-audited financial results for the first quarter were announced on 24 <sup>th</sup> August, 2020.
	Un-audited financial results for the second quarter and half year was announced on 12 <sup>th</sup> November, 2020.

Particulars	Published Date
	Un-audited financial results for the third quarter was announced on 13 <sup>th</sup> February, 2021.
Annual Financial Results	Audited financial results for quarter and financial year ended 31 <sup>st</sup> March 2021 were announced on 30 <sup>th</sup> June 2021.

**Listing of Stock Exchanges and Stock Codes:**

Mohit Paper Mills Limited's equity shares are listed on the following stock exchange:

Sr. No.	Name of Stock exchange	Address of Stock Exchange	Stock code	ISIN No.
1.	BSE Limited (BSE)	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	530169	INE388C01017

**Listing Fees:**

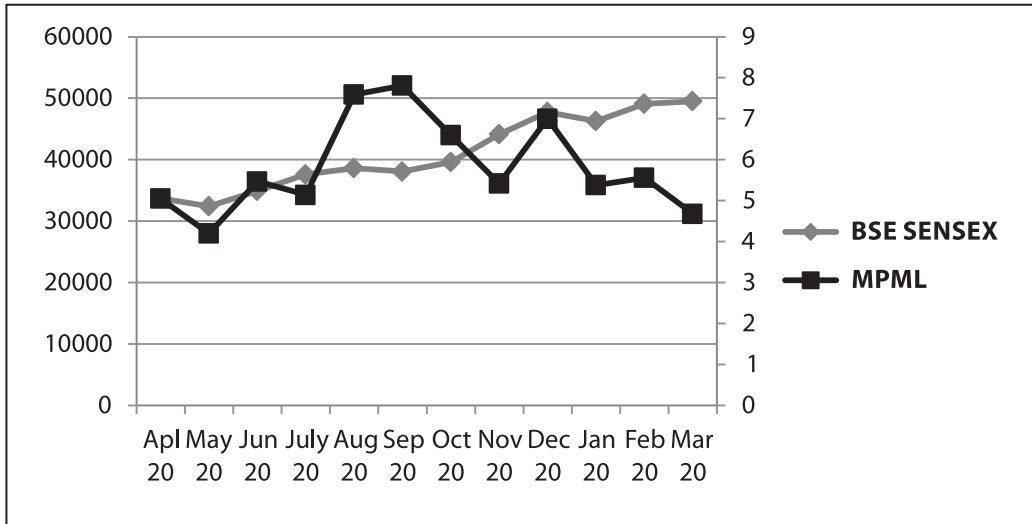
The Company has paid the annual listing fee for the Financial Year 2021-22 to BSE. Further the Company has also paid the Annual Custody Fee to National Securities Depositories Ltd and Central Depository Services (India) Limited.

**Stock Price Data- monthly high and low in BSE during the financial year 2020-21:**

Month	Open Price	High Price	Low Price	Close Price
Apr-20	5.5	5.56	5	5.05
May-20	5	5	4.2	4.2
Jun-20	4.41	5.47	4.41	5.47
Jul-20	5.45	5.74	4.94	5.14
Aug-20	4.89	8.4	4.89	7.59
Sep-20	7.22	9.1	7	7.81
Oct-20	7.76	7.76	6.15	6.6
Nov-20	6.5	6.51	5.42	5.42
Dec-20	5.2	7.8	5.2	7
Jan-21	7	7.35	5.33	5.38
Feb-21	5.38	6.19	5	5.56
Mar-21	5.33	7.7	4.66	4.68

**Performance in comparison to indices:**

BSE SENSEX and MPML comparison data herein below:

**Registrar and Transfer Agent (RTA):**

Details of RTA of our company is as follows:

<b>Name:</b>	<b>LINK INTIME INDIA PRIVATE LIMITED</b>
Contact Person	Sunil Mishra
Registered Office	C-101, 247 Park, L B S Marg, Vikhroli (West) Mumbai 400083
Correspondence office	Noble Heights 1 <sup>st</sup> Floor, Plot No. NH-2, C-1 Block, LSC Near Savitri Market Janakpuri, New Delhi-110058, Phone:011-41410592,93,94, Telefax:41410591
Email	delhi@linkintime.co.in
Website	www.linkintime.co.in

**Share Transfer system:**

As per SEBI Notification No. SEBI/LAD–NRO/GN/2018/24 dated June 08, 2018 and further amendment vide Notification No. SEBI/LAD–NRO/GN/2018/49 dated November 30, 2018 requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from 01<sup>st</sup> April 2019 unless the securities are held in dematerialized form with the depositories. All such requests are handled and disposed off by Company's RTA within fifteen days from the date of receipt of request, provided the documents are found to be in order. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants.

The Registrar & Share Transfer Agents, process every fortnight requests for approving share transfers. The processing activities with respect to requests received for share transfers are completed within the time prescribed by the authorities. After such processing, the facility of simultaneous transfer and de-materialisation of shares is provided to the shareholders.

Further pursuant to Regulation 40(9) of SEBI Listing Regulations, certificate on half yearly basis confirming the due compliance of share transfer formalities by the Company from Practicing Company Secretary have been submitted to Stock Exchanges within stipulated time. Reconciliation

of Share Capital Audit Report for the Quarter ended 31<sup>st</sup> March 2021, confirming that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL as on 31<sup>st</sup> March 2021, was obtained from practicing company secretary and submitted to the stock exchanges with in stipulated time.

The Company's Shares are traded at the Stock Exchange in Compulsory D-Mat form. However, the shares in physical mode which are lodged for transfer/Demat may be sent to:-

LINK INTIME INDIA PRIVATE LIMITED

Noble Heights 1<sup>st</sup> Floor, Plot No. NH-2, C-1 Block, LSC Near Savitri Market Janakpuri, New Delhi-110058

Phone:011-41410592,93,94, Telefax:41410591

E-mail: delhi@linkintime.co.in

### Distribution of shareholding as on 31<sup>st</sup> March 2021:

a. Details of distribution of shareholding of the company as on 31<sup>st</sup> March, 2021, are as follows:.

Sr.	Shares in Range			No. of Shareholders	% of total shareholders	Total shares for the range	In Amount	% of issues capital
1	1	to	500	9070	91.7645	1077500	10775000.00	7.6964
2	501	to	1000	381	3.8547	340762	3407620.00	2.4340
3	1001	to	2000	224	2.2663	361084	3610840.00	2.5792
4	2001	to	3000	75	0.7588	189935	1899350.00	1.3567
5	3001	to	4000	26	0.2631	90126	901260.00	0.6438
6	4001	to	5000	17	0.1720	81032	810320.00	0.5788
7	5001	to	10000	39	0.3946	282470	2824700.00	2.0176
8	10001	to	*****	52	0.5261	11577091	115770910.00	82.6935
	Total			9884	100.0000	14000000	140000000	100.0000

b. Category of Shareholders as on 31<sup>st</sup> March, 2021:

Details of the category of shareholders of the company as on 31<sup>st</sup> March, 2021, details are as follows:

Sr. No.	Category	No of holders	No. of Share	% of Shareholding	Physical	Demat
1.	Promoters (Individuals)	7	8970047	64.07%	-	8970047
2.	Other then promoters (Individuals)	9383	3016718	21.55%	991780	2024938
3.	Foreign Nationals	217	239200	1.71%	239200	-
4.	HUF's	70	152761	1.09%	100	152661
5.	NRI's (Repeated and Non-Repeated)	45	65204	0.46%	-	65204
6.	Clearing Members	6	7840	0.06%	-	7840
7.	Corporate bodies	39	1548230	11.06%	1406400	141830
	Total	9767	14000000	100%	2637480	11362520

**Details of Dematerialization of Shares:**

The Company have Registrar and share Transfer agent i.e. Link Intime India Private Limited ("LI IPL") for issue related to equity share, we have established connectivity with both NSDL and CDSL.

Details of shares held in dematerialised and physical mode as on 31<sup>st</sup> March 2021 are as under:

Category	No. Shareholders	No. Share	% of total equity
PHYSICAL	6197	2637480	18.84
NSDL	2301	10297005	73.55
CDSL	1386	1065515	7.61
Total	9884	14000000	100.00

ISIN of the Company is INE388C01017

**Equity Share Liquidity:**

The trading volumes of Equity shares of MPML at BSE during the financial year 2020-2021, details are follows:

Month	No. of Share traded
Apr-20	7773
May-20	760
Jun-20	26326
Jul-20	9336
Aug-20	20424
Sep-20	1788
Oct-20	2936
Nov-20	7755
Dec-20	11804
Jan-21	15373
Feb-21	141669
Mar-21	85476

**Details of correspondences with the Company:****a. Address/communication with company:**

Mohit Paper Mills Limited  
 Registered Office: 15A/13, East Patel Nagar, New Delhi-110008  
 Ph: 011-25886797  
 Email: mohit.paper@rediffmail.com

**AND**

Works: 9 KM. Stone, Nagina Road, Bijnor, U.P.-246701  
 Ph: 01342-283051

**b. For Investor assistance:**

Mr. Shivam Sharma,  
 Company Secretary,  
 Registered Office: 15A/13, East Patel Nagar, New Delhi-110008  
 Website: www.mohitpaper.in  
 Ph: 011-25886797  
 E-mail: investorsmohitpaper@gmail.com

**c. For share transfer demat/ remat and any other query relating to shares:**

LINK INTIME INDIA PRIVATE LIMITED  
 44, Community Centre, 2<sup>nd</sup> Floor, Naraina Industrial Area, Phase-1, New Delhi-110028,  
 Phone: 011-41410592,93,94  
 Telefax: 011-41410591  
 E-mail: delhi@linkintime.co.in  
 Website: www.linkintime.co.in

**Company's relevant information:**

Sr. No.	Particular	Details
1.	Name	Mohit Paper Mills Limited
2.	Registered office	15A/13, Upper Ground Floor, East Patel Nagar, New Delhi-110008
3.	Plant Location	Mohit Paper Mills Limited, 9 <sup>TH</sup> KM Stone, Nagina Road, Bijnor, UP- 246701
4.	CIN	L21093DL1992PLC116600
5.	Business	Manufacturing of Paper

**Credit Rating:**

The Brickwork Ratings India Pvt. Ltd. has granting credit rating on 22 January, 2021 to the company as BWR BB+ (Pronounced as BWR Double B Plus), Outlook: Stable (Downgraded) for Fund Based and BWR A4+ (Pronounced as BWR, A Four Plus) (Downgraded) for Non Fund Based.

Outstanding GDR's/ADR's/Warrant's/Convertible instruments and their impact on equity: NIL.

Foreign Exchange risk and hedging activity: NIL

**Compliance Certificate:**

As per requirement of Regulation 34 of Listing Regulation, a certificate on Corporate Governance issued by Practicing Company Secretary of the company and it is annexed as annexure –K to this report.

**CEO and CFO Certification:**

As per requirement of Regulation 17(8) of Listing Regulation, The certificate duly signed by Managing Director cum Chairman and CFO was placed before the Board. The same is annexed as Annexure L to this annual report.

**Related Party Transactions and Policy:**

During the financial year 2020-2021, the company entered in all transactions with the related parties are in compliance with the applicable provisions of the Act and Listing Regulations and do not have potential conflicts with the interest of the Company. Further, the details of related party transactions



are presented in Note of the financials statements of the company. In line with requirement of the Act and SEBI Listing Regulations, the Company has formulated a policy for determining Materially Significant Related Party Transactions and the same is disclosed on website of the Company at the link as follows:

[http://www.mohitpaper.in/upload/others/policies\\_latest/7\\_related%20party%20transaction%20POLICY.pdf](http://www.mohitpaper.in/upload/others/policies_latest/7_related%20party%20transaction%20POLICY.pdf)

**Certificate on Director Disqualification:**

Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI Listing Regulations, certificate on disqualification on Director and the certificate issued by Practicing Company Secretary and attached herewith. Under the review any directors of the Company are not disqualified.

