



MOHIT PAPER MILLS LIMITED

BOARD OF DIRECTORS

EXECUTIVE DIRECTORS

Mr. Sandeep Jain (Chairman, Managing Director cum CEO)

Mr. Pradeep Kumar Rajput

NON EXECUTIVE DIRECTORS

Mrs. Shubhi Jain

Mrs. Anju Jain

INDEPENDENT DIRECTORS

Mr. Rachit Jain

Mr. Sushil Kumar Tyagi

Mr. Sanjeev Kumar Jain

Mr. Sourabh Mathur

COMPANY SECRETARY

Mr. Anant Vats

CHIEF FINANCIAL OFFICER

Mr. Arvind Kumar Dixit

STATUTORY AUDITORS

M/s Anil Sood & Associates

Chartered Accountants

New Delhi

SECRETARIAL AUDITORS

M/S PDS & CO.

Company Secretaries

New Delhi

COST AUDITORS

H. Tara & Co.

Cost Auditors

New Delhi

INTERNAL AUDITORS

VPSJ & CO.

Chartered Accountants

New Delhi

BANKERS

Andhra Bank

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

GST Number:09AAACM8533F1ZG

WORKS:

9TH KM Stone,

Nagina Road,

Bijnor -246701 (U.P.)

REGISTRAR & TRANSFER AGENT

LINK INTIME INDIA PRIVATE LIMITED

Noble Heights, 1st Floor, Plot, NH-2

C-1 Block LSC, Near Savitri Market, Jankpuri

New Delhi-110058.

Phone: 011-41410592,93,94

Telefax: 41410591

E-mail:delhi@linkintime.co.in



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 Seventh Annual General Meeting of the Members of MOHIT PAPER MILLS LIMITED will be held on Friday the 27th Day of September, 2019 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, 2019, including the audited Balance Sheet as at March 31, 2019, 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.

SPECIAL BUSINESS:

Item No.3 - Increase in remuneration of Mr. Sandeep Jain (DIN-00458048) Managing Director cum CEO

To approve payment of remuneration to Shri Sandeep Jain (DIN: 00458048), Managing Director cum CEO and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded to payment of such remuneration to Shri Sandeep Jain (DIN: 00458048), Managing Director cum CEO, for his remaining term from June 1, 2019, as set out in the statement annexed to the Notice convening this Meeting with the liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) to alter and vary the said terms and conditions of appointment and / or remuneration, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;



"RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Item No.4 - Appointment of Mr. Sourabh Mathur (DIN-08354589) as an Independent Director

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

RESOLVED that Mr. Sourabh Mathur (DIN-08354589), who was appointed by the Board of Directors as an Additional Director of the Company with effect from February 14, 2019 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 ("Act") and Article 66 of Articles of Association of the Company but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company."

"RESOLVED FURTHER that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, the appointment of Mr. Sourabh Mathur (DIN-08354589), who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation, for a term of five years commencing February 14, 2019 to February 13, 2024, be and is hereby approved."

Item No.5 - RATIFICATION OF REMUNERATION OF COST AUDITOR

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. H. Tara & Co., Cost Accountants appointed by the Board of Directors of the Company, to conduct the audit of the cost records of Mohit Paper Mills Limited for the financial year 2019-20, the remuneration of ₹ 60,000 /- p.a. (Rupees Sixty Thousand Only) plus taxes as applicable and reimbursement of actual travel and other out of pocket expenses to be paid to the Cost Auditors of the Company for Financial Year 2019-20 as approved by the Board of Director of the Company be and is hereby ratified."

BY ORDER OF THE BOARD OF DIRECTORS

ANANT VATS
(COMPANY SECRETARY)

PLACE : NEW DELHI
DATED : 8TH AUGUST, 2019

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 21st Day of September, 2019 to 27th Day of September, 2019 (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 advice 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 2018-19 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 are 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 entitles to make nominations and they can send the nominations in Form SH-13 in duplicate to the Registrar and Transfer Agent of the Company.**

10. VOTING THROUGH ELECTRONIC MEANS

In terms of Regulation 44(1) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and compliance to the Rule 20 of the Companies (Management and Administration) Rules, 2014 or amendments made thereto, the Company is pleased to offer Remote e-voting facility besides physical ballot, for its members at the Annual General Meeting which will enable them to cast their votes electronically and to pass the resolutions.

Shri Prashant Kumar Balodia, Partner of PDS & Co., Practicing Company Secretaries, Delhi, has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

For this purpose, the Company has appointed M/s CDSL as a Remote e-voting platform for facilitating its members to vote electronically.

The instructions for shareholders voting electronically are as under:

- (i) The Remote e-voting period begins on 24th Day of September, 2019 (9:00 a.m.) and ends on 26th September, 2019 (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 (specified date) of 20th September, 2019, may cast their vote electronically. The Remote e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the Remote e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an

earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
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 OR 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).

(viii) After entering these details appropriately, click on “SUBMIT” tab.

(ix) 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.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote i.e. Mohit Paper Mills Limited.

(xii) 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.

- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) 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.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) 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 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.
 - 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 linked in the login should be mailed to 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 favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) 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, under help section or write an email to helpdesk.evoting@cdslindia.com

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

Shri Sandeep Jain (DIN: 00458048) was appointed as the Managing Director cum CEO of the Company for a term of three (3) years w.e.f. August 13, 2017. The members of the Company at their annual general meeting held on 28th Day of Septmeber, 2017 have approved the payment of remuneration to Shri Sandeep Jain w.e.f August 13, 2017 for (3) years. The Board at its meeting held on May 30, 2019 have approved increase in remuneration for his remaining term from June 1, 2019 to August 12, 2020 for which approval of the members is required. The remuneration proposed to be paid to Shri Sandeep Jain has also been recommended by the Nomination and Remuneration Committee. The remuneration proposed will be within the limits permissible under Schedule V to the Act. Keeping in view, the vast experience of Shri Sandeep Jain, the Board of Directors has recommended the payment of remuneration for the period from June 1, 2019 for his remaining term as set out herein below:

i. Salary of Rs. 5,00,000/- (Rupees Five Lakhs only) per month.

In addition to the salary the Managing Director shall also be entitled to the following perquisites and allowances:

ii. Perquisites and allowances:

a. The Managing Director shall be entitled to perquisites and allowances like furnished accommodation whether owned by the Company or taken on lease, house maintenance allowance together with reimbursement of expenses or allowance for utilities such as gas, electricity, water, furnishings, repair, servants' salaries, medical reimbursement for self and dependent family, medical accident/keyman Insurance, leave travel concession for self and family, club membership subject to maximum of two clubs; such perquisites and allowances will be restricted to an amount equal to his annual salary.

b. The value of the perquisites and allowances would be evaluated as per Income Tax Rules, 1962 wherever applicable and at cost in the absence of any such Rule.

c. Company's contribution towards Provident Fund as per the rules of the Company.

d. Provision for use of Company's Car for official duties and telephone at residence shall not be included in the computation of perquisites and allowances for the purpose of calculating the said ceiling.

e. Gratuity payable as per rules of the company but not exceeding half months salary for each completed year of service.

Except Shri Sandeep Jain, Mrs. Anju Jain, Mr. Mohit Jain, Mrs. Shubhi Jain, none of the other Directors / Key Managerial Personnel of the Company or their relatives are in anyway, concerned or interested, financially or otherwise, in the said resolution.

The Board recommends the Special Resolution set out at Item No. 3 of the Notice for approval by the members.

Statement containing detailed information as per Schedule V of the Companies Act, 2013.

I. GENERAL INFORMATION :	
1. Nature of Industry	Manufacture of Paper (Writing Printing and Poster Paper)
2. Date of Commencement of commercial production	July 1995
3. In case of new companies, expected date of commencement of activities as per project by financial institutions appearing in the prospectus	Not Applicable
4. Financial Performance based on given indicators as at 31.03.2019	During the Year Net Sales was recorded as at ₹15599.42 Lakhs as against ₹10260.59 Lakhs in 2017-18. During the year Net Profit before tax is recorded as ₹295.63 Lakhs as against ₹138.81 Lakhs in 2017-18
II. INFORMATION ABOUT APPOINTEE:	
1. Background Details	Mr. Sandeep Jain, aged about 55 years is a Post Graduate and having about 35 years of experience in Operations, Marketing and Sales in paper industry.
2. Past Remuneration Drawn	Last Remuneration Drawn by Mr. Sandeep Jain as Managing Director cum CEO was ₹36 Lakhs per annum
3. Recognition/Awards	Nil
4. Job Profile and his suitability	Mr. Sandeep Jain is the Promoter Director of the Company and is associated with the Company since its inception. He is acting as Managing Director w.e.f.13.08.2007. He looks after the Operations of the Company. Under his vast experience company has made continued progress year-on-year.
5. Remuneration Proposed	The proposed remuneration is as mentioned in the Notice.
6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person.	The Company is engaged in the manufacture of Paper. The payment of remuneration is commensurate with the current market situation, industry trend, experience and performance
7. Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any	None of the directors or Key Managerial personnel or their relatives except Mr. Sandeep Jain being the concerned person and his relatives Mrs. Anju Jain (wife and director, Mrs. Shubhi Jain (daughter in law and director), Mr. Mohit Jain (son and GM administration) are deemed interested or concerned in the said resolution. Mr. Sandeep Jain is not having any pecuniary relationship directly or indirectly with the Company other than approved remuneration and shareholding of 2764900 shares in the Company.
III OTHER INFORMATION	
1. Reasons of Loss or inadequate profit	As the Company is capital and labor intensive industry and with increasing cost of fuel and raw-material and decline in the value of rupee with respect to dollar there is less of profit margin.
2. Steps taken or proposed to be taken for improvement	The Company have shown improvement this year with respect to previous years in terms of profit and sales and is on the path of growth.

Item No.-4.

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors appointed Mr. Sourabh Mathur (DIN-08354589), as Additional Directors of the Company and also as Independent Directors, not liable to retire by rotation, for a term of 5 years i.e. from February 14, 2019 to February 14, 2024, subject to approval of the Members. Pursuant to the provisions of Section 161(1) of the Act and Article 66 of the Articles of Association of the Company, he shall hold office up to the date of this Annual General Meeting ("AGM") and is eligible to be appointed as Director. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from Member(s), proposing his candidature for the office of Director. The Company has received declarations from Mr. Sourabh Mathur (DIN-08354589), to the effect that he meets the criteria of independence

as provided in Section 149(6) of the Act read with the Rules framed thereunder and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). In terms of Regulation 25(8) of SEBI Listing Regulations, he has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties. In the opinion of the Board, he fulfils the conditions specified in the Act, Rules and SEBI Listing Regulations for appointment as Independent Director and they are independent of the management of the Company. The terms and conditions of his appointment shall be open for inspection by the Members at the Registered Office of the Company during the normal business hours on any working day and will also be kept open at the venue of the AGM till the conclusion of the AGM.

The Board recommends the resolution at Item No. 4 for approval of members of the Company.

None of the Directors of the Company and their relatives or Key Managerial Personnel and their relatives, are in any way, concerned or interested in the said resolution other than Mr. Sourabh Mathur and his relatives.

Item No-.5

The Board of Directors of the Company, on the recommendation of the Audit Committee, has approved the appointment of M/s. H.Tara & Co., Cost Accountants to conduct the audit of the cost records of product paper of Mohit Paper Mills Limited for the financial year 2019-20, at a remuneration of ₹ 60,000/- p.a. (Rupees Sixty Thousand Only) plus taxes as applicable and reimbursement at actual travels and other out of pocket expenses in accordance with the provisions of Section 148 and other applicable provisions, if any, of the Act, 2013 and Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration payable to the Cost Auditors as approved by the Board of Directors is required to be subsequently ratified by the members of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year 2019-20. None of the Directors and / or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No.5 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the shareholders.

