



# **MOHIT PAPER MILLS LIMITED**

**TWENTY THIRD ANNUAL REPORT  
2014 - 2015**



## MOHIT PAPER MILLS LIMITED

### MOHIT PAPER MILLS LIMITED

#### BOARD OF DIRECTORS

##### EXECUTIVE DIRECTORS

Mr. Sandeep Jain  
Mr. Sushil Kumar Patidar

##### NON EXECUTIVE DIRECTORS

Mrs. Shubhi Jain  
Mrs. Anju Jain

##### INDEPENDENT DIRECTORS

Mr. Sushil Kumar Tyagi  
Mr. Rachit Jain  
Mr. Sanjeev Kumar Jain

##### COMPANY SECRETARY

Mr. Anant Vats

##### CHIEF FINANCIAL OFFICER

Mr. Arvind Kumar Dixit

##### AUDITORS

M/s Ajay Shreya & Company  
Chartered Accountants  
New Delhi

##### BANKERS

BANK OF BARODA

##### REGISTERED OFFICE

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

CIN:L21093DL1992PLC116600  
WEB-SITE:mohitpaper.in  
E-Mail: mohit.paper@rediffmail.com

##### WORKS:

9<sup>TH</sup> KM Stone,  
Nagina Road,  
Bijnor -246701 (U.P.)

##### REGISTRAR & TRANSFER AGENT

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: 41410591  
E-mail: delhi@linkintime.co.in



## MOHIT PAPER MILLS LIMITED

### MOHIT PAPER MILLS LIMITED

Registered Office: 15A/13, UPPER GROUND FLOOR, EAST PATEL NAGAR, NEW DELHI-110008

TELEPHONE : 011-25886798, TELEFAX : 011-25886797, WEB-SITE : mohitpaper.in

E-Mail: mohit.paper@rediffmail.com

CIN: L21093DL1992PLC116600

### NOTICE TO THE SHAREHOLDERS

Notice is hereby given that the Twenty-Third Annual General Meeting of the Members of MOHIT PAPER MILLS LIMITED will be held on Wednesday the 30<sup>th</sup> Day of September, 2015 at 10:00 A.M. at Bharat Banquet Hall, A-5, Naveen Vihar, Rajiv Nagar Extension, Begumpur Main Barwala Road, Delhi-110081 to transact the following business.

#### ORDINARY BUSINESS:

##### Item No.1-Adoption of the Financial Statements

To receive, consider and adopt the financial statements of the Company for the year ended March 31, 2015, including the audited Balance Sheet as at March 31, 2015, the statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.

##### Item No.2-Appointment of director

To appoint a Director in place of Mrs. Shubhi Jain (DIN-06685602), who retires from office by rotation and being eligible offers herself for re-appointment.

##### Item No.3-Appointment of Auditors

To ratify the appointment of auditors of the Company, and to fix their remuneration and to pass the following resolution as an ordinary resolution thereof:

"RESOLVED THAT pursuant to the provisions of Section 139,142 and other applicable provisions of the Companies Act, 2013 and the Rules made there under, pursuant to the recommendations of the audit committee of the Board of Directors and pursuant to the resolution passed by the members at the AGM held on September 30,2014 the appointment of M/s Ajay Shreya & Co., Chartered Accountants (Registration Number-021423N), as the auditors be and is hereby ratified, to hold office till the conclusion of the 25<sup>th</sup> Annual General Meeting on remuneration as shall be fixed by the Board of Directors of the Company."

#### SPECIAL BUSINESS:

##### Item No.4-Appointment of Sushil Kumar Tyagi as an Independent Director

To appoint Shri Sushil Kumar Tyagi (DIN-06362605) as Independent Director and in this regard 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 requirement of the Listing Agreement and provisions of Section 149,152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules,2014, Mr. Sushil Kumar Tyagi (DIN-06362605) who is a director liable to retire by rotation, be and is hereby appointed as an Independent Director of the Company, for a term of 5 (five) years effective from 30/03/2015, whose office shall not be subject to retirement by rotation.

BY ORDER OF THE BOARD OF DIRECTORS

ANANT VATS  
(COMPANY SECRETARY)  
PLACE : NEW DELHI



**NOTES:**

1. A member entitled to attend and vote at the above meeting may appoint one or more Proxies to attend and vote on poll instead of himself/herself. The Proxy need not be a member of the Company. Proxy to be valid, shall be deposited with the Company not later than forty eight hours before the time for holding the meeting. A person can act as proxy on behalf of members not exceeding (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy, however such person shall not act as proxy for any other person or shareholder.
2. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a duly certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. The explanatory statement to the special business is attached in accordance with the provisions of section 102 of the Companies Act, 2013.
4. The Register of Members and the Share Transfer Books of the Company shall remain closed from 26<sup>th</sup> Day of September to 30<sup>th</sup> Day of September, 2015 (both days Inclusive).
5. Members holding shares in electronic mode are requested to intimate any change in their address to their Depository Participant(s). Members holding shares in Physical form are requested to advise any change in their address immediately to the Company/Registrar and Share Transfer agent..
6. Members / Proxies are requested to bring copy of the Annual Report and attendance slip to the meeting.
7. Electronic copy of the Annual Report for 2014-2015 containing the notice of Annual General Meeting, attendance slip, proxy form of the Company is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purpose unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report along with the notice of Annual General Meeting, attendance slip, proxy form of the Company being sent in the permitted mode.
8. SEBI has mandated submission of Permanent Account Number (PAN) by every participant in securities market. In view thereof, members who have not furnished PAN are requested to furnish the same as under: a. Members holding shares in electronic form have to submit PAN to their Depository Participant. b. Members holding shares in physical form have to submit PAN to the Registrar and Transfer Agent.
9. Pursuant to Section 72 of the Act read with the Companies (Share Capital and Debentures) Rules, 2014, members are entitled to make nominations and they can send the nominations in Form SH-13 in duplicate to the Registrar and Transfer Agent of the Company.

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on 26<sup>th</sup> September, 2015 (9:00 a.m.) and ends on 29<sup>th</sup> September (5:00 p.m.) During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 24<sup>th</sup> September, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shri Prashant Kumar Balodia, P.Balodia & Co., Practicing Company Secretaries, Delhi, has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (iii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iv) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (v) Click on Shareholders.
- (vi) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vii) Next enter the Image Verification as displayed and Click on Login.
- (viii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (ix) If you are a first time user follow the steps given below:

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

- (x) After entering these details appropriately, click on "SUBMIT" tab.
- (xi) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xiii) Click on the EVSN for the relevant <Company Name> on which you choose to vote i.e. Mohit Paper Mills Limited.



- (xvi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xvi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xviii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xix) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xx) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (I) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 24<sup>th</sup> September, 2015 may follow the same instructions as mentioned above for e-Voting.
- (ii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)



**STATEMENT SETTING OUT THE MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**ITEM NO. 4**

Mr. Sushil Kumar Tyagi (DIN-06362605) is serving on the Board of your company as Independent Director, whose office is liable to retirement by rotation under the Companies Act, 1956.

Now the new Companies Act, 2013 requires that Independent director office is not liable to retirement by rotation and they have to be expressly appointed as Independent under the said Act

Circular Number 14/2014 dated 9<sup>th</sup> June, 2014 of the Ministry of Corporate Affairs requires that the appointment of Independent director is to be made expressly under the provisions of Section 149 of the Companies Act, 2013. Also Section 149(13) of the said Act states that the provisions relating to retirement of directors by rotation does not apply to Independent directors.

In the opinion of the Board of Directors, Mr. Sushil Kumar Tyagi (DIN-06362605), fulfils the conditions specified in the Companies Act, 2013 and rules made there-under for his appointment as an Independent Director of the Company and is Independent of the Management.

The Company has received a notice under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of director.

Upon the appointment of Mr. Sushil Kumar Tyagi (DIN-06362605) as Independent Director by the members of the Company, the appointment shall be formalized by the issue of letter of appointment by the Company to the said Director.

Accordingly the Board recommends the resolution in relation to appointment of Mr. Sushil Kumar Tyagi (DIN-06362605) as an Independent Director of the Company, for the approval by the Shareholders of the Company.

Except Mr. Sushil Kumar Tyagi (DIN-06362605) none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested.

BY ORDER OF THE BOARD OF DIRECTORS

ANANT VATS  
(COMPANY SECRETARY)

PLACE : NEW DELHI  
DATED : 13.08.2015

**MOHIT PAPER MILLS LIMITED**

Details of the Director seeking appointments/re-appointment at twenty third Annual General Meeting (pursuant to Clause 49VIII(E) of the Listing Agreement.

Name of the Director	Shubhi Jain	Sushil Kumar Tyagi
Date of Birth	19/08/1992	18/10/1960
Qualification	Engineering Graduate	Graduate
DIN	06685602	06362605
No. of other directorship	Nil	Nil
Shareholding in the Company	1045000 shares	Nil
Membership of Committee	No	Member of the following Mohit Paper Mills Limited Committees: -Remuneration and Nomination Committee -Stakeholder Relationship Committee -Audit Committee
Expertise	Expertise in engineering and administration	He has a handful of experience in acting as production manager for various companies.



**MOHIT PAPER MILLS LIMITED****DIRECTORS' REPORT**

To the Members of Mohit Paper Mills Limited,  
The Board of Directors have pleasure in presenting the 23<sup>rd</sup> Annual Report together with the Audited Accounts of the Company for the year ended, 31<sup>st</sup> March, 2015. The working of the company during the year under review has been highlighted below:

**1. FINANCIAL RESULT****(Amount ₹)**

		<b>Current Year 31.03.2015</b>		<b>Current Year 31.03.2014</b>
Gross Sales & Other Income		95,65,41,955		92,79,32,283
-before Interest, Depreciation & Tax				
Interest & Finance Charges		7,82,34,441		7,47,89,832
Operating Profit		2,87,46,159		2,81,09,408
Depreciation	3,82,50,774		3,65,20,815	
Less : Depreciation for earlier years written back & Dep. on revalued Assets	11,82,511	3,70,68,263	13,87,410	3,51,33,405
Net of Adjustments:				
Depreciation on revalued Assets	11,82,511		13,87,410	
Less: Amount Transferred from capital reserve	11,82,511		13,87,410	
<b>NET PROFIT BEFORE TAX</b>		<b>1,24,20,019</b>		<b>1,15,47,019</b>

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 31.03.2015, which has been carried over in the Balance Sheet. Gross Sales and Other Income for the year was ₹95.65 crores as against ₹92.79 crores in the previous year.

**Corporate Overview**

During the year the production was 24,188.600 M.T. as compared to 24,012.560 M.T. in the previous year. Gross Sales has increased from ₹92.79 crores to ₹95.651 crores. Net Profit before tax of the Company has increased from ₹115.47 Lacs to 124.20 Lacs. The Performance of the Company was better than the last year. The situation of the global market has improved which shows in the improvement of the performance of your Company.

**Share Capital**

Authorized Share Capital of the Company is ₹17,50,00,000/- divided into 17500000 Equity Shares of ₹10/- each and Issued, Subscribed and Paid-up Capital of the Company is ₹14,00,00,000/- divided into 14000000 Equity Shares of ₹10/- each. There was no change in the Share Capital during the year.

**Dividend**

The Directors do not recommend any dividend for the year under review.

**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, 2014.

**Particulars of loans, guarantees or investments**

Loans, guarantees and investments covered under Section 186 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 have 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 31.03.2015, which has been carried over in the Balance Sheet.

**Subsidiaries, Associate Companies**

There are no subsidiaries or associate company 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 contracts or arrangements made with related parties**

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013 in the prescribed Form AOC-2 is appended as Annexure-B to the Boards report

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

There have been no material changes and commitments affecting the financial position between the end of the financial year and date of the report.

**Nomination and Remuneration Policy**

As Company is covered under sub-section (1) of section 178, companies policy on directors appointment and remuneration including criteria for determining qualifications, positive attributes, independence is formulated and annexed as "Annexure F".

**Directors**

Mrs Anju Jain retires from office by rotation and being eligible offers herself for re-appointment and was re-appointed in the annual general meeting held on 30.09.2014. During the year Independent directors Mr. Rakesh Kansal, Mr. Devendra Shankar Vishnoi and Mrs. Rashmi Kansal retired by rotation at the annual general meeting held on 30.09.2014.

Mr. Rachit Jain and Mr. Sanjeev Kumar Jain were appointed as Independent directors on the Board for five years by the shareholders in the annual general meeting held on 30.09.2014 in place of the retiring directors.

Mrs. Shubhi Jain retires at the ensuing annual general meeting and being eligible offer herself for re-appointment.

Mr. Sushil Kumar Tyagi retires by rotation at the ensuing annual general meeting and being eligible offers himself for re-appointment as Independent Director for 5 years.

Mr. Arvind Kumar Dixit was appointed as Chief Financial Officer by the Board of Directors with effect from 21.06.2014

The Company has received declarations from the independent directors of the Company confirming that they meet with the criteria of independence as prescribed both under section 149(7) of the Companies Act, 2013 and under clause 49 of the Listing Agreement with the Stock Exchange.

**Extract of Annual Return**

The extract of the Annual Return in Form MGT-9 is annexed herewith as Annexure-C.