**Details of Non-Compliance, Penalties and Strictures Imposed on the Company by the Stock Exchanges or SEBI or any Statutory/Regulatory Authority during last three years:**

During the year under review, there were no instances of non-compliance on any matter related to the capital markets during the last three years. The points noted by the Secretarial Auditor in its secretarial auditor report regarding the certain information related to appointment/re-appointments of Board level functionaries have been intimated by the Company to the stock exchanges as outcome of the Board meeting and one e-forms is delayed in submission to concern the Registrar of Companies due to COVID-19 pandemic and the company has represented, the same has been filed/ in process of being filling with Registrar of Companies and any other authorities if any with addition fee/penalty. There were no penalties imposed or strictures passed or imposed against the Company by the statutory or regulatory authorities on any matter related to capital markets, during the last three years.

**Vigil Mechanism/Whistle Blower Policy:**

The Company's Whistle Blower policy is an inbuilt system of Grievance Redressal which deals with grievances of employees. Under this system grievances of the employees are redressed effectively. The Company affirms that no personnel have been denied access to the audit committee. The policy on vigil mechanism is attached with this report as Annexure -E and respective link is

[http://www.mohitpaper.in/upload/others/policies\\_latest/9\\_WISTLE%20BLOWER\\_VIGIL%20MACHANISM.pdf](http://www.mohitpaper.in/upload/others/policies_latest/9_WISTLE%20BLOWER_VIGIL%20MACHANISM.pdf)

**Policy on Material Subsidiary:**

The Company have no any Associate or Subsidiary Company and the company also not a associate or subsidiary company of any other company. this clause not applicable on the company.

**Accounting treatment in the preparation of the Financial Statements:**

The financial statements of the Company have been prepared in accordance with the applicable Indian Accounting Standards (IND AS) specified under Section 133 of the Companies Act, 2013.

**Status of Compliance of Non-Compliance of any requirement of Corporate Governance:**

There is no such instance of non-compliance. The Company has complied with the requirements of the Schedule V of SEBI Listing Regulations. Further, the Company is also in compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations.

- a. The Company has not raised any funds through preferential allotment or qualified institutions placement.

- b. The Board accepted all the recommendation of the committee to the Board, if made during the year.
- c. Detail of total fees paid by the Company to the Statutory Auditors and their network firms, the details of total fees paid by the company to its auditor is (In Lakhs) ₹ 1.00 (Rupees One Lakhs Only) and full details are mentioned in the Notes of the financials statement of the company as on 31<sup>st</sup> March, 2021.

**Discretionary Requirements:**

The status of discretionary requirements as per regulation 27(1) of SEBI Listing Regulations is as follows:

- a. The Board: The Board is headed by a Executive Director i.e. Mr. Sandeep Jain (Executive Director) is Managing Director and Chairman of the Company.
- b. Shareholder Rights: The quarterly/half-yearly/annual financial results of the Company are published in leading newspapers as mentioned under the heading "Means of Communication" of the Corporate Governance Report and also displayed on the website of the Company. The annual financial statements are separately circulated to the shareholders.
- c. Modified Opinion(s) in audit report: The audit report on the financial statements have been issued with an unmodified audit opinion.
- d. Reporting of Internal Auditor: The Internal Auditor reports directly to the Audit Committee. The internal auditor issues unmodified report.

**Transfer to Investor Education and Protection Fund (IEPF):**

During the year under review no amount or share has been sent to IEPF account.

**SEBI Complaints Redress System (SCORES):**

Securities and Exchange Board of India (SEBI) administers a centralized web based complaints redress system (SCORES). It enables investors to lodge and follow-up complaints and track the status of redressal online on the website of SEBI at <https://scores.gov.in>. The Company has registered itself on SCORES and endeavours to resolve all investor complaints received through SCORES or otherwise within 15 days of the receipt of the complaint. During the year, the company has not received any complaint through SCORES.

For and on behalf of Board of Directors of **Mohit Paper Mills Limited**

Sd/-

**Sandeep Jain**

*Managing Director cum Chairman*

DIN-00458048

Place: New Delhi

Date: July 30, 2021

## ANNEXURE -H TO DIRECTOR'S REPORT

**CERTIFICATE OF COMPLIANCE ON  
CORPORATE GOVERNANCE CERTIFICATE**

We have examined the compliance of conditions of Corporate Governance by M/s Mohit Paper Mills Limited ("the Company"), for the Financial Year ended March 31, 2021 as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paras C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments from time to time (the "Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of 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 under the Listing Regulations.

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 **PDS & CO.**

*Company Secretaries*

**Prashant Kumar Balodia**

*(Partner)*

Membership No. 6047

Certificate of Practice No. 6153

Date: 30<sup>th</sup> July, 2021

Place: Delhi

UDIN: F006047C000743685

**Annexure -K**
**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To  
The Members,  
**Mohit Paper Mills Limited**  
15A/13 Upper Ground Floor,  
East Patel Nagar,  
New Delhi – 110 008

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Mohit Paper Mills Limited having CIN L21093DL1992PLC116600 and having registered office at 15A/13 Upper Ground Floor, East Patel Nagar, New Delhi – 110 008 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

<b>Sr. No.</b>	<b>Name of Director</b>	<b>DIN</b>	<b>Date of appointment in Company</b>
1.	SANDEEP JAIN	00458048	30/06/1992
2.	ANJU JAIN	00459540	30/08/1992
3.	SUSHIL KUMAR TYAGI	06362605	14/05/2012
4.	PRADEEP RAJPUT KUMAR	06685586	23/11/2017
5.	SHUBHI JAIN	06685602	15/07/2013
6.	RACHIT JAIN	06982727	30/09/2014
7.	SANJEEV KUMAR JAIN	07018412	30/09/2014
8.	SOURABH MATHUR	08354589	14/02/2019

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate 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 **PDS & CO.**

*Company Secretaries*

**Prashant Kumar Balodia**

*(Partner)*

Membership No. 6047

Certificate of Practice No. 6153

Date: 30<sup>th</sup> July, 2021

Place: Delhi

UDIN:F006047C000743663

## Annexure -L

**CERTIFICATE IN TERMS OF PART B OF SCHEDULE II REGULATION 17(8) OF SEBI (LODR) REGULATIONS, 2015****CEO/CFO Certification:**

We hereby certify that:

- 1.) We have reviewed the financial statement and the cash flow statement for the year and that to the best of my knowledge and belief;
  - 1.1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - 1.2) These statements together present a true and fair view of the companies affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- 2.) These are to the best of my knowledge and belief, no transactions entered into by the company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- 3.) We accept responsibility for establishing and maintaining internal control systems and that I have evaluated the effectiveness of the internal control system of the company and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any of which I am aware and the steps the company has taken or propose to take to rectify the deficiencies.
- 4.) We have indicated to the Auditors and the Audit Committee;
  - 4.1) Significant changes in internal control during the year:
  - 4.2) Significant changes in accounting policies during the year and the same has been disclosed in the notes to the financial statements;
  - 4.3) Instances of significant fraud of which the Company has become aware and the involvement therein, if any of the management or an employee having significant role in the Company's internal control system.

FOR AND ON BEHALF OF BOARD OF DIRECTORS

**SANDEEP JAIN**  
(MANAGING DIRECTOR)  
DIN-00458048

**ARVIND KUMAR DIXIT**  
(CHIEF FINANCIAL OFFICER)

Place: New Delhi  
Dated- 30/06/2021

## DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

The Company has framed a Code of Conduct for the Members of the Board of Directors and the Senior Management personnel of the Company pursuant to SEBI Listing Regulations to further strengthen corporate governance practice in the Company. They have affirmed compliance with the said Code, as applicable to them for the Financial Year ended March 31, 2021.

FOR ND ON BEHALF OF BOARD OF DIRECTORS

**SANDEEP JAIN**

(MANAGING DIRECTOR)

DIN-00458048

Place: New Delhi

Dated- 30/06/2021

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## COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations, and has also fulfilled the following discretionary requirements:(i) The Internal Auditor reports to the Audit Committee.(ii) The financial statements of the Company are with unmodified audit opinion.

FOR ND ON BEHALF OF BOARD OF DIRECTORS

**SANDEEP JAIN**

(MANAGING DIRECTOR)

DIN-00458048

Place: New Delhi

Dated- 30/06/2021

**ANNEXURE -J****MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Board of Directors presents hereunder an analysis of performance of the Company for the year 2020-21 and its outlook for the future. This outlook is based on current business environment which may vary due to future economic and other developments.

**Industry Structure****i. Global Economic Review:**

Indian Economy is continuing to be one of the fastest growing economies in the world. Indian Paper industry also continues to be the fastest growing market globally as the economy is growing. There are much better times to come in near future.

Our paper industry always faced competition from Chinese paper industries. The Indian Economy is estimated to have an increased growth rate with China. The agricultural and allied sector has recovered from decline in previous years. Lot of emphasis has been given by this Government on inclusive development with greater emphasis on development of Agriculture and Education Sector. This shall boost the Paper Industry.

The industry major challenge is to manufacture better quality of paper at competitive rates. Due to the zero rate import of paper the paper industry has been suffering. So the Government should make proper policies to curb down imports or to impose duty so that there is an equivalency between the price of Indian paper and imported paper.

The competition is increasing due to the fact of the liberalization policy of the Government with respect to imports. If we have to sustain in the market we have to improve our quality and reduce our prices to be more competitive. That will have good overall effect on the market and will be a welcome move for the customers

The demand for paper is growing at an average rate of 8 percent per annum. Indian population is growing, has half of its people below 25 years of age and a large number of this young population would be studying in schools and higher educational institutions which inherently consume paper. At the same time state and central government is giving a lot of thrust on the education along with releasing huge funds to achieve targets for educated and skilled youth. So this sector has a huge demand for paper which will increase on yearly basis.

The other major factor is the phenomenal growth of economy that is today pegged at around 7-8 percent per annum, which has consequential demand increasing in paper. So due to these factors for education and economy, there is a good potential for the Indian pulp and paper industry.

Even on the environment side, paper scores high over e-media. Paper is bio degradable, whereas to manage the e-waste has become a big head-ache. Credentials of Paper are very high when compared with e-media.

Government should enable some policy framework to enable the industry with the availability of the raw material at reasonable prices and the industry should also be protected against cheap imports.

**Opportunities**

The potential of growth for the industry lies in development of the economy, rising literacy rates, consumerism and standard of living. All these factors are in a positive move in India at present, which gives a good picture to the scenario of paper industry.

Indian Economy is growing very fast. Its ratings in the world have improved. The world is showing keen interest in the Indian Market. So Indian Paper Industry is at an advantageous position to make the most of the opportunity offered by changing economic order.



During the Year your Company have shown improvements in their Sales volume and Profit. It is under process of installation of Chlorine Di Oxide Plant by which the quality of the paper is likely to be improved and will be able to fetch good market position with better prices.

Your Company is always in search of such opportunities and is in the process of increasing its capacity and quality improvement.

In the near future the Company is in the process of increasing its capacity.

Your company had successfully entered into manufacturing of Poster Paper in the year.

Your Company is also in the process of Commissioning Chlorine- Di-Oxide Plant which will increase the realization of paper and is also good environmentally.

### Threats

The inherent threats for the paper industry are scarcity of raw-material, high fuel prices, and new challenges thrown at us in the form of increasing imports which will impose on us to look for avenues for greater efficiencies.

There are also challenges with respect to scarcity of water and energy. We have to constantly look into the technology up-gradation so that we should use the water and energy at the optimum levels.

There are threats with respect to the shortfall of the raw material as there is no adequate pulp-wood available in the country to meet the growing needs of the industry. The dependence on recycled fiber is increasing due to inadequate availability of conventional fibre.

### COVID-19 IMPACT

The CRISIL Research said in a report that the extended lockdown to stem the COVID-19 pandemic has dealt a nasty blow to the highly fragmented paper industry in India. The demand has shrunk as schools and colleges are shutdown, while majority of offices have also crimped demand for writing and printing (W&P) paper. Industrial paper usage has also crumpled because of weakness in FMCG, consumer durables and apparel which account for 50-60 per cent of demand, it said. The demand for paper and boards is expected to contract 10-15 per cent this financial year compared to the previous year, the report said, adding all categories of products will be affected. Around 80 per cent of the nation's paper capacity of 25 million tonnes (750-800 mills) is clustered around six states that account for half of India's gross domestic product.

### Outlook

Measures of improvement for the paper industry:

1. Strong R& D for improving technology & automation.
2. Energy and Water should be used in a judicious way.
3. Effluent Standards should be improved by adopting green technologies.
4. Social Forestry methods should be used for improving the shortages in raw-material.
5. Specialized training should be imparted to enhance the skills and knowledge of man-power.