BY ORDER OF THE BOARD OF DIRECTORS

ANANT VATS
(COMPANY SECRETARY)

PLACE : NEW DELHI
DATED : 8TH AUGUST, 2019

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

<i>Name of the Director(with relationship with other Directors inter-se if any)</i>	<i>Mrs. Shubhi Jain (daughter in law of Mr. Sandeep Jain Managing Director and Mrs. Anju Jaini Jain non-executive director)</i>	<i>Mr. Sourabh Mathur</i>
<i>Date of Birth</i>	<i>19/08/1991</i>	<i>01/07/1968</i>
<i>Qualification</i>	<i>Engineering Graduate</i>	<i>Commerce Graduate</i>
<i>DIN</i>	<i>06685602</i>	<i>08354589</i>
<i>No. of other directorship</i>	<i>1</i>	<i>Nil</i>
<i>Shareholding in the Company</i>	<i>1045000 shares</i>	<i>Nil</i>
<i>Category</i>	<i>Non-Executive Director</i>	<i>Independent Director</i>
<i>Remuneration as Director</i>	<i>Nil</i>	<i>Nil</i>
<i>Membership of Committee</i>	<i>Nil</i>	<i>Nil</i>
<i>Expertise</i>	<i>Expertise in engineering and administration.</i>	<i>He has vast experience in Business in fabrication.</i>

DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting the 27th Annual Report together with the Audited Accounts of the Company for the year ended, 31st March, 2019.

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

1. FINANCIAL RESULTS

		<i>Current Year ending 31.03.2019</i>		<i>(₹ in Lakhs) Current Year ending 31.03.2018</i>
<i>Sales & Other Income</i>		15,799.42		10,269.06
<i>Operating Profit -before Interest, Depreciation & Tax</i>		961.50		784.50
<i>Interest & Finance Charges</i>		228.15		281.11
<i>Depreciation</i>		438.24		364.58
NET PROFIT BEFORE TAX		295.10		138.81

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 31.03.2019, which has been carried over in the Balance Sheet. Sales and Other Income for the year was ₹157.99 crores as against ₹102.69 crores in the previous year.

Corporate Overview

During the year Sales and other income have increased from ₹ 102.69 crores to ₹157.99 crores. Net Profit before tax increased from ₹ 138.81 Lakhs to ₹ 295.11 Lakhs. Production has increased from 21,918.78 M.T. to 30,791.97 M.T.

Share Capital

Authorized Share Capital of the Company is ₹17,50,00,000/- divided into 1,75,00,000 Equity Shares of ₹10/- each and Issued, Subscribed and Paid-up Capital of the Company is ₹14,00,00,000/- divided into 1,40,00,000 Equity Shares of ₹10/- each. There was no change in the Share Capital during the year.

Chairman

For making proper Composition of Board of Directors as per SEBI (LODR) Regulations, 2015 Mr. Sandeep Jain (Managing Director cum CEO) gave his resignation as Chairman of the board on 29.09.2018 and Mr. Rachit Jain (Independent Director) was appointed as Chairman of the Board with effect from 10/10/2018 and as the requirement of the composition to the board is being fulfilled by appointment of Mr. Sourabh Mathur as independent director on the board wef 14.2.2019, Mr. Sandeep Jain was again appointed as the Chairman wef 30.05.2019 and Mr. Rachit Jain gave his resignation as Chairman wef same date.

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, 2015.

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 31.03.2019, which has been carried over in the Balance Sheet.

Subsidiaries, Associate Companies

There is no Subsidiaries or Associate Company as on 31st March 2019. 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 all contract or arrangements with referred partner (related parties) referred to in the section 188(1) of the Companies Act, 2013 in the prescribed form AOC-2 is appended as Annexure B of the Board's Report. Disclosures of transactions with Related Parties can be seen in Note No. 29 of the Notes to the Financial Statements.

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, Company's 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 retired from office by rotation and being eligible offered herself for re-appointment and was re-appointed in the annual general meeting held on 28.09.2018.

Shareholders approval was taken for the appointment of Mr. Pradeep Kumar Rajput in the meeting held on 28.09.2018 with effect from 23/11/2017.

Shareholders approval was taken by Special Resolution for appointment of Mr. Sushil Kumar Tyagi, Mr. Rachit Jain, Mr. Sanjeev Kumar Jain in AGM held on 28.09.2018 for their 2nd term of 5 years as Independent Directors with effect from 01/04/2019.

Mr. Sourabh Mathur was appointed as Additional Independent Director by the Board in their meeting held on 14/11/2019 till next AGM subject to the approval of members in the ensuing AGM for 5 years with effect from 14/11/2019.

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

Audit Committee

Composition of Audit Committee of the Board is provided in the Corporate Governance Report, which forms part of the Annual Report. All the recommendations made by the Audit Committee were accepted by the Board.

Declaration by Independent Director

The Company has 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, 2019, the applicable accounting standards have been followed.
- The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the Statement of Profit & Loss of the Company for the period.
- The directors have taken proper and sufficient care towards the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The directors have prepared the annual accounts on-going concern basis.
- The directors have laid down internal financial controls, which are adequate and are operating effectively.
- The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

Internal Financial Control System

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

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 SEBI (LODR) Regulations, 2015, 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

M/s Anil Sood & Associates, Chartered Accountants (Registration Number-004985N) acted as statutory auditors.

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

Cost Records

Cost Records as specified by the Central Government under Section 148(1) of the Companies Act, 2013 are made and maintained by the Company.

Cost Auditors

H. Tara & Co. were appointed as Cost Auditors for conducting Cost Audit for the year 2018-2019

They (Cost Accountants) were also appointed as Cost Auditor for the year 2019-2020.

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 have appointed PDS & Co., Practicing Company Secretaries, to undertake the secretarial audit of the Company for the year 2019-2020. The Secretarial Audit Report done by PDS & Co. for the year 2018-2019 is annexed herewith as "Annexure-G".

Internal Auditors

M/S Pundir & Associates (Chartered Accountants) were appointed as Internal Auditors of the Company for the year 2019-2020. The name of their firm changes to M/S VPSJ & Co. which is been taken note of by the Board of Directors.

Managerial Remuneration and Particulars of employees

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

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

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 Social Responsibility

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

Corporate Governance Report and Management Discussion and analysis

In terms of the provisions of SEBI (LODR) Regulations, 2015, Corporate Governance Report is annexed as Annexure-H, and the Management's discussion and analysis is annexed as Annexure-I.

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.

Sexual Harassment of Women at Workplace

Company has complied with provisions relating to the constitution of Internal Complaints Committee under Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013
No such incidence of sexual harassment of women was reported during the year 2018-2019.

Acknowledgement

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

FOR AND ON BEHALF OF BOARD OF DIRECTORS

SANDEEP JAIN
(CHAIRMAN)
DIN-00458048

PLACE : NEW DELHI
DATED : 8TH AUGUST, 2019

**ANNEXURE TO DIRECTOR'S REPORT
ANNEXURE (A)****DISCLOSURE OF PARTICULARS UNDER SECTION 134(3)(m) READ WITH RULE -8(3) OF THE
COMPANIES ACT, 2013.****A. CONSERVATION OF ENERGY****a. Energy Conservation measures taken:**

- i. The Company is self sufficient in terms of power. Co-generation power plant is running good.
- ii. Training sessions of Shop Floor Workmen had been organized periodically.
- iii. The Company has revamped and realigned the existing facilities to optimize power consumption in various power consuming facilities.
- iv. The Bio Digester Plant is running satisfactorily which is utilising the waste of Paper (Sludge) for making gas which is used as fuel for Boiler for reducing the cost of fuel and is used as a tool for making the environment clean and pollution free.

b. Additional Investments and proposals, if any, being implemented for reduction of energy consumption.

- i. Better power factor management across the unit.
- ii. Identifying and eliminating non-productive energy consumption areas.

c. Impact of the measures at (a) and (b) for reduction of energy Consumption on the cost of Production of goods.

The above efforts shall help in restoring efficiency in conservation of energy. No separate costing had been done to measure energy saved, if any, by the company.

d. Total energy consumption and energy consumption per unit of production:

As per Form 'A' enclosed.

B. TECHNOLOGY ABSORPTION

Efforts made in technology absorption

As per Form '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 ₹15,67,14,968 on account of Import on CIF Basis of waste paper and machinery parts if any.

FOR AND ON BEHALF OF BOARD OF DIRECTORS

SANDEEP JAIN
(CHAIRMAN)
DIN-00458048

PLACE : NEW DELHI
DATED : 8TH AUGUST, 2019

FORM-A

Disclosure of particulars with respect to conservation of energy:

A. Power & Fuel consumption
1. Electricity

	Current Year 31.03.2019	Previous Year 31.03.2018
Purchased:		
Units	2588892	1038594
Total Amount(₹)	23038900	11662922
Rate/Unit	8.90	11.23

Through Steam Turbine/Generator

a. Units Produced	26532778	22103010
Cost/Unit	NIL	NIL
Units per Ltr. of fuel	NIL	NIL
b. Units Sold	1823806	-
Rate/Units	8.00	-
c. Net units consumed for production		
Units	27297864	21064416
Cost/Units	NIL	NIL
Units per rate of fuel	NIL	NIL

2. Charcoal:

Qty.(MT)	22.415	38.620
Total Cost (₹)	338885	565679
Average Rate(₹)	15118.68	14647.30

3. Tel Rahit Bhussi:

Qty.(MT)	76690	57307
Total Cost (₹)	358151156	218111798
Average Rate(₹)	4670.12	3806.22

4. Lubricant:

Qty.(M.T.)	14903	12683
Total Cost (₹)	2199616	1720263
Average Rate(₹)	147.60	135.64

5. Coke:

Qty.(M.T.)	NIL	812.875
Total Cost (₹)	NIL	7907213
Average Rate(₹)	NIL	9727.46

6. Bagasse:

Qty.(M.T.)	4865.800	7980.465
Total Cost (₹)	14406751	14216656
Average Rate(₹)	2960.82	1781.43

7. Coal:

Qty.(M.T.)	15644.98	2014.324
Total Cost (₹)	107734576	13168189
Average Rate(₹)	6886.21	6537.27

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

	<u>Current year-31.03.2019</u>	<u>Previous year-31.03.2018</u>
Product	Paper	Paper
Production (MT)	29904.969	21505.877
Electricity (Units/MT)	973	942
 Tel Rahit Bhussi (in Boiler) (On directly attributable basis to Production)	 2.564	 2.394
 Bagasse (In Boiler) (On Directly attributable basis to production)	 0.163	 0.333
 Lubricant (In Boiler) (On Directly attributable basis to production)	 0.501	 0.529
 Coal (In Boiler) (On Directly attributable basis to production)	 0.523	 0.084
 Charcoal (In Boiler) (On Directly attributable basis to production)	 0.001	 0.161
 Coke (In Boiler) (On Directly attributable basis to production)	 0.00	 0.034

FOR AND ON BEHALF OF BOARD OF DIRECTORS

SANDEEP JAIN
(CHAIRMAN)
DIN-00458048PLACE : NEW DELHI
DATED : 8TH AUGUST, 2019

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:

The Company is under process of improving the quality of paper by installation of CLO₂ (Chlorine) Di Oxide plant.

It will increase the brightness of the Paper and will give it more strength.

