

Date : 03<sup>rd</sup> September, 2024

**Listing Deptt. / Deptt. of Corporate Relations**

**BSE Limited**

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai

Fax- 022-22722037/ 39/41/61/3121/22723719

**Security Code: 530169; Security ID: MOHITPPR**

Dear Sir/ Madam,

**Sub: Annual Report for the Financial Year 2023-24 along with Notice of the 32<sup>nd</sup> Annual General Meeting**

**Ref.: Regulation 30 and 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

In terms of the provisions of Regulation 30 and Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), we submit herewith the Annual Report of Mohit Paper Mills Limited ("Company") for the Financial Year 2023- 24 ("Annual Report") along with the Notice of the 32<sup>nd</sup> Annual General Meeting ("AGM") being sent to the members of the Company by email whose email address are registered with Depository Participant(s)/ Registrar and Share Transfer Agent, in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India. The AGM will be held on Friday, 27<sup>th</sup> September, 2024 at 04 : 00 p.m. by way of Video Conferencing ("VC").

The Annual Report and the Notice of the AGM will also be made available on the website of the Company [www.mohitpaper.in](http://www.mohitpaper.in)

This is for your information and records.

Thanking you,

For **Mohit Paper Mills Limited**

**SANDEEP JAIN**  
Digitally signed by SANDEEP  
JAIN  
Date: 2024.09.03 09:41:52  
+05'30'

**Sandeep Jain**

**Managing Director cum Chairman**

**DIN: 00458048**

**Copy to :**

To <b>National Securities Depository Ltd.</b> Trade World, 4 <sup>th</sup> Floor Kamala Mills Compound Senapati Bapat Marg, Lower Parel Mumbai – 400 013	To, <b>Central Depository Services (India) Ltd.</b> 16 <sup>th</sup> Floor, P.J. Towers, Dalal Street, Fort, Mumbai – 400 001
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**PAPER MILLS LIMITED**

*MOHIT PAPER  
MILLS LIMITED*

**32<sup>nd</sup>**

**ANNUAL REPORT**

**2023-2024**

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**CORPORATE INFORMATION**  
**MOHIT PAPER MILLS LIMITED**

Corporate Identity No (CIN):L21093DL1992PLC116600

**BOARD OF DIRECTORS (as on date of report)**

Mr. Sandeep Jain	Chairman and Managing Director
Mr. Pradeep Rajput Kumar	Whole Time Director
Mrs. Shubhi Jain	Non- Executive Director
Mrs. Anju Jain	Non- Executive Director
Mr. Mohit Jain	Non- Executive Director
Mr. Sourabh Mathur	Non- Executive Independent Director
Mr. Rakesh Juyal	Non- Executive Independent Director
Mrs. Sakshi Jain	Non- Executive Independent Director w.e.f April 1, 2024
Mr. Satya Prakash	Non- Executive Independent Director w.e.f April 1, 2024
Mrs. Shubhi Jain	Non- Executive Independent Director w.e.f April 1, 2024

**KEY MANAGERIAL PERSONNEL'S**

Mr. Arvind Dixit	Chief Financial Officer (CFO)
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**OFFICES****REGISTERED OFFICE**

Mohit Paper Mills Limited  
15A/13, Upper Ground Floor  
East Patel Nagar, New Delhi- 110008  
Tel : 011 -25886798

**PLANT OFFICE**

Mohit Paper Mills Limited  
9 KM Stone, Nagina Road  
Bijnor-246701, UP  
Tel: 01342-283051

E.mail :[investorsmohitpaper@gmail.com](mailto:investorsmohitpaper@gmail.com); Website: [www.mohitpaper.in](http://www.mohitpaper.in)**AUDITORS****STATUTORY AUDITORS**