### Segment wise Performance

During the year the company has achieved the good level of capacity utilization with respect to the manufacture of the paper and it was done due to the expertise of the Managing Director, the technical staff and the hard-work of our labourers. This is a good example of proper utilization of the capacity with minimum resources. The company is engaged in single segment of production i.e. manufacturing of paper.

The Company has recorded downfall during the year under review the Company has turnover (Net) of ₹ 8,139.78/- (In lakhs) as against previous figure of ₹ 13,144.05/- (In lakhs), the Company recorded decrease in sale -38.07% (approx) and the Company recorded other Income in the respective year of ₹ 207.29/- (In lakhs) as against previous figure of ₹ 248.08/- (In lakhs), the Company recorded decrease in other income -16.44% (approx),

During the year under review PBDFET (Profit before Depreciation, Finance, Exceptional Item and Tax) was ₹ 400.2/- (In lakhs) as compared to previous year figure of ₹ 1,208.43/- (In lakhs), posting an decrease by -66.88% (approx) and PBFET (Profit before Finance, Exceptional Item and Tax) was ₹ -102.3/- (In lakhs) as compared to previous year figure of ₹ 750.59/- (In lakhs), posting an decrease by -113.63% (approx) and PBET (Profit before Exceptional Item and Tax) was ₹ -397.07/- (In lakhs) as compared to previous year figure of ₹ 482.57/- (In lakhs), posting an decrease by -182.28% (approx)

Further under review PBT (Profit Before Tax) was ₹ -397.07/- (In lakhs) as compared to previous year figure of ₹ 438.72/- (In lakhs), posting an decrease by -190.50% (approx) in PBT. Net profit and PAT (Profit after Tax and Other Comprehensive Income) were ₹ -343.33/- (In lakhs) as compared to previous year figure of ₹ 319.83/- (In lakhs) reporting an decrease of -207.34% (approx) in net profit as compared to previous year, Earning Per Share was during the year ₹ -2.45/- (Each Equity Share) as compared to previous year figure of ₹ 2.28/- (Each Equity Share) reporting an decrease of -207.46% (approx) in EPS as compared to previous year.

Further under review Free Reserve and Surplus (Other Equity) was ₹ 1,716.68/- (In lakhs) as compared to previous year figure of ₹ 1,922.22/- (In lakhs), posting an decrease by -10.67% (approx) and Cash and Cash Equivalent was ₹ 76.96/- (In lakhs) as compared to previous year figure of ₹ 41.73/- (In lakhs), posting an increase by 84.42% (approx).

### **Outlook**

Measures of improvement for the paper industry, Strong R&D for improving technology & automation, Energy and Water should be used in a judicious way, Effluent Standards should be improved by adopting green technologies, Social Forestry methods should be used for improving the shortages in raw-material, Specialized training should be imparted to enhance the skills and knowledge of man-power.

### **Internal Control System and Their Adequacy**

Your Company possesses a good internal control system to ensure that all the assets are safe guarded and protected against the unauthorized use or disposition and that transactions are authorized recorded and reported correctly.

The Audit Committee of the Board of Directors review the internal control system and their adequacy from time to time.

### **Discussion of Financial Performance with respect to operational performance**

The Financial Statements have been prepared in accordance with the requirements of the Companies Act, 2013 and applicable Indian Accounting Standards issued by the Institute of Chartered Accountants of India. The Management of Mohit Paper Mills Limited accepts the integrity and objectivity of these financial statements as well as the various estimates and judgments used therein. The Statement has been made on prudent basis and reflects in a true and fair manner.

Details of financials of the company for the financial year 2020-21

(₹ In Lakhs)

Particulars	Current Financial Year (2021)	Previous Financial Year (2020)
Revenue from Operations	8139.78	13,144.05
Other Income	207.29	248.08
<b>Total Income of the company</b>	<b>8,347.07</b>	<b>13,392.13</b>
<b>Profit before Depreciation, Finance Costs, Exceptional items and Tax Expense</b>	<b>400.2</b>	<b>1208.43</b>
Less: Depreciation/ Amortisation/ Impairment	502.50	457.85
<b>Profit before Finance Costs, Exceptional items and Tax Expense</b>	<b>-102.3</b>	<b>750.58</b>
Less: Finance Costs	294.77	268.02
<b>Profit before Exceptional items and Tax Expense</b>	<b>-397.07</b>	<b>482.56</b>
Add/(less): Exceptional items	0.00	43.85
<b>Profit before Tax Expense</b>	<b>-397.07</b>	<b>438.71</b>
Less: Tax Expense (Current & Deferred)	-53.48	118.89
<b>Profit for the year (1)</b>	<b>-343.59</b>	<b>319.82</b>
Other Comprehensive Income (2)	0.26	0
<b>Total Comprehensive Income (1+2)</b>	<b>-343.33</b>	<b>319.82</b>
No. of Equity Share Capital of ₹ 10/- each	140	140
Paid-Up Equity Share Capital of ₹ 10/- each	1400	1400
<b>Earning Per Equity Share</b>		
<b>1. Basic EPS</b>	<b>-2.45</b>	<b>2.28</b>
<b>2. Diluted EPS</b>	<b>-2.45</b>	<b>2.28</b>

The Company has been periodically reviewing the impact of Covid-19 on its liquidity and operations and is also keeping a close watch on any other possible impacts of second wave of the pandemic. We found that COVID-19 affecting the financial position of the Company badly due to COVID but hopefully Company will give positive result in coming future and recover from this situation.

The Company has not transferred any amount to the reserves during the current year except the surplus in the Statement of Profit & Loss for the year ended on 31.03.2021.

The company is regularly exploring and critically appraising its domestic market, the company saw downfall in respect of revenue and other aspect in the last year due to stiff competition in the market. The Company has maintained good standards in its products and always be trying to give sharpness to the Company's marketing strategies.

The Company has recorded downfall during the year under review the Company has turnover (Net) of ₹ 8,139.78/- (In lakhs) as against previous figure of ₹ 13,144.05/- (In lakhs), the Company recorded decrease in sale -38.07% (approx) and the Company recorded other Income in the respective year of ₹ 207.29/- (In lakhs) as against previous figure of ₹ 248.08/- (In lakhs), the Company recorded decrease in other income -16.44% (approx),

During the year under review PBDFET (Profit before Depreciation, Finance, Exceptional Item and Tax) was ₹ 400.2/- (In lakhs) as compared to previous year figure of ₹ 1,208.43/- (In lakhs), posting an decrease by -66.88% (approx) and PBFET (Profit before Finance, Exceptional Item and Tax) was ₹ -102.3/- (In lakhs) as compared to previous year figure of ₹ 750.59/- (In lakhs), posting an decrease by -113.63% (approx) and PBET (Profit before Exceptional Item and Tax) was ₹ -397.07/- (In lakhs) as compared to previous year figure of ₹ 482.57/- (In lakhs), posting an decrease by -182.28% (approx)

Further under review PBT (Profit Before Tax) was ₹ -397.07/- (In lakhs) as compared to previous year figure of ₹ 438.72/- (In lakhs), posting an decrease by -190.50% (approx) in PBT. Net profit and PAT (Profit after Tax and Other Comprehensive Income) were ₹ -343.33/- (In lakhs) as compared to previous year figure of ₹ 319.83/- (In lakhs) reporting an decrease of -207.34% (approx) in net profit as compared to previous year, Earning Per Share was during the year ₹ -2.45/- (Each Equity Share) as compared to previous year figure of ₹ 2.28/- (Each Equity Share) reporting an decrease of -207.46% (approx) in EPS as compared to previous year.

Further under review Free Reserve and Surplus (Other Equity) was ₹ 1,716.68/- (In lakhs) as compared to previous year figure of ₹ 1,922.22/- (In lakhs), posting an decrease by -10.67% (approx) and Cash and Cash Equivalent was ₹ 76.96/- (In lakhs) as compared to previous year figure of ₹ 41.73/- (In lakhs), posting an increase by 84.42% (approx).

### **Human Resources/ Industrial Relations**

Human resource is the best resource of all the resources because it is the one which can properly take advantage of the other resources.

It is the Companies belief that Human Resources is the driving force towards progress and success of the company. The Company seek to motivate and retain its professionals by offering reasonable compensation and opportunity to grow in the organization. The total permanent employees strength of the company was 180 as on 31<sup>st</sup> March, 2021. Industrial relations remain cordial during the year.

### **Cautionary Statement**

Statements in the management discussion and analysis describing the Companies objectives, projections, estimates, expectations may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results may differ from those expressed and implied. Important matters that effects the company's performance is the economic conditions of demand and supply and price conditions in the domestic and overseas market in which the Company operates, changes in the government regulations, tax laws and other statutes and other incidental factors.

For and on behalf of Board of Directors of **Mohit Paper Mills Limited**

Sd/-

**Sandeep Jain**

*Managing Director cum Chairman*

DIN-00458048

Place: New Delhi

Date: July 30 2021

## Annexure – J

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

**[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To  
The Members  
**Mohit Paper Mills Limited**  
15A/13 Upper Ground Floor,  
East Patel Nagar,  
New Delhi – 110 008

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Mohit Paper Mills 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 our opinion thereon.

Based on our verification of the 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, 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 March 31, 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 March 31, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder 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') to the extent applicable during audit period:-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the Audit Period)**
  - (d) 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 to the extent of securities issued;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period)**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the Audit Period)**
- (vi) The other laws, as informed and certified by the management of the Company which are specifically applicable to the Company based on their sectors/industry are:
- (a) Factories Act, 1948 and Rules made there under
  - (b) Air (Prevention & Control of Pollution) Act, 1981
  - (c) Water (Prevention & Control of Pollution) Act, 1974
  - (d) Forest (Conservation) Act, 1980
  - (e) Indian Boilers Act, 1923

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India.
- (ii) 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, etc. mentioned, while the certain information related to appointment/re-appointments of Board level functionaries have been submitted by the Company to the stock exchanges as outcome of the Board meeting which was to be reported under the relevant listing regulation.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors for 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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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.

For **PDS & CO.**  
*Company Secretaries*

**Prashant Kumar Balodia**  
*(Partner)*  
Membership No. 6047  
Certificate of Practice No. 6153

UDIN:F006047C000717637

Date: 30<sup>th</sup> July 2021

Place: Delhi

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

## Annexure A

To  
The Members  
**Mohit Paper Mills Limited**  
15A/13 Upper Ground Floor,  
East Patel Nagar,  
New Delhi – 110 008

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 appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Further, there were delay in submission of the certain e-forms to the Registrar of Companies due to COVID-19 pandemic and the company has represented, the same has been filed/ in process of being filling with Registrar of Companies with addition fee/penalty.
5. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. 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 random test basis.
7. 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 **PDS & CO.**  
*Company Secretaries*

**Prashant Kumar Balodia**  
*(Partner)*  
Membership No. 6047  
Certificate of Practice No. 6153

Date: 30<sup>th</sup> July 2021  
Place: Delhi



## Independent Auditor's Report

### To The Members of Mohit Paper Mills Limited

#### Report on the Audit of the Ind AS Financial Statements

##### Opinion

We have audited the Ind AS financial statements of **Mohit Paper Mills Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to financial statements, including a summary of the 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 Ind AS 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, its loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

##### Basis for opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Ind AS 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and 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 financial statements.

