



# **MOHIT PAPER MILLS LIMITED**

**TWENTY SECOND ANNUAL REPORT  
2013 - 2014**



**MOHIT PAPER MILLS LIMITED**

**BOARD OF DIRECTORS**

**EXECUTIVE DIRECTORS**

Mr. Sandeep Jain  
Mr. Sushil Kumar Patidar

**NON EXECUTIVE DIRECTORS**

Mrs. Shubhi Jain (formerly Shubhi Goyal)  
Mrs. Anju Jain

**INDEPENDENT DIRECTORS**

Mr. Sushil Kumar Tyagi  
Mr. Rakesh Kansal  
Mrs. Rashmi Kansal  
Mr. Devender Shankar Vishnoi

**COMPANY SECRETARY**

Mr. Anant Vats

**AUDITORS**

M/s Ajay Shreya & Company  
Chartered Accountants  
New Delhi

**BANKERS**

BANK OF BARODA

**REGISTERED OFFICE**

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

CIN:L21093DL1992PLC116600

WEB-SITE:mohitpaper.net

E-Mail: mohitpaper9@bsnl.in

**WORKS:**

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

**REGISTRAR & TRANSFER AGENT**

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



## MOHIT PAPER MILLS LIMITED

**MOHIT PAPER MILLS LIMITED**  
Registered Office:15A/13, UPPER GROUND FLOOR, EAST PATEL NAGAR, NEW DELHI-110008  
TELEPHONE:011-25886798, TELEFAX:011-25886797, EMAIL:mohitpaper9@bsnl.in  
Website:www.mohitpaper.net, CIN:L21093DL1992PLC116600

### NOTICE TO THE SHAREHOLDERS

Notice is hereby given that the Twenty-Second Annual General Meeting of the Members of MOHIT PAPER MILLS LIMITED will be held on Tuesday 30<sup>th</sup> Day of September, 2014 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:

1. To receive, consider and adopt the financial statements of the Company for the year ended March 31, 2014, including the audited Balance Sheet as at March 31, 2014, the statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Anju Jain, who retires from office by rotation and being eligible offers herself for re-appointment.
3. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder, and pursuant to the recommendations of the audit committee of the Board of Directors M/s Ajay Shreya & Co., Chartered Accountants (Registration Number-021423N), be and are hereby re-appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the 25<sup>th</sup> Annual General Meeting on remuneration as shall be fixed by the Board of Directors of the Company.”

#### SPECIAL BUSINESS:

4. To appoint Shri Rachit Jain in place of Shri. Rakesh Kansal as Independent Director and in this regard to consider and if thought fit to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions, inter alia of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement, Shri Rakesh Kansal, who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting and does not seek re-appointment, in his place Shri Rachit Jain in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation to hold office for (5) Five consecutive years for a term upto March, 31, 2019, not liable to retire by rotation.”

5. To appoint Shri Sanjeev Kumar Jain in place of Smt. Rashmi Kansal as Independent Director and in this regard to consider and if thought fit to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions, inter alia of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement, Smt. Rashmi Kansal who was appointed as a



Director liable to retire by rotation and whose term expires at this Annual General Meeting who does not seek re-appointment, in his place Mr. Sanjeev Kumar Jain and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation to hold office for (5) Five consecutive years for a term upto March, 31<sup>st</sup>, 2019 .

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

“RESOLVED not to fill the vacancy for the time being, the vacancy caused by the retirement of Mr. Devendra Shankar Vishnoi, who retires by rotation at the AGM and does not seek re-appointment.”

7. To approve the remuneration of the Cost Auditors for the financial year ending 31<sup>st</sup> March, 2015 and in this regard to consider and if thought fit, to pass, with or without modifications(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March, 2015 be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting;

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all act and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

8. To consider and if thought fit to pass with or without modifications, the following resolution as Special Resolution:

“RESOLVED THAT in supersession of the ordinary resolution passed at the Annual General Meeting held on 30<sup>th</sup> Day of September, 2008 under section 293(1)(d) of the Companies Act, 1956 and pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 and all other applicable provisions if any, or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force) the Company hereby accords its consent to the Board of Directors of the Company for borrowing any sums of money from time to time whether in Indian rupees or foreign currency, unsecured or secured notwithstanding that the moneys to be borrowed together with moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) will or may exceed the aggregate of the paid-up-capital of the Company and its free reserves and that the total amount upto which the moneys may be borrowed by the Board of Directors and outstanding shall not exceed the sum of ₹50 cores (Rupees fifty crores only) at any time.

“RESOLVED FURTHER that for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds and things as it may in its absolute discretion deem fit, necessary, proper or desirable and to settle any question, difficulty doubts that may arise in respect of the borrowing(s) aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution.”

9. To consider and if thought fit to pass with or without modification, the following resolution as an Special Resolution:

“RESOLVED THAT in supersession of the ordinary resolution passed at the Annual General Meeting held on 30<sup>th</sup> Day



of September, 2011 under section 293(1)(a) of the Companies Act, 1956 and pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 and all other applicable provisions if any, or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force) consent of the members be and is hereby accorded to the Board of Directors of the Company for mortgaging/charging/hypothecating all or any of the immovable and movable properties of the Company both present and future and the whole or substantially the whole of the undertaking or the undertakings of the Company on such terms and conditions, as may be agreed to between the Board and Lender(s) in favour of all, or any Banks, financial institutions, investments institutions and their subsidiaries, any other bodies corporate and any other lenders (hereinafter collectively referred to as "the lending agencies") and/or Trustees for the holders of debentures/bonds/other instruments to secure borrowings of the company by way of loans/issue of debentures/bonds/other instruments as may be issued which may exceed the paid-up-capital and free reserves but not ₹ 50 crores (Rupees Fifty crores only) at any time.

"RESOLVED FURTHER that for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds and things as it may in its absolute discretion deem fit, necessary, proper or desirable and to settle any question, difficulty doubts that may arise in respect of the borrowing(s) aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution."

10. To consider and if thought fit to pass with or without modification, the following resolution as Special Resolution:

"RESOLVED that in supersession of the Special Resolution passed at the Annual General Meeting held on 30<sup>th</sup> Day of September, 2008 pursuant to Section 163 of the Companies Act, 1956 and pursuant to the provisions of section 94 of the Companies Act, 2013 the Registers to be kept and maintained by the company under Section 88 at the registered office of the company like Register of Members, Index of Members, Register of Debentures, Index of Debentures shall be kept at the following address:

LINK INTIME INDIA PRIVATE LIMITED  
44, Community Centre, 2<sup>nd</sup> Floor, Naraina Industrial Area,  
Phase-1, New Delhi-110028."

11. To consider and if thought fit to pass with or without modification, the following resolution as Special Resolution:

"RESOLVED THAT subject to the provisions of Section 188 and other provisions, if applicable, of the Companies Act, 2013, consent of the members is hereby accorded for the increase of remuneration of Mr. Mohit Jain (DGM Administration and Marketing) from ₹ 45,000/- per month to ₹ 75,000/- per month with effect from 1<sup>st</sup> April 2014 .

"RESOLVED THAT the Board is further authorized to increase the remuneration of Mr. Mohit Jain, as the Board may decide from time to time subject to the provision and rules under the Companies Act, 2013."

12. To consider and if thought fit to pass with or without modification, the following resolution as Special Resolution:

"RESOLVED THAT Pursuant to Section 188 of the Companies Act, 2013 and any other applicable provisions of the Companies Act, 2013 and the rules made there-under (including any statutory modification(s) or re-enactment thereof for the time being in force), and pursuant to the consent of the audit committee and the board of directors, the consent of the company be and is hereby accorded for entering into contract or arrangement with the related parties as defined under the Act and the Rules made there-under, as per details and on terms and conditions as set out under



Item No. 12 of the Explanatory Statement annexed to this Notice.”

RESOLVED FURTHER THAT pursuant of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the members of the Company be accorded to the Board of Directors of the Company to enter into contracts and /or agreements with Related Parties as defined under the Act with respect to sale, purchase or supply of any goods or materials, selling or otherwise disposing of, or buying leasing of property of any kind, availing or rendering of any services, appointment of agent for purchase or sale of goods, materials or services or property or appointment of such related party to any office or place of profit in the Company or its subsidiary or associate company or any other transaction of whatever nature with related parties.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise in relation to the above and to settle all matters, arising out of and incidental thereto, and to sign and execute all deeds, applications, documents, and writings, that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient, or incidental thereto for the purpose of giving effect to this Resolution.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to determine the actual sums to be involved in the proposed transactions and the terms & conditions related thereto and all other matters arising out of or incidental to the proposed transactions and generally to do all such acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for the purpose of giving effect to this resolution.”

13. To consider and if thought fit to pass with or without modification, the following resolution as Special Resolution:

“RESOLVED THAT in partial modification of the earlier resolution passed on 29<sup>th</sup> September, 2012, consent of the members is hereby accorded pursuant to Section 197, 198 of the Companies Act, 2013 read with schedule V of the Companies Act, 2013 and any other applicable provisions of the Companies Act 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2013 for increase in remuneration of Mr. Sandeep Jain, Managing Director of the Company with effect from 1<sup>st</sup> April 2014 for the remaining tenure at the remuneration, perquisite and other benefits and upon the terms and conditions as set out herein below:

i. Salary of ₹2,00,000/- (Rupees Two Lacs only) per month in the scale of (2,00,000-10,000-2,50,000) as may be determined by the Board of Directors of the Company from time to time.

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 of 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.

RESOLVED FURTHER THAT pursuant to applicable provisions of the Companies Act, 2013 and Section II of Part II



of Schedule V, the said remuneration and the perquisites be paid/extended to Mr. Sandeep Jain, Managing Director, as Minimum remuneration in the event of there being loss or inadequacy of profits.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to revise the remuneration of Mr. Sandeep Jain, Managing Director from time to time in their absolute discretion in accordance with the provisions of the Companies Act,2013.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take necessary steps for giving effect to the aforesaid resolution.”

14. To consider and if thought fit to pass with or without modification, the following resolution as Special Resolution:

“RESOLVED THAT pursuant to Section 186 of the Companies Act, 2013 and other applicable provisions of the Companies Act,2013 and subject to such other approvals, consents, sanctions and permissions as may be necessary, consent of the members of the Company be accorded to the Board of Directors of the Company to make/give, from time to time, any loan/advance/deposits/investments in shares, debentures and/or other securities and to give, on behalf of the Company, any guarantee and /or provide any security in connection with any loan or loans made by any other person to, or to any other person by, any other person/company/body corporate which shall be subject to aggregate limit of ₹ 50 crores and which may be individual/aggregate in excess of the limits prescribed i.e. over and above 60% of the Company's paid-up share capital, security premium account and free reserves or 100% of the Company's free reserves and security premium amount, whichever is more:

RESOLVED FURTHER THAT the aforesaid loans/investments will be made by the Company out of internal resources or borrowings or in such other manner in such proportion as the Board thinks appropriate, provided that in case of loans, the interest rate shall not be lower than the prevailing yield of 1year, 3year, 5year or 10 year Government security closest to the tenor of loan;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise in relation to the above and to settle all matters, arising out of and incidental thereto, and to sign and execute all deeds, applications, documents, and writings, that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient, or incidental thereto for the purpose of giving effect to this Resolution.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to determine the actual sums to be involved in the proposed transactions and the terms & conditions related thereto and all other matters arising out of or incidental to the proposed transactions and generally to do all such acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for the purpose of giving effect to this resolution.”

BY ORDER OF THE BOARD OF DIRECTORS

ANANT VATS  
(COMPANY SECRETARY)

PLACE : NEW DELHI  
DATED : 13.08.2014



**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 28<sup>th</sup> Day of September to 30<sup>th</sup> Day of September, 2014 (both days inclusive).
5. Members holding shares in electronic mode are requested to intimate any change in their address to their Depository Participant(s). Members holding shares in Physical form are requested to advise any change in their address immediately to the Company/Registrar and Share Transfer agent..
6. Members / Proxies are requested to bring copy of the Annual Report and attendance slip to the meeting.
7. Electronic copy of the Annual Report for 2013-2014 containing the notice of Annual General Meeting, attendance slip, proxy form of the Company is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purpose unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report along with the notice of Annual General Meeting, attendance slip, proxy form of the Company being sent in the permitted mode.