M/s. Pankaj Goyal & Co. Chartered  
Accountants

**INTERNAL AUDITORS**

M/s. MAA & Company  
Chartered Accountants

**COST AUDITORS**

M/s. H. Tara & Co.  
Cost Accountants

**SECRETARIAL AUDITORS**

M/s Agarwal S. & Associates  
Company Secretaries

**OTHER DETAILS****REGISTRAR AND SHARE TRANSFER AGENT**

LINK INTIME INDIA PVT LTD  
Noble Heights, 1<sup>st</sup> floor, Plt No. NH-2, C-1, Block  
LSC, Near Savitri Market, Janakpuri, New Delhi-110058  
Tel: 011 -41410592,93,94, Telefax: 011 - 4141059,  
Website:[www.linkintime.co.in](http://www.linkintime.co.in)  
Email:[delhi@linkintime.co.in](mailto:delhi@linkintime.co.in), [sunil.mishra@linkintime.co.in](mailto:sunil.mishra@linkintime.co.in)

**PRINCIPAL BANKERS**

Union Bank of India  
Yes Bank  
HDFC Bank



MOHIT PAPER MILLS LIMITED  
CIN: L21093DL1992PLC116600

Registered Office: 15A/13, Upper Ground Floor, East Patel Nagar New Delhi-110008  
Works: 9km Stone, Nagina Road, Bijnor, Uttar Pradesh- 246701  
Telephone: 011-25886798; Website: www.mohitpaper.in;  
E-mail: investorsmohitpaper@gmail.com

NOTICE FOR 32<sup>nd</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the 32<sup>nd</sup> Annual General Meeting ("AGM" or "the Meeting") of the Members of Mohit Paper Mills Limited ("the Company") will be held on Friday, September 27, 2024 at 04.00 P.M. (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following businesses:

**ORDINARY BUSINESS**

**Item No.1: To receive, consider and adopt Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2024, together with Report of Board of Directors and Auditors" Report thereon.**

In this regard, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** the Audited Standalone Financial Statements including the Balance Sheet of the Company as at March 31, 2024, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement for the financial year ended on that date together with all the notes annexed and the Directors" and Auditors" Reports thereon, placed before the meeting, be and are hereby considered and adopted."

**Item No.2: To re-appoint Mrs. Anju Jain (DIN: 00459540), director liable to retire by rotation**

In this regard, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mrs. Anju Jain (DIN: 00459540), who retires by rotation at this meeting and being eligible has offered herself for re-appointment, be and is hereby re-appointed as a Director of the Company, who is liable to retire by rotation."

**SPECIAL BUSINESS**

**Item No.3: To consider the approval for remuneration of Mr. Mohit Jain (DIN: 07203009) and holding an office or place of profit in the Company**

In this regard, to pass the following resolution as an **Special Resolution**:

**"RESOLVED THAT** pursuant to provisions of Section 188(1)(f) and all other applicable provisions of Companies Act, 2013 ("Act") read with Companies (Meeting of Board and Its Powers) Rules, 2014 and other applicable provisions, if any, of the Act (including any statutory modification(s) or re-enactment there of for the time being in force) and provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as per the recommendations of the Nomination and Remuneration Committee, Audit Committee and approval of the Board of Directors in their respective meeting (s) held on August 14, 2024 and the consent of the members of the Company be and is hereby accorded for the

appointment of Mr. Mohit Jain (Non-Executive Director) as advisor/ consultant of the Company as detailed in the Explanatory Statement attached hereto (holding the office of place of profit) on remuneration subject to maximum remuneration non-exceeding Rs. 5,00,000/- (Rupees Five Lakhs) per month and such other perquisites in accordance with the Act and SEBI Listing Regulations, w.e.f. October 01, 2024.

**RESOLVED FURTHER THAT** the Board of Directors of the Company or a committee thereof has the liberty to alter and vary such in accordance with the provisions of Act and to effect change in designation and responsibilities of the persons holding office or place of profit within the maximum limit approved by the shareholders.

**RESOLVED FURTHER THAT** the Board of Directors of the Company or a Committee thereof be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution, without being required to seek any further consent or approval of the member(s) of the Company."