##### 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 of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

##### Description of Key Audit Matter

Procurement of raw materials and valuation of Inventories

See Note 8 and 23 to the financial statements

<b>The key audit matter</b>	<b>How the matter was addressed in our audit</b>
<p>Impact of COVID-19 pandemic on going Concern assessment of the Company</p> <p>The World Health Organization in February 2020 declared COVID 19 as a pandemic. Governments around the world including India have been taking significant measures to curb the spread of the virus including imposing mandatory lockdowns and restrictions in activities. Consequently, the Company's manufacturing plant and offices also had to be closed down for a considerable period of time.</p> <p>These lockdowns have a significant impact on the overall economic activity in India and in particular on the paper industry. Accordingly, the future cash flow projections used to assess going concern are subject to significant estimation uncertainties.</p> <p>In view of the above, we have identified our assessment of the going concern basis of accounting as a key audit matter.</p> <p>We identified procurement of raw materials and valuation of inventories as a key audit matter because of the significance of the costs incurred during the year, related inventories as at the reporting date and the significant degree of management judgment involved in verification and valuation thereof.</p>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> <li>- Obtained an understanding of the Company's internal controls over its forecasting process;</li> <li>- Compared the key assumptions adopted by the Company for future business plan and to understand the changes to the company's business.</li> <li>- Examined the Company's funding arrangements and evaluated the financing terms and covenants to assess its ability to obtain additional financing if the need arises;</li> <li>- Adequacy of the disclosures related to application of the going concern assumption.</li> <li>- 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.</li> <li>- We performed substantive testing by selecting samples of purchase transactions recorded during the year by verifying the underlying documents, i.e. supplier invoices, goods receipts notes etc.</li> <li>- Observed inventory verification on a sample basis.</li> <li>- 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.</li> <li>- Obtained an understanding of the underlying data and estimates used for calculation of the yield ratio and compared the same with the previous years.</li> <li>- 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 receipts notes etc. to assess whether the purchases were recognized in the correct period.</li> <li>- We assessed manual journals posted by vendors to identify unusual items.</li> </ul>

### Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Financial Statements**

The Company's management and Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and Statement of changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 user stake non the basis of these Ind AS 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 Ind AS 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 financial 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 statement in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the 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 (including Other Comprehensive Income), 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 Ind AS financial statements comply with the Indian 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 Company as on March 31, 2021 taken on record by the Board of Directors, none of the directors 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 of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) 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:
- i. The Company has no pending litigations that would materially affect the financial position of the Company.
  - ii. The Company did not have any long-term contracts including derivative contracts; for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
3. With respect to the matter to be included in the Auditors' Report under section 197(16):
- In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **ANIL SOOD & ASSOCIATES**  
*Chartered Accountants*  
(Firm Registration No. 004985N)

**ANIL SOOD**  
*Partner*  
(Membership No. 83939)  
UDIN : 21083939AAAACN6728

Place : New Delhi  
Dated : 30<sup>th</sup> June, 2021

**ANNEXURE 'A' 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 Mohit Paper Mills Ltd. of even date)

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets were physically verified by the Management during the year in accordance with a regular program of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. As explained to us, no discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that the title deeds, comprising all the immovable properties included in Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
- 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. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. The Company has not accepted deposits within the meaning of section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as mentioned) during the year and does not have any unclaimed deposits as at March 31, 2021 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi. We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacturing activities, and are of the opinion that prime facie, the specified accounts and records have been made and maintained. We have not, however made a detailed examination of the same.
- vii. According to the information and explanations given to us, in respect of statutory dues:
  - a. The Company has been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax ('GST'), Custom Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employee' State Insurance, Income-tax, Goods and Services Tax ('GST'), Duty of customs and other material statutory dues were in arrears as at 31<sup>st</sup> March 2021 for a period of more than six months from the date they became payable.
  - b. According to the records of the Company and the information and explanations given to us, there were no disputed demands outstanding as at 31<sup>st</sup> March, 2021 for a period of more than six months from the date they became payable.
- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and dues to Government.

- ix. According to the information and explanations given to us, the term loan taken by the Company have been applied for the purpose for which they were raised. As informed to us, the Company has not raised any moneys by way of initial public offer (including debts instruments) or further public offer.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. Transactions with related parties have been disclosed in the Ind AS financial statements with details as prescribed by Indian Accounting Standard 24 "Related Party Transactions". These transactions are in compliance with Section 177 and Section 188 of Companies Act, 2013.
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **ANIL SOOD & ASSOCIATES**  
*Chartered Accountants*  
(Firm Registration No. 004985N )

**ANIL SOOD**  
*Partner (Membership No. 83939)*  
UDIN : 21083939AAAACN6728

Place : New Delhi  
Dated : 30<sup>th</sup> June, 2021



## ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Mohit Paper Mills Ltd. of even date)

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub- section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Mohit Paper Mills Ltd. (“the Company”) as of March 31, 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 based on the internal control 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. 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 safe guarding 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.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 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 and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 elected 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 over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control over financial reporting 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 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 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**

Because of the inherent limitations of internal financial controls over financial reporting, 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 to future periods are subject to the risk that the internal financial control over financial reporting 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 over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control 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.

For **ANIL SOOD & ASSOCIATES**  
*Chartered Accountants*  
(Firm Registration No. 004985N)

**ANIL SOOD**  
*Partner*  
(Membership No. 83939)  
UDIN : 21083939AAAACN6728

Place : New Delhi  
Dated : 30<sup>th</sup> June, 2021

**BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2021**

₹ in Lakhs

	PARTICULARS	Note No.	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>ASSETS</b>				
<b>(1)</b>	<b>Non-Current Assets</b>			
	(a) Property, Plant and Equipment	3	4,952.26	5,311.15
	(b) Capital work-in-progress	3A	1,189.21	763.24
	(c) Other Intangible Assets	3B	0.29	-
	(d) Financial Assets			
	(i) Investments	4	110.79	110.79
	(ii) Other Financial Assets	5	87.05	79.50
	(e) Non-Current Tax Assets (Net)	6	3.08	7.55
	(f) Other Non-Current Assets	7	137.79	137.79
	<b>Total Non-Current Assets</b>		<b>6,480.47</b>	<b>6,410.02</b>
<b>(2)</b>	<b>Current Assets</b>			
	(a) Inventories	8	1,881.28	1,668.59
	(b) Financial Assets			
	(i) Trade Receivables	9	1,151.65	1,177.74
	(ii) Cash and Cash Equivalents	10	76.96	41.73
	(iii) Other Bank Balance	11	135.60	136.70
	(iv) Others	12	1,117.33	961.14
	<b>Total Current Assets</b>		<b>4,362.82</b>	<b>3,985.90</b>
	<b>Total Assets</b>		<b>10,843.29</b>	<b>10,395.92</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
	(a) Equity Share Capital	13	1,400.00	1,400.00
	(b) Other Equity		1,716.68	1,922.22
	<b>Total Equity</b>		<b>3,116.68</b>	<b>3,322.22</b>
<b>LIABILITIES</b>				
<b>(1)</b>	<b>Non-Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	14	1,177.75	1,036.47
	(a) Provisions	15	0.19	-
	(b) Deferred tax Liabilities (Net)	16	510.31	701.49
	(c) Other Non-Current Liabilities	17	240.44	445.53
	<b>Total Non-Current Liabilities</b>		<b>1,928.69</b>	<b>2,183.49</b>
<b>(2)</b>	<b>Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	18	2,118.84	1,972.62
	(ii) Trade Payables	19		
(A)	Total outstanding dues of micro enterprises and small enterprises		-	-
(B)	Total outstanding dues of creditors other than micro enterprises and small enterprises		783.29	731.44
	(b) Other Current Liabilities	20	2,895.79	2,186.15
	<b>Total Current Liabilities</b>		<b>5,797.92</b>	<b>4,890.21</b>
	<b>Total Equity and Liabilities</b>		<b>10,843.29</b>	<b>10,395.92</b>

The accompanying notes 1 to 31 are an integral part of the Ind AS Financial Statements.

As per our report of even date attached

 For **Anil Sood & Associates**

Chartered Accountants

Registration No.: 004985N

For and on behalf of the Board of Directors

**Anil Sood**

(Partner)

Membership No.: 083939

**Sandeep Jain**

(Managing Director)

**Anju Jain**

(Director)

**Shivam Sharma**

(Company Secretary)

**A.K.Dixit**

(Chief Financial Officer)

Place : New Delhi

 Date : 30<sup>th</sup> June, 2021

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021

₹ in Lakhs

	PARTICULARS	Note No.	For the Year ended 31 <sup>st</sup> March, 2021	For the Year ended 31 <sup>st</sup> March, 2020
I	<b>Revenue from Operations</b>	21	8,139.78	13,144.05
II	Other Income	22	207.29	248.08
III	<b>Revenue recognised</b>		<b>8,347.07</b>	<b>13,392.13</b>
IV	<b>EXPENSES</b>			
	Cost of Materials Consumed	23	2,843.97	4,645.82
	Changes in Inventories of Finished Goods, Stock-in-Trade & work-in-progress	24	(33.19)	(142.56)
	Employee Benefits Expense	25	413.94	575.88
	Finance Costs	26	294.77	268.02
	Depreciation and Amortization Expense	27	502.50	457.86
	Other Expenses	28	4,722.15	7,104.54
	<b>Total Expenses (IV)</b>		<b>8,744.14</b>	<b>12,909.56</b>
V	Profit before exceptional items and tax (III - IV)		(397.07)	482.57
VI	Exceptional items		-	43.85
VII	Profit before tax (V - VI)		<b>(397.07)</b>	<b>438.72</b>
VIII	<b>Tax Expense:</b>			
	(1) Current Tax		-	79.62
	(2) MAT Credit (utilised)		-	(5.16)
	(3) Deferred Tax		(53.48)	44.43
			(53.48)	118.89
IX	Profit for the year (VII - VIII)		(343.59)	319.83
	<b>Other Comprehensive Income</b>			
	Items that will not be reclassified to Profit or Loss:			
X	Remeasurement of defined benefit liability/(assets)		0.35	-
XI	Income tax relating to items that will not be reclassified to Profit or Loss		(0.09)	-
XII	<b>Total Other Comprehensive Income for the year (X - XI)</b>		0.26	-
XIII	<b>Total Comprehensive Income for the year (IX + XII)</b>		(343.33)	319.83
XIV	<b>Earning per Equity Share</b>	29		
	(i) Basic		(2.45)	2.28
	(ii) Diluted		(2.45)	2.28

The accompanying notes 1 to 31 are an integral part of the Ind AS Financial Statements.

As per our report of even date attached

For **Anil Sood & Associates**  
Chartered Accountants  
Registration No.: 004985N

For and on behalf of the Board of Directors

**Anil Sood**  
(Partner)  
Membership No.: 083939

**Sandeep Jain**  
(Managing Director)

**Anju Jain**  
(Director)

**Shivam Sharma**  
(Company Secretary)

**A.K.Dixit**  
(Chief Financial Officer)

Place : New Delhi  
Date : 30<sup>th</sup> June, 2021

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2021**

₹ in Lakhs

	PARTICULARS	For the Year ended 31 <sup>st</sup> March, 2021		For the Year ended 31 <sup>st</sup> March, 2020	
<b>A.</b>	<b>Cash Flow from Operating Activities</b>				
	PROFIT BEFORE TAX		(397.07)		438.72
	ADJUSTMENT FOR:				
	-Depreciation & Amortization Expense	502.50		457.86	
	-Finance Costs	294.77		268.02	
	-Interest Income	(11.01)		(11.71)	
	-Profit on sale of property, plant and equipment	-		(2.51)	
	-Tax adjustment	53.48		(44.43)	
	-Others	0.35	840.09	-	667.23
	<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>		<b>443.02</b>		<b>1,105.95</b>
	<b>ADJUSTMENTS FOR:</b>				
	- (Increase)/Decrease Trade Receivables, loans, advances & other assets	(132.08)		(938.49)	
	- (Increase)/Decrease Inventories	(212.69)		172.51	
	- Increase/(Decrease) Trade Payables, other liabilities and provisions	761.49		564.07	
		416.72		(201.91)	
	CASH GENERATED FROM OPERATIONS	859.74		904.04	
	Income tax paid	-		(74.46)	
	<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>		<b>859.74</b>		<b>829.58</b>
<b>B.</b>	<b>Cash Flow From Investing Activities</b>				
	- Purchase of property, plant & equipment, Intangibles etc.	(143.91)		(1,141.11)	
	- Sale of property, plant and equipment	-		32.14	
	- (Increase)/Decrease in capital work in progress	(425.97)		424.79	
	<b>NET CASH AVAILABLE / (USED) IN INVESTING ACTIVITIES</b>		<b>(569.88)</b>		<b>(684.18)</b>