Voting through Electronic means:

1. In compliance with provisions of Section 105 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company will provide e-voting facility to the members. All business to be transacted at the annual general meeting can be transacted through the electronic voting system.
2. The notice of annual general meeting will be sent to the members, whose name appear in the register of members/depositories as at closing hours of business, on Friday, 29th August, 2014.
3. The voting rights of the shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cutoff date (record date) of 29<sup>th</sup> August, 2014.
4. The Company has appointed Mr. Prashant Kumar Balodia, Partner M/s P. Balodia & Co. Practicing Company Secretaries as the scrutinizer for conducting the e-voting process in the fair and transparent manner.
5. The scrutinizer will submit his final report to Chairman of the Company within three working days after the conclusion of e-voting period.
6. The results of annual general meeting shall be declared by the Chairman or his authorized representative or anyone Director of the Company on/after annual general meeting within the prescribed time limits.
7. The scrutinizer's decision on the validity of e-voting will be final.

Instructions of Voting through electronic mode

- A. In case of members receiving e-mail:
- i. If you are holding shares in demat form and have earlier logged on to [www.evotingindia.com](http://www.evotingindia.com) and casted your vote for Electronic Voting Sequence Number (EVSN) of any Company, then your existing login id and password are to be used.
  - ii. If you have forgotten the password then enter the User ID and Captcha Code. Then, click on forgot password & enter the details as prompted by the system.

Procedure for shareholders casting their vote electronically for the first time

- iii. To initiate the voting process, log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- iv. Click on "Shareholders" tab to cast your votes.
- v. Thereafter, select the relevant Electronic Voting Sequence Number(EVSN) alongwith "Company Name" from the drop down menu and click on "SUBMIT" for voting.
- vi. Now fill up the following details in the appropriate boxes:

	For Members holding shares in DEMAT Form	For Members holding shares in Physical Form
User ID	For NSDL: 8 Character DP ID followed by 8 digits Client ID For CDSL: 16 digits beneficiary ID	Folio Number registered with the Company
PAN	Enter your alpha -numeric PAN issued by the Income Tax Department when prompted by the system while e voting (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 first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0' before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 than enter RA00000100 in the PAN field
Dividend Bank Details#	Enter your bank account for the purpose of dividend as registered with your depository participant in case of electronic shares or with the company in respect of physical shares.	
DOB#	Enter your date of birth as recorded in your demat account or in the company records in respect of your shareholding in the company.	



- # Please enter any one of the details in order to login. In case either of the details are not recorded with the depository please enter the no. of shares held by you on 29th August, 2014 in the Dividend Bank details field.
- vii. After entering these details appropriately click on "SUBMIT" tab.
- viii. Members holding shares in physical form will then reach directly 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.
- ix. For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x. Now select the relevant Electronic Voting Sequence Number (EVSN) alongwith "Company Name" on which you choose to vote.
- xi. 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 your assent to the resolution and option "No" implies that your dissent to the resolution.
- xii. Click on the "Resolution File Link" if you wish to view the entire resolutions.
- xiii. 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.
- xiv. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- xv. You can also take our print of the voting done by you by clicking on "Click here to print" option on the voting page.
- B. In case of members receiving the physical copy of notice of the annual general meeting (for members whose e-mail ids are not registered with the company/depository participant(s) or requesting physical copy)
- xvi. Please follow all steps from sl.no. (i.) to sl.no.(xiv) above, to cast vote.
- C. Institutional shareholders (i.e. other than individuals, HUF,NRI etc.) are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution in PDF format in the system for the scrutinizer to verify the vote.
- D. The voting period begins on 9.00 a.m., Monday 22<sup>nd</sup> September, 2014 and ends on 5.30 p.m., Wednesday, 24<sup>th</sup> September,2014. During this period shareholders of the company, holding shares either in physical form or in de-materialized form, as on the cut-off-date on 29th August, 2014 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- E. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (FAQ's) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under "HELP" section or write an e-mail to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).



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

**ITEM NO. 4**

Mr. Rakesh Kansal will retire by rotation at the ensuing Annual General Meeting under the provisions of the erstwhile Companies Act, 1956. In terms of Section 149 of the Companies Act, 2013, he is eligible for appointment as an Independent Director. However, in view of his personnel commitments and other pre-occupations, he had expressed his desire to step down from the Board and he does not seek appointment as Independent Director at the ensuing Annual General Meeting of the Company.

In his place Mr. Rachit Jain being eligible and seeking appointment is proposed to be appointed as an Independent Director for a term of 5 years. A notice has been received from a Member proposing Mr. Rachit Jain as a candidate for the office of Director of the Company.

In the opinion of the Board of Directors, Mr. Rachit Jain, fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is Independent of the Management.

Upon the appointment of Mr. Rachit Jain as Independent Director by the members of the Company, the appointment shall be formalized by the issue of letter of appointment by the Company to the said Director.

Accordingly the Board recommends the resolution in relation to appointment of Mr. Rachit Jain as an Independent Director of the Company, for the approval by the Shareholders of the Company.

Except Mr. Rakesh Kansal and Mr. Rachit Jain, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested.

**ITEM NO. 5**

Mrs. Rashmi Kansal will retire by rotation at the ensuing Annual General Meeting under the provisions of the erstwhile Companies Act, 1956. In terms of Section 149 of the Companies Act, 2013, she is eligible for appointment as an Independent Director. However, in view of her personnel commitment and other pre-occupations, she had expressed her desire to step down from the Board and she does not seek appointment as Independent Director at the ensuing Annual General Meeting of the Company.

In her place Mr. Sanjeev Kumar Jain being eligible and seeking appointment is proposed to be appointed as an Independent Director for a term of 5 years. A notice has been received from a Member proposing Mr. Sanjeev Kumar Jain as a candidate for the office of Director of the Company.

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

Upon the appointment of Mr. Sanjeev Kumar Jain as Independent Director by the members of the Company, the appointment shall be formalized by the issue of letter of appointment by the Company to the said Director.

Accordingly the Board recommends the resolution in relation to appointment of Mr. Sanjeev Kumar Jain as an Independent Director of the Company, for the approval by the Shareholders of the Company.



Except Mrs. Rashmi Kansal and Mr. Sanjeev Kumar Jain , none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested.

**ITEM NO.6**

Mr. Devendra Shankar Vishnoi will retire by rotation at the ensuing Annual General Meeting under the provisions of the erstwhile Companies Act, 1956. In terms of Section 149 of the Companies Act, 2013, he is eligible for appointment as an Independent Director. However, in view of his personnel commitments and other pre-occupations, he had expressed his desire to step down from the Board and he does not seek appointment as Independent Director at the ensuing Annual General Meeting of the Company.

The Company does not propose to fill the vacancy at the ensuing Annual General Meeting or at any adjournment thereof.

Pursuant to provisions of section 152(7)(a) of the Companies Act,2013, a resolution is proposed accordingly.

The directors commend passing of the resolution set out at item no.6 of the Notice.

Except Mr. Devendra Shankar Vishnoi none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested.

**ITEM NO.7**

The Board of Directors of the Company at their meeting held on 30 May,2014 has, on recommendation by the Audit Committee, appointed M/S H.Tara & Co. Cost Accountants as Cost Auditors for the financial year 2014-2015 at a remuneration of ₹ 45,000 plus service tax and out of pocket expenses.

As per Section 148 of the Companies Act, 1913 and applicable rules thereunder, the remuneration payable to the Cost Auditor is to be ratified by the members of the Company.

The Board recommends the resolution for approval of the members as an Ordinary Resolution.

None of the directors, Key Managerial Personnel and relatives thereof is concerned or interested in this Resolution.

**ITEM NO.8**

The members of the Company at the Annual General Meeting held on 30<sup>th</sup> September, 2008 by way of an Ordinary Resolution under Section 293(1)(d) of the Companies Act,1956 approved borrowings(apart from temporary loans) over and above aggregate of the paid-up-capital and free reserves provided that the total amount of such borrowings together with the amounts already borrowed and outstanding at any point of time shall not exceed ₹ 40 crores (Rupees Forty crores only).

Section 180(1)(c) of the Companies Act,2013 requires that the Board of Directors shall not borrow money in excess of the company's paid-up-capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business, except with the consent of the company accorded by way of a special resolution.

So it is necessary for the members to pass a Special Resolution under Section 180(1)(c) to enable the Board of Directors to borrow money in excess of the aggregate of the paid-up-capital and free reserves of the Company.



The Board recommends the resolution for the approval of members.

None of the Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested in the resolution.

**ITEM NO.9**

The members of the Company at the Annual General Meeting held on 30<sup>th</sup> September, 2011 by way of an Ordinary Resolution under Section 293(1)(A) of the Companies Act, 1956 approved creation of mortgage/charges/hypothecations on the movable and immovable properties of the Company in favour of the lending agencies upto a limit of ₹ 40 crores over and above the aggregate of the paid-up capital of the Company and its free reserves.

Section 180(1)(c) of the Companies Act, 2013 requires that the Board of Directors shall not mortgage / charge the properties and/or the whole or substantially the whole of the undertaking of the Company as aforesaid to the lenders upto an aggregate of ₹ 50 crores (Rupees Fifty Crores only) in excess of the aggregate of the paid-up capital and free reserves of the Company. The Board recommends the resolution for the approval of the members.

So it is necessary for the members to pass a Special Resolution under Section 180(1)(a) to enable the Board of Directors to borrow money in excess of the aggregate of the paid-up-capital and free reserves of the Company. The Board recommends the resolution for the approval of members.

None of the Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested in the resolution.

**ITEM NO.10**

The Company have passed the special resolution in the Annual General Meeting held on 30<sup>th</sup> Day of September, 2008 for keeping register of members, index of members, register of debentures, index of debentures with the Registrar and Share Transfer Agent at the following address pursuant to Section 163 of the Companies Act, 1956.

Intime Spectrum Registry Limited  
A-40, 2<sup>nd</sup> Floor, Near Batra Banquet Hall,  
Naraina Industrial Area,  
Phase-II, New Delhi-110028

The Name and address of the Registrar and Share Transfer Agent have changed to:

LINK INTIME INDIA PRIVATE LIMITED  
44, Community Centre, 2<sup>nd</sup> Floor, Naraina Industrial Area,  
Phase-1, New Delhi-110028,

So pursuant to Section 94 of the Companies Act, 1913 the board recommends the resolution for the approval of members for taking note of the change of the name and address of the Registrar and Share Transfer Agent.



None of the Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested in the resolution.

**ITEM NO.11**

Information required to be given under rule 15(Meeting of Board and its Powers) Rules, 2014

S.No.	Particulars	Description
1.	Name of Related Party	Mr. Mohit Jain
2.	Name of Director or Key Managerial Personnel who is related, if any	Mr.Sandeep Jain (Managing Director) Mrs. Anju Jain (Director) Mrs.Shubhi Jain (Director)
3.	Nature of relationship	Son of Mr. Sandeep Jain and Mrs. Anju Jain Husband of Mrs. Shubhi Jain
4.	Nature and Terms of the Contract	Remuneration in capacity of DGM (Administration & Marketing)
5	Amount	₹ 9,00,000 Per Annum

Mr. Mohit Jain is working as DGM (Administration and Marketing) in the Company.

Considering his knowledge, qualification and contribution to the Company's working, the present salary structure it is proposed to increase the salary as per resolution given in the notice.

For the above mentioned purpose a special resolution is required as he is relative to directors.  
Board recommends the passing of the special resolution.

None of the Directors (except Mr. Mohit Jain being the concerned person and Mr. Sandeep Jain, Mrs. Anju Jain and Mrs. Shubhi Jain being relatives of Mr. Mohit Jain), Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution.

**ITEM NO.12**

The Board of Directors of the Company, at its meeting held on 13<sup>th</sup> Day of August, 2014 has approved a proposal for entering into following related party transactions.

Name of the Related Party	Name of the Director or key managerial personnel who is related, if any	Nature of relationship	Nature, material terms, monetary value and particulars of the contract or arrangement	Amount (₹)
Anju Jain	1.Sandeep Jain 2.Shubhi Jain 3.Mohit Jain 4.Anju Jain	Husband Wife of son Son Self	Lease Agreement of Residential House	₹ 18,00,000 per annum

The transactions are related party transactions and in terms of Section 188 of the Companies Act,2013 and the applicable there-under require approval of shareholders by passing Special Resolutions.

The Proposal outlined above is in the interest of the Company and the Board re-commends the resolution set out in the accompanying Notice as special resolution.