**Number of Meetings of the Board**

The Board met 6 times during the financial year, the details of which are given in the corporate governance report that forms part of this Annual Report.

**Declaration by Independent Director**

The Company have received necessary declaration from each independent director under section 149(7) of the Companies Act, 2013

**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, 2015, 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 profit and 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. Internal Auditor is appointed who along with the audit committee formulates the system and ensures the effectiveness and adequacy of the system.

**Evaluation of Board, Committee and Directors**

Pursuant to the Provisions of the Act and Clause 49 of the Listing Agreement, the Board have carried out the evaluation of its own, committees and directors. The manner has been detailed in the corporate governance report.

**Auditors**

Statutory Auditors Ajay Shreya & Co. (Chartered Accountants) were appointed as statutory auditor at the annual general meeting held on 30.09.2014 to hold office till the conclusion of the 25<sup>th</sup> annual general meeting, the auditors appointment shall be placed for ratification at every annual general meeting. Accordingly, the appointment of Ajay Shreya & Co. (Chartered Accountants), is placed for ratification by the shareholders. In this regard the Company have received a certificate from the auditors to the effect that if they are re-appointed, it would be in accordance with the provisions of Section 141, of the Companies Act, 2013. The remarks as contained in the auditor's report read with Notes forming part of the accounts are self-explanatory. Cost Auditors Mr. Harkesh Tara was appointed as auditor for conducting audit for the year 2014-2015. But as per the order and new cost audit rules of the Central Government our Company does not come under purview of cost audit so cost audit for the year 2014-2015 is not required. So no cost auditor is appointed for conducting cost audit for the year 2015-2016. Secretarial Auditors Pursuant to the provisions of Section 204 of the Act, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed P. Balodia & Co., Practicing Company Secretaries, to undertake the secretarial audit of the Company. The Secretarial Audit Report is annexed herewith as "Annexure H". There is no adverse remarks or qualification in the report.

**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 F".

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.

**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.

**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".

**Corporate Governance Report and Management Discussion and analysis**

In terms of the provisions of Clause 49 of the Listing Agreement, Corporate Governance Report and the Management's discussion and analysis is annexed as Annexure-I and Annexure-J.



**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.

**Acknowledgement**

Your Directors would like to express their thanks to the financial institutions and 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

SANDEEP JAIN  
(CHAIRMAN)  
DIN-00458048

PLACE : NEW DELHI  
DATED : 13/08/2015



**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.

**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 ₹8,78,74,418/- on account of Import on CIF Basis of waste paper and machinery part.

FOR AND ON BEHALF OF BOARD OF DIRECTORS

SANDEEP JAIN  
(CHAIRMAN)  
DIN-00458048

PLACE :NEW DELHI  
DATED :13.08.2015



## MOHIT PAPER MILLS LIMITED

### FORM-A

Disclosure of particulars with respect to conservation of energy:

#### A. Power & Fuel consumption

1. Electricity	Current Year <u>31.03.2015</u>	Previous Year <u>31.03.2014</u>
<b>Purchased:</b>		
Units	80571	265391
Total Amount(₹)	3768451	5997355
Rate/Unit	46.77	22.60
<b>Through Steam Turbine/Generator</b>		
a. Units Produced	20101865	20559225
Cost/Unit	NIL	NIL
Units per Ltr. of fuel	NIL	NIL
b. Units Sold	-	531112
Rate/Units	-	5.90
c. Net units consumed for production		
Units	20101865	20028113
Cost/Units	NIL	NIL
Units per rate of fuel	NIL	NIL
<b>2. Coal / Charcoal:</b>		
Qty.(MT)	45.145	42.774
Total Cost (₹)	757419	695279
Average Rate	16777	16254
<b>3. Tel Rahit Bhussi:</b>		
Qty.(MT)	28457.445	48960
Total Cost (₹)	100689243	151915710
Average Rate	3538.24	3102.85
<b>4. Lubricant:</b>		
Qty.(M.T.)	11917	Nil
Total Cost (₹)	1557278	Nil
Average Rate	130.68	Nil
<b>5. Pet Coke:</b>		
Qty.(M.T.)	6584.900	Nil
Total Cost (₹)	61641913	Nil
Average Rate	9361.10	Nil

#### B. Consumption/Tones of Production:

	<u>Current year</u>		<u>Previous year</u>	
Product	Paper	Soda Ash	Paper	Soda Ash
Production (MT)	18783.25	5405.350	19068.91	4943.65
Electricity (Units/MT)	966	377	967	375
Tel Rahit Bhussi ( in Boiler)				
(On directly attributable basis				
To Production)	1.364	0.526	2.332	0.90

**MOHIT PAPER MILLS LIMITED**

Coal (In Boiler) (On Directly attributable basis to production)	0.002 Nil	0.0008 Nil	0.002 Nil	0.0007 Nil
Bagasse				
Pet Coke (In Boiler) (On Directly attributable basis to production)	0.316 Nil	0.122 Nil	Nil Nil	Nil Nil
Bagasse				

FOR AND ON BEHALF OF BOARD OF DIRECTORS

SANDEEP JAIN  
(CHAIRMAN)  
DIN-00458048

PLACE :NEW DELHI  
DATED :13/08/2015

**FORM – B****DISCLOSURES OF PARTICULARS WITH RESPECT 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:**

Various new and innovative technologies have been adopted such as silent drives for dryer part, new head box, ceramic tops of drainage element, doctoring system of 3<sup>rd</sup> Press, oxygen delignification, screw press and electric motor and fittings for increase in the productivity and quality of the Paper.

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

SANDEEP JAIN  
(CHAIRMAN)  
DIN-00458048

PLACE :NEW DELHI  
DATED :13/08/2015

**ANNEXURE (B)****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.

There were no contracts or arrangements or transactions entered in to during the year ended March 31<sup>st</sup>, 2015 which were not at arm's length basis.

Details of material contracts or arrangements or transactions at arm's length basis.

Details of material contracts or arrangements or transactions at arm's length basis for the year ended March 31,2015 are as follows:

S.No.	Name of Related Party	Name of the director who is related and nature of relation		Nature of contract/arrangement		Amount (₹)
1.	Anju Jain (Director)	1.Sandeep Jain(Husband) 2.Shubhi Jain(sons wife) 3.Mohit Jain(son) 4.Anju Jain(Self		Lease agreement with Mrs. Anju Jain		18,00,000 per annum
2.	Mohit Jain (relative of director)	Name of director who is related 1.Sandeep Jain(Father) 2.Anju Jain(Mother) 3.Shubhi Jain(Wife)		Remuneration to Mr. Mohit Jain in capacity of DGM (Administration and Marketing)		9,00,000 per annum

FOR AND ON BEHALF OF BOARD OF DIRECTORS

SANDEEP JAIN  
CHAIRMAN  
DIN-00458048

PLACE:New Delhi  
DATE:13/08/2015





## ANNEXURE (C)

Form No. MGT-9  
**EXTRACT OF ANNUAL RETURN** AS ON THE FINANCIAL YEAR ENDED ON-31.03.2015  
 [Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the  
 Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

<b>i.</b>	CIN	<b>L21093DL1992PLC116600</b>
<b>ii.</b>	Registration Date	30.06.1992
<b>iii.</b>	Name of the Company	MOHIT PAPER MILLS LIMITED
<b>iv.</b>	Category/Sub-Category of the Company	PUBLIC LIMITED COMPANY
<b>v.</b>	Address of the Registered office and contact details	15A/13, EAST PATEL NAGAR , NEW DELHI-110008 Tel: 011-255886797 Website: mohitpaper.in Email: mohit.paper@rediffmail.com
<b>vi.</b>	Whether listed company	Yes
<b>vii.</b>	Name, Address and Contact details of Registrar and Transfer Agent, if any	LINK INTIME INDIA PRIVATE LIMITED 44, Community Centre, 2 <sup>nd</sup> Floor, Naraina Indl., Area, Phase-1, New Delhi-28, Phone: 011-41410592, 93, 94 Telefax: 41410591 E-mail: delhi@linkintime.co.in

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sr.No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Writing and Printing Paper	21012	85%
2	News Print	21013	6%
3	Soda Ash	24297	9%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No.	Name And Address Of The Company	CIN/ GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
1.	None	None	None	None	None
2.					
3.					
4.					

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****I. Category-wise-ShareHolding**

Category of Shareholders	No. of Shareholders at the beginning of the year				No. of Shareholders at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter</b>									
<b>1) Indian</b>									
a) Individual/ HUF	6747919	499000	7246919	51.76	7322919	618100	7941019	56.72	4.96
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):-	6747919	499000	7246919	51.76	7322919	618100	7941019	56.72	4.96
<b>2) Foreign</b>									
g) NRIs-Individuals	-	-	-	-	-	-	-	-	-
h) Other-Individuals	-	-	-	-	-	-	-	-	-
i) Bodies Corp.	-	-	-	-	-	-	-	-	-
j) Banks / FI	-	-	-	-	-	-	-	-	-
k) Any Others...	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):-	6747919	499000	7246919	51.76	7322919	618100	7941019	56.72	4.96

<b>2) Foreign</b>									
g) NRIs-Individuals	-	-	-	-	-	-	-	-	-
h) Other-Individuals	-	-	-	-	-	-	-	-	-
I) Bodies Corp.	-	-	-	-	-	-	-	-	-
j) Banks / FI	-	-	-	-	-	-	-	-	-
k) Any Others...	-	-	-	-	-	-	-	-	-
Sub-total(A)(2):-									
<b>B) Public Shareholding</b>									
<b>2) Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
I) Other (specify)	-	-	-	-	-	-	-	-	-
Sub-total(B)(1):-	-	-	-	-	-	-	-	-	-
<b>B) Not Institutions</b>									
a) Bodies Corp. (I) Indian (II) Overseas	209672 -	3006800 -	3216472 -	22.97 -	653147 -	2006700 -	2659847 -	19.00 -	(3.97) -
b) Individuals (I) Individual Shareholders Holding nominal share capital upto Rs. 1 lakh	1099624	1080183	2179807	15.57	1078631	1070483	2149114	15.35	(0.22)
(II) Individual Shareholders Holding nominal share capital in excess of Rs. 1 lakh	797266	186600	983866	7.03	822174	67500	889674	6.35	(0.68)
c) Others (specify)									
<b>NRI (REPAT)</b>	47925	278200	326125	2.33	48025	276200	324225	2.32	(0.01)
<b>NRI (NON REPAT)</b>	33400	0	33400	0.24	30200	200	30400	0.22	(0.02)
<b>Clearing Member</b>	13411	0	13411	0.10	5721	0	5721	0.04	(0.06)
Sub-total(B)(2):-	2201298	4551783	6753081	48.24	2637898	3421083	6058981	43.28	(4.96)
Total Public Shareholding (B)=(B)(1)+(B)(2)									
C.Shares heldby Custodian for GDRs & ADRs	-	-	-						
GrandTotal (A+B+C)	8949217	5050783	14000000	100	9960817	4039183	14000000	100	-





**ii. Shareholding of Promoters**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbe red to total shares	No. of Shares	% of total shares of the company	% of Shares Pledged / encumbe red to total shares	
1.	Surendra Kumar Jain	104900	0.75	-	104900	0.75	-	-
2.	Sandeep Jain	2764900	19.75	-	2764900	19.75	-	-
3.	Anju Jain	1911601	13.65	-	2005701	14.33	-	0.68
4.	Abdul Hamid	1500	0.01	-	1500	0.01	-	-
5.	Anil Kumar	3000	0.02	-	3000	0.02	-	-
6.	Mahendra Singh	10000	0.07	-	10000	0.07	-	-
7.	Saroj Gupta	5500	0.04	-	5500	0.04	-	-
8.	Vinod Devi	7500	0.05	-	7500	0.05	-	-
9.	Moti Ram Bhatia	2000	0.01	-	2000	0.01	-	-
10.	Vijay Bhatia	2000	0.01	-	2000	0.01	-	-
11.	Madhu Agarwal	2500	0.02	-	2500	0.02	-	-
12.	T.K.Arora	2500	0.02	-	2500	0.02	-	-
13.	Minakshi	2500	0.02	-	2500	0.02	-	-
14.	Rajneesh Tyagi	2500	0.02	-	2500	0.02	-	-
15.	Saroj Agarwal	2500	0.02	-	2500	0.02	-	-
16.	Sanjeev Gupta	10000	0.07	-	10000	0.07	-	-
17.	Mohit Jain	1625218	11.61	-	1625218	11.61	-	-
18.	Sandeep Jain-HUF	341300	2.44	-	341300	2.44	-	-
19.	Shubhi Jain	445000	3.18	-	1045000	7.46	-	4.28
		7246919	51.76	-	7941019	56.72	-	4.96