₹ in Lakhs

PARTICULARS	For the Year ended		For the Year ended	
	31 <sup>st</sup> March, 2021		31 <sup>st</sup> March, 2020	
<b>C. Cash Flow from Financing Activities</b>				
- Receipts/(Repayment) from Long Term Borrowings	(63.62)		(86.29)	
- Adjustment of Deffered Tax	(53.48)		39.26	
	(117.10)		(47.03)	
- Receipts/(Repayment) of Short Term Borrowings	146.23		11.31	
- Interest Paid	(294.77)		(268.02)	
- Interest Received	11.01		11.71	
NET CASH AVAILABLE / (USED) IN FINANCING ACTIVITIES		(254.63)		(292.03)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		35.23		(146.63)
OPENING IN CASH AND CASH EQUIVALENTS		41.73		188.36
CLOSING CASH AND CASH EQUIVALENTS		76.96		41.73

Notes:

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS-7 "Statement of Cash Flows"

2. **Cash and Cash Equivalents:**

Cash and cash equivalents as above

Cash and cash equivalents (Note 10) 76.96 41.73

As per our report of even date attached

For **Anil Sood & Associates**

Chartered Accountants

Registration No.: 004985N

**Anil Sood**

(Partner)

Membership No.: 083939

Place : New Delhi

Date : 30<sup>th</sup> June, 2021

For and on behalf of the Board of Directors

**Sandeep Jain**

(Managing Director)

**Anju Jain**

(Director)

**Shivam Sharma**

(Company Secretary)

**A.K.Dixit**

(Chief Financial Officer)

## STATEMENT OF CHANGES IN EQUITY

### A. Equity Share Capital

₹ in Lakhs

Particulars	Amount
Balance at the beginning of the period i.e. 1 <sup>st</sup> April 2020	1,400.00
Changes in Equity Share Capital during the year 2020-21	-
Balance as at 31 <sup>st</sup> March 2021	1,400.00

### B. Other Equity

Particulars	Reserves and Surplus		Other Comprehensive Income	Total
	Capital Reserve	Retained Earnings	Effective portion of gain/(loss) in cash flow hedge	
<b>Balance as at 1<sup>st</sup> April 2020</b>	<b>135.17</b>	<b>1,787.05</b>	-	<b>1,922.22</b>
Profit for the year	-	-343.59	-	-343.59
MAT Credit Entitlement	-	137.79	-	137.79
Other Comprehensive Income Income/(expense) (net of tax)	-	0.26	-	0.26
<b>Balance as at 31<sup>st</sup> March 2021</b>	<b>135.17</b>	<b>1,581.51</b>	-	<b>1,716.68</b>

- i) Capital Reserve: This Reserve was created on 31.03.1996 upon revaluation of land & building and plant & machinery by crediting to capital reserve the resultant surplus arising therefrom. The carrying value of these assets, measured as per the previous GAAP, as recognised in the financial statements as at the date of transition to Ind AS are continued to be used as the deemed cost as at the date of transition.
- ii) Retained Earnings: This Reserve represents the cumulative profits of the Company. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

The accompanying notes 1 to 31 are an integral part of the Ind AS Financial Statements.

As per our report of even date attached

For **Anil Sood & Associates**  
Chartered Accountants  
Registration No.: 004985N

For and on behalf of the Board of Directors

**Anil Sood**  
(Partner)  
Membership No.: 083939

**Sandeep Jain**  
(Managing Director)

**Anju Jain**  
(Director)

**Shivam Sharma**  
(Company Secretary)

**A.K.Dixit**  
(Chief Financial Officer)

Place : New Delhi  
Date : 30<sup>th</sup> June, 2021

## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2021

### 1. Corporate Information:

Mohit Paper Mills Limited (the 'Company' or 'MPML') is a public company incorporated under the provisions of the Companies Act 1956 with a CIN Number : L21093DL1992PLC116600, domiciled in India, with its registered office situated at 15A/13, Upper Ground Floor, East Patel Nagar, New Delhi – 110008, India. The equity shares are listed on the Bombay Stock Exchange ('BSE') in India. The company's business primarily consist of manufacturing Writing & Printing Paper and Tissue Paper mainly in the domestic market. Soda Ash is recovered as by-product. The manufacturing facilities are situated in Bijnor, Uttar Pradesh.

### 2. Significant accounting policies

#### a. Basis of preparation of Financial Statements

##### (i) Statement of compliance

These 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 of the Companies Act, 2013 (Ind AS compliant Schedule III)

##### (ii) Basis of measurement:

The financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair values or amortised cost depending upon classification. Historical cost is generally based on the fair value of the consideration given in exchange of goods or services.

##### (iii) Functional and presentation currency

The functional currency of the Company is the Indian Rupee ('INR'). These financial statements are presented in Indian rupees. All amounts have been rounded-off to the nearest lakhs, upto two places of decimal, unless otherwise indicated.

##### (iv) Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates,

judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note No.2(a)(v). Accounting estimates could change from period to period. Revision to accounting estimates are recognized in the period in which the estimates are revised and in any future period affected. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of the changes in circumstances surrounding the estimates. The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

##### (v) Critical estimates and judgments

The preparation of financial statements requires the use of accounting estimates which by definition

## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2021

will seldom equal the actual results. Management also needs to exercise judgment in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgment are:

- Useful life of Property, plant and equipment - refer Note No. 2 b
- Valuation of Inventory - refer Note No. 2 e
- Estimation of Defined benefit obligation - refer Note No. 2 g
- Estimation of current tax expenses - refer Note No. 2 h
- Provisions and Accruals - refer Note No. 2 p
- Contingencies - refer Note No. 2 p

### (vi) Fair value measurement

The Company measures financial instruments at fair value as per Ind AS 113 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. The 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 fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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 prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2** - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

**Level 3** - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs) For assets and liabilities that are recognized in the financial statement on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.



## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2021

### b. Property, Plant and Equipment

#### i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

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

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

#### ii. Subsequent Expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

#### iii. Depreciation

Depreciation is calculated on carrying value recognized as per previous GAAP of items of property, plant and equipment and Intangible less their estimated residual values over their estimated useful lives using the written-down method and is generally recognized in the statement of profit and loss. Freehold land is not depreciated.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives best represent the period over which management expects to use these assets. Depreciation has been provided on written down value method over their estimated useful lives.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed off) if any.

#### iv. Derecognition

A property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of a tangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss.

### c. Intangible assets

Intangible assets are initially measured at cost. These items of other intangible assets are subsequently measured at cost less accumulated amortization and accumulated impairment losses, if any. Cost of an item of Intangible asset comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use.

#### Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in Statement of Profit and Loss as incurred.

## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2021

### **Amortisation**

Amortisation is calculated to write off the cost of intangible assets over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation expense in Statement of Profit and Loss. The estimated useful life of Computer software is 3 years. Amortisation method, useful life and residual values are reviewed at the end of each financial year and adjusted if appropriate.

### **Derecognition**

Intangible assets is derecognised on disposal or when no future economic benefits are expected from its use and disposal.

### **d. Reclassification to investment property**

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property or vica versa at its carrying amount on the date of reclassification, if any. The company does not have any investment property as on the date of reporting.

### **e. Inventories**

All inventories are initially recorded at cost. Cost represents all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost for the purpose of valuation is determined by using the weighted average cost, net of taxes and duties eligible for credit and discounts.

### **Raw materials, stores, consumables and spare parts**

Raw materials, stores, consumables and spare parts held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

### **Work-in-process**

All work-in-process are valued at cost which includes cost of inputs, net of taxes and duties eligible for credit and overheads up to the stage of completion.

### **Finished goods**

Finished goods are measured at lower of cost which includes cost of inputs (net of taxes and duties eligible for credits) & overheads and the net realizable value.

### **By-Products**

By Products are measured at net realizable value.

### **f. Impairment**

#### **i. Impairment of non-financial assets**

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. 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 or the cash-generating unit.

## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2021

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates

cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised in the statement of profit and loss if the estimated recoverable amount of an asset or its cash-generating unit is lower than it is carrying amount. Impairment losses, other than those recognized on goodwill, that have been recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

### ii. Impairment of 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 recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial assets. Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

##### Subsequent Measurement

For purpose of subsequent measurement financial assets are classified in two broad categories:

- Financial Assets at fair value
- Financial assets at amortized cost

Where assets that measured at fair value, gains and losses are either recognized entirely in the statement of profit and loss or recognized in other comprehensive income.

A financial asset that meets the following two conditions is measured at amortized cost:

- **Business Model Test:** The objective of the company's business model is to hold the financial asset to collect the contractual cash flows.
- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through OCI:

- **Business Model Test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

All other financial asset is measured at fair value through profit and loss.

## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2021

All equity investments are measured at fair value in the balance sheet, with value changes recognized in the statement of profit and loss, except for those equity investments for which the entity has elected irrevocable option to present value changes in OCI.

### **Derecognition of financial assets**

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

- 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 or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a passthrough arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

### **Impairment of financial assets**

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

For this purpose, the Company follows 'simplified approach' for recognition of impairment loss allowance on the trade receivable balances. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

### **Financial Liabilities:**

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

Financial liabilities are classified as measured at amortized cost or fair value through profit and loss (FVTPL). A financial liability is classified as FVTPL if it is classified as held for trading, or it is derivative or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gain or losses, including any interest expense, are recognized in statement of profit and loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit and loss.

## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2021

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

### Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the financial statements 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.

### Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash short falls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet and loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

### Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

## g. Employee benefits

### i. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid e.g. under short-term cash bonus / Ex-gratia, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

### ii. Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees and payments due from the company.

### iii. Defined benefit plan

The Company pays fixed contribution to provident fund (PF) and employee's state insurance (ESI). Contributions to these schemes are expensed in the Statement of Profit & Loss. These contributions are made to the fund administered and managed by the Government of India. The Company has no further obligations under these plans beyond its monthly contributions.

## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2021

### Gratuity

Liabilities in respect of defined benefit plan in the form of Gratuity and Long-term compensated absences are determined based on projected unit credit method as at the balance sheet date and are unfunded.

Group Gratuity cum Life Assurance Scheme with the Life Insurance Corporation of India has been taken in such a way that the gratuity benefits will be payable under an irrevocable trust. The trustees appointed for the purpose of administering the Scheme ensure gratuity benefits is with the LIC. The company shall pay on demand by and to the LIC such contributions as are required to secure Gratuity benefits to the employees.

The employees gratuity fund scheme is managed by the Life Insurance Corporation of India is a defined benefit plan. The present value of obligation is determined based on Projected Unit Credit Method, which recognises each period of services as giving rise to additional unit if there is employee benefit entitlement and measures each unit separately to build up the final obligation in terms of the demand raised by them.

Re-measurements of the net defined benefit liability if any, is recognized in OCI.

### h. Taxes on Income

Income tax comprises current and deferred tax. It is recognized in the statement of profit or loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

#### a. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities including MAT are off set only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis simultaneously.

#### b. Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. An existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company shall recognize deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized.

Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are recognized / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2021

The measurement of deferred tax reflects the tax consequences that would flow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are taken into account if there is a legally enforceable right to off set total deferred tax liabilities and deferred tax assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities if allowable, but they intend to settle deferred tax liabilities and assets and are correspondingly reflected as deferred tax assets and liabilities which will/may be realized simultaneously.

### **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.

### **i 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.

### **Cash flow statement**

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

### **j. Earnings per share**

Basic earnings/ (loss) per share are calculated by dividing the net profit/ (loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue and share split. For the purpose of calculating diluted earnings/ (loss) per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

### **k. Foreign currency transactions**

#### **i) Initial recognition**

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the dates of the transactions.

#### **ii) Measurement at the reporting date**

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the



## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2021

exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences on restatement/settlement of all monetary items are recognised in profit or loss.

### I. Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at initial cost and for investments held for trading or held for sale at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities if required. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date when the Company commits to purchase or sell the asset.

#### Financial Assets

**Recognition and Measurement :** All Financial assets include Investments, Trade Receivables, Advances, Security Deposits, Cash and Cash equivalents. Such assets are initially recognised at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

**Classification:** Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- (i) amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and / or interest.
- (ii) At cost price where the investments are to be held for long term with no immediate intention for sale and continue to be recognized at cost.
- (iii) fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets or are held for trading or for sale. Company does not have any assets for sale. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- (iv) fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Company does not have any assets which are managed as investment strategy. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

Trade Receivables, Advances, Security Deposits, Cash and Cash equivalents etc. are classified for measurement at amortised cost. In respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition is made to present subsequent changes in fair value through other comprehensive income.