Pursuant to Section 188 of the Companies Act, 2013, the Company can enter into transaction mentioned under aforesaid resolution, which are not in the ordinary course of business and /or are not on arm length basis, only with the approval of the shareholders accorded by way of a special resolution. Though, your Company always seeks to enter into transaction with related parties in the ordinary course of business and at arm's length basis, still there may be some such transactions which are done in the interest of the Company and for which your approval is required under the provisions of the Companies Act, 2013.

Further in terms of Section 188 of the Companies Act, 2013, Mr. Sandeep Jain, Mrs. Anju Jain, Mr. Mohit Jain, Mrs. Shubhi Jain being interested will not vote on these resolutions as shareholders of the Company.

The Board recommends the passing of this Resolution as special resolution.

Except Mr. Sandeep Jain, Mrs. Anju Jain, Mr. Mohit Jain, Mrs. Shubhi Jain, none of the directors or key managerial persons of the Company or their relatives are, in any way, concerned or interested, in the resolution.

#### **ITEM NO.13**

Mr. Sandeep Jain was appointed as Managing Director of your Company vide resolution of shareholders with effect from 13.08.2012

As he was getting the remuneration in the same scale since 2007 and it has been a long time since his increase in the remuneration.

The Company is getting excellent benefit from the services of Mr. Sandeep Jain as Managing Director based on his performance, rich knowledge and guidance to the Company.

So it was decided by nomination and remuneration committee and Board of Directors to revise the remuneration for remaining tenure of his office as Managing Director to make his remuneration compatible with his services.

Now approval of shareholders of the Company is required through special resolution.

Your directors recommend passing of this resolution as special resolution.

None of the directors or Key Managerial personnel or their relatives except Mr. Sandeep Jain being the concerned person and Mr. Mohit Jain, Mrs. Anju Jain, Mrs. Shubhi Jain as relatives of Mr. Sandeep Jain are deemed interested or concerned in the said resolution.

**MOHIT PAPER MILLS LIMITED**

## DETAILED INFORMATION AS PER SCHEDULE V OF THE COMPANIES ACT,2013:

I.GENERAL INFORMATION :	
1.Nature of Industry	Manufacture of Writing and Printing Paper & Newsprint & Soda Ash
2.Date of Commencement of commercial production	30.09.1992
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 31.03.2014	During the Year Gross Sales was recorded as at ₹ 9261.26 Lacs as against ₹ 7088.46 Lacs in 2012 -2013.Net Profit during the year is recorded as ₹ 106.14 as against ₹ 59.69 in 2012-2013
II. INFORMATION ABOUT APPOINTEE:	
1.Background Details	Mr. Sandeep Jain, aged about 48 years is a Post Graduate and having about 27 years of experience in Finance and Marketing
2.Past Remuneration Drawn	Last Remuneration Drawn by Mr. Sandeep Jain as Managing Director is ₹ 12,00,000 per annum
3.Recognition/Awards	Nil
4.Job Profile and his suitability	Mr. Sandeep Jain is the promoter Director the company and is associated with the company since its incorporation. He became Managing Director w.e.f. 13.08.2007.He looks after the Day to Day affairs of the Company. Under his vast experience, the Company looks at building sustainable and profitable business.
5.Remuneration Proposed	The proposed remuneration is as mentioned in the Notice.
6.Comparitive 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.
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 Mr. Mohit Jain, Mr s.Anju Jain, Mrs. Shubhi Jain as relatives of Mr. Sandeep Jain 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.
III OTHER INFORMATION	
1.Reasons of Loss or inadequate profit	As the Company is Capital intensive industry so the profit margin is less and with increase in cost of fuel and raw-material and decline in the value of a rupee
2.Steps taken or proposed to be taken for improvement	The Company will take every necessary and possible step for its improvement and future growth.





**ITEM NO.14**

Pursuant to Section 186 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, the Company can make loans to, give guarantee, provide securities to and make investments in the securities of any other person/other bodies corporate to the extent of 60% of its paid-up share capital and free reserves and security premium account or 100% of its reserves and security premium account, whichever is higher, with the approval of the Board of Directors. Where the aggregate of loans and investments made, guarantees given and securities provided exceeds the aforesaid limits, prior approval of the shareholders is required by way of special resolution.

Company constantly review the opportunities for expansion of its business operations either directly or through its holding/subsidiaries/joint venture/associate companies/other bodies corporate or persons and so it is proposed that the Board of Directors of the Company be authorized to invest by way of subscription and/or purchase of securities, grant of loan(s), giving of guarantee(s) and/or providing of security(ies) for an amount not exceeding ₹ 50 crores. Since the above investment, loans, guarantees, and/or securities proposed together with the aggregate of loans made, guarantees given, securities provided and investments made from time to time by the Company may exceed the limit prescribed approval of the shareholders is required for the same

The proposal outlined above is in the interest of the Company and the Board commends the resolution set out in the accompanying Notice.

Except Directors and Key Managerial Personnel's or their relatives of the Company who are/may be Directors/Shareholders in one or more Persons/bodies corporate hereinabove, no other Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested in the said resolution.

BY ORDER OF THE BOARD OF DIRECTORS

ANANT VATS  
(COMPANY SECRETARY)

PLACE : NEW DELHI  
DATED : 13.08.2014

**DIRECTORS' REPORT**

To the Members of Mohit Paper Mills Limited,

The Board of Directors have pleasure in presenting the 22<sup>nd</sup> Annual Report together with the Audited Accounts of the Company for the year ended, 31<sup>st</sup> March, 2014.

The working of the company during the year under review has been highlighted below: (Amount in ₹)

<b>1. FINANCIAL RESULTS</b>		<b>Current Year 31.03.2014</b>		<b>Current Year 31.03.2013</b>
Gross Sales & Other Income		92,79,32,283		71,29,40,081
Operating Profit				
-before Interest, Depreciation & Tax		7,47,89,832		4,40,85,990
Interest & Finance Charges		2,81,09,408		2,25,55,752
Depreciation	3,65,20,815		2,89,92,723	
Less: Depreciation for earlier years written back & Dep. on revalued Assets	13,87,410	3,51,33,405	1,78,65,990	1,11,26,733
Net of Adjustments:				
Depreciation on revalued Assets	13,87,410		14,55,271	
Less: Amount Transferred from capital reserve	13,87,410	-	14,55,271	-
<b>NET PROFIT BEFORE TAX</b>		<b>1,15,47,019</b>		<b>1,04,03,505</b>

The Company has not transferred any amount to the reserves during the current year except the surplus in the Statement of Profit & Loss for the year ended on 31.03.2014, which has been carried over in the Balance Sheet. Gross Sales and Other Income for the year was ₹92.79 crores as against ₹71.29 crores in the previous year.

**2. DIVIDEND**

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

**3. PUBLIC DEPOSITS**

During the year, the company has not accepted any Public Deposits during the year under review.

**4. SHARE CAPITAL**

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

**5. CORPORATE OVERVIEW**

During the year the production has increased from 20297.766 M.T. to 24012.560 M.T. Gross Sales has increased from ₹71.29 crores to ₹92.79 crores. Net Profit before tax of the Company has increased from ₹104.04 Lacs to ₹115.47 Lacs.

The Performance of the Company was better than the last year. The situation of the global market has improved which shows in the improvement of the performance of your Company.

**6. DIRECTORS**

Mrs. Anju Jain retires by rotation at this AGM and being eligible offer herself for re-appointment.



Mr. Rakesh Kansal ,Mrs. Rashmi Kansal also retires at this AGM and the company have received notices in writing from members proposing Mr. Rachit Jain, Mr. Sanjeev Kumar Jain in place of them for appointment of independent directors for five consecutive years.

Mr. Devendra Shankar Vishnoi retires at this AGM and does not seek re-appointment. The vacancy is not to be filled for the time being.

Mr. Hardesh Kumar Gupta resigned from the office of whole-time-director on 11.04.2013.

Mr. Sushil Kumar Patidar was appointed as whole-time-director on 11.04.2013 and the approval of the shareholders was taken in the AGM held on 30.09.2013

Mrs. Shubhi Jain (formerly Shubhi Goyal) was appointed as additional director on 15.07.2013 and was appointed as Director by Shareholders in the AGM held on 30.09.2013.

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

#### 7. INSURANCE

The Assets of the company including Buildings, Plant & Machinery, Stocks and Stores have been adequately secured.

#### 8. AUDITORS AND AUDITOR'S REPORT

Your Company's Auditors, M/s Ajay Shreya & Co., Chartered Accountants, retire at the ensuing Annual General Meeting and, being eligible, have offered themselves for re-appointment. The Board, on the recommendation of the Audit Committee, has recommended the re-appointment of M/s Ajay Shreya & Co., Chartered Accountants for a period of 3 years in accordance with Section 139 of the Companies Act, 2013. Appropriate resolution seeking your approval to the said re-appointment is appearing in the Notice convening the 22<sup>nd</sup> Annual General Meeting of the Company.

The Auditor's Report on the Accountants is self-explanatory and no comments are required.

#### 9. COST AUDITORS

Your company had appointed M/s H.Tara & Co. for audit of Cost Records in respect of Paper, Soda Ash and Power for Financial Year 2012-13. The Cost Audit Report was filed by Cost Auditor on 26.09.2013 within the due date of 30.09.2013.

In respect of Financial Year ended 31.03.2014, your company has appointed M/s H.Tara & Co. for Audit of Cost Record in respect of Paper, Soda Ash and Power. The due date for filing Cost Audit Reports is 30.09.2014

#### 10. DISCLOSURE OF PARTICULARS UNDER SECTION 217 (1) (e) OF THE COMPANIES ACT, 1956.

Under the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules 1988, the detailed information is enclosed as per Annexure (A).

#### 11. DIRECTORS RESPONSIBILITY STATEMENT PURSUANT TO SECTION 217(2AA) OF THE COMPANIES ACT, 1956

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956, with respect to Directors Responsibility Statement, it is hereby confirmed:

- i. That in the preparation of the Annual Accounts for the financial year ended 31<sup>st</sup> March, 2014 the applicable Accounting Standards had been followed and there has been no material departures;
- ii. That the selected accounting policies were applied consistently and the directors made judgments and



estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at the end of financial year and of the profit of the Company for the year under review;

- iii. That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv. That the annual accounts have been prepared on 'going concern basis'.

#### **12. CORPORATE GOVERNANCE**

Your Company has complied with all the mandatory requirements of Corporate Governance. A detailed report on Corporate Governance and Management Discussion and Analysis forming part of the Director's Report is enclosed as Annexure (B).

#### **13. PARTICULARS OF EMPLOYEES**

None of the employee of the Company was in receipt of total remuneration of ₹ 60,00,000/- during the financial year under review or ₹ 5,00,000/- per month. Hence, the information U/s 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 are not required to be furnished.

#### **14. SAFETY AND ENVIRONMENT**

The company continued to maintain a good safety record. The plants of the company are environment friendly and maintain all safety measures.

#### **15. INDUSTRIAL RELATIONS**

Industrial relations remained cordial during the year. The company received full cooperation and support from all its employees without which it would not have been possible to achieve consistent good performance.

#### **16. DISCLOSURE PURSUANT TO CLAUSE 43A OF THE LISTING AGREEMENT**

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

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

#### **17. ACKNOWLEDGEMENT**

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

FOR AND ON BEHALF OF BOARD OF DIRECTORS

SANDEEP JAIN  
(CHAIRMAN)

PLACE : NEW DELHI  
DATED : 13/08/2014



**ANNEXURE TO DIRECTOR'S REPORT  
ANNEXURE (A)**

**DISCLOSURE OF PARTICULARS UNDER SECTION 217(1)(E) OF THE COMPANIES ACT, 1956 UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTOR) RULES, 1988**

**A. CONSERVATION OF ENERGY**

a. Energy Conservation measures taken:

- i. The Company is self sufficient in terms of power. Co-generation power plant is running good.
- ii. Training sessions of Shop Floor Workmen had been organized periodically.
- iii. The Company has revamped and realigned the existing facilities to optimize power consumption in various power consuming facilities.

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

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

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

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

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

As per Form 'A' enclosed.

**B. TECHNOLOGY ABSORPTION**

Efforts made in technology absorption

As per 'B' enclosed.

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

The Company operates in domestic market of India and has not undertaken exports during the year. Foreign Exchange earnings on account of Exports was NIL. Total foreign exchange outgo during the year amounted to ₹ 11,49,31,536/- on account of Import on CIF Basis of waste paper and machinery part.