#### **Item No. 4: Ratification of Remuneration**

#### **NOTES:**

1. Pursuant to General Circular Nos. 14/2020 dated April 08, 2020, and latest being 09/2023 dated September 25, 2023, issued by the Ministry of Corporate Affairs ("MCA") ("MCA Circulars") Companies are allowed to hold Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the said Circulars, the AGM of the Company is being held through VC / OAVM.
2. In accordance with above said MCA Circulars and SEBI Circulars latest being Circular Number SEBI/HO/ DDHS

#### **of Cost Auditor**

In this regard, to pass the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 148 (3) and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), a remuneration of Rs. 60,000/- p.a. (Rupees Sixty Thousand) plus applicable taxes and other out of pocket expenses payable to M/s. H. Tara & Co., Cost Accountants for conducting cost audit of the Company for the financial year 2024-2025, as approved by the Board of Directors of the Company, be and is hereby ratified."

By Order of the Board of Directors

**For Mohit Paper Mills Limited**

Sd/-

Sandeep Jain

Managing Director cum Chairman

DIN: 00458048

Dated: 25 August 2024

Place: New Delhi

/P/CIR/2023/0164 dated October 06, 2023 ("SEBI Circulars") the Notice of the AGM along with the Annual Report for FY 2023-24 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL").

3. As per provisions of the Companies Act, 2013 ("Act"), a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a Member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical



attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM, hence the proxy forms are not attached to the Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through electronic voting ("e-voting").

4. Body Corporates / Institutional Shareholders whose authorised representatives are intending to attend the Meeting through VC/OAVM are requested to send to the Company at [investorsmohitpaper@gmail.com](mailto:investorsmohitpaper@gmail.com), a certified copy of the Board Resolution / authorization letter authorizing their representative to attend and vote on their behalf at the AGM through e-voting and also to scrutinizer at email id [ankit.llb4@gmail.com](mailto:ankit.llb4@gmail.com).
5. Since the AGM will be held through VC/OAVM, the route map of the venue of the Meeting is not annexed hereto.
6. The Register of Members and Share Transfer Books will remain closed from Friday, September 20, 2024 to Friday September 27, 2024 (both days inclusive) in terms of the provision of Section 91 the Act for the purpose of this AGM.
7. All documents referred to in the Notice will also be available for electronic inspection from the date of circulation of this Notice up to the date of AGM. Also, the Notice for this AGM along with requisite documents and the Annual Report for the financial year 2023-24 shall also be available on the Company's website [www.mohitpaper.in](http://www.mohitpaper.in) Further, the notice received, if any, under the provisions of the Act will be put up on the website of the Company up to the date of

the Meeting. Members seeking to inspect such documents can send an email to [investorsmohitpaper@gmail.com](mailto:investorsmohitpaper@gmail.com).

8. The Explanatory Statement according to Section 102 of the Act setting out material facts concerning the business under Item Nos. 3 & 4 of the Notice is annexed hereto and the information/relevant details regarding the Director who are proposed to be appointed/re-appointed, as required to be provided under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("SEBI Listing Regulations"), and Secretarial Standard on General Meetings ("SS-2"), is enclosed as Annexure-1. The Directors have furnished consent / declaration for his appointment / re-appointment as required under the Act and Rules made there under.
9. The Facility of joining the AGM through VC / OAVM will be made available to at least 1,000 members on a first come first served basis as per the MCA Circular. However, the participation of members (holding 2% or more shares), promoters, and Institutional Investors, Directors, Key Managerial Personnel, Chairpersons of Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, and other Committees and Auditors are not restricted on first come first serve basis. The Company is providing two way tele conferencing facility for the ease of participation of the members. The instructions for members attending/ participating in the AGM through VC/OAVM are provided herein.
10. Institutional investors, who are members of the Company, are encouraged to attend and vote at the AGM of the Company.

11. Members attending the Meeting through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act, 2013.
12. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates and self-attested copies of the PAN card of the holders for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making the requisite changes. The consolidation will be processed in demat form.
13. SEBI has mandated that all requests of transfer of securities including transmission and transposition requests shall be proceed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to get dematerialize the shares held by them in physical form. Members can contact the Company or the Company's RTA, in this regard.
14. SEBI has mandated the submission of PAN, KYC details and nomination by holders of physical securities by October 1, 2023, and linking PAN with Aadhaar by June 30, 2023, vide its circular dated March 16, 2023 ("SEBI Circular"). Shareholders are requested to submit their PAN, KYC and nomination details to the Company's RTA, Link Intime India Private Limited. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number ('PAN'), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account

number, MICR code, IFSC code, etc.,

For shares held in electronic form: to their Depository Participant only and not to the Company's RTA. Changes intimated to the Depositor Participant will then be automatically reflected in the Company's records which will help the Company and its RTA provide efficient and better service to the Members.