#### Impairment:

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such



## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2021

as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

### Reclassification:

When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

### De-recognition:

Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- (a) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- (b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment which is taken at initial cost and continues to be so taken and for other investments in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

### Income Recognition:

Interest income is recognised in the Statement of Profit and Loss using the effective interest method.

### m. Revenue

Revenue is measured at the fair value of the consideration received or receivable after netting trade discounts, taxes volume discounts and sales returns. Revenue from sale of goods is recognized when significant risks and rewards have been transferred to buyer.

Liquidated damages and penalties recovered from suppliers / contractors, in relation to property, plant and equipment are credited to statement of profit and loss unless the delay has resulted in extra cost of assets, in which case the same are adjusted towards the carrying cost of the respective asset.

### Interest income

Interest income primarily comprises of interest from term deposits. Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss.

### Other Income

Other income is recognised when no significant uncertainty as to its determination or realisation exists.

### n. Borrowing cost

Borrowing costs are interest and other costs incurred in connection with the borrowing of fund. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial

## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2021

period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

### **o. Operating segments**

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance.

The Company is primarily engaged in the business of manufacture and sales of paper, mainly in the domestic market.

The Board of directors of the Company, who have been identified as being the chief operating decision maker (CODM), evaluated the company's performance and allocated resources based on the analysis of various performance indicators of the Company as a single unit. Accordingly, there is no reportable segment or any entity wide disclosure which are applicable to the company.

### **p. Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

#### **Contingent Liabilities**

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Disputes, liabilities and claims against the company including claims raised by fiscal authorities (e.g. Sales Tax, Income Tax, Excise, GST etc.) pending in appeal / court for which no reliable estimates can be made and or involves uncertainty of the outcome of the amount of the obligation or which are remotely poised for crystallization are not provided for in accounts but disclosed in notes to accounts.

#### **Contingent Assets**

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

### **q. Ind AS 116 - Leases**

The Company does not have any finance leases. There are no instances in which the company is a lessor. Hence there is no impact on adoption of Ind AS 116.

Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2021

## 3. Property, Plant &amp; Equipment

Assets	Gross Block			Depreciation and Amortisation			Net Block			
	As at 31.03.2020	Additions during the year	Deduction During the year	Total Cost as at 31.03.2021	upto 31.03.2020	For the period	Adjustment	Total Upto 31.03.2021	As At 31.03.2021	As At 31.03.2020
LAND	88.57	-	-	88.57	-	-	-	-	88.57	88.57
BUILDING	720.23	2.32	-	722.55	476.65	21.75	-	498.40	224.15	243.58
FURNITURE & FIXTURES	35.75	0.15	-	35.90	25.55	3.54	-	29.09	6.81	10.20
PLANT & MACHINERY	10,515.15	140.18	-	10,655.33	5,628.98	449.10	-	6,078.09	4,577.24	4,886.17
MOTOR VEHICLE	116.82	-	-	116.82	36.84	25.43	-	62.27	54.55	79.98
OFFICE EQUIPMENT	70.37	0.95	-	71.32	67.72	2.66	-	70.38	0.94	2.65
<b>TOTAL</b>	<b>11,546.89</b>	<b>143.60</b>	-	<b>11,690.49</b>	<b>6,235.75</b>	<b>502.48</b>	-	<b>6,738.23</b>	<b>4,952.26</b>	<b>5,311.15</b>
PREVIOUS YEAR TOTAL	10,438.19	1,141.11	32.41	11,546.90	5,780.67	457.86	2.77	6,235.75	5,311.15	4,657.53

## 3A. Capital Work-In-Progress

Particulars	Total		
	As at 31.03.2020	Addition during the year	Cost as at 31.03.21
Building, Plant & Machineries	763.24	425.97	1,189.21
Others	-	-	-
<b>TOTAL</b>	<b>763.24</b>	<b>425.97</b>	<b>1,189.21</b>

## 3B. Other Intangible Asset

Assets	Gross Block			Depreciation and Amortisation			Net Block			
	As at 31.03.2020	Additions during the year	Deduction During the year	Total Cost as at 31.03.2021	upto 31.03.2020	For the period	Adjustment	Total Upto 31.03.2021	As At 31.03.2021	As At 31.03.2020
COMPUTER SOFTWARE	-	0.31	-	0.31	-	0.02	-	0.02	0.29	-
<b>TOTAL</b>	-	<b>0.31</b>	-	<b>0.31</b>	-	<b>0.02</b>	-	<b>0.02</b>	<b>0.29</b>	-
PREVIOUS YEAR TOTAL	-	-	-	-	-	-	-	-	-	-

**Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2021**
**4 NON-CURRENT INVESTMENTS**

₹ in Lakhs

<b>PARTICULARS</b>	<b>As At 31<sup>st</sup> March, 2021</b>	<b>As At 31<sup>st</sup> March, 2020</b>
Investments in Equity Instruments :	110.79	110.79
Mohit Petrochemicals (P) Ltd. (Unquoted Shares) 1107880 Equity Shares of ₹ 10/- each fully paid-up		
<b>TOTAL</b>	<b>110.79</b>	<b>110.79</b>

**5 OTHER FINANCIAL ASSETS**

₹ in Lakhs

<b>PARTICULARS</b>	<b>As At 31<sup>st</sup> March, 2021</b>	<b>As At 31<sup>st</sup> March, 2020</b>
<b>Non-Current</b>		
Security Deposit with Non Government Authorities	23.39	23.39
Balance with Government Authorities	37.56	30.01
Bank deposits with more than 12 months maturity	26.10	26.10
<b>TOTAL</b>	<b>87.05</b>	<b>79.50</b>

**6 NON-CURRENT TAX ASSET (NET)**

₹ in Lakhs

<b>PARTICULARS</b>	<b>As At 31<sup>st</sup> March, 2021</b>	<b>As At 31<sup>st</sup> March, 2020</b>
Tax deducted at source and Tax collected at source (net of current tax provision if any)	3.08	7.55
<b>TOTAL</b>	<b>3.08</b>	<b>7.55</b>

**7 OTHER NON-CURRENT ASSETS**

₹ in Lakhs

<b>PARTICULARS</b>	<b>As At 31<sup>st</sup> March, 2021</b>	<b>As At 31<sup>st</sup> March, 2020</b>
MAT credit available	137.79	137.79
<b>TOTAL</b>	<b>137.79</b>	<b>137.79</b>

Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2021**8 INVENTORIES**

(At lower of cost and net realisable value)

₹ in Lakhs

<b>PARTICULARS</b>	<b>As At 31<sup>st</sup> March, 2021</b>	<b>As At 31<sup>st</sup> March, 2020</b>
Raw Materials & Chemicals	990.10	806.21
Finished Goods	279.62	406.99
Stores & Fuel	395.59	408.78
Packing Materials & Others	10.44	18.33
Unfinished Goods	109.48	28.28
Work-in-Process	96.05	-
<b>TOTAL</b>	<b>1,881.28</b>	<b>1,668.59</b>

**9 TRADE RECEIVABLES**

₹ in Lakhs

<b>PARTICULARS</b>	<b>As At 31<sup>st</sup> March, 2021</b>	<b>As At 31<sup>st</sup> March, 2020</b>
Secured, considered good	-	-
Unsecured, considered good	1,151.65	1,177.74
<b>TOTAL</b>	<b>1,151.65</b>	<b>1,177.74</b>

**10 CASH AND CASH EQUIVALENTS**

₹ in Lakhs

<b>PARTICULARS</b>	<b>As At 31<sup>st</sup> March, 2021</b>	<b>As At 31<sup>st</sup> March, 2020</b>
Balance with Banks		
Current Accounts	63.26	3.22
Cash on hand	11.70	31.91
Term Deposits with Bank	2.00	6.60
<b>TOTAL</b>	<b>76.96</b>	<b>41.73</b>

Cash and cash equivalents include cash on hand, cash at bank and deposits with banks with original maturity of 3 months or less.

**Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2021**
**11 OTHER BANK BALANCE**

₹ in Lakhs

<b>PARTICULARS</b>	<b>As At 31<sup>st</sup> March, 2021</b>	<b>As At 31<sup>st</sup> March, 2020</b>
Term Deposits (maturity of more than three months but less than twelve months)	135.60	136.70
	135.60	136.70

Term deposits with original maturity of more than 3 months having remaining maturity of less than 12 months from the Balance Sheet date. These deposits include restricted bank deposits pledged as security for bank guarantees amounting to ₹ 163.70 Lakhs and previous year ₹ 169.40 Lakhs

**12 OTHERS**

₹ in Lakhs

<b>PARTICULARS</b>	<b>As At 31<sup>st</sup> March, 2021</b>	<b>As At 31<sup>st</sup> March, 2020</b>
Advance to suppliers	969.77	810.79
Prepaid Expenses	10.65	21.38
Other Current Assets	113.88	115.43
Interest accrued on deposits	23.03	13.54
<b>TOTAL</b>	<b>1,117.33</b>	<b>961.14</b>

\*Other Current Assets includes GST input and receivable balance with service providers.

**13 EQUITY SHARE CAPITAL**

₹ in Lakhs

<b>PARTICULARS</b>	<b>As At 31<sup>st</sup> March, 2021</b>	<b>As At 31<sup>st</sup> March, 2020</b>
<b>AUTHORISED :</b>	1,750.00	1,750.00
1,75,00,000 (Previous year 1,75,00,000)		
Equity shares of ₹ 10/- each.		
<b>ISSUED, SUBSCRIBED AND PAID UP</b>	1,400.00	1,400.00
1,40,00,000 (Previous year 1,40,00,000)		
Equity Shares of ₹ 10/- each fully paid up.		
<b>TOTAL</b>	<b>1,400.00</b>	<b>1,400.00</b>

Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2021

## A. The details of shareholders holding more than 5 percent shares:

₹ in Lakhs

S. No.	Name of Shareholders	As on 31/03/2021		As on 31/03/2020	
		Number of Share held	%age of Holding	Number of Share held	%age of Holding
1.	Mr. Sandeep Jain	27,64,900	19.75%	27,64,900	19.75%
2.	Mrs. Anju Jain	30,77,529	21.98%	26,97,529	19.27%
3.	Mr. Mohit Jain	16,25,318	11.61%	16,25,318	11.61%
4.	Mrs. Shubhi Jain	10,45,000	7.46%	10,45,000	7.46%
5.	M/s Seltron Finance Limited	14,00,000	10.00%	18,00,000	12.86%

## B. Reconciliation of number of Shares outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31.03.2021		As at 31.03.2020	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Equity Shares outstanding at the beginning of the year	1,40,00,000	1,400.00	1,40,00,000	1,400.00
Add : Equity Shares issued during the year	-	-	-	-
Less : Equity Shares bought back/ redeemed during the year	-	-	-	-
Equity Shares outstanding at the end of the year	1,40,00,000	1,400.00	1,40,00,000	1,400.00

## 14 NON-CURRENT BORROWINGS

₹ in Lakhs

PARTICULARS	As At 31 <sup>st</sup> March, 2021	As At 31 <sup>st</sup> March, 2020
<b>Secured:</b>		
Loan from Bank		
- Term Loan	672.41	544.33
- Vehicle Loan	17.15	19.48
	<b>689.56</b>	<b>563.81</b>
<b>Unsecured:</b>		
- Loans from Directors	89.90	191.17
- Intercorporate Loans	398.29	281.49
	<b>488.19</b>	<b>472.66</b>
<b>TOTAL</b>	<b>1,177.75</b>	<b>1,036.47</b>

**Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2021**

Nature of Security for Secured Borrowings are given below :

The Term Loan from Andhra Bank of ₹ 1,271.68/- (Previous Year of ₹ 798.46/- from Andhra Bank) is secured by way of First charge over immovable assets of the Company and equitable mortgage of factory land & building situated at Village Aaspur Ka and Abdulpur Munna, Nagina Road, Bijnor and property at East Patel Nagar, New Delhi. The loan is further secured by way of second charge on the current assets of the Company and personal guarantee of 'promoters/directors of the company. Vehicle Loan of ₹ 17.15 (Previous Year of ₹ 19.48) is secured against personal guarantee of Directors.