FOR AND ON BEHALF OF BOARD OF DIRECTORS

SANDEEP JAIN  
(CHAIRMAN)

PLACE :NEW DELHI  
DATED :13.08.2014



## FORM-A

Disclosure of particulars with respect to conservation of energy:

**A. Power & Fuel consumption****1. Electricity**

	<b>Current Year 31.03.2014</b>	<b>Previous Year 31.03.2013</b>
<b>a. Purchased:</b>		
Units	265391	1682460
Total Amount(₹)	5997355	10903576
Rate/Unit	22.60	6.48
<b>b. Own Generation:</b>		
i. Through Diesel Generator:		
Units	-	9630
Units per Ltr. of Diesel oil	-	3.21
Cost/Unit	-	8.87
ii. Through Steam Turbine/Generator		
a. Units Produced	20559225	17037314
Cost/Unit	NIL	NIL
Units per Ltr. of fuel	NIL	NIL
b. Units Sold	531112	1340752
Rate/Units	5.90	6.58
c. Net units consumed for production		
Units	20028113	15696562
Cost/Units	NIL	NIL
Units per rate of fuel	NIL	NIL
<b>2. Coal / Charcoal:</b>		
Qty.(MT)	42.774	84.11
Total Cost (₹)	695279	1092927
Average Rate	16254	12994.00
<b>3. Tel Rahit Bhussi:</b>		
Qty.(MT)	48960.00	38140.00
Total Cost (₹)	151915710	99305878
Average Rate	3102.85	2603.72
<b>4. Baggass:</b>		
Qty.(M.T.)	Nil	Nil
Total Cost (₹)	Nil	Nil
Average Rate	Nil	Nil



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

Product	Current year		Previous year	
	Paper	Soda Ash	Paper	Soda Ash
Production (MT)	19068.91	4943.65	16590.02	3707.75
Electricity (Units/MT)	967	375	965	372
Tel Rahit Bhussi( in Boiler) (On directly attributable basis To Production)	2.332	0.90	2.11	0.81
Coal(In Boiler) (On Directly attributable basis to production)	0.002	0.0007	0.004	0.001
Bagasse	Nil	Nil	Nil	Nil

FOR AND ON BEHALF OF BOARD OF DIRECTORS

SANDEEP JAIN  
(CHAIRMAN)

PLACE :NEW DELHI

DATED : 13/08/2014



**FORM – B**

**DISCLOSURES OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION RESEARCH & DEVELOPMENT**

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

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

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

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

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

**3. Imported Technology : NIL**

FOR AND ON BEHALF OF BOARD OF DIRECTORS

SANDEEP JAIN  
(CHAIRMAN)

PLACE : NEW DELHI  
DATED : 13/08/2014





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

**To the Members of Mohit Paper Mills Ltd.**

We have examined the compliance of conditions of Corporate Governance by MOHIT PAPER MILLS LIMITED, New Delhi, for the year ended 31<sup>st</sup> March, 2014 as stipulated in clause 49 of the Listing Agreement of the said company with the stock exchange in India.

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

In our opinion and to the best of our information and according to the explanations given to us we certify that company has complied with the conditions of corporate governance as stipulated in clause 49 of the listing agreement.

We state that in respect of investor grievances received during the year ended 31.03.2014, no investor grievances are pending against the company for a period exceeding one month.

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

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

Ajay Jain  
(Proprietor)  
Membership No. 85354

PLACE : NEW DELHI  
DATED : 13/08/2014



## ANNEXURE TO DIRECTOR'S REPORT

**ANNEXURE- (C)**  
**REPORT ON CORPORATE GOVERNANCE**  
(Pursuant to clause 49 of the Listing Agreement)**1. Company's Philosophy on Code of Governance:**

Mohit Paper Mills Limited is committed to good corporate governance and in ensuring adequate disclosure for its stakeholders. We believe that governance process should be such so as to ensure adequate utilization of resources to meet the expectations of the shareholders.

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

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

We also believe that mutual care and concern among the employees and the company, shall be the guiding principle

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

During the year 2013-2014, the Board of the Company consists of an optimum combination of Executive and Non-Executive Directors. The Composition of the Board is in conformity with Clause 49 of the Listing Agreement, which stipulates that not less than fifty percent of the Board of Directors should comprise of Non-Executive Directors and where the Chairman of the Board is Executive Director, at least half of the Board should comprise of Independent Director.

The Composition of the Board consists of the Following:

NAME	DESIGNATION	CATEGORY
MR. SANDEEP JAIN	CHAIRMAN AND MANAGING DIRECTOR	PROMOTER, EXECUTIVE DIRECTOR
MR. SUSHIL KUMAR PATIDAR	WHOLE TIME DIRECTOR	EXECUTIVE
MRS. ANJU JAIN	DIRECTOR	PROMOTER, NON-EXECUTIVE
MR. RAKESH KANSAL	INDEPENDENT DIRECTOR	NON-EXECUTIVE
MRS. RASHMI KANSAL	INDEPENDENT DIRECTOR	NON-EXECUTIVE
MR. DEVENDRA SHANKAR VISHNOI	INDEPENDENT DIRECTOR	NON-EXECUTIVE
MR. SUSHIL KUMAR TYAGI	INDEPENDENT DIRECTOR	NON-EXECUTIVE
MRS. SHUBHI JAIN	DIRECTOR	PROMOTER, NON-EXECUTIVE

**Board Meetings were held on the following dates during the year 2013-2014:**

**Total Number of Board Meetings held were 7**

11.04.2013  
30.05.2013  
15.07.2013  
14.08.2013  
17.10.2013  
13.11.2013  
14.02.2014



Mr. Hardesh Kumar Gupta resigned from the office of whole-time-director on 11.04.2013.

Mr. Sushil Kumar Patidar was appointed as whole-time-director on 11.04.2013 and the approval of the shareholders was taken in the AGM held on 30.09.2013

Mrs. Shubhi Jain (formerly Shubhi Goyal) was appointed as additional director on 15.07.2013 and was appointed as Director by Shareholders in the AGM held on 30.09.2013

**Particulars of Directors including their attendance at the Board/Shareholder's Meetings during the year 2013-2014**

NAME OF DIRECTORS	CATEGORY	OTHER DIRECTORSHIPS	NO. OF BOARD MEETINGS ATTENDED	ATTENDANCE AT LAST AGM	COMMITTEE MEMBERSHIP
Mr. Sandeep Jain	Chairman and Managing Director	Nil	7	Yes	0
Mrs. Anju Jain	Non Executive Director	Nil	7	Yes	0
Mr. RakeshKansal	Independent Director	-	3	No	3
Mrs. RashmiKansal	Independent Director	-	2	No	3
Mr. Devendra Shankar Vishnoi	Independent Director	-	0	No	0
Mr. Sushil Kumar Tyagi	Non-Executive Director	NIL	2	No	3
Mr. Hardesh Kumar Gupta	Whole Time Director	NIL	1	No	0
Mr. Sushil Kumar Patidar	Whole Time Director	NIL	6	No	0
Mrs.Shubhi Jain	Non-Executive Director	NIL	1	No	0

**3. AUDIT COMMITTEE**

The Audit Committee of Directors consists of well qualified and Independent Directors. The scope of the activities of the Committee, are in conformity as are set out in Clause 49II(D) of the Listing Agreement with Stock Exchange read with Companies Act, 1956.

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

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

Date of the meeting were:

25.05.2013

13.08.2013

12.11.2013

12.02.2014

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

Information to ensure that the financial statements are correct, sufficient and credible

Reviewing with the management, the Quarterly Financial Statements before submission to the Board for approval.

Reviewing with the management, the performance of the Statutory Auditors and adequacy of the internal control



Reviewing with the management, the Annual Financial Statements before submission to the Board for approval.

Discussing with the Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

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, 1956.

The Composition of the Committee is as follows:

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

One meeting was held during the year on 09.04.2013

#### **Details of Remuneration of Directors for the Year 2013-2014**

Name	Salary	Commission	Perks	Retirement Benefits	Total
Mr. Sandeep Jain	1200000	-	-	-	1200000
Mr. Sushil Kumar Patidar	787500				787500
Total	1987500	-	-	-	1987500

#### **5. STAKEHOLDER RELATIONSHIP COMMITTEE:**

Composition of the Committee was as follows:

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

All of the work relating to the share transfer, transmission and dematerialization is been given to the M/s LINK INTIME INDIA PRIVATE LIMITED (Registrar and Share transfer Agent) and the Compliance officer is been instructed to monitor the work of Registrar and Share Transfer Agent and also to see to the redressal of investor grievances and to report to the Committee whenever the meeting is held.

So the Committee has reviewed the work done by the Registrar and Share Transfer Agent on its Meeting held on 23<sup>rd</sup> Day of March, 2014, it has seen whether the Shares has been transferred in time, Investors Complaints has been properly resolved or not and all other matter relating to Shares.

**6. Investor Complaints**

All the complaints received during the year has been resolved to the satisfaction of the Complainant. There are no Complaints pending as on 31.03.2014.

**7. 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.

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

In Compliance with Clause 49 of Listing Agreement of Mumbai Stock Exchange, the company has instituted a code of conduct for its Board/Committee Members and Senior Management. A code of conduct is a written document that outlines company values, principles, and guidelines in a variety of areas and enable the company to state to their suppliers, customers, consumers, and other stakeholders the way in which they intend to do business. Commitment to ethical professional conduct is a must for every employee of the company in all of its businesses/Units. This code, consisting of imperatives formulated as statements of personal responsibility, identifies the elements of such a commitment. It contains many, but not all issues employees are likely to face.

**9. Whistle Blower and Protection Policy**

In line with the best Corporate Governance Practices, the company has framed a policy through which employees and business associates may report unethical business practices at work place without fear of reprisal. Under the said policy all employees/business associates have direct access to the Chairman and all the members of the Audit Committee. The whistle blower policy aims to:-

- i. Allow and encourage employees and business associates to bring to the management notice about suspected unethical behavior, malpractice, wrongful conduct, fraud and violation of the policies.
- ii. Ensure timely and consistent organizational response.
- iii. Provide protection against victimization.
- iv. Build and strengthen a culture of transparency and trust.

The Audit Committee periodically reviews the existence and functioning of the mechanism.

**10. General Body Meetings:**

The last 3 Annual General Meetings were held as under:

Year	Venue	Date	Time
2012-2013	Bharat Banquet Hall, A-5,NaveenVihar, Rajiv Nagar Extension, Begumpur Main Barwala Road, Delhi-110081	30.09.2013	10.00 A.M.
2011-2012	Junction 36,16/36, Junction of Joshi Road & Rohtak Road, Karol Bagh, New Delhi-110005	29.09.2012	10.00 A.M.
2010-2011	Junction 36,16/36, Junction of Joshi Road & Rohtak Road, Karol Bagh, New Delhi-110005	30.09.2011	10.00 A.M.

**11. Disclosures :****a. Related Party Disclosure**

There were no transactions of material nature with the directors or the management or their subsidiaries or relatives etc. during the year that had potential conflict with the interests of the Company at large. The details of related party transactions have been reported in the Note No. 8 of Section B of Notes to Accounts.

**b. Compliance by the Company**

There were no cases of non-compliance of any matter relating to capital market during the last 3 years.

**12. CORPORATE GOVERNANCE COMPLIANCE STATUS**

Particulars	Clause of Listing agreement	Compliance Status Yes/No	Remarks
I Board of Directors	49 I	YES	
(A) Composition of Board	49(IA)	YES	
(B) Non -executive Directors' compensation & disclosures	49 (IB)	YES	
(C) Other provisions as to Board and Committees	49 (IC)	YES	
D) Code of Conduct	(49 (ID)	YES	
II. Audit Committee	49 (II)	YES	
(A) Qualified & Independent Audit Committee	49 (IIA)	YES	
(B) Meeting of Audit Committee		YES	
(C) Powers of Audit Committee 49 (IIC)	49 (IIB)	YES	
(D) Role of Audit Committee	49 II(D)	YES	
(E) Review of Information by Audit Committee	49 (IIE)	YES	
III. Subsidiary Companies	49 (III)	NOT APPLICABLE	NO SUBSIDIARY HOLDING
IV. Disclosures	49 (IV)	YES	
(A) Basis of related party transactions	49 (IV A)	YES	
(B) Board Disclosures	49 (IV B)	YES	
(C) Proceeds from public issues, rights issues, preferential issues etc.	49 (IV C)	YES	
(D) Remuneration of Directors	49 (IV D)	YES	
(E) Management	49 (IV E)	YES	
(F) Shareholders	49 (IV F)	YES	
V. CEO/CFO Certification	49 (V)	YES	
VI. Report on Corporate Governance	49 (VI)	YES	
VII. Compliance	49 (VII)	YES	

**13. 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.

#### 14. Management Discussion and Analysis Forms Part of the Director's Report

All price sensitive information or clarifications on the decisions of the Board are communicated immediately to the Stock Exchange for dissemination to the shareholders.