For shares held in physical form: to the Company's RTA in prescribed Form ISR - I and other forms pursuant to SEBI circular SEBI/HO/MIRSD/MIRSD\_RTAMB/P/ CIR/2021/655 dated November 3, 2021, as per instructions mentioned in the form. The said form can be downloaded from the Members' Reference, available on the Company's website under Investors [http://www.mohitpaper.in/mpml\\_financial-info.html](http://www.mohitpaper.in/mpml_financial-info.html) and is also available on the website of the RTA website.

15. Effective April 1, 2024, SEBI has mandated that the shareholders, who hold shares in physical mode and whose folios are not updated with any of the KYC details [viz., (i) PAN (ii) Choice of Nomination (iii) Contact Details (iv) Mobile Number (v) Bank Account Details and (vi) Signature], shall be eligible to get dividend only in electronic mode. Accordingly, payment of final and special dividend, subject to approval at the AGM, shall be paid to physical holders only after the above details are updated in their folios. Shareholders are requested to complete their KYC by writing to the Company's RTA, at [delhi@linkintime.co.in](mailto:delhi@linkintime.co.in) or [sunil.mishra@linkintime.co.in](mailto:sunil.mishra@linkintime.co.in)
16. Members are requested to contact the Registrar & Share Transfer Agent (RTA), Mr. Swapan Naskar or Mr. Sunil Mishra, Link Intime India Private Limited, Noble



Heights, 1st Floor, Plot NH 2 C-1 Block LSC, Near Savitri Market, Janakpuri, New Delhi-110058 (Phone No.: +91-11-49411000; Fax No.: +91-11-41410591; Email: delhi@linkintime.co.in or sunil.mishra@linkintime.co.in) for reply to their queries/redressal of complaints, if any.

17. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the physical shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said forms can be downloaded from our website at [www.mohitpaper.in](http://www.mohitpaper.in) and website of RTA i.e. [www.linkintime.co.in](http://www.linkintime.co.in). If a member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to Company's Registrar and Transfer Agent in case the shares are held in physical form.
18. Members holding shares in demat form are hereby informed that bank particulars registered with their respective Depository Participants, with whom they maintain their demat accounts, will be used by the Company for the payment of dividends. The Company or its Registrar cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participant(s) of the Members. Members holding shares in demat form are requested to intimate any change in their address and / or bank mandate

immediately to their Depository Participants.

19. Recorded transcript of the Meeting shall be uploaded on the website of the Company and the same shall also be maintained in safe custody of the Company. The registered office of the company shall be deemed to be the place of Meeting for the purpose of recording of the minutes of the proceedings of this AGM.
20. Members having any queries related to accounts and operations or any other matter to be placed at the AGM, may write to the Company through an email on [investorsmohitpaper@gmail.com](mailto:investorsmohitpaper@gmail.com), at least seven working days in advance of the Meeting. The same will be replied by the Company suitably.
21. The Board of Directors of the Company has appointed Mr. Ankit Jain (M. No. A31103 and COP 26724), Partner of M/s. Agarwal S. & Associates, Company Secretaries, address D-427, 2<sup>nd</sup> Floor, Palam Extn. Ramphal Chowk, Sector-7, Dwarka, New Delhi- 110075 as the Scrutinizer to scrutinize the e-voting and remote e-voting process for the Thirty Second (32<sup>nd</sup>) Annual General Meeting in a fair and transparent manner.
22. The Chairman of the AGM shall, at the AGM, at the end of discussion on the Resolutions on which the voting is to be held, allow voting with the assistance of the scrutinizer, by using e-voting facility for all those Members who are present at the AGM through VC/OAVM but have not cast their votes by availing the remote e-voting facility.
23. The Scrutinizer shall after the conclusion of voting at the Meeting, will first count the votes cast during the Meeting and thereafter unblock the votes cast through

remote e-voting and shall make and submit, within of the Two working days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting within two working days of conclusion of the AGM.