Unsecured Loans from Directors and Intercorporate loans extent to ₹ 488.19 are long term and interest free (Previous Year of ₹ 472.66)

**15 PROVISIONS**

₹ in Lakhs

PARTICULARS	As At	As At
	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Provision for employee benefit (refer note 30D)	0.19	-
	0.19	-

**16 DEFERRED TAX LIABILITIES (NET)**

₹ in Lakhs

PARTICULARS	As At	As At
	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
At the beginning of the year	563.70	519.27
Charge / Credit to Statement of Profit and Loss	(53.48)	44.43
	510.22	563.70
Deferred Tax on account of MAT Credit Entitlement	-	137.79
Provision for employee benefits	0.09	-
At the end of the year	<b>510.31</b>	<b>701.49</b>

**17 OTHER NON-CURRENT LIABILITIES**

₹ in Lakhs

PARTICULARS	As At	As At
	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Creditors for capital goods and retention for performance security	240.44	445.53
<b>TOTAL</b>	<b>240.44</b>	<b>445.53</b>



Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2021

## 18 CURRENT BORROWINGS

₹ in Lakhs

PARTICULARS	As At 31 <sup>st</sup> March, 2021	As At 31 <sup>st</sup> March, 2020
<b>Secured:</b>		
Loans from Banks		
- Cash credit facilities	2,118.84	1,972.62
<b>TOTAL</b>	<b>2,118.84</b>	<b>1,972.62</b>

Cash credit facilities from Andhra Bank are secured against Hypothecation of Stock and Book Debts of the Company and Collateral Security of factory land and building and entire fixed assets of the company and personal guarantee of the directors / promoters of the company.

## 19 TRADE PAYABLES

₹ in Lakhs

PARTICULARS	As At 31 <sup>st</sup> March, 2021	As At 31 <sup>st</sup> March, 2020
Dues of Micro Enterprises and Small Enterprises	-	-
Other trade payables	783.29	731.44
<b>TOTAL</b>	<b>783.29</b>	<b>731.44</b>

Note : The company identify suppliers belonging to Micro and Small category under MSMED Act, 2006 on the basis of declarations to the effect made as mandated for them under the statute. Considering absence of such declarations from any vendors, such dues have been deemed as Nil.

## 20 OTHER CURRENT LIABILITIES

₹ in Lakhs

PARTICULARS	As At 31 <sup>st</sup> March, 2021	As At 31 <sup>st</sup> March, 2020
Advance from distributors & others	340.13	156.77
Statutory liabilities	79.85	53.45
Other payables*	1,871.54	1,716.79
Dealers Security	5.00	5.00
Current maturities of Long-term debts	599.27	254.14
<b>TOTAL</b>	<b>2,895.79</b>	<b>2,186.15</b>

\*Others payables includes expenses payable, provision of Gratuity, creditors for expenditure payable to suppliers.

**Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2021**
**21 REVENUE FROM OPERATIONS**

<b>PARTICULARS</b>	<b>For the Year ended 31<sup>st</sup> March, 2021</b>	<b>For the Year ended 31<sup>st</sup> March, 2020</b>
<b>Sale of Products</b>		
Paper	8,165.29	12,997.08
Soda Ash	57.41	201.55
Less: Reduction towards variable consideration components	82.92	54.58
<b>Revenue recognised TOTAL</b>	<b>8,139.78</b>	<b>13,144.05</b>

The reduction towards variable consideration comprises cash discount, trade discount and reabte etc.

**22 OTHER INCOME**

<b>PARTICULARS</b>	<b>For the Year ended 31<sup>st</sup> March, 2021</b>	<b>For the Year ended 31<sup>st</sup> March, 2020</b>
Interest Income	11.01	11.71
Other Non-Operating Income		
Sale of Electricity	171.96	191.07
Exchange Rate Fluctuation	14.54	34.09
Profit realised on insurance claim settlement	-	2.51
Transit Insurance and freight received	9.06	8.46
Others	0.72	0.24
<b>TOTAL</b>	<b>207.29</b>	<b>248.08</b>

**23 COST OF MATERIAL CONSUMED**

₹ in Lakhs

<b>PARTICULARS</b>	<b>For the Year ended 31<sup>st</sup> March, 2021</b>		<b>For the Year ended 31<sup>st</sup> March, 2020</b>	
Bagasse		1,933.67		2,577.26
Waste Paper :				
- Imported	522.80		1,040.64	
- Indigenous	73.43	596.23	410.34	1,450.98
Other Material		314.07		617.58
<b>TOTAL</b>		<b>2,843.97</b>		<b>4,645.82</b>

Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2021

## 24 CHANGES IN INVENTORIES

₹ in Lakhs

PARTICULARS	For the Year ended 31 <sup>st</sup> March, 2021		For the Year ended 31 <sup>st</sup> March, 2020	
<b>Opening Stock :</b>				
Finished Goods	406.99		255.31	
Semi - Finished Goods	28.28		30.10	
Work in process	-	435.27	51.15	336.56
<b>Closing Stock :</b>				
Finished Goods	262.93		406.99	
Semi - Finished Goods	109.48		28.28	
Work in process*	96.05	468.46	43.85	479.12
		(33.19)		(142.56)
<b>TOTAL</b>		<b>(33.19)</b>		<b>(142.56)</b>

During previous year the entire work in process valued at ₹ 43.85 lakhs was spoilt and written off under exceptional item.

## 25 EMPLOYEE BENEFITS EXPENSE

PARTICULARS	For the Year ended 31 <sup>st</sup> March, 2021	For the Year ended 31 <sup>st</sup> March, 2020
Salaries & Wages	383.28	544.60
Contribution to Provident and Other Funds	26.58	21.48
Staff Welfare Expenses	4.08	9.80
<b>TOTAL</b>	<b>413.94</b>	<b>575.88</b>

## 26 FINANCE COSTS

PARTICULARS	For the Year ended 31 <sup>st</sup> March, 2021	For the Year ended 31 <sup>st</sup> March, 2020
Interest & Charges on Bank borrowing for working capital	213.87	211.28
Interest on Term Loans	80.90	56.74
<b>TOTAL</b>	<b>294.77</b>	<b>268.02</b>

## 27 DEPRECIATION AND AMORTISATION EXPENSE

₹ in Lakhs

PARTICULARS	For the Year ended 31 <sup>st</sup> March, 2021	For the Year ended 31 <sup>st</sup> March, 2020
Depreciation on property, plant and equipment	502.48	457.86
Amortization of Intangible asset	0.02	-
<b>TOTAL</b>	<b>502.50</b>	<b>457.86</b>

**Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2021**
**28 OTHER EXPENSES**

₹ in Lakhs

PARTICULARS	For the Year ended 31 <sup>st</sup> March, 2021		For the Year ended 31 <sup>st</sup> March, 2020	
<b>Manufacturing Expenses</b>				
Chemicals Consumed	1,505.01		2,389.33	
Stores & Spares	361.88		632.32	
Power & Fuel	2,567.95		3,686.50	
Repair & Maintenance	27.96		98.41	
Raw Material, Mixing, Loading & Sorting	58.99		101.04	
Laboratory Expenses	2.17		2.81	
Boiler Feeding Expenses	45.10	4,569.06	66.00	6,976.41
<b>Selling &amp; Distribution Expenses</b>				
Commission & other Selling Exp.	59.52		22.82	
Entry Tax/Taxes	-	59.52	9.88	32.70
<b>Establishment Expenses</b>				
Advertisement & Publicity	0.66		0.48	
Office & General Exp.	13.75		26.81	
Fees, Rate & Taxes	11.57		12.35	
Insurance Charges	37.00		12.64	
Legal and Professional Charges	18.76		24.83	
Printing & Stationery	1.77		2.53	
Communication Charges	3.81		5.62	
Travelling & Conveyance	0.17		2.98	
Vehicle Running & Maintenance Expenses	5.08		6.19	
Auditors Remuneration*	1.00	93.57	1.00	95.43
<b>TOTAL</b>		<b>4,722.15</b>		<b>7,104.54</b>
<b>*Payment to Auditor</b>				
Audit Fees		1.00		1.00
Add : GST		0.18		0.18
		<b>1.18</b>		<b>1.18</b>

Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2021

## 29 EARNINGS PER SHARE (EPS)

₹ in Lakhs

PARTICULARS	For the Year ended 31 <sup>st</sup> March, 2021		For the Year ended 31 <sup>st</sup> March, 2020	
i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders		(343.59)		319.83
ii) Number of equity shares used as denominator for calculating EPS		1,40,00,000		1,40,00,000
iii) Number of Diluted Equity Share		1,40,00,000		1,40,00,000
iv) Basic Earning per share		(2.45)		2.28
v) Diluted Earning per share		(2.45)		2.28
vi) Face value per equity share		10		10

## 30. Financial instruments- Fair values and risk management

## A. Accounting classification and fair values

The following table shows the carrying amounts and fair value of financial assets and financial liabilities including their level in the fair value hierarchy:

(₹ in Lakhs)

	As at 31.03.2021						As at 31.03.2020			
	Note	Level of hierarchy	FVTPL	FVTOCI	Amortised Cost	Total Carrying Value	FVTPL	FVTOCI	Amortised Cost	Total Carrying Value
<b>Financial assets</b>										
Non-current										
Investment in equity instruments	d	3	-	-	110.79	110.79	-	-	110.79	110.79
Other financial assets	b	3	-	-	87.05	87.05	-	-	79.50	79.50
<b>Current</b>										
Trade Receivable	a	3	-	-	1151.65	1151.65	-	-	1177.74	1177.74
Cash and cash equivalents	a	3	-	-	76.96	76.96	-	-	41.73	41.73

**Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2021**

(₹ in Lakhs)

	As at 31.03.2021						As at 31.03.2020			
	Note	Level of hierarchy	FVTPL	FVTOCI	Amortised Cost	Total Carrying Value	FVTPL	FVTOCI	Amortised Cost	Total Carrying Value
Bank balances other than above	a	3	-	-	135.60	135.60	-	-	136.70	136.70
Others	a	3	-	-	23.03	23.03	-	-	13.53	13.53
<b>Total financial assets</b>			-	-	<b>1585.08</b>	<b>1585.08</b>	-	-	<b>1559.99</b>	<b>1559.99</b>
<b>Financial liabilities</b>										
<b>Non-Current</b>										
Borrowings	c	3	-	-	1177.75	1177.75	-	-	1036.46	1036.46
<b>Current Liability</b>										
Borrowings	a	3	-	-	2118.84	2118.84	-	-	1972.62	1972.62
Trade payables	a	3	-	-	783.29	783.29	-	-	731.44	731.44
Advance received from distributors and others	a	3	-	-	340.13	340.13	-	-	156.77	156.77
Other Payables	a	3	-	-	1871.54	1871.54	-	-	1716.79	1716.79
Dealers Security	a	3	-	-	5.00	5.00	-	-	5.00	5.00
Current maturities of long-term debt	c	3	-	-	599.27	599.27	-	-	254.14	254.14
<b>Total financial liabilities</b>			-	-	<b>6895.82</b>	<b>6895.82</b>	-	-	<b>5873.22</b>	<b>5873.22</b>

**B. Fair value hierarchy**

**Level 1:** Quoted prices (unadjusted) in the active markets for identical assets and liabilities.

**Level 2:** Input other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

**Level 3:** Input for the assets or liability that are not based on observable market data (unobservable input)

Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2021**Notes:**

- Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.
- Fair value of non-current financial assets has not been disclosed as there is no significant differences between carrying value and fair value.
- The Fair value of borrowings have been disclosed at carrying value which is considered to approximate to fair value.
- Carrying value of unquoted equity instrument has been considered as an appropriate estimate of fair value because carrying value is considered as approximate to fair value and carrying value represents the best estimate of fair value within that range.

**Reconciliation of the value**

(₹ in Lakhs)

<b>Unlisted equity instruments</b>	
<b>As at 01 April 2019</b>	<b>110.79</b>
Acquisition	-
Gains/(losses) recognized	-
- in other comprehensive income	-
<b>As at 31 March 2020</b>	<b>110.79</b>
Acquisition	-
Gains/(losses) recognized	-
- in other comprehensive income	-
<b>As at 31 March 2021</b>	<b>110.79</b>

There are no such transfers between Level 1, Level 2 and Level 3 during the year.