**iii. Change in Promoters' Shareholding (Information is for those promoters where there is a change)**

		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Anju Jain				
	At the beginning of the year	<b>1911601</b>	<b>13.65</b>	<b>1911601</b>	<b>13.65</b>
	Less: Market Sale on Add: Addition on account of Gift	<b>25000</b> <b>119100</b>	<b>0.17</b> <b>0.85</b>	<b>1866601</b> <b>2005701</b>	<b>13.48</b> <b>14.33</b>
	At the End of the Year			<b>2005701</b>	<b>14.33</b>
2.	Shubhi Jain				
	At the beginning of the year	<b>445000</b>	<b>3.18</b>	<b>445000</b>	<b>3.18</b>
	Add: on account of purchase	<b>600000</b>	<b>4.28</b>	<b>1045000</b>	<b>7.46</b>
	At the End of the year			<b>1045000</b>	<b>7.46</b>



**iv.Shareholding of Directors and Key Managerial Personnel**

		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Anju Jain				
	At the beginning of the year	<b>1911601</b>	<b>13.65</b>	<b>1911601</b>	<b>13.65</b>
	Less: Market Sale on Add: Addition on account of Gift	<b>25000</b> <b>119100</b>	<b>0.17</b> <b>0.85</b>	<b>1866601</b> <b>2005701</b>	<b>13.48</b> <b>14.33</b>
	At the End of the Year			<b>2005701</b>	<b>14.33</b>
2.	Shubhi Jain				
	At the beginning of the year	<b>445000</b>	<b>3.18</b>	<b>445000</b>	<b>3.18</b>
	Add: on account of purchase	<b>600000</b>	<b>4.28</b>	<b>1045000</b>	<b>7.46</b>
	At the End of the year			<b>1045000</b>	<b>7.46</b>
3.	Sandeep Jain, Managing Director	<b>2764900</b>	<b>19.75</b>	<b>2764900</b>	<b>19.75</b>
4.	Sushil Kumar Patidar, Whole Time Director	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
5.	Sushil Kumar Tyagi, Independent Director	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
6.	Rakesh Kansal, Independent Director	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
7.	Rashmi Kansal, Independent Director	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
8.	Devendra Shankar Vishnoi, Independent Director	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
9.	Rachit Jain, Independent Director	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
10.	Sanjeev Kumar Jain, Independent Director	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
11.	Anant Vats, Company Secretary	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
12.	Arvind Kumar Dixit, CFO	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



**v.Shareholding of Top 10 Shareholders(Excluding Promoters, KMP, Directors)**

		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Seltron Finance Limited	<b>3000000</b>	<b>21.43</b>	<b>3000000</b>	<b>21.43</b>
	Less: Transfer on a/c of sale	<b>600000</b>	<b>4.29</b>	<b>2400000</b>	<b>17.14</b>
2.	Hemant Kumar Motihar	<b>160923</b>	<b>1.15</b>	<b>160923</b>	<b>1.15</b>
3.	Shivank Securities Pvt. Limited	<b>135000</b>	<b>0.96</b>	<b>135000</b>	<b>0.96</b>
4.	Varsha Vaish	<b>114254</b>	<b>0.82</b>	<b>114254</b>	<b>0.82</b>
5.	Rajesh Kansal	<b>107277</b>	<b>0.77</b>	<b>107277</b>	<b>0.77</b>
6.	Atul Tandon	<b>49766</b>	<b>0.36</b>	<b>49766</b>	<b>0.36</b>
7.	Ashish Kumar Jain	<b>43953</b>	<b>0.31</b>	<b>43953</b>	<b>0.31</b>
8.	Megha Vaish	<b>40800</b>	<b>0.29</b>	<b>40800</b>	<b>0.29</b>
9.	Kalpna Gupta	<b>30100</b>	<b>0.22</b>	<b>30100</b>	<b>0.22</b>
10.	Diwakar Vaish	<b>30076</b>	<b>0.21</b>	<b>30076</b>	<b>0.21</b>



**vi. INDEBTEDNESS****Indebtedness of the Company including interest outstanding/accrued but not due for payment**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	212488572	53513801	-	266002373
ii) Interest due but not paid	-	-	-	
iii) Interest accrued but not	-	-	-	
Total(i+ii+iii)	<b>212488572</b>	<b>53513801</b>	-	<b>266002373</b>
Change in Indebtedness during the financial year				
- Addition	17937087	-	-	17937087
- Reduction	-	13809992	-	13809992
Net Change	<b>17937087</b>	<b>13809992</b>	-	<b>4127095</b>
Indebtedness at the end of the financial year				
i) Principal Amount	230425659	39703809	-	270129468
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	<b>230425659</b>	<b>39703809</b>	-	<b>270129468</b>







**vii.REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager**

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
1.	Gross Salary (a)Salary as per provisions contained in section17(1) of the Income-taxAct, 1961  (b)Value of perquisites U/s 17(2)Income-tax Act, 1961  (c)Profits in lieu of salary undersection 17(3)Income- tax Act,1961	Mr. Sandeep Jain (Managing Director)	Mr. Sushil Kumar Patidar.(Whole Time Director)			
		24,00,000	900000			33,00,000
		4,20,000	-			4,20,000
		-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission - as%ofprofit - others,specify...	-	-	-	-	-
5.	Others, please Specify	-	-	-	-	-
6.	Total (A)	28,20,000	9,00,000	-	-	37,20,000
	Ceiling as per the Act In case of inadequacy of profits under Section II of Schedule V of the Companies Act,2013					1,68,00,000

**B. Remuneration to other Directors:****Sitting Fees to Non Executive/Independent Directors**

**No remuneration is paid other than the following sitting fees to Independent/Non-Executive Directors**

Name	Category of Director	Sitting Fees (Amount in)	
Mrs. Anju Jain	Non- executive	15000	
Mr. Rakesh Kansal	Independent	9000	
Mrs Rashmi Kansal	Independent	9000	
Mr. Sushil Kumar Tyagi	Independent	16000	
Mrs. Shubhi Jain	Non-executive	12000	
Mr. Rachit Jain	Independent	10000	
Mr. Sanjeev Kumar Jain	Independent	10000	

**C. Remuneration of Key Managerial Personnel Other than MD/Manager/WTG**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
			Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961		<b>480000</b>	<b>324000</b>	<b>804000</b>
2.	Stock Option				

3.	Sweat Home	-	-	-	-
4.	Commission - as%of profit -others,specify...	-	-	-	-
5.	Sweat Equity	-	-	-	-
6.	Sweat Equity	-	480000	324000	804000

**vi. PENALTIES/PUNISHMENT/COMPOUNDING OFFENCES:**

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/Compounding fees imposed	Authority[RD /NCLT/ Court]	Appeal made. If any(give details)
<b>A. Company</b>					
Penalty	NONE	NONE	NONE	NONE	NONE
Punishment	NONE	NONE	NONE	NONE	NONE
Compounding	NONE	NONE	NONE	NONE	NONE
<b>B. Directors</b>					
Penalty	NONE	NONE	NONE	NONE	NONE
Punishment	NONE	NONE	NONE	NONE	NONE
Compounding	NONE	NONE	NONE	NONE	NONE
<b>C. Other Officers In Default</b>					
Penalty	NONE	NONE	NONE	NONE	NONE
Punishment	NONE	NONE	NONE	NONE	NONE
Compounding	NONE	NONE	NONE	NONE	NONE

**Annexure (D)- Particulars of Employees****a) Information as per Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial) Rules, 2014. Remuneration Paid to Whole Time Directors**

Name of the Director	Title	Remuneration in year 2014	Remuneration in year (2015)	No of Stock options/RSUs granted in 2015	% Increase in remuneration in 2015 as compared to 2014(annualized salary)	Ratio of Remuneration to MRE( excl. WTD) based on annualized salary	Ratio of Remuneration to MRE(Inc WTD) based on annualized salary	Ratio of remuneration to Revenues(2015)	Ratio of remuneration to Revenues(2015)
Sandeep Jain	Managing Director cum Chairman	1200000	2400000		100%	30.11	29.37	0.00	0.22
Sushil Kumar Patidar	Whole time executive director	787500	900000		0	10.16	9.91	0.00	0.08

Mr. Sushil Kumar Patidar was appointed on 11.04.2013 so his remuneration in the year 2014 is from 11.04.2014 to 31.03.2015 as against remuneration in the year 2015, which is from 01.04.2014 to 31.03.2015 but % increase in remuneration is based on annualized salary. There are 139 permanent employees on roll excluding whole time directors./ No Remuneration was paid to non-executive directors or independent directors except sitting fees.

Remuneration paid to other Key Managerial Personnel (KMP)

Name of the Director	Title	Remuneration in year 2014	Remuneration in year (2015)	No of Stock options/RSUs granted in 2015	% Increase in remuneration in 2015 as compared to 2014(annualized salary)	Ratio of Remuneration to MRE( excl. WTD) based on annualized salary	Ratio of Remuneration to MRE(Inc WTD) based on annualized salary	Ratio of remuneration to Revenues(2015)	Ratio of remuneration to Revenues(2015)
Anant Vats	Company Secretary	480000	480000	-	0%	6.02	5.87	0.00	0.05
Arvind Kumar Dixit	Chief Financial Officer	-	324000	-	N.A.	5.65	3.96	0.00	0.03

Mr. Arvind Kumar Dixit was appointed as KMP from 21<sup>st</sup> June, 2014 and the salary includes his remuneration pre appointment.

Particulars	Fiscal Year-2014	Fiscal Year-2015
Market Capitalization	34500000	46620000
Price Earning Ratio	3.25	4.38
Closing Price of the share	2.47	3.33



Our market capitalization increased by 35.1% to ₹4,66,20,000 as of March 31, 2015 from ₹3,45,00,000 as of 31, March, 2014.

The price earnings ratio was 4.38 as of March 31, 2015 which was 34.77% increase as compared to 3.25 as of March, 2014. The closing Price of the Company was ₹3.33 as of March, 2015 as compared to ₹2.47 as of March, 2014 representing 66.7 % decrease of the IPO price.

The percentage increase in average salary as compared to previous year in employees salary is 37% without taking into account the managerial personnel and the percentage increase in average salary of managerial personnel is 51% as compared to previous year this is because the CFO was appointed in the year 2014-2015 and Managing Directors salary is increased to double in the year 2014-2015, as he was getting the same salary since long so his salary is increased to make it compatible with the industry. The remuneration paid is as per the remuneration policy of the Company.

During fiscal 2015, no employee received remuneration in excess of highest-paid-director.

**ANNEXURE (E) - Whistleblower policy**

As part of our corporate governance practices, the Company has adopted the Whistle Blower Policy that covers our directors and employees. The policy is provided herewith:

**The purpose of the Policy**

This policy is framed so that Company can adhere with the highest level of ethics and Code of Conduct, and particularly to assure that business is conducted with integrity. The Company wants to maintain a workplace that facilitates the reporting of potential violations of Company policies or applicable laws. Employees must be able to raise concerns regarding such potential violations easily.

**Your duty to report**

Everyone is required to report to the Company any suspected violations of any law that applies to the Company and any suspected violation of the Company's Code of Conduct and Ethics. This includes possible accounting or financial violations, insider trading, bribery, fraud, malpractice, wrongful conduct.

**How to report**

You must report all suspected violations to (i) your immediate supervisor; (ii) Chief Compliance Officer; (iii) Chief Financial Officer. If you have reason to suspect that the above person may be involved in the suspected violation, your report may be made to the

Audit Committee of Mohit Paper Mills Limited at  
Chairperson, Audit Committee, 15A/13, UGF, East Patel Nagar, New Delhi-110008.

**Investigation after you report**

All reports under this policy will be promptly and appropriately investigated, and all information disclosed during the course of the investigation will remain confidential. Everyone working for the Company should cooperate and provide information with respect to that investigation otherwise it will become the basis of disciplinary action. After investigation Company will take appropriate action against accused upto and including termination.

**Retaliation is not tolerated**

The person who retaliates against reporting employees may also be subject to civil, criminal and administrative penalties.

**Modification**

The audit committee or the Board of Directors of Mohit Paper Mills Limited can modify this policy from time to time.

**ANNEXURE (F)- Nomination and remuneration policy**

The nomination and remuneration policy is provided herewith pursuant to Section 178(4) of the Companies Act, and Clause 49(V)(B)(4) of the Listing Agreement. The Company considers human resource as its invaluable assets. This policy is formulated in terms of the provisions of Companies Act, 2013.

**Objective of the Policy**

The objective of the policy is to formulate the criteria for determining qualifications, competencies, positive attributes and independence for the appointment of a director and recommend to the Board policies relating to the remuneration of directors/KMP's other employees.

**Constitution of the nomination and remuneration committee**

The Board has constituted the nomination and remuneration committee of the Board in line with the requirements of the Companies Act, 2013. Board has the authority to reconstitute this committee from time to time. This committee recommends to the Board the following matters

1. Periodically review the size and composition of the Board to ensure that it is structured to make right decisions, in the best interests of the Company.
2. Formulate the criteria for determining qualifications, positive attributes and independence of director and recommends the new directors having regard to the range of skills and expertise on the Board.
3. Made recommendations to the Board on appropriate performance criteria for the directors.
4. The committee is responsible for reviewing and making recommendations to the Board on:-the remuneration of the managing director, whole- time directors and KMPs;-the remuneration policies for other employees in the best interest of the Company and the employee.