#### 15. BRIEF PARTICULARS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING (As required under Clause 49IV(G) of the Listing Agreement entered into with the Stock Exchanges):

<b>1.NAME</b>	<b>MRS.SANJEEV KUMAR JAIN</b>
AGE	44 YEARS
QUALIFICATION	GRADUATE(B.E.)
EXPERIENCE	20 YEARS BUSINESS AND ADMINISTRATION
OTHER DIRECTORSHIPS	NIL
DESIGNATION	INDEPENDENT DIRECTOR
<b>2.NAME</b>	<b>MR.RACHIT JAIN</b>
Age	32 YEARS
EXPERIENCE	10 YEARS EXPERIENCE IN TEACHING
QUALIFICATION	POST GRADUATE
OTHER DIRECTORSHIPS	NIL
DESIGNATION	INDEPENDENT DIRECTOR
<b>3.NAME</b>	<b>MRS.ANJU JAIN</b>
AGE	47 YEARS
EXPERIENCE	21 YEARS EXPERIENCE IN ADMINISTRATION
QUALIFICATION	POST GRADUATE
OTHER DIRECTORSHIPS	NIL
DESIGNATION	NON- EXECUTIVE DIRECTOR

#### 16. General Shareholder Information

**a. Registered Office**

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

**b. Annual General Meeting**

Date - 30.09.2014

Time - 10:00 A.M.

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

**c. Financial Year**



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

**d. Date of Book Closure**

From 28<sup>th</sup> Day of September, 2014 to 30<sup>th</sup> September, 2014 (both days inclusive)

**e. Listing at Stock Exchanges:**

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

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

The Annual Listing Fee for the year 2013-2014 has been paid to all the aforesaid Stock Exchanges.

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

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

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

**i. Email for Investors is [investor@mohitpaper.net](mailto:investor@mohitpaper.net)**

**Registrar & Share Transfer Agent:**

Address for Correspondence:

LINK INTIME INDIA PRIVATE LIMITED

44, Community Centre, 2<sup>nd</sup> Floor, Naraina Industrial Area,

Phase-1, New Delhi-110028,

Phone:011-41410592,93,94

Telefax:41410591

E-mail:[delhi@linkintime.co.in](mailto: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.





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

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

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

**I. 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 31.03.2014  
8432565 number of shares stand in NSDL A/C, 516652 number of shares stand in CDSL A/C and balance of 5050783 stands in physical mode.

ISIN of the Company is INE388C01017

**m. Distribution of shareholding as on 31<sup>st</sup> March 2014**

Slab-Shareholding of Shares	No of Shareholders		No. of Ordinary Shares	
	Total	% of Shareholders	Total	% of Share Capital
Upto -500	10002	91.82	1215109	8.68
501-1000	441	4.05	394163	2.82
1001-2000	255	2.34	408967	2.92
2001-3000	80	0.73	201570	1.44
3001-4000	22	0.20	78365	0.56
4001-5000	17	0.16	79576	0.57
5001-10000	36	0.33	268866	1.92
10000 & above	40	0.37	11353384	81.09
Total	10893	100	14000000	100

**n. Category of Shareholders as on 31<sup>st</sup> March, 2014**

Category	No. of Shares	%
Non Resident Holding	359525	2.57
Body Corporate	3216472	22.97
Mutual Funds	0	0
Promoter Group	7246919	51.76
Public	3177084	22.70
Total	14000000	100

**o. Stock Price Data- monthly high and low in Bombay Stock Exchange during the financial year 2013-2014**

Month	High(₹)	Low(₹)
April 2013	3.21	3.21
May 2013	3.21	2.18
June 2013	3.21	3.18
July 2013	3.21	3.18
August 2013	3.03	2.61
September 2013	3.00	2.48
October 2013	2.85	2.60
November 2013	2.75	2.71
December 2013	2.62	2.26
January 2014	2.88	2.17
February 2014	2.86	2.61
March 2014	2.71	1.96

**p. Plant Location**

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

**q. Address for Correspondence:****a. For share transfer demat/ remat and any other query relating to shares**

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

**b. For Investor assistance**

Mr. Anant Vats  
Compliance Officer  
Mohit Paper Mills Limited



**r. Reconciliation of Share Capital Audit:**

The Reconciliation of share capital audit report of the company prepared in terms of SEBI circular no. D&CC/FITTC/16, 2002 reconciling the total shares held in both the depositories viz. NSDL, CDSL and in physical form with the total issued/paid up capital of the company is duly submitted to the Stock Exchange.

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

CEO/CFO Certification:

I hereby certify that:

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

FOR AND ON BEHALF OF BOARD OF DIRECTORS

SANDEEP JAIN  
(MANAGING DIRECTOR)

PLACE : NEW DELHI  
DATED : 13/08/2014

**t. Non mandatory requirements under Clause 49 of the listing Agreement**

The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement with the Stock Exchanges, further, compliance of Non-mandatory requirements of the said clause is provided below:

- i. **Non Executive Chairman's Office**  
The Chairman of the Company is the Executive Chairman and hence this provision is not applicable.
- ii. **Tenure of Independent Directors**  
Their Office is liable to retire by rotation at every Annual General Meeting as of other Directors other than Managing Director and Whole Time Directors.
- i. **Remuneration Committee**  
A remuneration committee under the name of Remuneration Committee comprises of 3 Independent Directors. Chairman of the Committee is an Independent Director who reviews and decides the company's policy on specific remuneration package for Executive Directors.
- iv. **Shareholders Right**  
The quarterly and annual results of the company are published in English language in newspapers having nation-wide circulation and also in regional language newspaper of the registered office of the Company as well as Stock Exchanges. Annual Report containing the Detailed Balance Sheet and Profit and Loss Account is also sent to individual Shareholders of the Company.
- v. **Audit Qualifications**  
The Company always strives to present an unqualified Financial Statements. There was no audit qualification in the financial statements of the Company for year 2013-2014.
- vi. **The Training of Board Members**  
The Board of Directors of the Company is continuously briefed with the developments and performance of the company so as to enable them to monitor the same at regular intervals. Report on risk assessment and minimization process and new initiatives proposed by the Company are also presented to them for suggestions and up gradation.
- vii. **Mechanism of evaluation of Non-Executive Directors**  
The Board of Directors including Non- Executive Directors is casted with the responsibility of strategic supervision of the Company. In view of the same, the Board evaluates its Non-executive Directors on the basis of individual contribution towards fulfillment of this responsibility.
- viii. **Whistle Blower Policy**  
The Company has promoted a policy for employees to have an open access to the Respective Functional Heads, Head – HRD, Managing Director as well as Executive Chairman so as to ensure ethical and fair conduct of the business of the Company.

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

The Board Members and Senior Management of MOHIT PAPER MILLS LIMITED have confirmed compliance with the Code of Conduct as laid down by the Board of Directors of the Company, during the Financial Year 2013-2014.

SANDEEP JAIN  
(MANAGING DIRECTOR)



ANNEXURE TO DIRECTOR' REPORT  
ANNEXURE(D)  
MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Board of Directors presents hereunder an analysis of performance of the Company for the year 2013-2014 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 the Government of development of Agriculture and Education Sector. This shall boost the Paper Industry.

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.

Your Company have done some technological changes in the process of manufacturing, oxygen delignification was started instead of chlorine based method. This has resulted in better quality of paper, the price of paper have improved due to the change of method.

Your company have done some technical variations with the use of silent drives for dryer part, new head box, ceramic tops of drainage element, screw press and electric motors and fittings. Speed of the machine was increased due to the use of the same.

**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.

**Segment wise Performance**

During the year the company has achieved the optimum level of capacity utilization with respect to the manufacture of the 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.

Your Company has produced 19068.91 M.T. of paper as against 16590.02 M.T. for the previous year.

The Company has also produced 4943.650 M.T. of Soda Ash as against 3707.750 M.T. which is another segment.

**Internal Control System and Their Adequacy**

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

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

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

The financial statements have been prepared in accordance with the requirements of the Companies Act 1956 and applicable Accounting Standards issued by the Institute of Chartered Accountants of India. The Management of Mohit Paper Mills Limited accepts the integrity and objectivity of these financial statements as well as the various estimates and judgments used therein. The Statement has been made on prudent basis and reflects in a true and fair manner.

Highlights for the year are as follows.

Particulars	Amount (₹ In lacs)
Sales & Other Income	9279.32
Profit before Interest, Depreciation and Tax	747.90

**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 117 on 31<sup>st</sup> March, 2014. Industrial relations remain cordial during the year.

**Cautionary Statement**

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



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

**INDEPENDENT AUDITORS' REPORT**

**TO THE MEMBERS OF MOHIT PAPER MILLS LIMITED**

**REPORT ON THE FINANCIAL STATEMENTS**

We have audited the accompanying financial statements of Mohit Paper Mills Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

**MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**AUDITOR'S RESPONSIBILITY**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**OPINION**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial



statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a. in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2014;
- b. in the case of the Statement of Profit & Loss, of the profit for the year ended on that date; and
- c. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that :
  - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - (b) In our opinion, proper books of accounts, as required by law have been kept by the Company so far as appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit & Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
  - (d) In our opinion, the Balance Sheet, the Statement of Profit & Loss and the Cash Flow Statement comply with the accounting standards referred to in Section 211(3C) of the Act.
  - (e) On the basis of written representations received from the directors, as on 31<sup>st</sup> March, 2014, taken on record by the Board of Directors, none of the directors are disqualified as on 31<sup>st</sup> March, 2014 from being appointed as a director in terms of section 274 (1)(g) of the Act.

**FOR AJAY SHREYA & COMPANY**  
**CHARTERED ACCOUNTANTS**  
Registration No.021423N

AJAY JAIN  
(Proprietor)  
Membership No.: 85354





**ANNEXURE TO INDEPENDENT AUDITORS' REPORT**

Referred to in Paragraph 1 under the heading of "report on other legal and regulatory requirements" of our report of even date

1. In respect of Fixed Assets :
  - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b. As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.
  - c. In our opinion, the Company has not disposed off a substantial part of its fixed assets during the year and going concern status of the Company is not affected.
2. In respect of Inventory
  - a. The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
  - b. In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c. The Company has maintained proper records of inventory. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
3. In respect of loans, secured or unsecured granted or taken by the Company to/from Companies, firms and other parties covered in the register maintained U/s 301 of Companies Act, 1956:
  - a. According to the records of the Company and information given to us, Company has not granted loan to any party during the year
  - b. The Company has taken Loan from one party. In respect of the said Loan the maximum amount due at any time during the year is ₹ 117.51Lacs and yearend balance is ₹ 117.51Lacs.
  - c. In our opinion and according to the information and explanation given to us, the loan taken is interest free and other terms and conditions of the loans taken by the Company are not prima facie prejudicial to the interest of the Company.
  - d. According to the records of the Company and information given to us in respect of loans taken by the Company, the loan is interest free and the principal amount is repayable on demand and there are no overdues.
4. In our opinion and according to the information and explanations given to us, there were adequate internal control system commensurate with the size of the Company and the nature of its business with regard to



purchase of inventory, fixed assets and also for the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in such internal control system. .

5. In respect of transactions covered under section 301 of the Companies Act, 1956:  

In our opinion and according to the information and explanations given to us, there are no contracts and arrangements referred to in Section 301 of the Companies Act, 1956, particulars of which need to be entered into a register maintained under Section 301 of the Act. Accordingly, clause 4(v)(b) of the order is not applicable.
6. According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of Clause (vi) of paragraph 4 of the Order are not applicable to the Company.
7. In our opinion the Company has an adequate internal audit system commensurate with the size and nature of its business.
8. We have broadly reviewed the books of accounts and records maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however made a detailed examination of the same.
9.
  - (a) The Company is regular in depositing with appropriate authorities, undisputed statutory dues including Provident Fund, Investor Education & Protection Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, Excise Duty, cess and other material statutory dues applicable to it.
  - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, excise and cess were in arrears, as at 31.03.2014 for the period of more than six months from the date they become payable.
  - (c) According to the information and explanations given to us, no dues of income tax, wealth tax, sales tax and cess, which have not been deposited on account of any dispute.
10. The Company do not have any accumulated losses nor has incurred cash losses during the year covered by our audit and in the immediately preceding financial year.
11. According to the records and information given to us, the Company has not defaulted in repayment of dues to any financial institution or banks.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditors Report) Order, 2003 are not applicable to the Company.
14. According to the information and explanation given to us, the company is not dealing in shares, securities / debentures and other investments.