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 : 8TH AUGUST, 2019



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 material contracts or arrangements or transactions entered in to during the year ended March 31, 2019 which were not at arm's length basis. There were no material contracts or arrangements or transactions for the year ended March 31, 2019 as per policy framed by the Company according to SEBI (LODR) Regulations, 2013

Details of contracts or arrangements or transactions at arm's length basis for the year ended March 31, 2019 are as follows:

₹ in Lakhs				
S.No.	Name of Related Party	Name of the director or KMP who is related and nature of relation	Nature of contract/arrangement	Value of Transaction in the year
1.	Neelam Dixit	Wife of Chief Financial Officer Mr. Arvind Dixit	Supplier of waste paper(indigenous) to Mohit Paper Mills Limited	₹321.59/-
2.	Mohit Jain (GM) Marketing and Administration)	Son of Mr. Sandeep Jain (Managing Director) Son of Mrs. Anju Jain (Non-Executive Director) Husband of Mrs. Shubhi Jain (Non-Executive Director)	Salary Paid to Mr.Mohit Jain	₹18.00/-
3.	Sandeep Jain (Managing Director)	Husband of Mrs. Anju Jain (Non-Executive Director) Father in Law of Mrs. Shubhi Jain(Non-Executive Director)	Remuneration Paid to Mr. Sandeep Jain	₹40.80/-
4.	Anju Jain (Non-Executive Director)	Wife of Mr. Sandeep Jain (MD) Mother in law of Mrs. Shubhi Jain (Non Executive Director)	Rent Paid to Mrs. Anju Jain	₹18.00/-
5.	Centurion Industries Pvt. Ltd.	Mrs. Anju Jain and Mrs. Shubhi Jain directors of Mohit Paper Mills Limited are directors in this Company	Electricity supplied to Centurion Industries Pvt. Ltd.	₹50.50/-
6.	Centurion Rubber	Mr. Mohit Jain is Proprietor of thisFirm who is son of Mr. Sandeep Jain Managing Director of Mohit Paper Mills Limited	Electricity supplied to Centurion Rubber	₹95.22/-
7.	Centurion Paper & Board	Mrs. Anju Jain and Mrs. Shubhi Jain directors of Mohit Paper Mills Limited are Partners in this firm.	Supplier of Packing Material	₹1.74/-
8.	Anant Vats	CS	Salary Paid	₹6.48/-
9.	Arvind Dixit	CFO	Salary Paid	₹4.44/-
10.	Pradeep Kumar Rajput	Whole time director	Remuneration Paid	₹4.56/-

FOR AND ON BEHALF OF BOARD OF DIRECTORS

SANDEEP JAIN
(CHAIRMAN)
DIN-00458048

PLACE: NEW DELHI
DATED : 8TH AUGUST, 2019

ANNEXURE (C)

Form No. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON-31.03.2019
(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:

i.	CIN	L21093DL1992PLC116600
ii.	Registration Date	30.06.1992
iii.	Name of the Company	MOHIT PAPER MILLS LIMITED
iv.	Category/Sub-Category of the Company	PUBLIC LIMITED COMPANY
v.	Address of the Registered office and contact details	15A/13, UPPER GROUND FLOOR, EAST PATEL N AGAR, NEW DELHI-110008 Tel:011-25886797 Website:mohitpaper.in Email-mohit.paper@rediffmail.com
vi.	Whether listed company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	LINK INTIME INDIA PRIVATE LIMITED Noble Heights, 1st Floor, Plot, NH-2 C-1 Block LSC, Near Savitri Market, Jankpuri New Delhi-110058. 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 Printing and Poster Paper	21012	99.09%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name And Address Off the Company	CIN / GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1.	None	None	None	None	None

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i. Category-wise Shareholding

Mohit Paper Mills Limited										
Sr No	Category of Shareholders	Shareholding at the beginning of the year 2018				Shareholding at the end of the year 2019				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	8515019	0	8515019	60.82	8534119	43800	8577919	61.27	0.45
(b)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Any Other (Specify)	0	0	0	0.00			0	0.00	0.00
	Sub Total (A)(1)	8515019	0	8515019	60.82	8534119	43800	8577919	61.27	0.45
[2]	Foreign				0.00			0	0.00	0.00
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Government	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub Total (A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	8515019	0	8515019	60.82	8534119	43800	8577919	61.27	0.45

[illegible]

	Total (A)+(B)	11210317	2789683	14000000	100.00	11291020	2708980	14000000	100.00	0.00
(C)	Non Promoter - Non Public			0	0.00			0	0.00	0.00
[1]	Custodian/DR Holder	0	0	0	0.00	0	0	0	0.00	0.00
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.00	0	0	0	0.00	0.00
	Total (A)+(B)+(C)	11210317	2789683	14000000	100.00	11291020	2708980	14000000	100.00	0.00

ii.Shareholding of Promoters

Mohit Paper Mills Limited										
Sr No	Shareholder's Name	Shareholding at the beginning of the year - 2018				Shareholding at the end of the year - 2019				
		NO.OF SHARES HELD	% of total Shares of the company	%of Shares Pledged /encumbered to total shares		NO.OF SHARES HELD	% of total Shares of the Company	%of Shares Pledged/ encumbered to total shares		% change in shareholding during the year
1	SANDEEP JAIN	2764900	19.75	0		2764900	19.75	0		0.00
2	ANJU JAIN	2622501	18.73	0		2685401	19.18	0		0.45
3	MOHIT JAIN	1625318	11.61	0		1625318	11.61	0		0.00
4	SHUBHI JAIN	1045000	7.46	0		1045000	7.46	0		0.00
5	SANDEEP JAIN	341300	2.44	0		341300	2.44	0		0.00
6	SURENDRA KUMAR JAIN	104900	0.75	0		104900	0.75	0		0.00
7	SANJEEV GUPTA	11100	0.08	0		11100	0.08	0		0.00
	Total	8515019	60.82	0		8577919	61.27	0		0.45

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

MGT-9 IV. Shareholding Pattern of Top Ten Shareholders						
Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2018		Transactions during the year		Cumulative Shareholding at the end of the year - 2019
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	
1	ANJU JAIN	2622501	18.7322			2622501
	Transfer			04/12/2018	5700	2628201
	Transfer			10/12/2018	700	2628901
	Transfer			21/12/2018	2500	2631401
	Transfer			07/01/2019	500	2631901
	Transfer			21/01/2019	23700	2655601
	Transfer			04/02/2019	9700	2665301
	Transfer			11/03/2019	19600	2684901
	Transfer			25/03/2019	200	2685101
	Transfer			30/03/2019	300	2685401
	AT THE END OF THE YEAR					2685401

iv. Shareholding Pattern of Top Ten Shareholders (other than promoters/directors)

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2018		Transactions during the year		Cumulative Shareholding at the end of the year - 2019	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	SELTRON FINANCE LIMITED	1800000	12.8571			1800000	12.8571
	AT THE END OF THE YEAR					1800000	12.8571
2	SHIVANK SECURITIES (P) LTD	135000	0.9643			135000	0.9643
	AT THE END OF THE YEAR					135000	0.9643
3	NIRVI KETAN VAKHARIA	95685	0.6835			95685	0.6835
	Transfer			06 Apr 2018	280	95965	0.6855
	Transfer			13 Apr 2018	7	95972	0.6855
	Transfer			20 Apr 2018	576	96548	0.6886
	Transfer			04 May 2018	200	96748	0.6891
	Transfer			11 May 2018	200	96948	0.6925
	Transfer			18 May 2018	5550	102498	0.7321
	Transfer			25 May 2018	(1435)	101063	0.7219
	Transfer			01 Jun 2018	200	101263	0.7233
	Transfer			22 Jun 2018	(100)	101163	0.7226
	Transfer			10 Aug 2018	(100)	101063	0.7219
	Transfer			22 Mar 2019	100	101163	0.7226
	AT THE END OF THE YEAR					101163	0.7226
4	RAJESH KANSAL	91500	0.6536			91500	0.6536
	AT THE END OF THE YEAR					91500	0.6536
5	SUNITA KOTHARI	51699	0.3693			51699	0.3693
	Transfer			27 Apr 2018	19211	70910	0.5065
	Transfer			21 Sep 2018	2750	73660	0.5261
	AT THE END OF THE YEAR					73660	0.5261

6	J P KHETAN		41200	0.2943						41200	0.2943
	Transfer				08 Jun 2018		15000			56200	0.4014
	Transfer				22 Jun 2018		20000			76200	0.5443
	Transfer				31 Aug 2018		500			76700	0.5479
	Transfer				21 Sep 2018		5600			82300	0.5879
	Transfer				16 Nov 2018		100			82400	0.5886
	Transfer				08 Mar 2019		(600)			81800	0.5843
	Transfer				15 Mar 2019		(9344)			72456	0.5175
	AT THE END OF THE YEAR									72456	0.5175
7	K M AJITH THARAKAN .		59150	0.4225						59150	0.4225
	AT THE END OF THE YEAR									59150	0.4225
8	ATUL TANDON		43953	0.3140						43953	0.3140
	Transfer				24 Aug 2018		101			44054	0.3147
	Transfer				31 Aug 2018		1000			45054	0.3218
	Transfer				07 Sep 2018		111			45165	0.3226
	Transfer				12 Oct 2018		400			45565	0.3255
	Transfer				26 Oct 2018		1002			46567	0.3326
	Transfer				02 Nov 2018		87			46654	0.3332
	Transfer				15 Mar 2019		5000			51654	0.3690
	AT THE END OF THE YEAR									51654	0.3690
9	AKESH RAJNIKANT SHAH		39684	0.2835						39684	0.2835
	AT THE END OF THE YEAR									39684	0.2835
10	VARSHA VAISH		48626	0.3473						48626	0.3473
	Transfer				18 May 2018		(38800)			9826	0.0702
	Transfer				25 May 2018		6816			16642	0.1189
	Transfer				13 Jul 2018		(2000)			14642	0.1046
	Transfer				07 Sep 2018		(7493)			7149	0.0511
	Transfer				26 Oct 2018		(50)			7099	0.0507
	AT THE END OF THE YEAR									7099	0.0507

V. Shareholding of Directors and Key Managerial Personnel

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year – 2018-2019		Transactions during the year		Cumulative Shareholding at the end of the year – 2017-2018	
		NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	Anju Jain (Non-Executive -Director)	2622501	18.73			2622501	18.73
				04/12/2018	5700	2628201	18.77
				10/12/2018	700	2628901	18.78
				21/12/2018	2500	2631401	18.79
				07/01/2019	500	2631901	18.80
				21/01/2019	23700	2655601	18.97
				04/02/2019	9700	2665301	19.04
				11/03/2019	19600	2684901	19.18
				25/03/2019	200	2685101	19.18
				30/03/2019	300	2685401	19.18
	AT THE END OF THE YEAR					2685401	19.18
2	Shubhi Jain (Non- Executive-Director)	1045000	7.46	Nil	Nil	1045000	7.46
3	Sandeep Jain-Managing Director	2764900	19.75	Nil	Nil	2764900	19.75
4	Sourabh Mathur-Independent Director	0	0	Nil	Nil	0	0
5	Rachit Jain-Independent Director	0	0	Nil	Nil	0	0
6	Sanjeev Kumar Jain-Independent Director	0	0	Nil	Nil	0	0
7	Sushil Kumar Tyagi- Independent Director	0	0	Nil	Nil	0	0
8	Pradeep Kumar Rajput-Whole – Time-Director	0	0	Nil	Nil	0	0
9	Anant Vats-Company Secretary	0	0	Nil	Nil	0	0
10	Arvind Kumar Dixit-CFO	0	0	Nil	Nil	0	0

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

	₹ in Lakhs			
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<i>Indebtedness at the beginning of the financial year</i>				
i) Principal Amount	2523.17	346.33	-	2869.50
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not	-	-	-	-
<i>Total (i+ii+iii)</i>	2523.17	346.33	-	2869.50
<i>Change in Indebtedness during the financial year</i>				
- Addition	484.51	135.70	-	620.21
- Reduction	-	(122.33)	-	(122.33)
<i>Net Change</i>	484.51	(15.23)	-	497.88
<i>Indebtedness at the end of the financial year</i>				
i) Principal Amount	3007.68	359.70	-	3367.38
ii) Interest due but not paid	-	1.86	-	1.86
iii) Interest accrued but not due	-	-	-	-
<i>Total (i+ii+iii)</i>	3007.68	361.56	-	3369.24

vii. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director Whole-time Directors and/or Manager

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1.	<p>Gross salary</p> <p>(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961</p> <p>(b) Value of perquisites U/s 17(2) Income-tax Act, 1961</p> <p>(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961</p>	<p>Mr. Sandeep Jain (Managing Director)</p> <p>Pradeep Kumar Rajput (Whole Time Director)</p>	<p>36.00</p> <p>4.56</p> <p>40.56</p>
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - as % of profit - others, specify	-	-
5.	Others, please specify	-	-
6.	Total (A)	40.80	45.36
	Ceiling as per the Act In case of inadequacy of profits under Section II of Schedule V of the Companies Act, 2013		168.00

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 ₹ in Lakhs
Mrs. Anju Jain	Non-executive	0.21
Mr. Sushil Kumar Tyagi	Independent	0.48
Mrs. Shubhi Jain	Non-executive	0.21
Mr. Rachit Jain	Independent	0.42
Mr. Sanjeev Kumar Jain	Independent	0.42
Mr. Sourabh Mathur	Independent	0.03

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel ₹ in Lakhs			
			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		6.48	4.44	10.92
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify	-	-	-	-
5.	Others, please specify	-	-	-	-
6.	Total	-	6.48	4.44	10.92

V. PENALTIES/PUNISHMENT/COMPOUNDING OF 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)
A.Company					
Penalty	NONE	NONE	NONE	NONE	NONE
Punishment	NONE	NONE	NONE	NONE	NONE
Compounding	NONE	NONE	NONE	NONE	NONE
B.Directors					
Penalty	NONE	NONE	NONE	NONE	NONE
Punishment	NONE	NONE	NONE	NONE	NONE
Compounding	NONE	NONE	NONE	NONE	NONE
C.Other Officers In Default					
Penalty	NONE	NONE	NONE	NONE	NONE
Punishment	NONE	NONE	NONE	NONE	NONE
Compounding	NONE	NONE	NONE	NONE	NONE

Annexure (D) - Particulars of Employees

Information as per Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial) Rules, 2014.