**Appointment and Remuneration of Managing Director /Whole Time Director**

The committee shall identify ascertain the integrity, qualification and expertise of the person for appointment as director and recommends the same to the Board. The Company shall not appoint or re-appoint any managing director and whole time director for a term not exceeding five years at a time. The remuneration to be paid to the Managing Directors and Whole-Time Directors shall be in accordance with the provisions of the Companies Act, 2013 and the rules made thereunder. Increments to the existing remuneration will be recommended by the committee to the Board which should be within the limits approved by the shareholders. They shall be removed and retired as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. If in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its managing director in accordance with the provisions of schedule V of the Companies Act, 2013 or, if it is unable to comply with such provisions, with the prior approval of the Central Government.

**Remuneration to non executive/independent director**

The remuneration payable to each in-executive director is based on the remuneration structure as determined by the Board and per the provisions of the Companies Act, 2013.

**Remuneration of KMPs and other employees**

The Committee shall determine the guidelines for the remuneration payable to the employees. An employee pay will be paid remuneration depending on his qualification, skills, expertise and experience and the increment will be based on his performance. The objective is to set the total remuneration at levels that would attract, motivate and retain the talent.

**Policy Review**

This policy is framed based on the provisions of the Companies Act, 2013 and rules thereunder and requirements of Clause 49 of the listing agreement with the stock exchanges. Any change or modification in the policy as recommended by the committee would be given for approval to the Board.



**ANNEXURE (G) TO DIRECTOR'S REPORT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

To, the Members of Mohit Paper Mills Ltd.

We have examined the compliance of conditions of Corporate Governance by MOHIT PAPER MILLS LIMITED, New Delhi, for the year ended 31<sup>st</sup> March, 2015 as stipulated in clause 49 of the Listing Agreement of the said company with the stock exchange in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to review of the procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the company.

In our opinion and to the best of our information and according to the explanations given to us we certify that company has complied with the conditions of corporate governance as stipulated in clause 49 of the listing agreement. We state that in respect of investor grievances received during the year ended 31.03.2015, no investor grievances are pending against the company for a period exceeding one month.

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

For AJAY SHREYA & COMPANY  
CHARTERED ACCOUNTANTS  
Registration No.: 021423N

Ajay Jain  
(Proprietor)  
Membership No. 85354

PLACE : NEW DELHI  
DATED : 13/08/2015



**ANNEANNEXURE-(H)**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015

To,

The Members,

**Mohit Paper Mills Limited**

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 **Mohit Paper Mills Limited'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, 2015 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, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2015 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 to the extent of regulation 55A;





(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; Not Applicable

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; Not Applicable

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not Applicable

(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

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not Applicable

(vi) As Confirmed and Certified by the management, there is no Sectoral law specifically applicable to the Company.

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

(I) Secretarial Standards issued by The Institute of Company Secretaries of India. **Not applicable for the year 2014-15.**

(ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited And Delhi Stock Exchange Limited



During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to following observations;

1. Form MGT-14 has not been filed for following purposes.
  - a. Approval of Un-Audited Financial Results for the Quarter ended 31.12.2014 of the Company.

***(However same resolution has been filed by the company on 11.08.2015)***

**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 subject to above observations. 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 to schedule the Board Meetings, 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.

Prashant Kumar Balodia

Prashant Kumar Balodia  
Partner

For P. Balodia & Co.  
Company Secretaries  
Membership No. 6047  
Certificate of Practice No. 6153

Date: 13.08.2015

Place: New 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.



The Members

**Mohit Paper Mills Limited**  
15A/13 Upper Ground Floor  
East Patel Nagar  
New Delhi - 110008

1. Maintenance of secretarial record 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. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Prashant Kumar Balodia  
Partner

For P. Balodia & Co.  
Company Secretaries  
Membership No. 6047  
Certificate of Practice No. 6153

Date: 13.08.2015  
Place: New Delhi



**ANNEXURE- (I)**  
**REPORT ON CORPORATE GOVERNANCE**  
(Pursuant to clause 49 of the Listing Agreement)

**1. Company's Philosophy on Code of Governance:**

Mohit Paper Mills Limited is committed to good corporate governance and in ensuring adequate disclosure for its stakeholders. We believe that governance process should be such so as to ensure adequate utilization of resources to meet the expectations of the shareholders. 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 Government and employees. We also believe that mutual care and concern among the employees and the company, shall be the guiding principle

**2. Board of Directors:****Composition:-**

During the year 2014-2015, the Board of the Company consists of an optimum combination of Executive and Non-Executive Directors with at least one women director and not less than fifty percent of the Board comprising of non-executive directors. The Composition of the Board consists of the following:

NAME	DESIGNATION	CATEGORY
MR. SANDEEP JAIN	MANAGING DIRECTOR	PROMOTER, EXECUTIVE DIRECTOR
MR. SUSHIL KUMAR PATIDAR	WHOLE TIME DIRECTOR	EXECUTIVE
MRS. ANJU JAIN	DIRECTOR	PROMOTER, NON-EXECUTIVE
MR. RACHIT JAIN	INDEPENDENT DIRECTOR	NON-EXECUTIVE
MR. SANJEEV KUMAR JAIN	INDEPENDENT DIRECTOR	NON-EXECUTIVE
MR. SUSHIL KUMAR TYAGI	INDEPENDENT DIRECTOR	NON-EXECUTIVE
MRS. SHUBHI JAIN	DIRECTOR	PROMOTER, NON-EXECUTIVE

**Board Meetings were held on the following dates during the year 2014-2015:**

Total Number of Board Meetings held were 5

30.05.2014  
21.06.2014  
13.08.2014  
14.11.2014  
13.02.2015

Mrs Anju Jain retires from office by rotation and being eligible offers herself for re-appointment and was re-appointed in the annual general meeting held on 30.09.2014. During the year Independent directors Mr. Rakesh Kansal, Mr. Devendra Shankar Vishnoi and Mrs. Rashmi Kansal retired by rotation at the annual general meeting held on 30.09.2014. Mr. Rachit Jain and Mr. Sanjeev Kumar Jain were appointed as Independent directors on the Board for five years by the shareholders in the annual general meeting held on 30.09.2014 in place of the retiring directors.



## MOHIT PAPER MILLS LIMITED

### Particulars of Directors including their attendance at the Board/Shareholder's Meetings during the year 2014-2015

NAME OF DIRECTORS	CATEGORY	OTHER DIRECTOR-SHIPS	NO. OF BOARD MEETINGS ATTENDED	ATTENDANCE AT LAST AGM	COMMITTEE MEMBERSHIP
Mr. Sandeep Jain	Managing Director	1	5	Yes	0
Mrs. Anju Jain	Non Executive Director	Nil	5	Yes	0
Mr. Rakesh Kansal	Independent Director	NIL	0	No	3
Mrs. Rashmi Kansal	Independent Director	NIL	0	No	3
Mr. Devendra Shankar Vishnoi	Independent Director	NIL	0	No	0
Mr. Sushil Kumar Tyagi	Non-Executive Director	NIL	4	No	3
Mr. Sushil Kumar Patidar	Whole Time Director	NIL	5	No	0
Mrs. Shubhi Jain	Non-Executive Director	NIL	3	Yes	0
Mr. Rachit Jain	Independent Director	NIL	2	No	3
Mr. Sanjeev Kumar Jain	Independent Director	NIL	2	No	3

#### Mechanism of evaluation of the Board, its committees and 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 and its committees on the basis of the decision making, company performance, company strategy, relationship to stakeholders, information flow on the scale of one to five. 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

### 3. AUDIT COMMITTEE

The Audit Committee of Directors consists of qualified and Independent Directors. The scope of the activities of the Committee, are in conformity as are set out in Clause 49 of the Listing Agreement with Stock Exchange read with Companies Act, 2013.

Mr. Rakesh Kansal and Mrs. Rashmi Kansal retires from the directorship and does not seek re-appointment so in their place Mr. Rachit Jain and Mr. Sanjeev Kumar Jain were appointed as directors in the annual general meeting held on 30.09.2014. So the audit committee was reconstituted as follows:

Mr. Rachit Jain-Chairman

Mr. Sanjeev Kumar Jain-Member

Mr. Sushil Kumar Tyagi-Member

So during the period the composition of the Audit Committee and their attendance was:

Name of Director	No. of Meetings Attended	Chairman/Member
Mr. Rakesh Kansal	2	Chairman
Mrs. Rashmi Kansal	2	Member
Mr. Sushil Kumar Tyagi	4	Member
Mr. Rachit Jain	2	Chairman
Mr. Sanjeev Kumar Jain	2	Member

Date of the meeting were:

28.05.2014

12.08.2014

13.11.2014

12.02.2015


**The role and responsibilities of the Committee include the following:-**

Recommendation for appointment, remuneration and terms of appointment of auditors of the company;  
 Review and monitor the auditor's independence and performance and effectiveness of audit process;  
 Examination of the financial statement and the auditor's report thereon;  
 Approval or any subsequent modification of transactions of the company with related parties;  
 Scrutiny of inter-corporate loans and investments;  
 Valuation of undertakings or assets of the company, wherever it is necessary;  
 Evaluation of internal financial controls and risk management systems;  
 Monitoring the end use of funds raised through public offers and related matters;  
 Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

**4. NOMINATION AND REMUNERATION COMMITTEE:**

To review, assess and recommend the appointment of executive and non-executive directors from time to time, to periodically review the remuneration package of the executive directors and recommend suitable revision to the Board, to recommend compensation to the non-executive directors in accordance with the Companies Act, 2013.

The Composition of the Committee was as follows:

Mr. Rakesh Kansal	Chairman
Mrs. Rashmi Kansal	Member
Mr. Sushil Kumar Tyagi	Member

During the year one meeting was held on 11.08.2014 and all the members were present in the meeting.

Mr. Rakesh Kansal and Mrs. Rashmi Kansal retires from the directorship and does not seek re-appointment so in their place Mr. Rachit Jain and Mr. Sanjeev Kumar Jain were appointed as directors in the annual general meeting held on 30.09.2014.

So the nomination and remuneration committee was reconstituted due to the above change as follows:

Mr. Rachit Jain-Chairman  
 Mr. Sanjeev Kumar Jain-Member  
 Mr. Sushil Kumar Tyagi-Member

Remuneration Policy for the directors is formulated and forms part in this Annual Report as Annexure "C" of the Directors Report

**Details of Remuneration to Executive Directors for the Year 2014-2015**

Name	Salary	Commission	Perks	Retirement Benefits	Total
Mr. Sandeep Jain	2400000	-	420000	-	2820000
Mr. Sushil Kumar Patidar	900000	-	-	-	900000
Total	3300000	-	420000	-	3720000

**Sitting Fees to Non-Executive Directors**

Name	Sitting Fees
Mrs. Anju Jain	15000
Mr. Rakesh Kansal	9000
Mrs Rashmi Kansal	9000
Mr. Sushil Kumar Tyagi	16000
Mrs. Shubhi Jain	12000
Mr. Rachit Jain	10000
Mr. Sanjeev Kumar Jain	10000

**5. STAKEHOLDERS RELATIONSHIP COMMITTEE:**

Composition of the Committee was as follows:

Mr. Rakesh Kansal	Chairman
Mrs. Rashmi Kansal	Member
Mr. Sushil Kumar Tyagi	Member

Mr. Rakesh Kansal and Mrs. Rashmi Kansal retires from the directorship and does not seek re-appointment so in their place Mr. Rachit Jain and Mr. Sanjeev Kumar Jain were appointed as directors in the annual general meeting held on 30.09.2014.

So the Stakeholder relationship committee was reconstituted due to the above change as follows:

Mr. Rachit Jain-Chairman  
Mr. Sanjeev Kumar Jain-Member  
Mr. Sushil Kumar Tyagi-Member

Name of Compliance Officer:: Mr. Anant Vats Designation: Company Secretary

No of complaint received so far	Number of complaints not solved	Pending Complaints
Nil	Nil	Nil

No Meeting of the committee was held during the year 2014-2015.

**6. GENERAL BODY MEETINGS:**

The last 3 Annual General Meetings were held as under:

Year	Venue	Date	Time	No. of Special Resolution passed
2013-2014	Bharat Banquet Hall, A-5, Naveen Vihar, Rajiv Nagar Extension, Begumpur Main Barwala Road, Delhi-110081	30.09.2014	10.00 A.M.	7
2012-2013	Bharat Banquet Hall, A-5, Naveen Vihar, Rajiv Nagar Extension, Begumpur Main Barwala Road, Delhi-110081	30.09.2013	10.00 A.M.	1
2011-2012	Junction 36, 16/36, Junction of Joshi Road & Rohtak Road, Karol Bagh, New Delhi-110005	29.09.2012	10.00 A.M.	2

No Special resolution was passed last year through postal ballot.

**7. DISCLOSURES :****Related Party Disclosure**

The details of related party transactions have been reported in the Note No. 8 of the additional notes on Financial Statements.

**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.

**Whistle Blower Policy**

The Board has adopted and put in place a whistle blower policy and no personnel have been denied access to the audit committee.

**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**

In Compliance with Clause 49 of Listing Agreement, the company has 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.