**C. Financial risk management**

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. 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 is responsible for overseeing the Company's risk assessment and management policies and processes.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk in the financial statements: -

<b>Risk</b>	<b>Exposure arising from</b>	<b>Measurement</b>	<b>Management</b>
Credit risk	Cash and cash equivalents, trade receivables and financial assets measured at amortised cost	Aging analysis	Diversification of bank deposits and credit limits
Liquidity risk	Business commitment and other liabilities	Credit rating	Availability of committed credit lines and borrowing facilities

**Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2021**
**a. Concentration of significant credit risk**

There is no concentration of customer risk so far transactions with non-related parties are concerned.

**b. Interest rate risk**

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. Any rise in market rate of interest effecting valuation of financial instruments, financial assets and financial liabilities have been regularly analysed for mitigational measure.

**Exposure to interest rate risk**

The interest rate profile of the company's interest-bearing financial instruments as reported to the management is as follows :

(₹ in Lakhs)

Particulars	Nominal Amount	
	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
<b>Financial Assets/Liabilities</b>		
<b>Variable-rate instruments</b>		
Long term borrowings	1777.01	1290.60
Short Term Borrowings	2118.84	1972.62

**(Profit) or loss**

(₹ in Lakhs)

Particulars	50 bp increase	50 bp decrease
<b>31<sup>st</sup> March 2021</b>		
Variable-rate instruments	19.47	(19.47)
<b>31<sup>st</sup> March 2020</b>		
Variable-rate instruments	12.27	(12.27)

**Fair value sensitivity analysis for fixed-rate instruments**

The Company does not have any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

**i) Risk management framework**

The Company's board of directors has overall responsibility for the establishment and oversight of the company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities.

The Company's audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.



Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2021

## ii) Credit Risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from customers and loans. The carrying amounts of financial assets represent the maximum credit risk exposure.

## iii) Trade receivables

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. The Company evaluates the customer credentials carefully from trade sources before appointment of any distributor and only financially sound parties are appointed as distributors. The Company secures adequate deposits from its distributor and hence risk of bad debt is limited. The credit outstanding is sought to be limited to the sum of advances/deposits and credit limit determined by the company.

The following table gives details in respect of percentage of revenues generated from top customer and top five customers:

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Revenue from top Customer	11%	9%
Revenue from top five Customer	45%	29%

The Company based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Company estimates its allowance for trade receivable using lifetime expected credit loss. Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables :

Particulars	Gross Carrying amount	Loss allowance	Carrying amount
<b>31.03.2021</b>			
Less than 6 months	908.89	-	908.89
More than 6 months	242.76	-	242.76
	<b>1151.65</b>	-	<b>1151.65</b>
<b>31.03.2020</b>			
Less than 6 months	967.52	-	967.52
More than 6 months	210.22	-	210.22
	<b>1177.74</b>	-	<b>1177.74</b>

**Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2021**
**iv) Cash and cash equivalents**

The company holds cash and cash equivalents of ₹ 76.96 lakhs at 31 March 2021 (31 March 2020 : Rs.41.73 lakhs).The cash and cash equivalents are held with bank and cash on hand.

**v) Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The Company's approach to manage liquidity is to have sufficient liquidity to meet it's liabilities when they are due, under both normal and stressed circumstances, without incurring losses or risking damage to the Company's reputation.

Management manages the liquidity risk by monitoring cash flow forecasts on a periodic basis and maturity profiles of financial assets and liabilities. This monitoring takes into account the accessibility of cash and cash equivalents and additional undrawn financing facilities.

The following table provides details regarding the contractual maturities of significant financial liabilities:

<b>Particulars</b>	<b>Less than 1 year</b>	<b>1 to 5 years</b>	<b>More than 5 years</b>	<b>Total</b>
<b>31.03.2021</b>				
Borrowings (including current maturities)	689.56	599.27	2607.03	3895.86
Trade Payables	783.29	-	-	783.29
Other Financial Liabilities	2296.52	240.44	-	2536.96
	<b>3769.37</b>	<b>839.71</b>	<b>2607.03</b>	<b>7216.11</b>
<b>31.03.2020</b>				
Borrowings (including current maturities)	563.81	254.14	2445.28	3263.23
Trade Payables	731.44	-	-	731.44
Other Financial Liabilities	1932.01	445.53	-	2377.54
	<b>3227.26</b>	<b>699.67</b>	<b>2445.28</b>	<b>6372.21</b>

**vi) Market Risk**

Market risk is the risk that changes in market prices – such as foreign exchange rates and interest rates – will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing there turn.

**vii) Foreign Currency Risk**

The company's policy is to ensure that the time gap between executing the transaction for import / export and the date for making payment / receiving payment is restricted to less than a week so that foreign exchange currency risk is mitigated. The carrying amounts of the company's foreign exchange monetary items as at the end of reporting period are as follows:

Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2021

Particulars	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Transaction currency		
-Financial Asset		
Trade Receivable	Nil	Nil
Financial Liabilities	Nil	Nil
Borrowing	Nil	Nil
Net statement of financial position Exposure	Nil	Nil

**Interest rate risk**

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. Any rise in market rate of interest effective effecting valuation of financial instruments, financial assets and financial liabilities have been regularly analysed for mitigation measure.

**D. Employee Benefits****a. Assets and liabilities relating to employee benefits**

	As at 31 March 2021	As at 31 March 2020
<b>Non-current</b>		
Liability for compensated absences	-	-
<b>Current</b>		
Liability for compensated absences	0.19	-
	<b>0.19</b>	-
Current		
Gratuity (asset)	5.52	5.16

For details about the related employee benefit expenses, refer to note no. 25.

**b. Defined contribution plan**

The Company's provident fund scheme and employee's state insurance (ESI) fund scheme are defined contribution plans. The Company has recorded expenses of ₹ 15.58 lakhs (31.03.2020 : ₹ 16.68 lakhs) under provident fund scheme and ₹ 6.32 lakhs (31.03...2020 : ₹ 5.99 lakhs ) under ESI scheme. These have been included in note 25 Employees benefits expenses, in the Statement of Profit and Loss.

**c. Defined plan****Gratuity (funded)**

The employees' gratuity fund scheme managed by Life Insurance Corporation of India is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The Company made annual contributions to the LIC of India.

**Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2021**

The above defined benefit plan exposes the Company to following risks:

**Interest rate risk:**

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

**Salary inflation risk:**

Higher than expected increase in salary will increase the defined benefit obligation.

**Demographic risk:**

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The Company has not changed the processes used to manage its risks from previous periods. The funds are managed by specialised team of Life Insurance Corporation of India.

**Funding**

Gratuity is a funded benefit plan for qualifying employees. 35% of the plan assets are managed by LIC and balance managed by the management. The assets managed are highly liquid in nature and the Company does not expect any significant liquidity risks.

The following table sets out the status of the defined benefit plan as required under Ind-AS 19 - Employee Benefits:

**Reconciliation of present value of defined benefit obligation**

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Present value of obligation at the beginning of the year	8.13	7.94
Benefits paid Current	-	-
Service cost	7.36	-
Interest cost	0.55	0.19
Actuarial losses/(gains)	(0.33)	-
Present value of obligation at the end of the year	15.71	8.13

**Reconciliation of the present value of plan assets**

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Fair value of plan assets at the beginning of the year	5.16	4.97
Contributions	-	-
Interest Income	0.35	0.19

Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2021

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Benefits paid	-	-
Actuarial Gain/(Losses)	0.02	-
Fair value of plan assets at the end of the year	5.53	5.16

**Expenses recognized in the Statement of Profit and Loss**

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Current service cost	7.36	-
Interest cost	0.55	0.19
Interest income	(0.35)	(0.19)
Expenses recognized in profit and loss account	7.56	-

**Remeasurements recognised in other comprehensive income**

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Actuarial gain/loss on the defined benefit obligation	0.33	-
Return on plan assets excluding interest income	0.02	-
Amount recognized in other comprehensive income	0.35	-

**Plan assets**

Plan assets of the Company are held as bank balance and under LIC of India.

**Actuarial assumptions**

Particulars	As at 31 March 2021 (Per Annum)	As at 31 March 2020 (Per Annum)
Economic assumptions	6.00%	6.25%
Discount rate	6.80%	6.85%

Assumptions regarding future mortality are based on Indian Assured Lives Mortality (IALM) (2012-14) rates.

**Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

PARTICULARS	As at 31 March 2021		As at 31 March 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)	(5.31)	5.75	(5.12)	5.24
Future salary growth rate (0.50% movement)	5.64	(5.27)	5.10	(5.72)

**Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2021**

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same methods (present value of defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

**Expected benefit payments**

Undiscounted amount of expected benefit payments for next 10 years:

<b>Particulars</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>
Year 1	0.11	-
Year 2	0.11	0.11
Year 3	0.45	0.11
Year 4	1.53	0.45
Year 5	1.69	1.53
Years 6 to 10	7.29	8.98

**E. RELATED PARTIES DISCLOSURES**

**As per Ind AS 24, the disclosure of transactions with the Related Parties are given below :**

Related Parties Disclosures:

Holding Company	: NIL
Subsidiary Company	: NIL
Key Managerial Personnel	: Mr. Sandeep Jain (Chairman) Mr. Pradeep Kumar Rajput (Executive Director) Mrs. Shubhi Jain (Non-Executive Director) Mrs. Anju Jain (Non-Executive Director) Mr. Arvind Dixit (CFO) Mr. Shivam Sharma (CS)
Relatives of KMP	: Mr. Mohit Jain Mrs. Neelam Dixit
Corporate Entities	: M/s Centurion Industries Private Limited M/s Centurion Rubber M/s Centurion Paper and Board

## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2021

### Managerial Remuneration

Remuneration paid to Managing Director/Whole Time Director & KMP or their relatives for the year ended 31<sup>st</sup> March 2021

₹ in Lakhs

Name	Designation	Remuneration
Sandeep Jain	Managing Director	53.00
Mohit Jain	GM-Marketing (Son of Mr. Sandeep Jain)	25.44
Pradeep Kumar Rajput	Whole Time Director	5.89
Shivam Sharma	CS	3.52
Arvind Kumar Dixit	CFO	4.11

### Directors Sitting Fees

₹ in Lakhs

Name	Designation	Remuneration
Anju Jain	Non-Executive Director	0.15
Shubhi Jain	Non-Executive Director	0.15
Sushil Tyagi	Independent Director	0.48
Rachit Jain	Independent Director	0.24
Sanjeev Jain	Independent Director	0.48
Sourabh Mathur	Independent Director	0.27

### Unsecured Loans Balance for the year ended 31.03.2021

₹ in Lakhs

Name	Designation	Loan received	Loan Paid	Balance for the year ended 31.03.2021
Sandeep Jain	Managing Director	94.00	127.00	88.40
Anju Jain	Non-Executive Director	-	50.27	0.40
Shubhi Jain	Non-Executive Director	12.30	30.30	1.10

**Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2021**
**Other Related Party Transaction for the year ended 31.03.2021**

₹ in Lakhs

S. No.	Name of Related Party	Nature of contract/ arrangement	Value of Transaction	Balance due (Recoverable) as on 31.03.2021
1.	Neelam Dixit	Supplier of waste paper (indigenous)	102.60	79.92
2	Centurion Industries Private Limited	Sale of Electricity	61.13	17.44
3.	Centurion Paper & Board	Purchase of Packing Material	6.00	Nil
4.	Centurion Rubber	Sale of Electricity	110.82	(28.47)
5.	Anju Jain	Rent Paid	18.00	Nil

31. The Company has considered the possible effects that may result from the global health pandemic relating to COVID-19 on its operations. Management believes that it has taken into account external and internal information for assessing the possible impact of COVID-19 on various elements of its financial statement, including its liquidity position and the recoverability of assets. However, the impact assessment of COVID-19 is a continuing process, given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to future economic conditions and the consequent impact on its business, if any. All efforts are being made to avoid any major adverse impact due to the pandemic.

As per our report of even date attached

 For **Anil Sood & Associates**
*Chartered Accountants*

Registration No.: 004985N

**Anil Sood**
*(Partner)*

Membership No.: 083939

Place : New Delhi

 Date : 30<sup>th</sup> June, 2021

For and on behalf of the Board of Directors

**Sandeep Jain**
*(Managing Director)*
**Anju Jain**
*(Director)*
**Shivam Sharma**
*(Company Secretary)*
**A.K.Dixit**
*(Chief Financial Officer)*