Remuneration Paid to Whole Time Directors
₹ in Lakhs

Name of the Director	Title	Remuneration in year 2017-2018	Remuneration in year 2018-2019	No of Stock options/RSUs granted in 2018-2019	% Increase in remuneration in 2018-19 as compared to 2017-2018 (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 (2017-18)	Ratio of remuneration to Revenues (2018-19)
Mr.Sandeep Jain	Managing Director cum Chairman	31.62	36.00	-	0%	24 times	24times	0.31	0.18
Mr.Pradeep Rajput.	Whole Time Director	1.61	4.56	-	0%	3.04 times	3.04 times	0.07	0.02

There are 169 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)
₹ in Lakhs

Name of the KMP	Title	Remuneration in year 2017-2018	Remuneration in year 2018-2019	No of Stock options/RSUs granted in 2018-2019	% Increase in remuneration in 2018-19 as compared to 2017-2018 (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 (2017-18)	Ratio of remuneration to Revenues (2018-19)
Anant Vats	Company Secretary	6.12	6.48	-	6%	4.32 times	4.32 times	0.06	0.03
Arvind Kumar Dixit	Chief Financial Officer	3.78	4.44	-	17%	2.96 times	2.96 times	0.04	0.02

Our market capitalization decreased by 18.09% to ₹1,261.40 Lakhs as of March 31, 2019 from ₹1,540.00 as of 31, March, 2018.

Particulars	Fiscal Year-2019	Fiscal Year-2018
Market Capitalization	1,261.40	1,540.00
Price Earning Ratio	6.13	14.47
Closing Price of the share	9.01	11.00

The price earnings ratio was 6.13 as of March 31, 2019 which was 57.64% less as compared to 14.47as of March 31, 2018. The closing price of the Company was ₹9.01 as of 31st March, 2019 as compared to ₹11 as of 31st March, 2018 representing 9.90% decrease of the IPO price.

The percentage increase in average salary as compared to previous year in employees salary is 55.21% without taking into account the managerial personnel and the percentage increase in average salary of managerial personnel is 61.39% as compared to previous year .The remuneration paid is as per the remuneration policy of the Company.

During fiscal 2019, 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, Upper Ground Floor, 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 SEBI (LODR) Regulations, 2015.

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 there under. 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 there-under and requirements of SEBI (LODR) Regulation, 2015 and before that Clause 49 of the listing agreement with the stock exchange. Any change or modification in the policy as recommended by the committee would be given for approval to the Board.



SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
MOHIT PAPER MILLS LIMITED
15A/13 Upper Ground Floor,
East Patel Nagar,
New Delhi – 110008

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Mohit Paper Mills Limited** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended **March 31, 2019** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:
We have examined the books, papers, minutes' books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2019** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable during audit period:-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company during the audit period)**
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the audit period)**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the audit period)**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the audit period)**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the audit period)**
- (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 with respect to board and general meetings.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

- (i) The Company has received a Letter no. LIST/COMP/Reg. 27(2) & Reg. 17 to 21/ Sep - 18/530169/960/2018-19 from BSE Limited dated October 31, 2018 w.r.t non compliances of regulation 17(1) and Regulation 19(1)/(2) of SEBI (LODR) Regulation 2015 regarding non compliances with requirement

pertaining to the composition of the board including failure to appoint woman director and non-compliances with constitution of the Nomination and Remuneration committee respectively.

We further report that:

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**For PDS & CO.
Company Secretaries**

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

**Date: August 08, 2019
Place: Delhi**

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



To

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.

For PDS & CO.

Company Secretaries

Prashant Kumar Balodia

(Partner)

Membership No. 6047

Certificate of Practice No. 6153

Date: August 08, 2019

Place: Delhi

ANNEXURE- (H)
REPORT ON CORPORATE GOVERNANCE
(Pursuant to Chapter IV of SEBI (LODR) Regulations, 2015)

1. Company's Philosophy on Code of Governance:

Mohit Paper Mills Limited 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 2018-2019, 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.

We have received notice from BSE Limited that there should be fifty percent of the Board comprising of Independent directors as well because we have executive Chairman.

Though to make the right composition of the Board Mr. Sandeep Jain resigns from the Chairmanship on 29/09/2019 and Mr. Rachit Jain was appointed as the Chairman on 10/10/2019 by the Board, making the composition accurate.

Mr. Sourabh Mathur was appointed as Additional Independent Director on 14/02/2019 to be continued to act as Independent Director subject to approval of shareholders in the ensuing AGM.

The Composition of the Board consists of the following:

NAME	DESIGNATION	CATEGORY	SKILLS/EXPERTISE
MR. SANDEEP JAIN	CHAIRMAN, MANAGING DIRECTOR cum CEO	PROMOTER, EXECUTIVE DIRECTOR	SALES AND ADMINISTRATION
MR. SOURABH MATHUR	INDEPENDENT DIRECTOR	NON-EXECUTIVE	TECHNICALLY SKILLED
MRS. ANJU JAIN	DIRECTOR	PROMOTER, NON- EXECUTIVE	FINANCIALLY SKILLED
MR. RACHIT JAIN	INDEPENDENT DIRECTOR	NON-EXECUTIVE	LEADERSHIP AND FINANCIALLY SKILLED
MR. SANJEEV KUMAR JAIN	INDEPENDENT DIRECTOR	NON-EXECUTIVE	BUSINESS LEADERSHIP
MR. SUSHIL KUMAR TYAGI	INDEPENDENT DIRECTOR	NON-EXECUTIVE	TECHNICALLY SKILLED
MRS. SHUBHI JAIN	DIRECTOR	PROMOTER, NON- EXECUTIVE	TECHNICALLY SKILLED
MR. PRADEEP KUMAR RAJPUT	WHOLE TIME DIRECTOR	EXECUTIVE	TECHNICALLY SKILLED WITH ADMINISTRATION

Board Meetings were held on the following dates during the year 2018-2019:

Total Number of Board Meetings held were 10

04/05/2018
30/05/2018
18/07/2018
01/08/2018
21/09/2018
10/10/2018
14/11/2018
19/01/2019
14/02/2019
26/03/2019

One meeting of independent directors was held on 15.01.2019.

Mrs. Anju Jain (DIN-00459540) retires from office by rotation and being eligible offers herself for re-appointment and was re-appointed in the annual general meeting held on 28.09.2018.

The term of Independent directorship of Mr. Rachit Jain, Mr. Sushil Kumar Tyagi, Mr. Sanjeev Kumar Jain was expiring at the end of the financial year ending 31st March, 2019 so Mr. Rachit Jain, Mr. Sushil Kumar Tyagi, Mr. Sanjeev Kumar Jain were reappointed as Independent Director with effect from 01/04/2019 for their 2nd Term for 5 years by the special resolution passed by the members in the AGM held on 28/09/2018.

Particulars of Directors including their attendance at the Board/Shareholder's Meetings during the year 2018-2019

NAME OF DIRECTORS	CATEGORY	OTHER DIRECTORSHIPS	NO. OF BOARD MEETINGS ATTENDED	ATTENDANCE AT LAST AGM	COMMITTEE MEMBERSHIP
Mr. Sandeep Jain	Managing Director	Nil	10	Yes	0
Mrs. Anju Jain	Non Executive Director	1	8	Yes	0
Mr. Sushil Kumar Tyagi	Non-Executive Director	Nil	10	No	3
Mr. Sourabh Mathur	Independent Director	Nil	1	No	0
Mrs. Shubhi Jain	Non-Executive Director	1	8	Yes	0
Mr. Rachit Jain	Independent Director	Nil	7	No	3
Mr. Sanjeev Kumar Jain	Independent Director	Nil	8	Yes	3
Mr. Pradeep Kumar Rajput	Whole Time Director	Nil	9	No	0

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 under SEBI (LODR) Regulations, 2015 read with Companies Act, 2013.

Members of Audit Committee as follows:

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

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

<i>Name of Director</i>	<i>No. of Meetings Attended</i>	<i>Chairman/Member</i>
<i>Mr. Sushil Kumar Tyagi</i>	<i>4</i>	<i>Member</i>
<i>Mr. Rachit Jain</i>	<i>4</i>	<i>Member</i>
<i>Mr. Sanjeev Kumar Jain</i>	<i>4</i>	<i>Chairman</i>

During the year 4 meetings were held.

Date of the meeting were:

30/05/2018
01/08/2018
14/11/2018
14/02/2019

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

Mr. Sushil Kumar Tyagi-Member

One meeting on 05/02/2019 was held during the year

Details of Remuneration to Executive Directors for the Year 2018-2019

(₹ in Lakhs)

Name	Salary	Commission	Perks	Retirement Benefits	Total
Mr. Sandeep Jain	36	-	4.8	-	40.80
Mr. Pradeep Kumar Rajput	4.56	-	-	-	4.56
Total	40.56	-	4.80	-	45.36

Sitting Fees to Non-Executive Directors

Name Sitting Fees (₹ in Lakhs)

Mrs. Anju Jain	0.21
Mr. Sushil Kumar Tyagi	0.48
Mrs. Shubhi Jain	0.21
Mr. Rachit Jain	0.42
Mr. Sanjeev Kumar Jain	0.42
Mr. Sourabh Mathur	0.03

5. STAKEHOLDERS RELATIONSHIP COMMITTEE:

Composition of the Committee was as follows:

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

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

6. GENERAL BODY MEETINGS:

The last 3 Annual General Meetings were held as under:

Year	Venue	Date	Time	No. of Special Resolution passed	No of Ordinary Resolution passed
2017-2018	Bharat Banquet Hall, A-5, Naveen Vihar, Rajiv Nagar Extension, Begumpur Main Barwala Road, Delhi-110081	28.09.2018	10.00 A.M.	4	1
2016-2017	Bharat Banquet Hall, A-5, Naveen Vihar, Rajiv Nagar Extension, Begumpur Main Barwala Road, Delhi-110081	28.09.2017	10.00 A.M.	4	1
2015-2016	Bharat Banquet Hall, A-5, Naveen Vihar, Rajiv Nagar Extension, Begumpur Main Barwala Road, Delhi-110081	30.09.2016	10.00 A.M.	4	0

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 additional notes on Financial Statements.

Compliance by the Company

The Company has received a notice from BSE Limited dated October 31, 2018 w.r.t non compliances of regulation 17(l) and Regulation 19(l)(2) of SEBI (LODR) Regulation 2015 regarding non compliances with requirement pertaining to the composition of the board including failure to appoint woman director and non-compliances with constitution of the nomination and remuneration committee respectively.

However the Company has replied to the BSE Limited regarding above said notice explaining compliances of the said regulation.

There were no other 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.

Independence of the Independent Directors

The Board hereby confirms that independent directors fulfill the conditions specified in SEBI (LODR) Regulations and are independent of the management.

Annual Certificate pursuant to clause 10(i) of Part C of Schedule V of (LODR)

Annual Certificate for the year ended 31st March, 2019 from PDS & CO. (Company Secretaries in practice) has been taken that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/MCA or any such statutory authority and the same is annexed to this report.

Status of Compliance of Non-Mandatory requirements.