**CERTIFICATE IN TERMS OF CLAUSE 49 OF THE LISTING AGREEMENT**

CEO/CFO Certification: I hereby certify that:

- 1.) I 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.) There 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.) I 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.) I 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 : 13/08/2015





**Status of Compliance of Non-Mandatory requirements of Clause 49 of the listing agreement.**

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

**8. MEANS OF COMMUNICATION:**

The quarterly/ half-yearly results of the company were announced within a month of the end of each quarter and such results are generally published in Financial Express, Rashtriya Sahara. Official News releases and results, shareholding pattern are displayed on the BSE website-[www.bseindia.com](http://www.bseindia.com). Annual Report containing, Audited Annual Accounts, Director's Report, Auditor's Report and other information is circulated to members and other's entitled thereto. All price sensitive information or clarifications on the decisions of the Board are communicated immediately to the Stock Exchange for dissemination to the shareholders.

**9. GENERAL SHAREHOLDER INFORMATION:**

**Registered Office**

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

**Annual General Meeting**

Date: 30.09.2015

Time: 10:00 A.M.

Venue: Bharat Banquet Hall, A-5, Naveen Vihar, Rajiv Nagar Extension, Begumpur Main Barwala Road, Delh-110081.

**Financial Year**

1<sup>st</sup> April to 31<sup>st</sup> March

**Date of Book Closure**

From 26<sup>th</sup> Day of September, 2015 to 30<sup>th</sup> September, 2015 (both days inclusive)

**Listing at Stock Exchanges:**

The equity shares of the Company, are listed at the following stock exchanges:

1. The Delhi Stock Exchange Ltd. DSE House, 3/1 Asaf Ali Road New Delhi-110002
2. The Bombay Stock Exchange Ltd. Phiroze Jeejeebhoy Towers,  
25<sup>th</sup> Floor, Dalal Street Mumbai-400001

The Annual Listing Fee for the year 2014-2015 were paid in time to all the aforesaid Stock Exchanges.

**Scrip Code at Mumbai Stock Exchange is 530169.**

**Demat ISIN Number in NSDL and CDSL for Equity Shares : INE 388C01017**

**Web-site of the Company is [www.mohitpaper.in](http://www.mohitpaper.in)**

**Email for Investors is [investors@mohitpaper.in](mailto:investors@mohitpaper.in)**

**MOHIT PAPER MILLS LIMITED****Registrar & Share Transfer Agent:**

Address for Correspondence:

**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: 41410591

E-mail: delhi@linkintime.co.in

Shareholders holding shares in the electronic form should address their correspondence except those related to dividend to their respective depository participants. The shares received at Company's registered and corporate office are sent by the company to the registrar for the transfer/demat etc. 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**44, Community Centre, 2<sup>nd</sup> Floor, Naraina Industrial Area, Phase-1, New Delhi-110028,

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

E-mail: delhi@linkintime.co.in

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.

**Dematerialisation of shares and liquidity:**

The shares of the company can be traded in dematerialized form under both the systems in NSDL, CDSL.

As on 31.03.2015, 9444936 number of shares stand in NSDL A/C 516081 number of shares stand in CDSL A/C and

Balance of 4038983 stands in physical mode.

ISIN of the Company is INE388C01017

**Distribution of shareholding as on 31<sup>st</sup> March 2015**

Slab-Shareholding of Shares	No of Shareholders		No. of Ordinary Shares	
	Total	% of Shareholders	Total	% of Shareholders
Upto -500	9849	91.86	1194051	8.53
501-1000	418	3.89	375005	2.68
1001-2000	251	2.34	402329	2.87
2001-3000	80	0.75	201226	1.44
3001-4000	23	0.21	80836	0.58
4001-5000	20	0.19	92435	0.66
5001-10000	37	0.35	276194	1.97
10001 & above	44	0.41	11377924	81.27
Total	10722	100.00	14000000	100.00

**Category of Shareholders as on 31<sup>st</sup> March, 2015**

Category	No. of Shares	%
Non Resident Holding	354625	2.53
Body Corporate	2659847	19.00
Promoter Group	7941019	56.72
Public	3044509	21.75
Total	14000000	100

**MOHIT PAPER MILLS LIMITED****Stock Price Data- monthly high and low in Bombay Stock Exchange during the financial year 2014-2015**

Month	High(₹)	Low(₹)
April 2014	2.56	2.30
May 2014	2.45	2.10
June 2014	5.19	2.57
July 2014	5.20	3.24
August 2014	5.38	3.60
September 2014	6.36	4.40
October 2014	6.50	4.69
November 2014	7.44	6.01
December 2014	8.66	6.07
January 2015	8.50	5.12
February 2015	6.32	5.36
March 2015	6.18	3.32

**Plant Location**

9 KM. Stone, Nagina Road, Bijnor, U.P.-246701

**Address for Correspondence:**

**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:41410591

E-mail:delhi@linkintime.co.in

**For Investor assistance**

Mr. Anant Vats-Compliance Officer

Mohit Paper Mills Limited

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

website:mohitpaper.in

**Declaration of Compliance with the Code of Conduct as provided in Clause 49 of the Listing Agreement with the Stock Exchange.**

The Board Members and Senior Management of MOHIT PAPER MILLS LIMITED have confirmed compliance with the Code of Conduct as laid down by the Board of Directors of the Company, during the Financial Year 2014-2015.

SANDEEP JAIN  
(MANAGING DIRECTOR)  
DIN-00458048

**ANNEXURE(J)****MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Board of Directors presents hereunder an analysis of performance of the Company for the year 2014-2015 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**

The annual turnover of the Paper Industry in India is estimated to be ₹ 50,000 crores, with around, ₹ 4,500 crores contribution to the exchequer. The Industry provides employment to around 1.5 million. The per capital paper consumption in India has moved up to around 11 kg but still stands far below the global average of 56 kg. This gap is large which can be fulfilled with market growth.

Paper as a commodity is used both in service and manufacturing sector. As India grows both the sectors would be instrumental in its growth. Paper is used all across India's demography and geography. As Prime Minister of India is focusing on giving boost to manufacturing in India it will have positive effect on the Paper Industry as well. There should be proper Import policy to motivate the domestic paper makers.

There is no denying the fact that India's Paper Industry has the potential to play an important role of meeting the three key national objectives of the Government i.e. Education, Literacy and Employment Generation that too in rural areas. So Government should therefore support the Industry that has strong backward linkages.

So an enabling policy framework is required on the part of the Government so that raw material is available at competitive price and the domestic industry is protected against cheap imports of paper.

**Opportunities**

World's economic centre of gravity is shifting from West to East. India with its fast rise in consumption of paper is at an advantageous position to make the most of the opportunity offered by changing economic order. Your Company is always in search of such opportunities and is in the process of increasing its capacity and quality improvement. Your Company have done some technological changes last year, oxygen delignification method was used instead of chlorine based method. This has resulted in better quality of paper, the price of paper have also become competitive.

**Threats**

The main cause of fall in the profitability of many Indian paper manufacturers can be attributed to the fall in rupee value, increased cost of raw material, fuel consumables and import policy.

**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 and the Technical staff. This is a good example of proper utilization of the capacity with minimum of the resources.

Your Company has produced 18783.25 M.T. of paper as against 19068.91 M.T. for the previous year.  
The Company has also produced 5405.350 M.T. of Soda Ash as against 4943.650 M.T. which is another segment.

**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 1956 and applicable 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.

Highlights for the year are as follows.

Particulars	Amount (₹ In lacs)
Sales & Other Income	9565.42
Profit before Interest, Depreciation and Tax	782.34

**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 139 on 31<sup>st</sup> March, 2015. 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.



**AJAY SHREYA & COMPANY  
CHARTERED ACCOUNTANTS  
R-160, GREATER KAILASH-I, NEW DELHI-110048**

**INDEPENDENT AUDITORS' REPORT**

To the Members of Mohit Paper Mills Limited  
**Report on the Financial Statements**

We have audited the accompanying financial statements of Mohit Paper Mills Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

The Company's 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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the 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 31<sup>st</sup> March 2015, and its profit and its cash flows for the year ended on that date.



**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
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 purpose of our audit;
  - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid Balance Sheet, the Statement of Profit & Loss and Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of written representations received from the directors as on March 31, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164(2) of the Act; and
  - (f) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The Company has 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.

For Ajay Shreya & Co.  
Chartered Accountants  
Firm Registration No.: 021423N

Ajay Jain  
(Proprietor)  
Membership No.: 085354

Place: New Delhi  
Date: 30.05.2015

**Annexure to the Independent Auditors' Report**

Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Mohit Paper Mills Limited for the year ended 31 March 2015.

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
(b) The Company has conducted the physical verification of fixed assets during the year and has not identified any material differences during the verification.
- (ii) (a) The inventories have been physically verified at reasonable intervals by the management.  
(b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.  
(c) In our opinion and according to the information and explanations given to us, the company is maintaining proper records of its inventories and no material discrepancies were noticed on such physical verification.
- (iii) (a) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.  
(b) In view of our comment in paragraph 3(a) above, clause (iii) (a) and (b) of paragraph 3 of the Companies (Auditor's Report) Order, 2015 are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets, and for the sale of goods and services. During the course of audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- (v) The Company has not accepted any deposits from the public.
- (vi) We have broadly reviewed the cost records maintained by the Company pursuant sub-section (1) of Section 148 of the Companies Act, 2013 and are of opinion that prima facie, the prescribed accounts and records have been maintained.
- (vii) (a) According to the records of the Company and information and explanations given to us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employee State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other statutory dues with the appropriate authorities and we have been informed that no arrears of undisputed statutory dues outstanding as at the last day of the financial year under audit for a period of more than six months from the date they become 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, 2015.  
(c) There are no amounts required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under.
- (viii) The Company does not have accumulated losses at the end of the financial year under audit and has not incurred cash losses during the financial year covered by audit and in the immediately preceding financial year.
- (ix) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to the financial institution or bank.





## MOHIT PAPER MILLS LIMITED

- (x) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) According to the information & explanations given to us, no term loans were obtained during the year under audit.
- (xii) Based upon the audit procedures performed and according to the information & explanations given to us, no fraud on or by the Company has been noticed or reported during the year of our audit.

For Ajay Shreya & Co.  
Chartered Accountants  
Firm Registration No.: 021423N

Ajay Jain  
(Proprietor)  
Membership No.: 085354

Place: New Delhi  
Date: 30.05.2015



## MOHIT PAPER MILLS LIMITED

### MOHIT PAPER MILLS LIMITED

Regd. Office : 15A/13, UPPER GROUND FLOOR, EAST PATEL NAGAR, NEW DELHI - 110008  
BALANCE SHEET AS AT 31.03.2015

PARTICULARS	Note	AS AT 31st March, 2015 Amount (₹)	AS AT 31st March, 2014 Amount (₹)
<b>EQUITY AND LIABILITIES</b>			
Share Capital	1	140,000,000	140,000,000
Reserves & Surplus	2	109,976,478	100,500,607
<b>Non-current liabilities</b>			
Long-term borrowings	3	15,542,958	31,542,958
Deferred Tax Liabilities - (Net)	4	47,066,976	47,803,512
Other long term liabilities	5	82,879,610	500,000
<b>Current Liabilities</b>			
Short-term borrowings	6	254,586,510	234,459,415
Trade Payables	7	53,155,557	33,938,440
Other current liabilities	8	38,961,396	75,725,821
Short-term provisions	9	2,498,173	2,310,299
<b>TOTAL</b>		<b>744,667,658</b>	<b>666,781,052</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	10	308,544,779	307,565,827
Capital work-in-progress	11	8,487,914	-
Non-Current investment	12	13,200,000	13,200,000
Long-term loans & advances	13	2,099,317	2,121,163
		<b>332,332,010</b>	<b>322,886,990</b>
<b>Current Assets</b>			
Inventories	14	179,665,276	133,138,238
Trade receivables	15	170,966,499	162,376,167
Cash & cash equivalents	16	22,296,966	13,726,731
Short-term loans & advances	17	39,406,907	34,652,926
		<b>412,335,648</b>	<b>343,894,062</b>
<b>TOTAL</b>		<b>744,667,658</b>	<b>666,781,052</b>
Significant Accounting Policies Notes on Financial Statements	1 to 28		
As per our Report of even date			
For Ajay Shreya & Company Chartered Accountants Registration No.:021423N			
Ajay Jain (Proprietor) Membership No.: 85354	Sandeep Jain (Managing Director)	Anju Jain (Director)	Anant Vats (Company Secretary)
Place : New Delhi Dated : 30.05.2015			
A.K. Dixit (Chief Financial Officer)			



## MOHIT PAPER MILLS LIMITED

### MOHIT PAPER MILLS LIMITED

Regd. Office : 15A/13, UPPER GROUND FLOOR, EAST PATEL NAGAR, NEW DELHI - 110008  
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