15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions during the year covered by our audit, the terms and conditions whereof are prejudicial to the interest of the Company.
16. The term loans have been applied for the purpose for which they were raised.
17. According to information and explanation given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment. No long-term funds have been used to finance short-term assets (excludes permanent working capital).
18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. According to information and explanations given to us, the company has not issued any debentures during the year.
20. The Company has not raised any money by way of Public Issue during the year.
21. According to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the year.

**FOR AJAY SHREYA & COMPANY**  
**CHARTERED ACCOUNTANTS**  
Registration No.021423N

AJAY JAIN  
(Proprietor)  
Membership No.: 85354

PLACE :New Delhi  
DATED : 30/05/2014

**MOHIT PAPER MILLS LIMITED**

MOHIT PAPER MILLS LIMITED  
Regd. Office : 15A/13, UPPER GROUND FLOOR, EAST PATEL NAGAR, NEW DELHI - 110008

**BALANCE SHEET AS AT 31.03.2014**

PARTICULARS	Note	AS AT	
		31st March, 2014 Amount (₹)	31st March, 2013 Amount (₹)
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' fund</b>			
Share Capital	1	140,000,000	140,000,000
Reserves & Surplus	2	100,500,607	91,273,742
<b>Non-current liabilities</b>			
Long-term borrowings	3	31,542,958	34,477,300
Deferred Tax Liability - Net	4	47,803,512	49,231,872
Other long term liabilities	5	500,000	500,000
<b>Current Liabilities</b>			
Short-term borrowings	6	234,459,415	182,468,031
Trade Payables	7	33,938,440	33,868,525
Other current liabilities	8	75,725,821	62,492,205
Short-term provisions	9	2,310,299	2,081,507
<b>TOTAL</b>		<b>666,781,052</b>	<b>596,393,182</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	10	307,565,827	295,394,237
Long-term loans & advances	11	2,121,163	2,066,625
Non-Current investment	12	13,200,000	13,200,000
		<u>322,886,990</u>	<u>310,660,862</u>
<b>Current Assets</b>			
Inventories	13	133,138,238	135,298,912
Trade Receivables	14	162,376,167	91,872,034
Cash & cash equivalents	15	13,726,731	17,110,520
Short-term loans & advances	16	34,652,926	41,450,854
		<u>343,894,062</u>	<u>285,732,320</u>
<b>TOTAL</b>		<b>666,781,052</b>	<b>596,393,182</b>

Significant Accounting Policies  
Notes on Financial Statements 1to27  
As per our Report of even date  
For Ajay Shreya & Company  
Chartered Accountants  
Registration No.:021423N

Ajay Jain Sandeep Jain Anju Jain Anant Vats  
(Proprietor) (Managing Director) (Director) (Company Secretary)  
Membership No.: 85354

Place : New Delhi  
Dated : 30.05.2014

**MOHIT PAPER MILLS LIMITED**

MOHIT PAPER MILLS LIMITED  
 Regd. Office : 15A/13, UPPER GROUND FLOOR, EAST PATEL NAGAR, NEW DELHI - 110008

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2014**

PARTICULARS	Note	For the year ended 31st March, 2014 Amount (₹)	For the year ended 31st March, 2013 Amount (₹)
<b>Revenue from operations</b>			
Sales of Products		926,126,146	708,845,730
Less: Excise Duties		44,444,391	37,391,729
	17	881,681,755	671,454,001
Other Income	18	1,806,137	4,094,351
<b>TOTAL REVENUE</b>		<b>883,487,892</b>	<b>675,548,352</b>
<b>EXPENDITURE</b>			
Cost of Materials Consumed	19	239,932,392	198,701,992
Changes in Inventories	20	(2,142,285)	(2,859,316)
Employee Benefits Expenses	21	16,381,776	12,325,561
Finance Costs	22	28,109,408	22,555,752
Depreciation and Amortization	23	35,133,405	11,126,733
Other Expenses	24	554,526,177	423,294,125
<b>TOTAL EXPENSES</b>		<b>871,940,873</b>	<b>665,144,847</b>
<b>Profit/(Loss) before Exceptional and Extraordinary</b>		<b>11,547,019</b>	<b>10,403,505</b>
Exceptional Items		-	-
<b>Profit/(Loss) before Extraordinary items &amp; tax</b>		<b>11,547,019</b>	<b>10,403,505</b>
Extraordinary Items		-	-
Profit before tax		11,547,019	10,403,505
<b>Tax Expenses</b>			
Current Tax		2,310,298	2,081,507
Deferred Tax		(1,428,360)	2,353,384
Tax Paid for earlier years		8,885	-
Wealth Tax		41,921	-
<b>Profit/(Loss) for the period from Continuing Operations</b>		<b>10,614,275</b>	<b>5,968,614</b>
Profit/(Loss) from Discontinuing Operations		-	-
Tax Expenses of Discontinuing Operations		-	-
Profit/(Loss) for the period		10,614,275	5,968,614
<b>Earning per Equity Share</b>	25		
<b>(Face Value of Rs. 10/- each)</b>			
Basic		0.76	0.43
Diluted		0.76	0.43
Significant Accounting Policies	1 to 27		
Notes on Financial Statements			

As per our Report of even date  
 For Ajay Shreya & Company  
 Registration No.:021423N

Ajay Jain (Proprietor)	Sandeep Jain (Managing Director)	Anju Jain (Director)	Anant Vats (Company Secretary)
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Membership No.: 85354

Place : New Delhi  
 Dated : 30.05.2014

**MOHIT PAPER MILLS LIMITED****MOHIT PAPER MILLS LIMITED  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2014**

<b>PARTICULARS</b>	<b>YEAR ENDED 31.03.2014</b>		<b>Amount (₹) YEAR ENDED 31.03.2013</b>
<b>A. Cash flow from Operating Activities</b>			
Net profit before tax and extra ordinary item	11,547,019		10,403,505
Net prior year & other adjustment:			
Finance Cost	28,109,408		22,555,752
(i) Depreciation	1,387,410	1,455,271	-
(ii) Amount credited from P&L A/c	(1,387,410)	(1,455,271)	-
	39,656,427		32,959,257
(iii) Profit/(Loss) on sale of Assets	(85,866)		(60,646)
	39,570,561		32,898,611
Adjusted for:			
- Depreciation	35,133,405		11,126,733
Operating Profit before working capital changes	74,703,966		44,025,344
Adjustments for:			
- Inventories	2,160,674		(18,900,046)
- Trade Receivables	(70,504,133)		636,327
- Payable	13,532,323		58,080,200
- Direct Taxes Paid	(2,361,104)		(2,081,507)
Net Cash Flow from operating activities	17,531,726		81,760,318
<b>B. Cash flow From Investing Activities</b>			
Increase in Fixed Assets	(48,826,539)		(50,842,440)
- Sale of Fixed Assets	220,000		202,200
- Decrease in capital work in progress	-		-
- Increase in Long Term Loans & Advances	(54,538)		-
- Increase in Short Term Loans & Advances	6,797,928		(17,150,793)
Net Cash Flow from Investing Activities	(41,863,149)		(67,791,033)
<b>C. Cash Flow from Financing Activities</b>			
- Proceeds from Long Term Borrowing	(2,934,342)		24,263,835
- Proceeds/ Repayment of Short Term Borrowings	51,991,384		(41,006,536)
- Increase in Share Capital	-		30,000,000
- Issue of Share Warrants	-		-
Finance Cost Paid	(28,109,408)		(22,555,752)
Cash flow from Financing Activities	20,947,634		(9,298,453)
Net increase in Cash and Cash Equivalents (A+B+C)	(3,383,789)		4,670,832
Opening Balance of cash and cash equivalents	17,110,520		12,439,688
Closing Balance of cash and cash equivalents	13,726,731		17,110,520

Notes Forming Part of Accounts

As per our report of even date attached

For Ajay Shreya & Company  
Chartered Accountants  
Registration No.:021423NAjay Jain  
(Proprietor)Sandeep Jain  
(Managing Director)Anju Jain  
(Director)Anant Vats  
(Company Secretary)

Membership No.: 85354

Place : New Delhi  
Dated : 30.05.2014

**MOHIT PAPER MILLS LIMITED****NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014**

PARTICULARS	AS AT	AS AT
	31st March, 2014 Amount (₹)	31st March, 2013 Amount (₹)
<b>1 A. SHARE CAPITAL</b>		
<b>AUTHORISED SHARE CAPITAL :</b>		
1,75,00,000 (Previous year 1,75,00,000)	175,000,000	175,000,000
Equity shares of ₹ 10/- each.		
<b>ISSUED, SUBSCRIBED, CALLED UP AND PAID UP</b>		
1,40,00,000 (Previous year 1,40,00,000)	140,000,000	140,000,000
Equity Shares of ₹10/- each		
Fully Paid up.		
<b>TOTAL</b>	<b>140,000,000</b>	<b>140,000,000</b>

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

S.No.	Name of Shareholders	As on 31/03/2014		As on 31/03/2013	
		Number of Share held	%age of Holding	Number of Share held	%age of Holding
1.	Mr. Sandeep Jain	2,764,900	19.75%	1,556,450	11.12%
2.	Mrs. Anju Jain	1,911,601	13.65%	1,791,001	12.79%
3.	Mr. Mohit Jain	1,625,218	11.61%	1,622,318	11.59%
4.	M/s Seltron Finance Limited	3,000,000	21.43%	-	-

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

Particulars	2013-2014		2012-2013	
	Number	Amount(₹)	Number	Amount(₹)
Equity Shares outstanding at the beginning of the year	14,000,000	140,000,000	11,000,000	110,000,000
Add : Equity Shares issued during the year	-	-	3,000,000	30,000,000
Less : Equity Shares bought back/ redeemed during the year	-	-	-	-
Equity Shares outstanding at the end of the year	14,000,000	140,000,000	14,000,000	140,000,000

**2. RESERVES & SURPLUS**

Surplus in Statement of Profit & Loss	75,186,562	69,217,948
As per Last Balance Sheet		
Add : Profit during the year	10,614,275	5,968,614
(A)	<b>85,800,837</b>	<b>75,186,562</b>

**CAPITAL RESERVE :**

Capital Reserve	16,087,180	17,542,451
Less : Transfer to Statement of Profit & Loss	1,387,410	1,455,271
(B)	<b>14,699,770</b>	<b>16,087,180</b>
Total Reserve & Surplus ( A + B )	<b>TOTAL</b>	<b>91,273,742</b>

**3 LONG TERM BORROWINGS****SECURED:**

<b>Term Loan</b>		
From Bank	31,542,958	34,477,300
Long Term Maturities of Vehicle Loan Obligations	-	-
<b>TOTAL</b>	<b>31,542,958</b>	<b>34,477,300</b>

Nature of Security for Secured Borrowings are given below :

Term Loan from Bank :	31,542,968	34,477,300
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The Term Loan from Bank of Baroda of ₹ 31542958/-(Previous Year of ₹ 34477300/-) is secured by way of First charge over immovable assets of the Company and equitable mortgage of landed property situated at Village Aaspur Ka & Abdulpur Munna, 9KM Nagina Road, District-Bijnor. The loan is further secured by way of second charge on the current assets of the Company and personal guarantee of the promoter / directors of the company.