- The Chairman of the Company is a non-executive Chairman as at 31st March, 2019.
- The Auditors have expressed no qualification in their report.
- The Internal auditor periodically reports to the audit committee.

Auditors Fees

Statutory Auditors Fees for Statutory Audit during the year 2018-2019 was ₹ 1 Lakh only.

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**

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

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.

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. CEO and CFO Certification:

The Certificate required under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 duly signed by CEO and CFO was placed before the Board and the same is annexed to this report.

10. Particulars Company Secretary's Certificate on Corporate Governance:

A certificate has been obtained from the Practicing Company Secretary of the Company regarding compliance with the provisions relating to Corporate Governance laid down in SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 with the stock exchanges. The same is annexed to this report.



Declaration regarding compliance of Code of Conduct

I, Sandeep Jain, Managing Director cum CEO of Mohit Paper Mills Ltd., hereby declare that all the Board Members and senior management personnel of the Company have affirmed compliance of the Code of Conduct for the year ended 31 March 2019.

SANDEEP JAIN
(MANAGING DIRECTOR cum CEO)
DIN-00458048

PLACE :NEW DELHI
DATED :30th May, 2019



CEO/CFO CERTIFICATION
(Pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015)

To
The Board of Directors
MOHIT PAPER MILLS LIMITED

In terms of regulation 17(8) of SEBI (LODR) Regulations, 2015, Chief Executive Officer and Chief Financial Officer of the Company has certified to the Board that :

a) We have reviewed financial statements and the Cash flow statement of the Company for the year 2018-19 and that to the best of our knowledge and belief :

i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) To the best of our knowledge and belief, no transactions are entered into by the company during the year, which are fraudulent or illegal of the company's code of conduct.

c) We accept responsibility for establishing and maintaining internal control systems of the company and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the auditors and Audit committee that:

i) there has not been any significant changes in internal control during the year;

ii) there has not been any significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

iii) We are not aware of any instances during the year of significant fraud with involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting

SANDEEP JAIN
(MANAGING DIRECTOR cum CEO)
DIN-00458048

ARVIND KUMAR DIXIT
(CHIEF FINANCIAL OFFICER)

PLACE : NEW DELHI
DATED : 30th May, 2019



GENERAL SHAREHOLDER INFORMATION

Registered Office

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

Annual General Meeting

Date: 27.09.2019

Time: 10:00 A.M.

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

Financial Year

1st April to 31st March

Date of Book Closure

From 21st Day of September, 2019 to 27th Day of September, 2019 (both days inclusive)

Listing at Stock Exchanges:

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

The BSE Ltd.

Phiroze Jeejeebhoy Towers,

25th Floor, Dalal Street

Mumbai-400001

The Annual Listing Fee 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

Email for Investors is investors@mohitpaper.in and mohit.paper@rediffmail.com

Registrar & Share Transfer Agent:

Address for Correspondence:

LINKINTIME INDIA PRIVATE LIMITED

Noble Heights, 1st Floor, Plot, NH-2

C-1 Block LSC, Near Savitri Market, Jankpuri

New Delhi-110058.

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

Noble Heights, 1st Floor, Plot, NH-2

C-1 Block LSC, Near Savitri Market, Jankpuri

New Delhi-110058.

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 31.03.2019

10356152 number of shares stand in NSDLA/C.

854165 number of shares stand in CDSL A/C and

Balance of 2789683 stands in physical mode.

ISIN of the Company is INE388C01017


Distribution of shareholding as on 31st March 2019

Mohit Paper Mills Limited							
DISTRIBUTION OF SHAREHOLDING (SHARES)							
SR.NO.	SHAREHOLDING OF SHARES			SHAREHOLDER	PERCENTAGE OF TOTAL	TOTAL SHARES	PERCENTAGE OF TOTAL
1	1	to	500	9165	91.5402	1099565	7.8540
2	501	to	1000	402	4.0152	360194	2.5728
3	1001	to	2000	240	2.3971	385569	2.7541
4	2001	to	3000	73	0.7291	184608	1.3186
5	3001	to	4000	27	0.2697	95859	0.6847
6	4001	to	5000	17	0.1698	81919	0.5851
7	5001	to	10000	39	0.3895	298560	2.1326
8	above 10001			49	0.4894	11493726	82.0980
Total				10012	100	14000000	100

Category of Shareholders as on 31st March, 2019

Category Wise Holdings Summary							
Category	Demat Securities	Demat Holders	Physical Securities	Physical Holders	Total Securities	Total Holders	%-Issued Capital
Clearing Members	5650	5	0	0	5650	5	0.04
Other Bodies Corporate	569325	39	1406400	8	1975725	47	14.11
Hindu Undivided Family	167056	71	0	0	167056	71	1.19
Foreign Nationals	0	0	248700	225	248700	225	1.78
Non Resident Indians	46225	32	0	0	46225	32	0.33
Non Resident (Non Repatriable)	28350	18	0	0	28350	18	0.20
Public	1940295	3516	1010080	5969	2950375	9485	21.08
Promoters	8534119	7	43800	0	8577919	7	61.27
TOTAL :	11210317	3511	2789683	6695	14000000	9889	100

Stock Price Data- monthly high and low in Bombay Stock Exchange during the financial year 2018-2019

Month	High(₹)	Low(₹)
April 2018	14.87	11.51
May 2018	15.04	12.38
June 2018	14.50	12.43
July 2018	14.50	10.41
August 2018	15.10	12.00
September 2018	15.04	11.94
October 2018	13.25	10.88
November 2018	16.51	11.97
December 2018	14.70	11.23
January 2019	15.74	12.35
February 2019	13.00	8.71
March 2019	10.99	8.20



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

Noble Heights, 1st Floor, Plot, NH-2

C-1 Block LSC, Near Savitri Market, Jankpuri

New Delhi-110058.

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

email:mohit.paper@rediffmail.com

PRACTICING COMPANY SECRETARY'S CERTIFICATE

The the members of Mohit Paper Mills Ltd.

We have examined the compliance of the conditions of Corporate Governance by Mohit Paper Mills Limited for the year ended 31st March, 2019, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations & Disclosures Requirements) Regulations, 2015 ("Listing Regulations") as referred to in Regulation 15(2) of the Listing Regulations (including any statutory modification(s) or enactment thereof for the time being in force).

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring the compliance of conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations, as applicable.



We further state that compliance is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For PDS & CO.
Company Secretaries

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

Date: August 08, 2019
Place: Delhi

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Board of Directors presents hereunder an analysis of performance of the Company for the year 2018-2019 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 Indian Economy is estimated to have an increased growth rate with China. The agricultural and allied sector has recovered from decline in previous years. Lot of emphasis has been given by this Government on inclusive development with greater emphasis on development of Agriculture and Education Sector. This shall boost the Paper Industry.

The Industry is been recovering and getting along with the new GST regime and Demonetization done by the Government

GDP Growth rate is expected to be at 8%, growth in consumption of paper is expected to be at 8%.

At present the paper industry is facing crucial face, due to abnormal rise in cost of raw-materials, chemicals, consumables and power. The Prices of the Paper have shown improvement than previous years.

To be globally more competitive Indian paper industry needs the following:

- Sustained availability of good quality of raw material (forest based) and bulk import of waste paper to supplement the raw materials supplies.
- Adequate modernization of the manufacturing facilities.
- Improvement of Infrastructure
- Quality Improvements and reduction in cost of production.
- Import policy conducive for import of material, equipment, raw-materials and technology.

Opportunities

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

With the increased focus on education and agriculture, the future of Indian Paper Industry looks good.

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

The Production of Poster Paper which was started in later part of the previous year has been running good.

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 etc.

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.

Performance

During the year Sales and other income have increased from ₹ 102.69 crores to ₹ 157.99 crores. Net Profit before tax increased from ₹ 138.81 Lakhs to ₹ 295.11 Lakhs. Consolidated Production have increased from 21,918.78 M.T. to 30,791.97 M.T.

During the year the company has achieved the optimum level of capacity utilization with respect to the manufacture of the writing printing and poster paper and it has been done due to the expertise of the Managing Director and the Technical staff. This is a good example of maximum utilization of the capacity with minimum of the resources.

There are no reportable Segments other than Paper (Writing and Printing and Poster Paper)

Internal Control System and Their Adequacy

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

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

Discussion of Financial Performance with respect to operational performance

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

Highlights for the year are as follows.

Particulars	₹ in Lakhs	
	For the year ended 31.03.2019	For the year ended 31.03.2018
Sales & Other Income	15749.26	10269.06
Profit before Interest, Depreciation and Tax	961.50	784.50

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 169 on 31st March, 2019. 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.

Independent Auditor's Report

To The Members of **Mohit Paper Mills Limited**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Mohit Paper Mills Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key audit matters

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

Description of Key Audit Matter

Procurement of raw materials and valuation of Inventories

See Note 7 and 21 to the financial statements

The key audit matter	How the matter was addressed in our audit
<i>We identified procurement of raw materials and valuation of inventories as a key audit matter because of the significance of the costs incurred during the year, related inventories as at the reporting date and the significant degree of management judgment involved in verification and valuation thereof.</i>	<ul style="list-style-type: none"> - <i>Evaluated the design and operating effectiveness of internal controls relating to procurement and inventory. We carried out a combination of procedures involving inquiry and observation, re-performance and inspection of evidence in respect of operation of these controls.</i> - <i>We performed substantive testing by selecting samples of purchase transactions recorded during the year by verifying the underlying documents, i.e. supplier invoices, goods receipts notes etc.</i> - <i>Observed inventory verification on a sample basis.</i> - <i>Re-computed the closing rate of sample items of inventories to check whether the same are in line with the accounting policy of the Company.</i> - <i>Obtained an understanding of the underlying data and estimates used for calculation of the yield ratio and compared the same with the previous years.</i> - <i>We performed cut-off testing for samples of purchase transactions recorded before and after the financial year end date by comparing with relevant underlying documentation, which included supplier invoices, goods receipts notes etc. to assess whether the purchases were recognized in the correct period.</i> - <i>We assessed manual journals posted by vendors to identify unusual items.</i>

Other Information

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

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Management's Responsibility for the Financial Statements

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statement in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material

uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) the Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended.
- e) on the basis of the written representations received from the directors of the Company as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of Section 164(2) of the Act.
- f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has no pending litigations that would materially affect the financial position of the Company.
 - ii. The Company did not have any long-term contracts including derivative contracts; for which there were any material foreseeable losses.

- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31st March 2019.

3. With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

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

New Delhi
30th May, 2019

ANIL SOOD
Partner
(Membership No. 83939)

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Mohit Paper Mills Ltd. of even date)

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets were physically verified by the Management during the year in accordance with a regular program of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. As explained to us, no discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties included in Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
- ii. The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. The Company has not accepted deposits within the meaning of section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as mentioned) during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

vi. We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacturing activities, and are of the opinion that prime facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

vii. According to the information and explanations given to us, in respect of statutory dues:

- a. The Company has been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Goods and Services Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employee' State Insurance, Income-tax, GST, Duty of customs and other material statutory dues were in arrears as at 31st March 2019 for a period of more than six months from the date they became payable.

The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax since effective 1st July 2017, these statutory dues has been subsumed into GST.

- b. According to the records of the Company and the information and explanations given to us, there were no disputed demands outstanding as at 31st March, 2019 for a period of more than six months from the date they became payable.

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and dues to Government.

ix. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Term Loan of Rs. 6 crores raised during the year has been applied for the purposes for which those

are raised, and there is no delay or default in respect of repayment of the term loan.

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

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

New Delhi
30th May, 2019

ANIL SOOD
Partner
(Membership No. 83939)

ANNEXURE “B” TO THE INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial controls over financial reporting of Mohit Paper Mills Ltd. (“the Company”) as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

New Delhi
30th May, 2019

ANIL SOOD
Partner
(Membership No. 83939)



MOHIT PAPER MILLS LIMITED

MOHIT PAPER MILLS LTD.