PARTICULARS	Note	For the year ended 31st March, 2015 Amount (₹)	For the year ended 31st March, 2014 Amount (₹)
<b>INCOME</b>			
Revenue from Operations			
Sales of Products		954,918,288	926,126,146
Less: Excise Duty		<u>51,186,933</u>	<u>44,444,391</u>
	18	903,731,355	881,681,755
Other Income	19	1,623,667	1,806,137
<b>TOTAL REVENUE</b>		<u>905,355,022</u>	<u>883,487,892</u>
<b>EXPENDITURE</b>			
Cost of Materials Consumed	20	273,544,039	239,932,392
Changes in Inventories of Finished Goods, Stock-in-Process & Stock-in-Trade	21	(16,429,118)	(2,142,285)
Employee Benefits Expense	22	23,738,164	16,381,776
Finance Costs	23	28,746,159	28,109,408
Depreciation and Amortization Expense	24	37,068,263	35,133,405
Other Expenses	25	546,267,496	554,526,177
<b>TOTAL EXPENSES</b>		<u>892,935,003</u>	<u>871,940,873</u>
<b>Profit/(Loss) before Exceptional and Extraordinary items &amp; tax</b>		12,420,019	11,547,019
Exceptional Items		-	-
<b>Profit/(Loss) before Extraordinary items &amp; tax</b>		12,420,019	11,547,019
Extraordinary Items		-	-
Profit before tax		12,420,019	11,547,019
Tax Expenses			
Current Tax		2,498,173	2,310,298
Deferred Tax		(736,536)	(1,428,360)
Tax Paid for earlier years		-	8,885
Wealth Tax		-	41,921
<b>Profit/(Loss) for the period from Continuing Operations</b>		10,658,382	10,614,275
Profit/(Loss) from Discontinuing Operations		-	-
Tax Expenses of Discontinuing Operations		-	-
Profit/(Loss) for the period		10,658,382	10,614,275
<b>Earning per Equity Share (Face Value of Rs. 10/- each)</b>	26		
Basic		0.76	0.76
Diluted		0.76	0.76
Significant Accounting Policies			
Notes on Financial Statements	1 to 28		
As per our Report of even date			
For Ajay Shreya & Company Chartered Accountants Registration No.:021423N			
Ajay Jain (Proprietor) Membership No.: 85354	Sandeep Jain (Managing Director)	Anju Jain (Director)	Anant Vats (Company Secretary)
Place : New Delhi Dated : 30.05.2015		A.K. Dixit (Chief Financial Officer)	



## MOHIT PAPER MILLS LIMITED

### MOHIT PAPER MILLS LIMITED CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2015

PARTICULARS	YEAR ENDED 31.03.2015	YEAR ENDED 31.03.2014
A. Cash flow from Operating Activities		
Net profit before tax and extra ordinary item	12,420,019	11,547,019
Net prior year & other adjustment:		
Finance Cost	28,746,159	28,109,408
(i) Depreciation	1,182,511	1,387,410
(ii) Amount credited from P&L A/c	(1,182,511)	(1,387,410)
	41,166,178	39,656,427
(iii) Profit/(Loss) on sale of Assets	-	(85,866)
	41,166,178	39,570,561
Adjusted for:		
- Depreciation	37,068,263	35,133,405
Operating Profit before working capital changes	78,234,441	74,703,966
Adjustments for:		
- Inventories	(46,527,038)	2,160,674
- Trade Receivables	(8,590,332)	(70,504,133)
- Payable	(17,359,434)	13,532,323
- Direct Taxes Paid	(2,498,173)	(2,361,104)
Net Cash Flow from operating activities	3,259,464	17,531,726
B. Cash flow From Investing Activities		
Increase in Fixed Assets	(39,229,726)	(48,826,539)
- Sale of Fixed Assets	-	220,000
- Decrease in capital work in progress	(8,487,914)	-
- Increase in Long Term Loans & Advances	21,846	(54,538)
- Increase in Short Term Loans & Advances	(4,753,981)	6,797,928
Net Cash Flow from Investing Activities	(52,449,775)	(41,863,149)
C. Cash Flow from Financing Activities		
- Proceeds from Long Term Borrowing	66,379,610	(2,934,342)
- Proceeds/ Repayment of Short Term Borrowings	20,127,095	51,991,384
- Increase in Share Capital	-	-
- Issue of Share Warrants	-	-
Finance Cost Paid	(28,746,159)	(28,109,408)
Cash flow from Financing Activities	57,760,546	20,947,634
Net increase in Cash and Cash Equivalents (A+B+C)	8,570,235	(3,383,789)
Opening Balance of cash and cash equivalents	13,726,731	17,110,520
Closing Balance of cash and cash equivalents	22,296,966	13,726,731

Notes Forming Part of Accounts  
As per our report of even date attached

For Ajay Shreya & Company  
Chartered Accountants  
Registration No.:021423N

AJAY JAIN  
(Proprietor)  
Membership No.: 85354

Sandeep Jain  
(Managing Director)

Anju jain  
(Director)

Anant Vats  
(Company Secretary)

A.K. Dixit  
(Chief Financial Officer)

Place : New Delhi  
Dated :30.05.2015



## MOHIT PAPER MILLS LIMITED

### NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

PARTICULARS	AS AT	AS AT
	31st March, 2015 Amount (₹)	31st March, 2014 Amount (₹)
<b>1 A. SHARE CAPITAL</b>		
<b>AUTHORISED SHARE CAPITAL :</b>	175,000,000	175,000,000
1,75,00,000 (Previous year 1,75,00,000)		
Equity shares of ₹ 10/- each.		
<b>ISSUED, SUBSCRIBED, CALLED UP AND PAID UP</b>	140,000,000	140,000,000
1,40,00,000 (Previous year 1,40,00,000)		
Equity Shares of ₹ 10/- each fully paid up.		
<b>TOTAL</b>	<b>140,000,000</b>	<b>140,000,000</b>

### B. Details of shareholding more than 5 percent shares of the Company as on reporting date are given below :

S.No.	Name of Shareholders	As on 31/03/2015		As on 31/03/2014	
		Number of Share held	%age of Holding	Number of Share held	%age of Holding
1.	Mr. Sandeep Jain	2,764,900	19.75%	2,764,900	19.75%
2.	Mrs. Anju Jain	2,005,701	14.33%	1,911,601	13.65%
3.	Mr. Mohit Jain	1,625,218	11.61%	1,625,218	11.61%
4.	Mrs. Shubhi Jain	1,045,000	7.46%	445,000	3.18%
5.	M/s Seltron Finance Limited	2,400,000	17.14%	3,000,000	21.43%

### C. Reconciliation of Shares outstanding at the beginning and at the end of year are given below :

Particulars	2014-2015		2013-2014	
	Number	Amount (₹)	Number	Amount (₹)
Equity Shares outstanding at the beginning of the year	14,000,000	140,000,000	14,000,000	140,000,000
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	14,000,000	140,000,000	14,000,000	140,000,000

### 2 RESERVES & SURPLUS

Surplus in Statement of Profit & Loss ( As per last Balance Sheet )	85,800,837	75,186,562
Add : Profit during the year	10,658,382	10,614,275
(A)	<b>96,459,219</b>	<b>85,800,837</b>
<b>CAPITAL RESERVE :</b>		
Capital Reserve	14,699,770	16,087,180
Less : Transfer to Statement of Profit & Loss	1,182,511	1,387,410
(B)	<b>13,517,259</b>	<b>14,699,770</b>
Total Reserve & Surplus ( A + B )	<b>TOTAL 109,976,478</b>	<b>100,500,607</b>

### 3 LONG TERM BORROWINGS

#### SECURED:

#### Term Loan

From Bank	15,542,958	31,542,958
<b>TOTAL</b>	<b>15,542,958</b>	<b>31,542,958</b>

Nature of Security for Secured Borrowings are given below :

Term Loan from Bank : 15,542,958 31,542,958  
The Term Loan from Bank of Baroda of Rupees 15542958/- (Previous Year of Rupees 31542958/-) is secured by way of First charge over immovable assets of the Company and equitable mortgage of landed property situated at Village Aaspur Ka & Abdulpur Munna, 9KM Nagina Road, District-Bijnor. The loan is further secured by way of second charge on the current assets of the Company and personal guarantee of the promoter / directors of the company.



## MOHIT PAPER MILLS LIMITED

PARTICULARS	AS AT 31st March, 2015 Amount (₹)	AS AT 31st March, 2014 Amount (₹)
<b>4 DEFERRED TAX LIABILITY</b>		
Related to fixed assets	47,066,976	47,803,512
<b>TOTAL</b>	<b>47,066,976</b>	<b>47,803,512</b>
<b>5 OTHER LONG TERM LIABILITIES</b>		
Trade Payables	-	-
Others*	82,879,610	500,000
<b>TOTAL</b>	<b>82,879,610</b>	<b>500,000</b>
*Others include dealers security, creditors for capital expenditure and retention monies payable to suppliers		
<b>6 SHORT TERM BORROWINGS</b>		
<b>SECURED:</b>		
- Working Capital Loan from Bank	214,882,701	180,945,614
	<b>214,882,701</b>	<b>180,945,614</b>
<b>UNSECURED:</b>		
- From Directors	2,001,500	11,751,500
- From Body Corporates	37,702,309	41,762,301
	<b>39,703,809</b>	<b>53,513,801</b>
<b>TOTAL</b>	<b>254,586,510</b>	<b>234,459,415</b>
Working Capital Borrowings from Bank of Baroda are secured against Hypothecation of Stock and Book Debts of the Company. In addition to above, First Charge as Collateral Security over Building and Plant & Machinery both present and future have been created in favour of Bank of Baroda.		
<b>7 TRADE PAYABLES</b>		
Sundry Creditors	53,155,557	33,938,440
<b>TOTAL</b>	<b>53,155,557</b>	<b>33,938,440</b>
<b>8 OTHER CURRENT LIABILITIES</b>		
Advances received from customers	4,765,380	4,005,482
Other payables	34,196,016	21,784,169
Unpresented Cheques	-	49,936,170
<b>TOTAL</b>	<b>38,961,396</b>	<b>75,725,821</b>
<b>Other payables comprise :</b>		
Statutory Liabilities	3,972,770	2,292,705
Salary & Wages Payable	3,709,612	2,138,352
Others	26,513,634	17,353,112
	<b>34,196,016</b>	<b>21,784,169</b>
<b>9 SHORT TERM PROVISIONS</b>		
Current Tax	2,498,173	2,310,299
<b>TOTAL</b>	<b>2,498,173</b>	<b>2,310,299</b>



10. TANGIBLE ASSETS

Amount (₹)

Assets	Gross Block				Depreciation				Net Block	
	As At 01.04.14	Additions during the year	Deduction During the year	Total Cost As At 31.03.15	upto 31.03.2014	For the period	Adjustment	Total Upto 31.03.2015	As At 31.03.2015	As At 31.03.2014
LAND	8,857,464	-	-	8,857,464	-	-	-	-	8,857,464	8,857,464
BUILDING	52,427,015	82,186	-	52,509,201	34,784,383	1,603,701	-	36,388,084	16,121,117	17,642,632
FURNITURE & FIXTURES	1,852,361	228,796	-	2,081,157	1,594,390	82,504	-	1,676,894	404,263	257,971
PLANT & MACHINERY	622,481,712	38,499,202	-	660,980,914	346,419,486	35,322,530	-	381,742,016	279,238,898	276,062,226
MOTOR VEHICLE	4,932,792	-	-	4,932,792	1,396,726	915,467	-	2,312,193	2,620,599	3,536,066
OFFICE EQUIPMENT	4,687,373	419,542	-	5,106,915	3,477,905	326,572	-	3,804,477	1,302,438	1,209,468
<b>TOTAL</b>	<b>695,238,717</b>	<b>39,229,726</b>	<b>-</b>	<b>734,468,443</b>	<b>387,672,890</b>	<b>38,250,774</b>	<b>-</b>	<b>425,923,664</b>	<b>308,544,779</b>	<b>307,565,827</b>
PREVIOUS YEAR TOTAL	646,904,789	48,826,538	492,610	495,238,717	351,510,552	36,520,815	358,477	387,672,890	307,565,827	295,394,237

(a) Land, Building and Plant & Machinery were revalued by Rupees 10,02,83,565/- by an approved valuer on 31.03.1996. The resultant surplus amounting Rupees 10,02,83,565/- was credited to Capital Reserve from which depreciation on revalued portion is being written off every year. Depreciation charged for the year include Rupees 11,82,511/- (Previous Year Rupees 13,87,410/-) which is amount of depreciation for the year on the revalued portion and has been transferred from revaluation reserve and credited to Statement of Profit & Loss for the year. This has no impact on profit for the year.

(b) Depreciation for the period in the sum of Rupees 3,82,50,774/- is inclusive of the amount of Rupees 11,82,511/- which has been transferred from Capital Reserve.