**MOHIT PAPER MILLS LIMITED**

PARTICULARS	AS AT	
	31st March, 2014 Amount (₹)	31st March, 2013 Amount (₹)
<b>4 DEFERRED TAX LIABILITY</b>		
Related to fixed assets	47,803,512	49,231,872
<b>TOTAL</b>	<b>47,803,512</b>	<b>49,231,872</b>
<b>5 OTHER LONG TERM LIABILITIES</b>		
Dealers Security	500,000	500,000
<b>TOTAL</b>	<b>500,000</b>	<b>500,000</b>
<b>6 SHORT TERM BORROWINGS</b>		
<b>SECURED:</b>		
Working Capital Loan from Bank	180,945,614	158,567,001
	<b>180,945,614</b>	<b>158,567,001</b>
<b>UNSECURED:</b>		
- From Directors	11,751,500	-
- From Body Corporates	41,762,301	23,901,030
	<b>53,513,801</b>	<b>23,901,030</b>
<b>TOTAL</b>	<b>234,459,415</b>	<b>182,468,031</b>
<p>Working Capital Borrowings from Bank of Baroda are secured against Hypothecation of Stock and Book Debts of the Company. In addition to above, First Charge as Collateral Security over Building and Plant &amp; Machinery both present and future have been created in favour of Bank of Baroda.</p>		
<b>7 TRADE PAYABLES</b>		
Sundry Creditors	33,938,440	33,868,525
<b>TOTAL</b>	<b>33,938,440</b>	<b>33,868,525</b>
<b>8 OTHER CURRENT LIABILITIES</b>		
Advances received from customers	4,005,482	8,223,017
Other payables	21,784,169	7,183,965
Unpresented Cheques	49,936,170	47,085,223
<b>TOTAL</b>	<b>75,725,821</b>	<b>62,492,205</b>
<b>Other payables comprise :</b>		
Statutory Liabilities	2,292,705	4,639,977
Others	19,491,464	2,543,988
	<b>21,784,169</b>	<b>7,183,965</b>
<b>9 SHORT TERM PROVISIONS</b>		
Current Tax	2,310,299	2,081,507
<b>TOTAL</b>	<b>2,310,299</b>	<b>2,081,507</b>





Assets	Gross Block				Depreciation			Net Block		Amount (₹)
	As At 01.04.13	Additions during the year	Deduction During the year	Total Cost As At 31.03.14	upto 31.03.2013	For the period	Adjustment	Total Upto 31.03.2014	As At 31.03.2014	
Land	8,857,464	-	-	8,857,464	-	-	-	-	8,857,464	8,857,464
Building	48,724,573	3,702,442	-	52,427,015	33,060,893	1,723,490	-	34,784,383	17,642,632	15,663,680
Furniture & Fixtures	1,821,651	30,710	-	1,852,361	1,538,689	55,701	-	1,594,390	257,971	282,962
Plant & Machinery	582,350,956	40,130,756	-	622,481,712	312,857,718	33,561,768	-	346,419,486	276,062,226	269,493,238
Motor Vehicle	1,097,968	4,327,434	492,610	4,932,792	836,434	918,769	358,477	1,396,726	3,536,066	621,534
Office Equipment	4,052,177	635,196	-	4,687,373	3,216,818	261,087	-	3,477,905	1,209,468	835,359
<b>Total</b>	<b>646,904,789</b>	<b>48,826,538</b>	<b>492,610</b>	<b>495,238,717</b>	<b>351,510,552</b>	<b>36,520,815</b>	<b>358,477</b>	<b>387,672,890</b>	<b>307,565,827</b>	<b>295,394,237</b>
Previous Year Total	598,966,573	50,842,440	2,904,224	646,904,789	341,691,218	12,582,004	2,762,670	351,510,552	295,394,237	257,275,355

(a) Land, Building and Plant & Machinery were revalued by ₹ 10,02,83,565/- by an approved valuer on 31.03.1986. The resultant surplus amounting ₹ 10,02,83,565/- was Capital Reserve from which depreciation on revalued portion is being written off every year. Depreciation charged for the year include ₹ 13,87,410/- (Previous Year ₹ 14,44,271/-) which is amount of depreciation for the year on the revalued portion and has been transferred from revaluation reserve and credited to Statement of Profit & Loss for the year. This has no impact on impact on profit for the year.

(b) Depreciation for the period in the sum of ₹ 3,65,20,815/- is inclusive of the amount of ₹ 13,87,410/- which has been transferred from Capital Reserve.

**MOHIT PAPER MILLS LIMITED**

PARTICULARS	AS AT	AS AT
	31st March, 2014 Amount (₹)	31st March, 2013 Amount (₹)
<b>11. LONG TERM LOANS &amp; ADVANCES</b>		
Security Deposits (Secured, Considered Good)	2,121,163	2,066,625
<b>TOTAL</b>	<b>2,121,163</b>	<b>2,066,625</b>
<b>12. NON-CURRENT INVESTMENT</b>		
Other Investments	13,200,000	13,200,000
Investments in Equity Instruments (Unquoted Shares) Mohit Petrochemicals Pvt. Ltd. 1320000 Equity Shares of ₹10/- each fully paid-up (Previous year 1320000 of ₹ 10/- each fully paid-up)		
<b>TOTAL</b>	<b>13,200,000</b>	<b>13,200,000</b>
<b>13. INVENTORIES</b> (At lower of cost and net realisable value)		
Raw Materials & Chemicals	61,683,466	58,287,862
Work - in - Process	8,648,578	10,721,287
Finished Goods	14,379,879	8,044,365
Stores & Fuel	39,987,073	47,301,717
Packing Materials & Others	1,602,244	1,829,502
Unfinished Goods	6,836,998	9,114,179
<b>TOTAL</b>	<b>133,138,238</b>	<b>135,298,912</b>
<b>14. TRADE RECEIVABLES</b> (Unsecured, Considered good)		
Over six months	34,300,084	18,116,175
Others	128,076,083	73,755,859
<b>TOTAL</b>	<b>162,376,167</b>	<b>91,872,034</b>
<b>15. CASH &amp; BANK BALANCES</b> <b>Cash and Cash Equivalents</b>		
Balance with Banks		
Current Accounts	7,753,461	8,675,639
Cash in hand	1,518,150	3,194,109
Deposits maturing within 12 months	4,455,120	5,240,772
FDR pledged with bank includes in the sum of ₹ 44,55,120 (Previous Year ₹ 52,40,772)		
<b>TOTAL</b>	<b>13,726,731</b>	<b>17,110,520</b>
<b>16. SHORT TERM LOANS &amp; ADVANCES</b> (Unsecured but considered good)		
Advance Income Tax Paid & TDS	2,264,618	1,999,425
Prepaid Expenses	527,246	501,219
Interest Accrued But not Received	248,830	256,106
Other loans and advances-(a) (Unsecured but considered good)	31,612,232	38,694,104
<b>TOTAL</b>	<b>34,652,926</b>	<b>41,450,854</b>

(a) Other loans and advances include advance to suppliers, advances and imprest to staff and CENVAT/VAT/Service Tax credit receivable etc.

**MOHIT PAPER MILLS LIMITED**

PARTICULARS	AS AT		AS AT	
	31st March, 2014		31st March, 2013	
	Amount (₹)		Amount (₹)	
<b>17. REVENUE FROM OPERATIONS</b>				
<b>Sale of Products</b>				
Paper & Newsprint	853,393,813		654,863,873	
Soda Ash	<u>72,732,333</u>	926,126,146	<u>53,981,857</u>	708,845,730
Less : Excise Duty		44,444,391		37,391,728
<b>TOTAL</b>		<b><u>881,681,755</u></b>		<b><u>671,454,002</u></b>
<b>18. OTHER INCOME</b>				
Interest Income		601,519		475,369
Other Non-Operating Income		24,000		24,000
Profit/(Loss) on Fixed Assets sold/discarded (Net)		85,866		60,646
Misc. Receipts & Income From Business Operation		1,094,752		3,534,336
<b>TOTAL</b>		<b><u>1,806,137</u></b>		<b><u>4,094,351</u></b>
<b>19. COST OF MATERIAL CONSUMED</b>				
Bagasse		85,809,291		50,654,262
Waste Paper:				
-Imported	116,278,305		123,191,913	
-Indigenous	<u>2,903,901</u>	119,182,206	<u>9,939,079</u>	133,130,992
Agro Material		34,940,895		14,916,738
<b>TOTAL</b>		<b><u>239,932,392</u></b>		<b><u>198,701,992</u></b>
<b>of the above</b>				
Imported Items - Amount		116,278,305		123,191,913
- Percentage		48%		62%
Indigenous Items - Amount		123,654,088		75,510,079
- Percentage		52%		38%
<b>20. CHANGES IN INVENTORIES</b>				
<b>Opening Stock :</b>				
Finished Goods	8,044,365		8,531,882	
Semi - Finished Goods	9,114,179		9,044,500	
Work in process	<u>10,721,287</u>	27,879,831	<u>7,460,105</u>	25,036,487
<b>Closing Stock :</b>				
Finished Goods	14,379,879		8,044,365	
Semi - Finished Goods	6,836,998		9,114,179	
Work in process	<u>8,648,578</u>	29,865,455	<u>10,721,287</u>	27,879,831
		1,985,624		2,843,344
Excise duty in value of Finished Goods		156,661		15,972
Increase / (Decrease) <b>TOTAL</b>		<b><u>2,142,285</u></b>		<b><u>2,859,316</u></b>
<b>21. EMPLOYEE BENEFITS EXPENSES</b>				
Salaries & Wages		15,618,465		11,640,272
Contribution to Provident and other Funds		763,311		685,289
<b>TOTAL</b>		<b><u>16,381,776</u></b>		<b><u>12,325,561</u></b>



**21(i) RETIREMENT BENEFITS**

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

**Short Term Employee Benefits**

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

**Long Term Employee Benefits**

a) Defined Contribution plan

**(i) Provident Fund Scheme**

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

These contribution are made to the fund administered and managed by the Government of India. The Company has no further obligations under these plans beyond its monthly contribution.

**(ii) Gratuity**

Group Gratuity cum Life Assurance Scheme with the Life Insurance Corporation of India has been taken in such a way that the gratuity benefits will be payable under an irrevocable trust. The trustees appointed for the purpose of administering the Scheme shall insure gratuity benefits with the LIC. The Company shall pay to the trustees such contributions as are required to secure Gratuity benefits to the employees which will include the liberalized death cover to the employees.

The employees gratuity fund scheme managed by the Life Insurance Corporation of India is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

**DEFINED BENEFIT PLAN**

**Actuarial Assumptions**

Mortality Rate - Indian Assured Lives Mortality Table (1994-1996)

Discount Rate - 8% p.a.

Interest Rate - 9%

Salary Escalation - 7%

Withdrawal Rate - 1% to 3% depending on age

**Gratuity Plan :**

	2013-2014	2012-2013
<b>1 Change in present value of obligation</b>		
a) Present value of obligation as at the beginning	510,513	413,191
b) Current Service cost	83,666	70,794
c) Interest Cost	20,545	23,916
d) Benefit Paid	-	(20,769)
e) Additional contribution (As per Actuarial valuation)	206,146	100,169
f) Present value of obligation as at the end of year	590,024	587,301
<b>2 Change in the fair value of plan assets</b>		
<b>3 Fair value of plan assets</b>		
Funded Status	(590,024)	(587,301)
<b>4 Actuarial gain / loss recognized</b>		
a) Actuarial gain / (loss) for the period-obligation	-	-
b) Actuarial (Gain) / loss for the period – plan assets	-	-
c) Total (gain) / loss for the year	-	-
d) Actuarial (gain)/loss recognized in the period	-	-
e) Unrecognised actuarial (gains)/losses at the end of the period	-	-
<b>5 The amount recognized in balance sheet and statement of profit and loss</b>		
a) Present value of obligation as at the end of the year	590,024	587,301
b) Fair value of plan assets as at the end of the year	-	-
c) Funded status	(590,024)	(587,301)
d) Net assets / (liability) recognized in balance sheet	-	-
<b>6 Expenses recognized in the statement of profit and loss</b>		
a) Current service cost	83,661	70,794
b) Interest cost	20,545	23,916
c) Curtailment cost / (credit)	-	-
d) Settlement cost / (credit)	-	-
e) Net actuarial (gain)/loss recognized in the year	-	-
f) Expenses recognized in the statement of profit & loss	104,211	94,710