BALANCE SHEET AS AT 31st MARCH, 2019

		₹ in Lakhs	
PARTICULARS	Note No.	As at 31st March, 2019	As at 31st March, 2018
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	3	4,657.53	4,771.96
(b) Capital work-in-progress	3A	1,188.03	70.93
(c) Financial Assets			
(i) Investments	4	110.79	110.79
(ii) Other Financial Assets	5	45.62	45.62
(d) Current Tax Assets (Net)		38.00	28.00
(e) Other Non-Current Assets	6	142.96	145.19
Total Non-Current Assets		6,182.93	5,172.49
(2) Current Assets			
(a) Inventories	7	1,841.10	1,255.28
(b) Financial Assets			
(i) Trade Receivables	8	887.84	1,916.90
(ii) Cash and Cash Equivalents	9	188.36	58.17
(iii) Other Bank Balance	10	0.90	9.50
(iv) Loans	11	446.60	271.49
Total Current Assets		3,364.80	3,511.34
Total Assets		9,547.73	8,683.83
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	12	1,400.00	1,400.00
(b) Other Equity		1,602.39	1,396.97
Total Equity		3,002.39	2,796.97
LIABILITIES			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	13	1,149.74	779.85
(b) Deferred tax Liabilities (Net)	14	662.23	635.75
(c) Other Non-Current Liabilities	15	418.55	434.07
Total Non-Current Liabilities		2,230.52	1,849.67
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	1,961.30	1,930.31
(ii) Trade Payables	17	364.38	469.28
(b) Other Current Liabilities	18	1,928.16	1,609.04
(c) Current Tax Liabilities		60.98	28.56
Total Current Liabilities		4,314.82	4,037.19
Total Equity and Liabilities		9,547.73	8,683.83
Significant accounting policies	2		
Notes to the financial statements	3-29		
The accompanying notes from an integral part of the financial statements			

As per our report of even date attached

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

For and on behalf of the Board of Directors

Anil Sood
(Partner)
Membership No.: 083939

Sandeep Jain
(Managing Director)

Anju Jain
(Director)

Anant Vats
(Company Secretary)

A.K.Dixit
(Chief Financial Officer)

Place : New Delhi
Date : 30th May, 2019



MOHIT PAPER MILLS LTD.

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2019

		₹ in Lakhs	
PARTICULARS	Note No.	For the Year ended 31st March, 2019	For the Year ended 31st March, 2018
I Revenue from Operations	19	15,599.42	10,260.59
II Other Income	20	149.84	8.47
Total Income (I+II)		15,749.26	10,269.06
III EXPENSES			
Cost of Materials Consumed	21	5,062.77	3,304.35
Changes in Inventories of Finished Goods, Stock-in-Trade & work-in-progress	22	(68.05)	(57.04)
Excise Duty on sale of goods		-	124.45
Employee Benefits Expense	23	485.89	313.06
Finance Costs	24	228.15	281.11
Depreciation and Amortization Expense	25	438.24	364.58
Other Expenses	26	9,307.15	5,799.74
Total Expenses (III)		15,454.15	10,130.25
IV Profit before tax (I + II - III)		295.11	138.81
V Tax Expense:			
(1) Current Tax		60.98	28.56
(2) Deferred Tax		28.71	29.11
(3) Earlier year tax adjustment		-	89.69
			(25.09)
VI Profit for the year (IV-V)		205.42	106.22
Other Comprehensive Income			
Items that will be reclassified to Profit or Loss:			
VII Effective portion of gain/(loss) on hedging instruments in cash flow hedge		-	(0.17)
VIII Income tax relating to items that will be reclassified to Profit or Loss		-	0.03
IX Total Other Comprehensive Income for the year (VII - VIII)		-	(0.14)
X Total Comprehensive Income for the year (VI + IX)		205.42	106.08
XI Earning per Equity Share in ₹	27		
(i) Basic		1.47	0.76
(ii) Diluted		1.47	0.76
Significant accounting policies	2		
Notes to the financial statements	3-29		
The accompanying notes from an integral part of the financial statements			
As per our report of even date attached			
For Anil Sood & Associates		For and on behalf of the Board of Directors	
Chartered Accountants			
Registration No.: 004985N			

Anil Sood
(Partner)
Membership No.: 083939

Sandeep Jain
(Managing Director)

Anju Jain
(Director)

Anant Vats
(Company Secretary)

A.K.Dixit
(Chief Financial Officer)

Place : New Delhi
Date : 30th May, 2019



STATEMENT OF CHANGES IN EQUITY

A. Equity Share Capital

Particulars	Note	₹ in Lakhs
Balance at the beginning of the period i.e. 1st April 2017	12	1,400.00
Changes in Equity Share Capital during the year		-
Balance as at 31st March 2018		1,400.00
Balance at the beginning of the period i.e. 1st April 2018		1,400.00
Changes in Equity Share Capital during the year		-
Balance as at 31st March 2019		1,400.00

B. Other Equity

Particulars	Reserves and Surplus		Other Comprehensive Income	Total
	Capital Reserve	Retained Earnings	Effective portion of gain/(loss) in cash flow hedge	
Balance as at 1st April 2017	135.17	1,155.72	-	1,290.89
Total Comprehensive Income for the year ended 31st March 2018	-	-	-	-
Profit for the year	-	106.22	-	106.22
Other Comprehensive Income/(expense) (net of tax)	-	-	(0.14)	(0.14)
Balance as at 31st March 2018	135.17	1,261.94	(0.14)	1,396.97
Balance as at 1st April 2018	135.17	1,261.94	(0.14)	1,396.97
Total Comprehensive Income for the year ended 31st March 2019	-	-	-	-
Profit for the year	-	205.42	-	205.42
Other Comprehensive Income/(expense) (net of tax)	-	-	-	-
Balance as at 31st March 2019	135.17	1,467.36	-	1,602.39

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

As per our report of even date attached

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

For and on behalf of the Board of Directors

Anil Sood
(Partner)
Membership No.: 083939

Sandeep Jain
(Managing Director)

Anju Jain
(Director)

Anant Vats
(Company Secretary)

A.K.Dixit
(Chief Financial Officer)

Place : New Delhi
Date : 30th May, 2019



MOHIT PAPER MILLS LIMITED

MOHIT PAPER MILLS LIMITED CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2019

₹ in Lakhs

PARTICULARS	FOR THE YEAR ENDED 31.03.2019	FOR THE YEAR ENDED 31.03.2018
A. Cash Flow from Operating Activities		
PROFIT BEFORE TAX	295.11	138.81
ADJUSTMENT FOR:		
- Depreciation & amortization expense	438.24	364.58
- Finance costs	228.16	281.11
- Tax adjustment	(28.71)	(4.03)
	637.69	641.66
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	932.80	780.47
ADJUSTMENTS FOR:		
- Trade Receivables, loans, advances and other assets	854.76	(762.77)
- Inventories	(585.82)	961.85
- Trade Payables, other liabilities and provisions	246.64	78.70
	515.58	277.78
CASH GENERATED FROM OPERATIONS	1,448.38	1,058.25
Income tax paid	(60.98)	(28.56)
NET CASH FLOW FROM OPERATING ACTIVITIES	1,387.40	1,029.69
B. Cash Flow From Investing Activities		
Purchase of property, plant and equipment, Intangibles etc.	(323.80)	(1,203.58)
- Sale of property, plant and equipment	-	-
- Increase/(Decrease) in capital work in progress	(1,117.10)	(70.93)
NET CASH USED IN INVESTING ACTIVITIES	(1,440.90)	(1,274.51)
C. Cash Flow from Financing Activities		
- Proceeds from Long Term Borrowings	380.86	495.18
- Proceeds/ Repayment of Short Term Borrowings	30.99	37.51
- Effective portion of gain/(loss) on hedging instruments in cash flow hedge through other comprehensive income	-	(0.14)
Interest Paid	(228.16)	(281.11)
NET CASH USED IN FINANCING ACTIVITIES	183.69	251.44
NET INCREASE IN CASH AND CASH EQUIVALENTS	130.19	6.62
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	58.17	51.55
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	188.36	58.17

Notes:

1 Cash and cash equivalents include:

Balance with banks in current accounts	4.30	3.61
Fixed deposits with original maturities upto 3 months	178.09	40.00
Cash on hand	5.97	14.56
	188.36	58.17

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

As per our report of even date attached

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

For and on behalf of the Board of Directors

Anil Sood
(Partner)
Membership No.: 083939

Sandeep Jain
(Managing Director)

Anju Jain
(Director)

Anant Vats
(Company Secretary) (Chief Financial Officer)

Place : New Delhi
Dated : 30th May, 2019

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019**1. Corporate Information:**

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

2. Significant accounting policies**a. Basis of preparation of Financial Statements****(i) Statement of compliance**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 and (as amended) notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

(ii) Basis of measurement:

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

(iii) Functional and presentation currency

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

(iv) Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Judgements

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgment are:

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

Fair value measurement

The Company measures financial instruments at fair value as per Ind AS 113 at each balance sheet date. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability. There are no transfer between Level 1, level 2 and level 3 during the year ended 31st March 2018 and 31st March 2019.

b. Property, Plant and Equipment**i. Recognition and measurement**

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

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

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

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

ii. Depreciation

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

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

iii. Reclassification to investment property

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

c. Intangible assets

Intangible assets are initially measured at cost. These items of other intangible assets are subsequently measured at cost less accumulated amortization and accumulated impairment losses, if any. The company does not have intangible assets as on the date of reporting.

d. Inventories

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

Raw materials, stores, consumables and spare parts

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

Work-in-process

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

Finished goods

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

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

The Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU is determined based on asset's value in use. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

To determine impairment of a corporate asset (e.g. Corporate office building for providing support to various CGUs), recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss.

ii. Impairment of financial instruments

The Company recognizes loss allowances for expected credit losses on financial assets measured at amortized cost.

At each reporting date, the Company assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for 365 days or more;
- it is probable that the borrower will enter bankruptcy or other financial reorganization;

Measurement of expected credit losses

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

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

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

f. Employee benefits**i. Short-term employee benefits**

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

ii. Defined contribution plan

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

iii. Defined benefit plan

The Company pays fixed contribution to provident fund at pre-determined rates to a separate irrevocable trust approved by the Commissioner of Income Tax, which invests the fund in permitted securities. The contribution to the fund for the period is recognized as expenses and is charged to Statement of Profit and Loss. While the obligation to the Company is limited to such fixed contribution, as per the rules of Employee's Provident Fund any deficiency in the rate of interest on the contribution based on its return on investment as compared to the rate declared for Employees Provident Fund by the Government. Also as per the rules, any deficiency in the fair value of Plan Assets backing the Provident Fund accumulations compared to the amount of such accumulations is to be met by the company.

Liabilities in respect of defined benefit plan in the form of Gratuity and Long-term compensated absences are determined based on actuarial valuation made by an independent actuary using projected unit credit method as at the balance sheet date and are unfunded.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses are recognized in OCI.

g. Taxes on Income

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019**i. Current tax**

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

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

ii. Deferred tax

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

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

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

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

h. Foreign currency transactions

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

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Exchange differences are recognized in profit or loss,

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

except exchange differences arising from the translation of the qualifying cash flow hedges to the extent that the hedges are effective which are recognized in Other Comprehensive Income (OCI).

i. Financial instruments, Financial assets, Financial liabilities and Equity Instruments

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

(a) Financial Assets**Recognition:**

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

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

Financial assets are classified as those measured at:

(i) amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and / or interest.

(ii) fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.

(iii) fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

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

Impairment:

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

Reclassification:

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

De-recognition:

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

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

Income Recognition:

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019**(b) Financial Liabilities**

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption/ settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Equity Instruments

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

j. Revenue

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

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

Disclosure under Ind AS 115**General:**

The entire revenue from operations for the year ended 31st March 2019 and 31st March 2018 related to revenue from sale of goods manufactured by the Company.

Information about contract balances

The Company classifies the right to consideration as trade receivables.

Trade receivables are amounts billed to the customer, when control on goods sold are effectively passed on to the customers. Trade receivables is net of allowances for doubtful debts in the Balance Sheet.