11. CAPITAL WORK IN PROGRESS

Particulars	As on 01.04.14	Addition during the year	Total	Transferred to Gross Block	Total Cost as on 31.03.15
Pulp & Paper Machine	-	8487914	8487914	-	8487914



## MOHIT PAPER MILLS LIMITED

PARTICULARS	AS AT 31st March, 2015 Amount (₹)	AS AT 31st March, 2014 Amount (₹)
<b>12 NON-CURRENT INVESTMENT</b>		
Other Investments	13,200,000	13,200,000
Investments in Equity Instruments (Unquoted Shares) Mohit Petrochemicals Pvt. Ltd. 1320000 Equity Shares of ₹ 10/- each fully paid-up (Previous year 1320000 of ₹ 10/- each fully paid-up)		
<b>TOTAL</b>	<b>13,200,000</b>	<b>13,200,000</b>
<b>13 LONG TERM LOANS &amp; ADVANCES</b>		
Security Deposits	2,099,317	2,121,163
<b>TOTAL</b>	<b>2,099,317</b>	<b>2,121,163</b>
<b>14 INVENTORIES</b> (At lower of cost and net realisable value)		
Raw Materials & Chemicals	75,629,026	61,683,466
Work - in - Process	10,968,839	8,648,578
Finished Goods	14,059,399	14,379,879
Stores & Fuel	55,457,183	39,987,073
Packing Materials & Others	2,309,168	1,602,244
Unfinished Goods	21,241,661	6,836,998
<b>TOTAL</b>	<b>179,665,276</b>	<b>133,138,238</b>
<b>15 TRADE RECEIVABLES</b> (Unsecured, Considered good)		
Over six months	17,950,605	34,300,084
Others	153,015,894	128,076,083
<b>TOTAL</b>	<b>170,966,499</b>	<b>162,376,167</b>
<b>16 CASH &amp; CASH EQUIVALENTS</b>		
Balance with Banks		
Current Accounts	19,108,433	7,753,461
Cash in hand	1,343,413	1,518,150
Deposits maturing within 12 months	1,845,120	4,455,120
FDR pledged with bank includes in the sum of ₹18,45,120 (Previous Year ₹44,55,120)		
<b>TOTAL</b>	<b>22,296,966</b>	<b>13,726,731</b>
<b>17 SHORT TERM LOANS &amp; ADVANCES</b> (Unsecured, considered good)		
Advance Income Tax Paid & TDS	2,467,972	2,264,618
Prepaid Expenses	501,285	527,246
Interest Accrued But not Received	263,228	248,830
Other loans and advances	36,174,422	31,612,232
<b>TOTAL</b>	<b>39,406,907</b>	<b>34,652,926</b>
Other loans and advances include advance to suppliers, advances and imprest to staff and CENVAT/VAT/Service Tax credit receivable etc.		





## MOHIT PAPER MILLS LIMITED

PARTICULARS	For the year ended 31st March, 2015 Amount (₹)		For the year ended 31st March, 2014 Amount (₹)
<b>18 REVENUE FROM OPERATIONS</b>			
<b>Sale of Products</b>			
Paper & Newsprint	864,028,076	853,393,813	
Soda Ash	90,890,212	954,918,288	72,732,333
Less : Excise Duty		51,186,933	44,444,391
<b>TOTAL</b>		<b>903,731,355</b>	<b>881,681,755</b>
<b>19 OTHER INCOME</b>			
Interest Income		526,138	601,519
Other Non-Operating Income		24,000	24,000
Profit/(Loss) on Fixed Assets sold/discarded (Net)		-	85,866
Misc. Receipts & Income From Business Operation		1,073,529	1,094,752
<b>TOTAL</b>		<b>1,623,667</b>	<b>1,806,137</b>
<b>20 COST OF MATERIAL CONSUMED</b>			
Bagasse		118,981,388	85,809,291
Waste Paper:			
-Imported	110,345,072	116,278,305	
-Indigenous	13,805	110,358,877	2,903,901
Other Material		44,203,774	34,940,895
<b>TOTAL</b>		<b>273,544,039</b>	<b>239,932,392</b>
Imported Items - Amount		110,345,072	116,278,305
- Percentage		40%	48%
Indigenous Items - Amount		163,198,967	123,654,087
- Percentage		60%	52%
<b>21 CHANGES IN INVENTORIES</b>			
<b>Opening Stock :</b>			
Finished Goods	14,379,879	8,044,365	
Semi - Finished Goods	6,836,998	9,114,179	
Work in process	8,648,578	29,865,455	10,721,287
<b>Closing Stock :</b>			
Finished Goods	14,059,399	14,379,879	
Semi - Finished Goods	21,241,661	6,836,998	
Work in process	10,968,839	46,269,899	8,648,578
Increase/(Decrease) of Excise duty on inventories		16,404,444	1,985,624
		24,674	156,661
<b>TOTAL</b>		<b>16,429,118</b>	<b>2,142,285</b>
<b>22 EMPLOYEE BENEFITS EXPENSE</b>			
Salaries & Wages		22,797,176	15,618,465
Contribution to Provident and other funds		940,988	763,311
<b>TOTAL</b>		<b>23,738,164</b>	<b>16,381,776</b>



**22 (I) RETIREMENT BENEFITS**

The Company has adopted the Revised Accounting Standard-15 (Revised-2005) 'Employee Benefits'. The relevant policies are:

**SHORT TERM EMPLOYEE BENEFITS**

Short term employee benefits are, recognized in the period during which the services have been rendered.

**Long Term Employee Benefits**

a) Defined Contribution plan

**(i) Provident Fund Scheme**

Contribution to this scheme are expensed in the Statement of Profit & Loss.

These contribution 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 contribution.

**(ii) Gratuity**

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 shall insure gratuity benefits with the LIC. The Company shall pay to the trustees such contributions as are required to secure Gratuity benefits to the employees which will include the liberalized death cover to the employees.

The employees gratuity fund scheme managed by the 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 recognizes 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.

**DEFINED BENEFIT PLAN**

**Actuarial Assumptions**

Mortality Rate - Indian Assured Lives Mortality Table

Discount Rate - 8% p.a.

Interest Rate - 9%

Salary Escalation - 7%

Withdrawal Rate - 1% to 3% depending on age

**Gratuity Plan :**

1	Change in present value of obligation	2014-2015	2013-2014
a)	Present value of obligation as at the beginning	324,912	510,513
b)	Current Service cost	-	83,666
c)	Interest Cost	29,242	20,545
d)	Benefit Paid	-	-
e)	Additional contribution (As per Actuarial valuation)	-	206,146
f)	Present value of obligation as at the end of year	354,154	590,024
2	Change in the fair value of plan assets		
3	Fair value of plan assets		
	Funded Status	(354,154)	(590,024)
4	Actuarial gain / loss recognized		
a)	Actuarial gain / (loss) for the period-obligation	-	-
b)	Actuarial (Gain) / loss for the period – plan assets	-	-
c)	Total (gain) / loss for the year	-	-
d)	Actuarial (gain)/loss recognized in the period	-	-
e)	Unrecognised actuarial (gains)/losses at the end of the period	-	-
5	The amount recognized in balance sheet and statement of profit and loss		
a)	Present value of obligation as at the end of the year	354,154	590,024
b)	Fair value of plan assets as at the end of the year	-	-
c)	Funded status	(354,154)	(590,024)
d)	Net assets / (liability) recognized in balance sheet	-	-
6	Expenses recognized in the statement of profit and loss		
a)	Current service cost	-	83,661
b)	Interest cost	29,242	20,545
c)	Curtailment cost / (credit)	-	-
d)	Settlement cost / (credit)	-	-
e)	Net actuarial (gain)/loss recognized in the year	-	-
f)	Expenses recognized in the statement of profit & loss	29,242	104,211



## MOHIT PAPER MILLS LIMITED

PARTICULARS	For the year ended 31st March, 2015 Amount (₹)		For the year ended 31st March, 2014 Amount (₹)	
23 FINANCE COSTS				
Interest & Charges on Bank borrowing for working capital		24,818,813		24,305,731
Interest on Term Loans		3,877,061		3,684,301
Other Interest		50,285		119,376
	TOTAL	28,746,159		28,109,408
24 DEPRECIATION AND AMORTISATION EXPENSE				
Depreciation and Amortization Exp.		38,250,774		36,520,815
Less : Transfer from Capital Reserve		1,182,511		1,387,410
	TOTAL	37,068,263		35,133,405
25 OTHER EXPENSES				
Manufacturing Expenses				
Chemicals, Stores & Fuel	502,156,910		511,101,619	
Repair & Maintenance	1,412,506		1,508,643	
Raw Material, Mixing, Loading & Sorting	1,402,500		1,525,000	
Laboratory Expenses	214,503		227,362	
Boiler Feeding Expenses	1,340,000	506,526,419	1,260,000	515,622,624
Selling & Distribution Expenses				
Discount, Commission & other Selling Exp.				
Discount & Commission	2,834,648		6,680,341	
Add : Sales Tax & Entry Tax	30,366,449	33,201,097	27,731,287	34,411,628
Establishment Expenses				
Advertisement & Publicity	83,824		97,401	
Office & General Exp.	677,218		1,221,275	
Fees, Rate & Taxes	2,657,395		767,975	
Insurance Charges	1,360,173		949,617	
Legal and Professional Charges	780,346		726,214	
Printing & Stationery	105,396		58,266	
Communication Charges	583,898		420,372	
Travelling & Conveyance	114,578		75,732	
Vehicle Running & Maintenance Expenses	7,152		5,073	
Auditors Remuneration	170,000	6,539,980	170,000	4,491,925
	TOTAL	546,267,496		554,526,177
25 (i) Value of Chemicals, Consumable & Stores consumed:				
	Amount (₹)	% of Consumption	Amount (₹)	% of Consumption
Imported	-	-	5,216,359	1.60%
Indigenous		100.00%	321,711,496	98.40%
	309,193,759	100%	326,927,855	100%
(ii) Value of Imports on CIF basis in respect of				
Raw Material and Stock-in-trade		112,923,257		114,931,536
	TOTAL	112,923,257		114,931,536

**MOHIT PAPER MILLS LIMITED**

<b>PARTICULARS</b>	<b>For the year ended 31st March, 2015 Amount (₹)</b>	<b>For the year ended 31st March, 2014 Amount (₹)</b>
<b>26 EARNINGS PER SHARE (EPS)</b>		
i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	10,658,382	10,614,275
ii) Number of equity shares used as denominator for calculating EPS	14,000,000	14,000,000
iii) Number of Diluted Equity Share	14,000,000	14,000,000
iv) Basic Earning per share	0.76	0.76
v) Diluted Earning per share	0.76	0.76
vi) Face value per equity share	10	10

**27. SIGNIFICANT ACCOUNTING POLICIES****(1) BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

- (i) The financial statements have been prepared in accordance with the applicable Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant disclosure requirements of the Companies Act, 2013 under historical cost convention and on the basis of going concern.
- (ii) Accounting policies not specifically referred to otherwise are consistent and are in consonance with generally accepted accounting principles followed by the company.

**(2) FIXED ASSETS**

- (i) Fixed Assets are stated at cost, net of credit availed in respect of any taxes, duties less accumulated depreciation. Cost comprises of the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Financing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for intended use are also included to the extent they relate to the period up to such assets are ready for their intended use. Expenditure directly relating to construction/erection activity is capitalized. Indirect expenditure incurred during construction period is capitalized as part of the construction or is incidental thereto.
- (ii) Land, Building and Plant & Machinery were revalued by an approved valuer on 31.03.1996. The resultant surplus was credited to Capital Reserve from which depreciation on revalued portion is being written off every year. This has no impact on profit for the year.

**(3) DEPRECIATION**

Depreciation on fixed assets has been provided on written down method, except in respect of Steam Turbine, Boiler House, ETP Plant Conveyers & Handling Equipments, Laboratory Equipments, Forklift Truck and Ruling Machine in whose case the life of the assets have been reassessed based on technical evaluation taking into account the different set of environment in which these assets are operating due to which depreciation is provided on the above assets on Straight Line Method over their useful life.

**(4) REVENUE RECOGNITION**

The Company follows mercantile system of accounting where all the Income and Expenditure items having material bearing on the financial statements are recognized on accrual basis.

**(5) INVESTMENTS**

The investments being long-term investments are valued at cost, after providing for any diminution in value, if such diminution is of a permanent nature.

**(6) FOREIGN CURRENCY TRANSACTIONS**

- i) Foreign currency transactions are recorded on initial recognition at the rate prevailing on the date of the transactions.
- ii) Foreign currency monetary items are reported using the closing rate. Exchange difference arising on the settlement of monetary items or on reporting the same at the closing rate as at the balance sheet date are recognized as income or expenses in the period in which they arise except in case of liabilities incurred for the purpose of acquiring the fixed assets from outside India in which case such exchange differences are adjusted in the carrying amount of fixed assets.

**(7) INVENTORIES**

The Company has valued its inventories on "cost or net realizable value whichever is lower" basis and is in compliance with the Accounting Standard (AS-2)" issued by the Institute of Chartered Accountants of India. Further, the valuation of inventory is inclusive of Excise Duty component wherever applicable as required u/s 145A of the Income Tax Act, 1961.

Cost for the purposes of inventory valuation is calculated as follows :

- i) Raw Materials and other materials at weighted average cost.
- ii) Store Spares and loose tools at Cost on FIFO basis.
- iii) Work in process – Material Cost plus appropriate share of labour and overheads.
- iv) Finished Goods - Cost is determined by taking material, labour and related factory overheads including depreciation and fixed production overheads which are apportioned on the basis of normal capacity

**(8) EXCISE DUTY**

Excise Duty has been accounted on the basis of payments made in respect of goods cleared, as also provision for goods lying in store room wherever applicable.

**(9) SALES & STOCKS**

Sales are recorded on the basis of dispatches till the last day of the year. Sales are accounted for inclusive of excise duty, trade tax & sales tax. Closing Stocks of finished goods and semi-finished goods are accounted for inclusive of Excise Duty.