24. The Notice of the AGM shall be placed on the website of the Company and LIPL till the date of AGM.

25. The Results declared, along with the Scrutinizer's Report shall be placed on the Company's website [www.mohitpaper.in](http://www.mohitpaper.in) and on the website of LIPL i.e. [www.linkintime.co.in](http://www.linkintime.co.in) immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE where the shares of the Company are listed. Further, the results shall be displayed on the website of the Company.

26. Non-Resident Indian Members are requested to inform RTA, immediately on change in their residential status on return to India for permanent settlement, and update on particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with PIN Code number, if not furnished earlier.

**27. DISPATCH OF ANNUAL REPORT THROUGH ELECTRONIC MODE:**

a. In terms of sections 101 and 136 of the Act read with the rules made there under and MCA Circulars & SEBI Circulars, the listed companies may send the Notice

of AGM and the Annual Report by electronic mode. In compliance with the MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report is being sent only through electronic mode to those Members whose email addresses are registered with the Company / RTA / Depository Participants. Members may note that the Notice and Annual Report will also be available on the Company's website [www.mohitpaper.in](http://www.mohitpaper.in), websites of the Stock Exchanges, i.e., BSE Limited at [www.bseindia.com](http://www.bseindia.com).

**28. PROCESS AND MANNER FOR ATTENDING THE GENERAL MEETING THROUGH INSTAMEET:**

Open the internet browser and launch the URL:

<https://instameet.linkintime.co.in> &

Click on "Login".

► Select the "Company" and "Event Date" and register with your following details: -

**A. Demat Account No. or Folio No:**

Enter your 16 digit Demat Account No. or Folio No

- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
- Shareholders/ members holding shares in **physical form shall provide Folio Number** registered with the Company

and on the website of Company's Registrar and Transfer Agent, Link Intime India Private Limited ("RTA")



**b. For receiving all communication (including Annual Report) from the Company electronically**

Members holding shares in physical mode and who have not registered / updated their email address with the Company are requested to register / update the same by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at [investorsmohitpaper@gmail.com](mailto:investorsmohitpaper@gmail.com) or to RTA at [delhi@linkintime.co.in](mailto:delhi@linkintime.co.in) or [sunil.mishra@linkintime.co.in](mailto:sunil.mishra@linkintime.co.in)

**c. Members holding shares in dematerialized mode are requested to register / update their email addresses with the relevant Depository Participant.**

**B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable)

**C. Mobile No.:** Enter your mobile number.

**D. Email ID:** Enter your email id, as recorded with your DP/Company.

Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

**29. INSTRUCTIONS FOR SHAREHOLDERS / MEMBERS TO SPEAK DURING THE GENERAL MEETING THROUGH INSTAMEET**

- Shareholders who would like to speak during the meeting must register their request with the company.
- Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
- Shareholders will receive "speaking serial number" once they mark

attendance for the meeting.

- Other shareholder may ask questions to the panelist, via active chat-board during the meeting.
- Please remember speaking serial number and start your conversation with panelist by switching on video mode and audio of your device.
- Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

**30. INSTRUCTIONS FOR SHAREHOLDERS / MEMBERS TO VOTE DURING THE GENERAL MEETING THROUGH INSTAMEET**

- Once the electronic voting is activated by the scrutinizer during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:
  - On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
  - Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
  - After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
  - Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under Favour/Against'.
  - After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on



"Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.

6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

- b. Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.
- c. Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

<b>Commencement of remote e-voting</b>	Tuesday, September 24, 2024 from 09 : 00 a.m. onwards
<b>End of remote e-voting</b>	Thursday, September 26, 2024 at 05 : 00 p.m.

- d. Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation

in their network. It is therefore recommended to use stable WI-FI or LAN connection to mitigate any kind of aforesaid glitches.

- c. In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or contact on: - Tel: 022-49186175.