Application of Ind AS 115, "Revenue from contract with customers" did not have any impact on the

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

contracts for sale of goods manufactured by the Company during the year ended 31st March 2019.

k. Recognition of interest income or expense

Interest income or expense is recognized using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- i. the gross carrying amount of the financial asset; or
- ii. the amortized cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortized cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

l. Other Income

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

m. Borrowing cost

Borrowing costs are interest and other costs incurred in connection with the borrowing of fund. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

n. Cash flow statements

Cash flow statements are prepared under Indirect Method whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows. Cash and cash equivalents comprise of cash on hand, current and other accounts (including fixed deposits) held with banks with maturity of 3 months or less from the date of acquisition.

o. Events occurring after the balance sheet date

Assets and liabilities are adjusted for events occurring after the reporting period that provides additional evidence to assist the estimation of amounts relating to conditions existing at the end of the reporting period.

p. Operating segments

An operating segment is a component of the Company that engages in business activities from which it

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

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

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

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

q. Provisions, Contingent Liabilities and Contingent Assets

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

Contingent Liabilities

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

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

Contingent Assets

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

r. Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind AS as follows:

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019**Ind AS 116 - Leases**

The Company is required to adopt Ind AS 116, Leases from 1 April, 2019, Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases. It replaces existing leases guidance, Ind AS 17, Leases.

The Company does not have any finance leases. There are no instances in which the company is a lessor. The Management is in the process of assessing the impact on adoption of Ind AS 116 and does not expect the same to be significant.

Amendment to Ind AS 12 - Recognition of Deferred Tax Assets for Unrealized Losses

The amendments clarify that the Company needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how the Company should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount. Such amendment did not have any impact on the Company.

Ind AS 19 – Plan Amendment, Curtailment or Settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. Company does not expect this amendment to have any impact on its financial statements.

Ind AS 109 – Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. Company does not expect this amendment to have any impact on its financial statements.

Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that any entity borrows generally when calculating the capitalization rate on general borrowings. The Company does not expect any significant impact from this amendment.

Amendment to Ind AS 20 Government grants related to non-monetary asset

The amendment clarifies that where the government grant related to asset, including non-monetary grant at fair value, shall be presented in balance sheet either by setting up the grant as deferred income or by

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

deducting the grant in arriving at the carrying amount of the asset. Prior to the amendment, Ind AS 20 did not allow the option to present asset related grant by deducting the grant from the carrying amount of the asset. Such amendment did not have any impact on the Company.

Amendment to Ind AS 38 Intangible asset acquired free of charge

The amendment clarifies that in some cases, an intangible asset may be acquired free of charge, or for nominal consideration, by way of a government grant. In accordance with Ind AS 20 Accounting for Government Grants and Disclosure of Government Assistance, an entity may choose to recognise both the intangible asset and the grant initially at fair value. If an entity chooses not to recognise the asset initially at fair value, the entity recognises the asset initially at a nominal amount plus any expenditure that is directly attributable to preparing the asset for its intended use. The amendment also clarifies that revaluation model can be applied for asset which is received as government grant and measured at nominal value. These amendments do not have any impact on the Company's financial statements.

Amendment to Ind AS 40 Transfers of Investment Property

The amendments clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use. These amendments do not have any impact on the Company's financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019
3. Property, Plant & Equipment

Assets	Gross Block			Depreciation and Amortisation			Net Block		
	As at 31.03.18	Additions during the year	Deduction During the year	Total Cost as at 31.03.19	upto 31.03.2018	For the period Adjustment	Total Upto 31.03.2019	As At 31.03.2019	As At 31.03.2018
LAND	88.57	-	-	88.57	-	-	-	88.57	88.57
BUILDING	671.16	4.59	-	675.75	423.86	21.35	-	445.21	247.30
FURNITURE & FIXTURES	22.22	10.90	-	33.12	19.36	2.29	-	21.65	2.86
PLANT & MACHINERY	9,189.61	267.90	-	9,457.51	4,816.30	403.64	-	5,219.94	4,373.32
MOTOR VEHICLE	80.17	37.92	-	118.09	22.64	7.54	-	30.18	57.53
OFFICE EQUIPMENT	62.66	2.49	-	65.15	60.27	3.42	-	63.69	2.38
TOTAL	10,114.39	323.80	-	10,438.19	5,342.43	438.24	-	5,780.67	4,771.96
PREVIOUS YEAR TOTAL	8,910.81	1,203.58	-	10,114.39	4,977.85	364.58	-	4,771.96	3,932.96

3A. Capital Work-In-Progress

Particulars	₹ in Lakhs			₹ in Lakhs	
	As at 31.03.18	Addition during the year	Total	Transferred to Gross Block	Total Cost as at 31.03.19
Plant & Machinery	70.93	1,117.10	1,188.03	-	1,188.03



MOHIT PAPER MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

PARTICULARS	₹ In Lakhs	
	AS AT 31st March, 2019	AS AT 31st March, 2018
4 NON-CURRENT INVESTMENTS		
Investments in Equity Instruments :		
Mohit Petrochemicals (P) Ltd. (Unquoted Shares)	110.79	110.79
1107880 Equity Shares of ₹10/- each fully paid-up		
TOTAL	110.79	110.79
5 OTHER FINANCIAL ASSETS		
Non-Current		
Security Deposit with Non Government Authorities	23.39	23.39
Balance with Government Authorities (Other than income tax)	21.33	21.33
Bank deposits with more than 12 months maturity	0.90	0.90
TOTAL	45.62	45.62
6 OTHER NON-CURRENT ASSETS		
MAT Receivable	142.96	145.19
TOTAL	142.96	145.19
7 INVENTORIES		
(At lower of cost and net realisable value)		
Raw Materials & Chemicals	1,219.45	793.45
Work - in - Process	51.15	30.90
Finished Goods	255.31	204.13
Stores & Fuel	259.06	170.15
Packing Materials & Others	26.03	23.18
Semifinished Goods	30.10	33.47
TOTAL	1,841.10	1,255.28
8 TRADE RECEIVABLES		
Secured, considered good	-	-
Unsecured, considered good	887.84	1,916.90
TOTAL	887.84	1,916.90
9 CASH AND CASH EQUIVALENTS		
Balance with Banks		
Current Accounts	4.30	3.61
Cash on hand	5.97	14.56
Term Deposits with Bank	178.09	40.00
TOTAL	188.36	58.17
Cash and cash equivalents include cash on hand, cash at bank and deposits with banks with original maturity of 3 months or less.		
10 OTHER BANK BALANCE		
Term Deposits (maturity of more than three months but less than twelve months)	0.90	9.50
	0.90	9.50
Term deposits with original maturity of more than 3 months having remaining maturity of less than 12 months from the Balance Sheet date. These deposits include restricted bank deposits pledged as security for bank guarantees amounting to Rs. Nil and previous year Rs. 4 Lakhs		
11 LOANS		
Prepaid Expenses	14.24	6.93
Other loans and advances*	432.36	264.56
TOTAL	446.60	271.49
*Other loans and advances includes advance to suppliers for raw material & capital goods and imprest to staff and CENVAT/GST credit receivable.		
12 EQUITY SHARE CAPITAL		
AUTHORISED :		
1,75,00,000 (Previous year 1,75,00,000)	1,750.00	1,750.00
Equity shares of ₹10/- each.		
ISSUED, SUBSCRIBED AND PAID UP		
1,40,00,000 (Previous year 1,40,00,000)	1,400.00	1,400.00
Equity Shares of ₹10/- each fully paid up.		
TOTAL	1,400.00	1,400.00



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

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

S.No.	Name of Shareholders	As on 31/03/2019		As on 31/03/2018	
		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	2,685,401	19.18%	2,622,501	18.73%
3.	Mr. Mohit Jain	1,625,318	11.61%	1,625,318	11.61%
4.	Mrs. Shubhi Jain	1,045,000	7.46%	1,045,000	7.46%
5.	M/s Seltron Finance Limited	1,800,000	12.86%	1,800,000	12.86%

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

Particulars	As at 31.03.2019		As at 31.03.2018	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Equity Shares outstanding at the beginning of the year	14,000,000	1,400	14,000,000	1,400
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	1,400	14,000,000	1,400

13 NON-CURRENT BORROWINGS

Secured:

Loan from Bank	772.55	431.66
Term Loan	15.63	1.86
Vehicle Loan	788.18	433.52

Unsecured:

- Loans & Advances from directors	132.15	108.60
- From Body Corporates	229.41	237.73
	361.56	346.33

TOTAL 1,149.74 779.85

Nature of Security for Secured Borrowings are given below :

The Term Loan from Andhra Bank of ₹ 1030.375 Lakhs (Previous Year of ₹ 591.00 Lakhs from Bank of Baroda) is secured by way of First charge over immovable assets of the Company and equitable mortgage of factory land & building situated at Village Aasapur Ka and Abdulpur Munna, Nagina Road, 'Bijnor and property at East Patel Nagar, New Delhi. The loan is further secured by way of second charge on the current assets of the Company and personal guarantee of promoters/directors of the company. Vehicle Loan of Rs.15.63 (Previous Year of ₹ 1.8 Lakhs) is secured against personal guarantee of Directors.

14 DEFERRED TAX LIABILITIES (NET)

At the beginning of the year	490.56	461.45
Charge / Credit to Statement of Profit and Loss	28.71	29.11
Deferred Tax on account of MAT Credit Entitlement	142.96	145.19
At the end of the year	662.23	635.75

15 OTHER NON-CURRENT LIABILITIES

Creditors for capital goods and performance security deposit	418.55	434.07
TOTAL	<u>418.55</u>	<u>434.07</u>

16 CURRENT BORROWINGS

Secured:

Loans from Banks	1,961.30	1,930.31
- Cash credit facilities		
TOTAL	<u>1,961.30</u>	<u>1,930.31</u>

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

17 TRADE PAYABLES

Dues of Micro Enterprises and Small Enterprises	-	-
Other trade payables	364.38	469.28
TOTAL	<u>364.38</u>	<u>469.28</u>



MOHIT PAPER MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

PARTICULARS	₹ In Lakhs	
	AS AT 31st March, 2019	AS AT 31st March, 2018
18 OTHER CURRENT LIABILITIES		
Advances received from distributors & others	137.65	5.55
Statutory liabilities	20.81	74.23
Other payables*	1,506.50	1,364.91
Dealers Security	5.00	5.00
Current maturities of Long-term debts	258.20	159.35
TOTAL	1,928.16	1,609.04
*Others payables includes creditors for capital expenditure and retention monies payable to suppliers.		
PARTICULARS	For the Year ended	
	31st March, 2019	31st March, 2018
19 REVENUE FROM OPERATIONS		
Sale of Products		
Paper	15,456.98	10,192.21
Soda Ash	142.44	68.38
TOTAL	15,599.42	10,260.59
Net Revenue from Operations		
Net of sales returns and damaged stocks		
20 OTHER INCOME		
Interest Income	2.41	8.23
Other Non-Operating Income	147.43	0.24
TOTAL	149.84	8.47
21 COST OF MATERIAL CONSUMED		
Bagasse	2,374.11	1,923.89
Waste Paper :		
- Imported	1,260.87	845.81
- Indigenous	306.28	-
Other Material	1,121.51	845.81
TOTAL	5,062.77	3,304.35
22 CHANGES IN INVENTORIES		
Opening Stock :		
Finished Goods	204.13	45.86
Semi - Finished Goods	33.47	60.59
Work in process	30.91	105.02
Closing Stock :		
Finished Goods	255.31	204.13
Semi - Finished Goods	30.10	33.47
Work in process	51.15	30.91
TOTAL	(68.05)	(57.04)
23 EMPLOYEE BENEFITS EXPENSE		
Salaries & Wages	466.07	298.14
Contribution to Provident and Other Funds	11.40	13.09
Staff Welfare Expenses	8.42	1.83
TOTAL	485.89	313.06
24 FINANCE COSTS		
Interest & Charges on Bank borrowing for working capital	175.74	243.23
Interest on Term Loans	52.41	37.88
TOTAL	228.15	281.11