**MOHIT PAPER MILLS LIMITED**

PARTICULARS	For the year ended		For the year ended	
	31st March, 2014		31st March, 2013	
	Amount (₹)		Amount (₹)	
<b>22 FINANCE COSTS</b>				
Interest & Charges on Bank borrowing for working capital		24,305,731		21,540,468
Interest on Term Loans		3,684,301		1,006,722
Others Interest		119,376		8,562
<b>TOTAL</b>		<b>28,109,408</b>		<b>22,555,752</b>
<b>23 DEPRECIATION AND AMORTISATION EXPENSES</b>				
Depreciation and Amortization Exp.		36,520,815		28,992,722
Less : Transfer from Capital Reserve		1,387,410		1,455,271
Less : Depreciation of earlier years written back		-		16,410,718
<b>TOTAL</b>		<b>35,133,405</b>		<b>11,126,733</b>
<b>24 OTHER EXPENSES</b>				
<b>Manufacturing Expenses</b>				
Chemicals, Stores & Fuel	511,101,619		390,383,972	
Repair & Maintenance	1,508,643		1,137,337	
Raw Material, Mixing, Loading & Sorting	1,525,000		1,500,000	
Laboratory Expenses	227,362		151,652	
Boiler Feeding Expenses	1,260,000	515,622,624	1,285,000	394,457,961
<b>Selling &amp; Distribution Expenses</b>				
Discount, Commission & other Selling Exp.				
Discount & commission	6,680,341		1,194,475	
Add : Other Selling Exp.	-		152,190	
	6,680,341		1,346,665	
Add : Sales Tax & Entry Tax	27,731,287	34,411,628	22,086,829	23,433,494
<b>Establishment Expenses</b>				
Advertisement & Publicity	97,401		80,858	
Office & General Exp.	1,221,275		1,809,084	
Fees, Rate & Taxes	767,975		537,804	
Insurance Charges	949,617		1,270,027	
Legal and Professional Charges	726,214		1,081,261	
Printing & Stationery	58,266		65,403	
Communication Charges	420,372		322,956	
Travelling & Conveyance	75,732		66,468	
Vehicle Running & Maintenance Expenses	5,073		18,809	
Auditors Remuneration	170,000	4,491,925	150,000	5,402,670
<b>TOTAL</b>		<b>554,526,177</b>		<b>423,294,125</b>
<b>24(i) Value of Chemicals, Consumable &amp; Stores consumed:</b>				
	Amount in ₹	% of Consumption	Amount in ₹	% of Consumption
Imported	5,216,359	1.60%	-	-
Indigenous	321,711,496	98.40%	257,345,943	100%
	<b>326,927,855</b>	<b>100%</b>	<b>257,345,943</b>	<b>100%</b>
<b>ii) Value of Imports on CIF basis in respect of</b>				
Raw Material and Stock-in-trade		114,931,536		106,406,315
Chemicals, Consumable & Stores		-		-
<b>TOTAL</b>		<b>114,931,536</b>		<b>106,406,315</b>

**MOHIT PAPER MILLS LIMITED**

<b>PARTICULARS</b>	<b>For the year ended 31st March, 2014 Amount (₹)</b>	<b>For the year ended 31st March, 2013 Amount (₹)</b>
<b>25 EARNINGS PER SHARE (EPS)</b>		
i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	10,614,275	5,968,614
ii) Number of equity shares used as denominator for calculating EPS	14,000,000	14,000,000
iii) Number of Diluted Equity Share	14,000,000	14,000,000
iv) Basic Earning per share	0.76	0.43
v) Diluted Earning per share	0.76	0.43
vi) Face value per equity share	10	10



**26. SIGNIFICANT ACCOUNTING POLICIES**

**(1) BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

- (i) The financial statements have been prepared in accordance with the applicable Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant disclosure requirements of the Companies Act, 1956 under historical cost convention and on the basis of going concern. Revenues and expenses are accounted for on accrual basis with necessary provisions for all known liabilities and losses except certain items as noted elsewhere. Claims/refunds not ascertainable with reasonable certainty are accounted for on cash basis.
- (ii) Accounting policies not specifically referred to otherwise are consistent and are in consonance with generally accepted accounting principles followed by the company.
- (iii) The Company has adopted accrual system of accounting and the financial statements have been prepared in accordance with the accepted accounting policies. All expenses and incomes are accounted on accrual basis.

**(2) REVENUE RECOGNITION**

Sales are recognised at the point of dispatch of goods to customers and includes excise duty and Sales Tax. Income/Expenses/Revenues are accounted for on accrual basis in accordance with the Accounting Standard (AS-9) issued by the Institute of Chartered Accountants of India.

**(3) INVESTMENTS**

Long term investments are held at cost. Provision will be made as and when deemed necessary under AS-13 issued by the Institute of Chartered Accountants of India.

**(4) FOREIGN CURRENCY TRANSACTIONS**

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

**(5) INVENTORIES**

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

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

- i) Raw Materials and other materials at weighted average cost.
- ii) Store Spares and loose tools at Cost on FIFO basis.
- iii) Work in process – Material Cost plus appropriate share of labour and overheads.



- iv) Finished Goods - Cost is determined by taking material, labour and related factory overheads including depreciation and fixed production overheads which are apportioned on the basis of normal capacity.

**(6) EXCISE DUTY**

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

**(7) SALES & STOCKS**

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

**(8) TAX ON INCOME**

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

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

**(9) BORROWING COST**

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

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

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

**(11) CASH FLOW**

- i. The Cash Flow Statement has been prepared under the "Indirect Method" as prescribed in the Accounting Standard – 3 "Cash Flow Statement".
- ii. The figures of previous year have been recast, rearranged and regrouped whenever considered necessary.

**27. ADDITIONAL NOTES ON FINANCIAL STATEMENTS**

1. (a) Previous year figures have been reworked, rearranged regrouped and reclassified, wherever considered necessary.
- (b) Figures have been rounded off to the nearest rupee.





2. In the opinion of the Board of Directors, Current Assets, Loans & Advances have a value of realization in the ordinary course of business at least equal to the amount at which they have been stated in the Balance Sheet. The provisions for all known liabilities are adequate and not in excess of amount considered reasonably necessary.
3. Contingent Liability not provided for:
- (i) In land Bank Guarantee given by Bank of Baroda for the Company amounting for ₹ 16.76 Lacs and L/C amount ₹ 112.42 Lacs outstanding as on 31.03.2014.
- (ii) Estimated amounts of contracts remaining to be executed on capital account and not provided for ₹ NIL (Previous Year NIL).

**4. Managerial Remuneration****Remuneration paid to Managing Director and Whole Time Director:**

	<b>Current Year</b> <b>31.03.2014</b> <b>Amount (₹)</b>	<b>Previous Year</b> <b>31.03.2013</b> <b>Amount (₹)</b>
Salary & Allowances	1987500	1733871
<b>TOTAL</b>	<b>1987500</b>	<b>1733871</b>

Remuneration has been paid in accordance with Section II of Part II of Schedule XIII of the Companies Act, 1956.

Computation of Net Profit in accordance with section 309(5) of the Companies Act, 1956 is not given, as the Company has not paid any commission to any of its Directors.

**5. Auditor's Remuneration**

	<b>Current Year (₹)</b>	<b>Previous Year (₹)</b>
<b>As Audit Fees</b>	<b>1,70,000</b>	<b>1,50,000</b>

6. Based on the information available with the Company, there are no dues outstanding/ payable to Small Scale Industrial Units where the balance in respect of each party as at the yearend exceeds ₹ 100000/-, outstanding for more than 30 days.

There are no micro, small and medium enterprise to whom the company owes dues which are outstanding for more than 45 days as on the Balance Sheet date. This information is required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 and has been determined to the extent such parties have been identified on the basis of information available with the Company.

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



8. Related Parties Disclosures:  
Holding Company : NIL  
Subsidiary Company : NIL

Key Managerial Personnel : Mr. Sandeep Jain

Related Party :  
Anju Jain  
Mohit Jain  
Centurion Paper and Board  
Centurion Rubber

Transactions with related parties for the period 01.04.2013 to 31.03.2014

Particulars	Corporate Associates	KMP & Relations	Unincorporated Entities	O/S as on 31-03-2014
Loans received	-	11751500	-	-
Loan repaid	-	-	-	-
Remuneration to key Personnel	-	1987500	-	-
Rent Received	24000	-	-	-
Salary to Relatives	-	540000	-	-

9. Segment Information as per Accounting Standard 17 on Segment Reporting for the year ended 31.03.2014.  
(Amount : ₹ Lacs)

Particulars	Paper	Soda Ash	2014 Total	Paper	Soda Ash	2013 Total
Revenue						
External Sales	8533.94	727.32	9261.26	6548.63	539.82	7088.45
Internal Segment Sales	-	-	-	-	-	-
Total	8533.94	727.32	9261.26	6548.63	539.82	7088.45
Segment Result	-46.14	424.64	378.50	-14.13	302.78	288.65
Unallocated Corporate (Expenses)/ Income	-	-	12.05	-	-	36.19
Operating Profit	-	-	390.55	-	-	324.84
Interest Expenses	281.09	-	281.09	225.56	-	225.56
Interest/Dividend Income & Surplus on Disposal of Investments	-	-	6.01	-	-	4.75
Income Tax	-	-	23.10	-	-	20.81
Deferred Tax	-	-	-14.28	-	-	23.53
Profit after tax	-	-	106.65	-	-	59.69
Other Information						
Segment Assets	4808.69	320.03	5128.72	4569.44	273.07	4842.51
Unallocated Corporate Assets	-	-	132.00	-	-	132.00
Total	4808.69	320.03	5260.72	4569.44	273.07	4974.51
Segment Liabilities	1407.09	-	1407.09	989.42	-	989.42
Unallocated Corporate Liabilities	-	-	-	-	-	-
Total	1407.09	-	1407.09	989.42	-	4989.42
Capital Expenditure	-	-	-	-	-	-
Depreciation/ Amortisation	315.31	36.02	351.33	40.49	70.78	111.27
Other Non Cash Expenses Other than Depreciation / Amortisation	-	-	-	-	-	-

**Notes:**

In addition to the significant accounting policies applicable to the business segment as set out in Part A of Note 26, Notes to Accounts, the accounting policies in relation to segment accounting are as under:



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

#### 10. INTANGIBLE ASSETS

On account of prudence and as originally recommended by Accounting Standard 26 on "Intangible Assets", issued by the Institute of Chartered Accountants of India, expenditure on miscellaneous expenditure had been charged to the Statement of Profit & Loss. There are no intangible assets as on date of balance sheet.

Subject to our separate report of even date.

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

AJAY JAIN  
(Proprietor)  
Membership No.: 85354  
PLACE : New Delhi  
DATED : 30/05/2014

Sandeep Jain  
(Managing Director)

Anju Jain  
(Director)

Anant Vats  
(Company Secretary)



**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, EMAIL: [mohitpaper9@bsnl.in](mailto:mohitpaper9@bsnl.in)**

**Website: [www.mohitpaper.net](http://www.mohitpaper.net), CIN: L21093DL1992PLC116600**

**ATTENDANCE SLIP**

**TWENTY SECOND ANNUAL GENERAL MEETING**

**TUESDAY, 30<sup>TH</sup> SEPTEMBER, 2014**

ANNUAL GENERAL MEETING to be held on Tuesday 30th Day of September, 2014 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 22nd 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,EMAIL-mohitpaper9@bsnl.in**  
**Website:www.mohitpaper.net, CIN:L21093DL1992PLC116600**

**MOHIT PAPER MILLS LIMITED**  
**PROXY FORM**  
**TWENTY SECOND ANNUAL GENERAL MEETING**  
**Tuesday, 30 September, 2014**

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

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

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

Email id: \_\_\_\_\_

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

3. Name: \_\_\_\_\_

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

Email id: \_\_\_\_\_

Signature: \_\_\_\_\_, or failing him/her as my proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Second Annual General Meeting of the Company, to be held on Tuesday, 30th Day of September, 2014 at Bharat Banquet Hall, A-5, Naveen Vihar, Rajiv Nagar Extension, Begumpur Main Barwala Road, Delhi-110081 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Description of Resolution
1.	Adoption of the Financial Statements of the Company for the year ended on 31 <sup>st</sup> March, 2014 together with the reports of the Directors and Auditors thereon.
2.	Re-appointment of Mrs. Anju Jain as a Director, liable to retirement by rotation.
3.	Appointment of M/S Ajay Shreya & Co. as Statutory Auditors of the Company.
4.	Appointment of Mr. Rachit Jain in place of Mr. Rakesh Kansal as Independent Director.
5.	Appointment of Mr. Sanjeev Kumar Jain in place of Mrs. Rashmi Kansal as Independent Director.
6.	Vacancy of retirement of Mr. Devendra Shankar Vishnoi who does not seek re-appointment not to be filled for the time being.
7.	Ratification of remuneration payable to Mr. H. Tara & Co., Cost Auditors of the Company.
8.	Resolution u/s 163 of the Companies Act, 2013
9.	Special Resolution u/s 180(1)(c) of the Companies Act, 2013 for borrowing power.
10.	Special Resolution u/s 180(1)(a) of the Companies Act, 2013 for creation of charge on the assets of the Company.
11.	Special Resolution for Increase of Salary of Mr. Mohit Jain
12.	Related Party Transaction u/s 188 of the Companies Act, 2013
13.	To approve the revised remuneration of Mr. Sandeep Jain, Managing Director of the Company
14.	Special Resolution u/s 186 of the Companies Act, 2013 for making loans and investments

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2014

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

Note:

i. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the

Affix Revenue  
 stamp

(15 paise)

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



**If undelivered please return to :**

**MOHIT PAPER MILLS LIMITED**

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