**(10) TAX ON INCOME**

Current tax is determined in accordance with the provision of the Income Tax Act, 1961, as the amount of tax payable to the taxation authorities in respect of taxable income for the year.

Deferred Tax is recognized subject to consideration of prudence, on timing difference, being the difference between taxable income and accounting income that originate in one period and is capable of reversal in one or more subsequent periods.

**(11) BORROWING COST**

Interest and other costs in connection with the borrowing of funds to the extent related / attributed to the acquisition / consumption of qualifying fixed assets are capitalized up to the date when such assets are ready for intended use and other borrowing costs are charged to Statement of Profit & Loss .

**(12) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Provisions involving a substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not provided for and are disclosed separately by way of Notes to the Accounts. Contingent Assets are neither recognized nor disclosed in the Financial Statements.

**(13) CASH FLOW**

The Cash Flow Statement has been prepared under the "Indirect Method" as prescribed in the Accounting Standard – 3 "Cash Flow Statement".



**28. ADDITIONAL NOTES ON FINANCIAL STATEMENTS**

1.(a) Previous year figures have been reworked, rearranged regrouped and reclassified, wherever considered necessary.

(b) Figures have been rounded off to the nearest rupee.

2. In the opinion of the Board of Directors, Current Assets, Loans & Advances have a value of realization in the ordinary course of business at least equal to the amount at which they have been stated in the Balance Sheet. The provisions for all known liabilities are adequate and not in excess of amount considered reasonably necessary.

3. Contingent Liability not provided for:

(i) In land Bank Guarantee given by Bank of Baroda for the Company amounting for ₹16.75 Lacs and L/C amount ₹ 78.91 Lacs outstanding as on 31.03.2015.

(ii) Estimated amounts of contracts remaining to be executed on capital account and not provided for ₹NIL (Previous Year NIL).

4. In compliance to the Accounting Standard-22 on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India (ICAI), Deferred Tax Asset of ₹ 7,36,536/- (Previous Year ₹14,28,360/- has been provided as at 31<sup>st</sup> March 2015 and the same has been charged to the Statement of Profit & Loss of the Company. This pertains to the timing difference in Depreciation on Assets as per books of accounts. The Deferred Tax Liability has been calculated by applying tax rate that have been enacted and applicable as on the Balance Sheet date. No liability has been computed in respect of difference considered to be of permanent nature

	<b>Current Year 31.03.2015 Amount in ₹</b>	<b>Previous Year 31.03.2014 Amount in ₹</b>
Salary & allowance	3300000	1987500
Total	3300000	1987500

6. Auditor's Remuneration

	<b>Current Year (₹)</b>	<b>Previous Year (₹)</b>
Audit Fees	1,70,000	1,70,000

7. There are no impairment of assets in terms of Accounting Standard-28 issued by the Institute of Chartered Accountants of India.

8. Related Parties Disclosures:

Holding Company : NIL

Subsidiary Company : NIL

Key Managerial Personnel : Mr. Sandeep Jain

Related Party :

Anju Jain, Mohit Jain

Shubhi Jain, Centurion Paper and Board

Centurion Rubber, Centurion Industries Private Limited



## MOHIT PAPER MILLS LIMITED

Transactions with related parties for the period 01.04.2014 to 31.03.2015

(Amount in ₹)

Particulars	Corporate Associates	KMP & Relations	Unincorporated Entities	O/S as on 31-03-2015
Loans received	-	43,00,000	-	20,01,500
Loan repaid	-	1,40,50,000	-	-
Remuneration to key Personnel	24,000	51,00,000	-	6,37,631
Rent Received	-	-	-	-
Salary & Others to Relative	-	27,00,000	-	16,29,204

9 . Segment Information as per Accounting Standard 17 on Segment Reporting for the year ended 31.03.2015 .

(Amount : ₹ Lacs)

Particulars	Paper	Soda Ash	2015 Total	Paper	Soda Ash	2014 Total
Revenue						
External Sales	8640.28	908.90	9549.18	8533.94	727.32	9261.26
Internal Segment Sales	-	-	-	-	-	-
Total	8640.28	908.90	9549.18	8533.94	727.35	9261.26
Segment Result	146.47	247.13	393.60	-46.14	424.64	378.50
Unallocated Corporate (Expenses)/ Income	-	-	10.97	-	-	12.05
Operating Profit	287.46	-	404.54	-	-	390.55
Interest Expenses	-	-	287.46	281.09	-	281.09
Interest/Dividend Income & Surplus on Disposal of Investments	-	-	5.26	-	-	6.01
Income Tax	-	-	24.98	-	-	23.10
Deferred Tax	-	-	(-)7.36	-	-	(-)14.28
Profit after tax	-	-	106.58	-	-	106.65
Other Information	-	-	-	-	-	-
Segment Assets	5329.27	290.46	5619.73	4808.69	320.03	5128.72
Unallocated Corporate Assets	-	-	132.00	-	-	132.00
Total	5329.27	290.46	5751.73	4808.69	320.03	5260.72
Segment Liabilities	1774.94	-	1774.94	1407.09	-	1407.09
Unallocated Corporate Liabilities	-	-	-	-	-	-
Total	1774.94	-	1774.94	1407.09	-	1407.09
Capital Expenditure	-	-	-	-	-	-
Depreciation/ Amortisation	349.39	33.11	382.50	315.31	36.02	351.33
Other Non Cash Expenses Other than Depreciation / Amortization	-	-	-	-	-	-



**Notes:**

In addition to the significant accounting policies applicable to the business segment as set out in Note 27, Notes to Accounts, the accounting policies in relation to segment accounting are as under:

- i. The Company has disclosed Business Segment as the primary segment have been identified taking into account the nature of the products, the differing risks and returns, the organization structure and internal reporting system. The Company's operations predominantly relates to manufacturing of paper and other business segment comprises of SodaAsh.
- ii. Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis. The expenses, which are not directly relatable to the business segments are shown as unallocated corporate expenses.
- iii. Assets and Liabilities that cannot be allocated between the segments are shown as un-allocable corporate assets and liabilities respectively.
- iv. There are no secondary reportable segments as all operations and customers are located in India. The Company operates in a single geographical segment.

**10 . INTANGIBLE ASSETS**

There are no intangible assets as on date of balance sheet.

Subject to our separate report of even date.

For AJAY SHREYA & COMPANY  
CHARTERED ACCOUNTANTS  
Registration No. 021423N

AJAY JAIN  
(Proprietor)  
Membership No.:85354

Sandeep Jain  
(Managing Director)

Anju Jain  
(Director)

Anant Vats  
(Company Secretary)

A.K. Dixit  
(Chief Financial Officer)

PLACE : New Delhi  
DATED :30.05.2015



## MOHIT PAPER MILLS LIMITED

### MOHIT PAPER MILLS LIMITED

Registered Office: 15A/13, UPPER GROUND FLOOR, EAST PATEL NAGAR, NEW DELHI-110008

TELEPHONE: 011-25886798, TELEFAX: 011-25886797, WEB-SITE: mohitpaper.in

E-Mail: mohit.paper@rediffmail.com

CIN: L21093DL1992PLC116600

### ATTENDANCE SLIP

TWENTY THIRD ANNUAL GENERAL MEETING

WEDNESDAY, 30<sup>TH</sup> SEPTEMBER, 2015

ANNUAL GENERAL MEETING to be held on Wednesday 30<sup>th</sup> Day of September, 2015 at 10:00 A.M. at Bharat Banquet Hall, A-5, Naveen Vihar, Rajiv Nagar Extension, Begumpur Main Barwala Road, Delhi-110081.

NAME OF THE MEMBER/PROXY : \_\_\_\_\_

DP ID-CLIENT ID NO./FOLIO NO. : \_\_\_\_\_

NO. OF SHARES HELD : \_\_\_\_\_

ADDRESS OF THE MEMBER : \_\_\_\_\_

I/We hereby record my/our presence at the 23<sup>rd</sup> Annual General Meeting of the Company at Bharat Banquet Hall, A-5, Naveen Vihar, Rajiv Nagar Extension, Begumpur Main Barwala Road, Delhi-110081

Signature of the Shareholder/Proxy

Name: \_\_\_\_\_

(Members/Proxy attending the Meeting must bring the above Admission Card/Attendance Slip to the Meeting and handover at the entrance, after duly signing)



## MOHIT PAPER MILLS LIMITED

**MOHIT PAPER MILLS LIMITED**  
Registered Office: 15A/13, UPPER GROUND FLOOR, EAST PATEL NAGAR, NEW DELHI-110008  
TELEPHONE: 011-25886798, TELEFAX: 011-25886797, WEB-SITE: mohitpaper.in  
E-Mail: mohit.paper@rediffmail.com  
CIN: L21093DL1992PLC116600, MOHIT PAPER MILLS LIMITED  
PROXY FORM, TWENTY THIRD ANNUAL GENERAL MEETING  
Wednesday, 30 September, 2015

Name of the Member(s): \_\_\_\_\_ (IN BLOCK LETTERS)

Registered Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_

Folio No./DP ID-Client ID No. \_\_\_\_\_

I/We, being the member(s) of \_\_\_\_\_ shares of the above named Company hereby appoint

1. Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail id: \_\_\_\_\_

Signature \_\_\_\_\_, or failing him/her

2.1. Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail id: \_\_\_\_\_

Signature: \_\_\_\_\_, or failing him/her

as my proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Third Annual General Meeting of the Company, to be held on Wednesday, 30th Day of September, 2015 at Bharat Banquet Hall, A-5, Naveen Vihar, Rajiv Nagar Extension, Begumpur Main Barwala Road, Delhi-110081 and at any adjournment thereof in respect of such resolutions as are indicated below

Resolution No.	Description of Resolution
1.	Adoption of the Financial Statements of the Company for the year ended on 31 <sup>st</sup> March, 2015 together with the reports of the Directors and Auditors thereon.
2.	Re-appointment of Mrs. Shubhi Jain as a Director, liable to retirement by rotation
3.	Ratification of the appointment of M/S Ajay Shreya & Co. as Statutory Auditors of the Company.
4.	Appointment of Mr. Sushil Kumar Tyagi as Independent Director.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015

Signature of shareholder(s) \_\_\_\_\_ Signature of Proxy holder(s) \_\_\_\_\_

### Note:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Annual General Meeting.
- The Proxy Form should be signed across the Revenue stamp as per specimen signature(s) registered with the Company/depository participant.
- A proxy need not be a member.

Affix Revenue stamp  
(15 paise)

**MOHIT PAPER MILLS LIMITED**

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**MOHIT PAPER MILLS LIMITED**

**FORM NO. MGT-12****POLLING PAPER**

(Pursuant to Section 109(5) of the Companies Act, 2013 and Rule 21(1)(c) of the Companies  
(Management and Administration Rules, 2014)

Ballot Paper		
S.No.	Particulars	S.No.
1.	Name of First Named Shareholder (In Block Letters)	Details
2.	Postal Address	
3.	Regd. Folio No.or DP ID No.& Client ID No.	
4.	Class of Share	Equity Shares

I hereby exercise my vote in respect of Ordinary/Special Resolution enumerated below by recording my assent or dissent to the said resolutions in the following manner:

1.	Description	No. of shares held	I assent to the resolution	I dissent to the resolution
	ORDINAY BUSINESS			
1.	Adoption of the Financial Statements of the Company for the year ended on 31st March,2015 together with the reports of the Directors and Auditors thereon.			
2.	Re-appointment of Mrs. Shubhi Jain as a Director, liable to retirement by rotation.			
3.	Ratification of the appointment of M/S Ajay Shreya & Co. as Statutory Auditors of the Company.			
	SPECIAL BUSINESS			
4.	Appointment of Mr. Sushil Kumar Tyagi as Independent Director.			

Signature of the Shareholder/Proxy  
Name:

Date:


Place:

**FORM A**

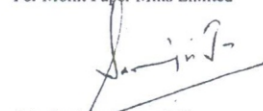
(Pursuant to Clause 31(a) of the Listing Agreement)

1.	Name of the Company	Mohit Paper Mills Limited
2.	Annual financial statements for the year ended	31 <sup>st</sup> March.2015
3.	Type of audit observation	Un-Qualified
4.	Frequency of observation	N.A.

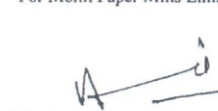
For Mohit Paper Mills Limited

  
Mr. Sandeep Jain  
Managing Director

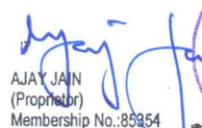
For Mohit Paper Mills Limited

  
Mr. Sanjeev Kumar Jain  
Chairman- Audit Committee

For Mohit Paper Mills Limited

  
Mr. Arvind Kumar Dixit  
Chief Financial Officer

For AJAY SHREYA & COMPANY  
CHARTERED ACCOUNTANTS  
Registration No. 021423N

  
AJAY JAIN  
(Proprietor)  
Membership No.:85954



PLACE : New Delhi  
DATED :30/05/2015

To, \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



**If undelivered please return to :**

**MOHIT PAPER MILLS LIMITED**

15A/13, Upper Ground Floor,  
East Patel Nagar, New Delhi-110 008