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019
₹ in Lakhs

PARTICULARS	For the Year ended 31st March, 2019	For the Year ended 31st March, 2018
25 DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation and Amortization Expense	438.24	364.58
TOTAL	438.24	364.58
26 OTHER EXPENSES		
Manufacturing Expenses		
Chemicals Consumed	3,097.44	2,508.62
Stores & Spares	686.69	348.12
Power & Fuel	5,058.70	2,673.83
Repair & Maintenance	83.69	19.64
Raw Material, Mixing, Loading & Sorting	95.04	42.40
Laboratory Expenses	2.69	1.80
Boiler Feeding Expenses	60.00	25.38
	9,084.25	5,619.79
Selling & Distribution Expenses		
Discount, Commission & other Selling Exp.		
Discount & Commission	89.50	118.14
Entry Tax	34.20	7.98
	123.70	126.12
Establishment Expenses		
Advertisement & Publicity	0.55	0.48
Office & General Exp.	20.25	6.83
Fees, Rate & Taxes	46.83	9.33
Insurance Charges	8.67	13.02
Legal and Professional Charges	6.43	16.77
Printing & Stationery	2.15	1.34
Communication Charges	4.86	3.78
Travelling & Conveyance	0.62	0.11
Vehicle Running & Maintenance Expenses	7.84	1.17
Auditors Remuneration*	1.00	1.00
	99.20	53.83
TOTAL	9,307.15	5,799.74
Auditor's Remuneration		
Audit Fees	1.00	1.00
27 EARNINGS PER SHARE (EPS)		
i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ in Lakhs)	205.42	106.22
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 in ₹	1.47	0.76
v) Diluted Earning per share in ₹	1.47	0.76
vi) Face value per equity share in ₹	10.00	10.00

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019
28. Financial risk management framework
I. Financial instruments by category

As at 31.03.2019					As at 31.03.2018			
	FVTPL	FVTOCI	Amortised Cost	Total Carrying Value	FVTPL	FVTOCI	Amortised Cost	Total Carrying Value
Financial assets								
Investments								
- in equity instruments	-	110.79	-	110.79	-	110.79	-	110.79
Trade Receivable	-	-	887.84	887.84	-	-	1916.90	1916.90
Security deposits	-	-	45.62	45.62	-	-	45.62	45.62
Cash and cash equivalents	-	-	188.36	188.36	-	-	58.17	58.17
Bank balances other than above	-	-	0.90	0.90	-	-	9.5	9.5
Total financial assets	-	110.79	1122.72	1233.51	-	110.79	2030.19	2140.98
Financial liabilities								
Term loans from bank	-	-	772.55	772.55	-	-	431.66	431.66
Obligations under finance leases	-	-	15.63	15.63	-	-	1.86	1.86
Working capital loans	-	-	1961.30	1961.30	-	-	1930.31	1930.31
Unsecured loan from directors and body corporate	-	-	361.56	361.56	-	-	346.33	346.33
Trade payables	-	-	364.38	364.38	-	-	469.28	469.28
Advance received from distributors and others	-	-	137.65	137.65	-	-	5.55	5.55
Statutory Liabilities	-	-	20.81	20.81	-	-	74.23	74.23
Other Payables	-	-	1506.50	1506.50	-	-	1364.91	1364.91
Dealers Security	-	-	5.00	5.00	-	-	5.00	5.00
Current maturities of long-term debt	-	-	258.20	258.20	-	-	159.35	159.35
Total financial liabilities	-	-	5403.58	5403.58	-	-	4788.48	4788.48

II. Fair value hierarchy

The following table provides an analysis of financial instruments that are measured at fair value and have been grouped into Level 1, Level 2 and Level 3 below:

(₹ in Lakhs)

As at 31 March 2019	Note No	Level 1	Level 2	Level 3	Total
Financial Assets					
Financial instruments at FVTOCI Unquoted equity instruments	4	-	-	110.79	110.79
Total financial assets		-	-	110.79	110.79

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

Level 1: Quoted prices in the active market. This level of hierarchy includes financial assets that are measured by reference to quoted prices in the active market. This category consists of debt based open ended mutual funds.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. The company does not have any investments which are categorized as Level 2.

Level 3: Valuation techniques with unobservable inputs. This level of hierarchy includes items measured using inputs that are not based on observable market data (unobservable inputs). Fair value determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instruments nor based on available market data. This is the case for investment in unlisted equity securities.

Note:

- a. There are no transfers between Level 1, Level 2 and Level 3 during the year.
- b. The fair value of financial assets and liabilities approximate their carrying amount measured under Level 3 hierarchy.

The fair value of the financial assets are determined at the amount that would be received to sell an asset in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:

Unquoted equity investments: Fair value is derived on the basis of income approach; in this approach the discounted cash flow method is used to capture the present value of the expected future economic benefits to be derived from the ownership of these investments.

Reconciliation of Level 3 fair value measurement

(₹ in Lakhs)

Unlisted equity instruments	
As at 01 April 2017	110.79
Acquisition	-
Gains/(losses) recognised	-
- in other comprehensive income	-
As at 31 March 2018	110.79
Acquisition	-
Gains/(losses) recognised	-
- in other comprehensive income	-
As at 31 March 2019	110.79

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019
III. Financial risk management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk in the financial statements: -

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables and financial assets measured at amortised cost	Aging analysis	Diversification of bank deposits and credit limits
Liquidity risk	Business commitment and other liabilities	Credit rating	Availability of committed credit lines and borrowing facilities

a. Concentration of significant credit risk

There is no concentration of customer risk so far transactions with non-related parties are concerned.

b. Interest rate risk

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. Any rise in market rate of interest effecting valuation of financial instruments, financial assets and financial liabilities have been regularly analysed for mitigational measure.

Exposure to interest rate risk

The interest rate profile of the company's interest-bearing financial instruments as reported to the management is as follows.

(₹ in Lakhs)

Particulars	Nominal Amount	
	31st March, 2019	31st March, 2018
<u>Financial Assets/Liabilities</u>		
Variable-rate instruments		
Long term borrowings	1149.74	779.85
Short Term Borrowings	2219.50	2089.66

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019
(Profit) or loss

Particulars	50 bp increase	50 bp decrease
31st March 2019		
Variable-rate instruments	14.96	(14.96)
31st March 2018		
Variable-rate instruments	12.61	(12.61)

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss.

Therefore, a change in interest rates at the reporting date would not affect profit or loss.

i) Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities.

The Company's audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

ii) Credit Risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from customers and loans. The carrying amounts of financial assets represent the maximum credit risk exposure.

iii) Trade receivables and loans

The company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base.

The company has established a credit policy under which each new customer is analyzed individually for creditworthiness before the company's standard payment and delivery terms and conditions are offered. Sale limits are established for each customer and reviewed quarterly. Any sales exceeding those limits require approval from the management of the company.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

The company limits its exposure to credit risk from trade receivables by establishing a maximum payment period of 90 days for customers. More than 85% of the company's customers have been transacting with the company for over five years, and none of these customers' balances are credit-impaired at the reporting date.

iv) Cash and cash equivalents

The company holds cash and cash equivalents of ₹ 188.36 lakhs at 31 March 2019 (31 March 2018: ₹ 58.17 lakhs). The cash and cash equivalents are held with bank and cash on hand.

v) Liquidity Risk

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation. The company uses process costing to cost its products, which assists it in monitoring cash flow requirements and optimizing its cash return on investments.

vi) Market Risk

Market risk is the risk that changes in market prices – such as foreign exchange rates and interest rates – will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

vii) Currency Risk

The company is exposed to transactional foreign currency risk to the extent that there is a mismatch between the currencies in which sales, purchases, receivables and borrowings are denominated and functional currency. The functional currency of the Company is INR. The currencies in which these transactions are primarily denominated are US dollars.

The Company Forex risk management policy is to hedge currency exchange fluctuation and mitigate currency volatility and risks and to avoid uncertainties in cash flows. Forward contracts to hedge currency risk relating to foreign currency transactions of firm commitments and probable forecast transactions are generally designated as cash flow hedge. All other forward contracts are designated as fair value hedge for the purpose of accounting.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019
29. RELATED PARTIES DISCLOSURES

As per Ind AS 24, the disclosure of transactions with the Related Parties are given below :

Related Parties Disclosures:

Holding Company : NIL

Subsidiary Company : NIL

Key Managerial Personnel : Mr. Sandeep Jain (Chairman)
Mr. Pradeep Kumar Rajput
Mrs. Shubhi Jain (Non-Executive Director)
Mrs. Anju Jain (Non-Executive Director)
Mr. Arvind Dixit (CFO)
Mr. Anant Vats (CS)

Relatives of KMP : Mr. Mohit Jain
Mrs. Neelam Dixit

Corporate Entities : M/s Centurion Paper and Board
M/s Centurion Rubber
M/s Centurion Industries Private Limited

Managerial Remuneration

Remuneration paid to Managing Director /Whole Time Director and KMP or their relatives for the year ended 31st March, 2019

₹ in Lakhs

Name	Designation	Remuneration
Sandeep Jain	Managing Director	36.00
Mohit Jain	GM-Marketing (Son of Mr. Sandeep Jain)	18.00
Pradeep Kumar Rajput	Whole Time Director	2.28
Anant Vats	CS	6.48
Arvind Kumar Dixit	CFO	4.44

Unsecured Loans Balance for the year ended 31.03.2019

₹ in Lakhs

Name	Designation	Loan received	Loan Paid	Balance for the year ended 31.03.19
Sandeep Jain	Managing Director	35.00	5.00	121.40
Anju Jain	Non-Executive Director	90.70	90.70	0.70
Shubhi Jain	Non-Executive Director	10.00	16.45	10.05

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019**

Other Related Party Transaction for the year ended 31.03.2019

₹ in Lakhs

S.No.	Name of Related Party	Nature of contract / arrangement	Value of Transaction
1.	Neelam Dixit	Supplier of waste paper(indigenous)	321.59
2	Centurion Industries Private Limited	Sale of Electricity	50.50
3.	Centurion Paper & Board	Purchase of Packing Material	1.74
4.	Centurion Rubber	Sale of Electricity	95.22
5.	Anju Jain	Rent Paid	18.00

As per our report of even date attached

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

For and on behalf of the Board of Directors

Anil Sood
(Partner)
Membership No.: 083939

Sandeep Jain
(Managing Director)

Anju Jain
(Director)

Anant Vats
(Company Secretary)

A.K.Dixit
(Chief Financial Officer)

Place : New Delhi
Date : 30th May, 2019



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 SEVENTH ANNUAL GENERAL MEETING

FRIDAY, 27TH SEPTEMBER, 2019

ANNUAL GENERAL MEETING to be held on Friday the 27th Day of September, 2019 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 27th 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

Form No. MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

TWENTY SEVENTH ANNUAL GENERAL MEETING Friday, 27th September, 2019.

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: _____

Email id: _____

Signature: _____, or failing him/her

2. Name: _____

Address: _____

as my proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Seventh Annual General Meeting of the Company, to be held on Friday, 27th Day of September, 2019 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.	Ordinary Resolution for adoption of the Financial Statements of the Company for the year ended on 31 st March, 2019 together with the reports of the Directors and Auditors thereon.
2.	Ordinary resolution for Re-appointment of Mrs. Shubhi Jain as a Director, liable to retirement by rotation.
3.	Special Resolution for increase in remuneration of Mr. Sandeep Jain (DIN-00458048) Managing Director cum CEO
4.	Ordinary resolution for appointment of Mr. Sourabh Mathur (DIN-08354589) as an Independent Director
5.	Ordinary Resolution for ratification of Remuneration of Cost Auditor

Signed this _____ day of _____ 2019

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**

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

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	Details
1.	Name of First Named Shareholder (In Block Letters)	
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:

Item No.	Description	No. of shares held	I assent to the resolution	I dissent to the resolution
	ORDINARY BUSINESS			
1.	Ordinary Resolution for adoption of the Financial Statements of the Company for the year ended on 31 st March, 2019 together with the reports of the Directors and Auditors thereon.			
2.	Ordinary resolution for Re-appointment of Mrs. Shubhi Jain as a Director, liable to retirement by rotation.			
	SPECIAL BUSINESS			
3.	Special Resolution for increase in remuneration of Mr. Sandeep Jain (DIN-00458048) Managing Director cum CEO			
4.	Ordinary resolution for appointment of Mr. Sourabh Mathur (DIN-08354589) as an Independent Director			
5.	Ordinary Resolution for ratification of Remuneration of Cost Auditor			

Signature of the Shareholder/Proxy
Name:

Date:

Place:

Venue of AGM Map