- f. The remote e-voting facility will be available during the following voting period:

The remote e-voting shall not be allowed beyond the aforesaid date and time and the remote e-voting module shall be forthwith disabled upon expiry of the aforesaid period. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Friday, September 20, 2024 may cast their vote through remote e-voting.

The remote e-voting module shall be disabled by LIPL for voting thereafter and the facility will be blocked forthwith.

- g. The facility for joining the AGM through VC/OAVM shall be open at least 15 minutes before the time scheduled to start the Meeting and shall not be closed till the expiry of 15 minutes after such scheduled time.

### 31. REMOTE-VOTING INSTRUCTIONS FOR SHAREHOLDERS

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

Login method for Individual shareholders

holding securities in demat mode is given below:

**INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE WITH NSDL**

**METHOD 1 - If registered with NSDL IDeAS facility**

Users who have registered for NSDL IDeAS facility:

- a) Visit URL: <https://eservices.nsdl.com> and click on "Beneficial Owner" icon under "Login".
- b) Enter user id and password. Post successful authentication, click on "Access to e-voting".
- c) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link IntimeInsta Vote website for casting the vote during the remote e-voting period.

**OR**

User who have not registered for NSDL IDeAS facility:

- a) To register, visit URL: <https://eservices.nsdl.com> and select "Register Online for IDeAS Portal" or click on <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
- b) Proceed with updating the required fields.
- c) Post registration, user will be provided with Login ID and password.
- d) After successful login, click on "Access to e-voting".
- e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

**METHOD 2 - By directly visiting the e-voting website of NSDL:**

- a) Visit URL: <https://www.evoting.nsdl.com/>
- b) Click on the "Login" tab available under 'Shareholder/Member' section.
- c) Enter User ID (i.e., your sixteen-digit demat account number held with NSDL),

Password/OTP and a Verification Code as shown on the screen.

d) Post successful authentication, you will be re-directed to NSDL depository website wherein you can see "Access to e-voting".

e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

**INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE WITH CDSL**

**METHOD 1 – If registered with CDSL Easi/Easiest facility**

- a) Visit URL: <https://web.cdslindia.com/myeasitoken/home/loginorwww.cdslindia.com>.
- b) Click on New System Myeasi
- c) Login with user id and password
- d) After successful login, user will be able to see e-voting menu. The menu will have links of e-voting service providers i.e., LINKINTIME, for voting during the remote e-voting period.
- e) Click on 'LINKINTIME' or 'evoting link' displayed alongside Company's Name and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

**OR**

**Users who have not registered for CDSL Easi/Easiest facility.**

- a) To register, visit URL: <https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration>
- b) Proceed with updating the required fields.
- c) Post registration, user will be provided Login ID and password.
- d) After successful login, user able to see e-voting menu.



e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime Insta Vote website for casting the vote during the remote e-voting period.

**METHOD 2 - By directly visiting the e-voting website of CDSL.**

- a) Visit URL: <https://www.cdslindia.com/>
- b) Go to e-voting tab.
- c) Enter Demat Account Number (BO ID) and PAN No. and click on "Submit".
- d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account
- e) After successful authentication, click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

**INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE WITH DEPOSITORY PARTICIPANT**

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL/CDSL for e-voting facility. Mohit Paper Mills Limited

- a) Login to DP website
- b) After Successful login, members shall navigate through "e-voting" tab under Stocks option.
- c) Click on e-voting option, members will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting menu.
- d) After successful authentication, click on 'LINKINTIME' or 'evoting link' displayed alongside Company's Name and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

**Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:**

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Visit URL: <https://instavote.linkintime.co.in>

2. Click on "Sign Up" under "SHARE HOLDER" tab and register with your following details: -

**A. User ID:**

Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID. **B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

**C. DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP/ Company - in DD/MM/YYYY format)

**D. Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

*\*Shareholders holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above*

*\*Shareholders holding shares in NSDL form, shall provide 'D' above*

► Set the password of your choice (The password should contain minimum 8

characters, at least one special Character (@!#S&\*), at least one numeral, at least one alphabet and at least one capital letter).

► Click "confirm" (Your password is now generated).

3. Click on „Login“ under **"SHARE HOLDER"** tab.

4. Enter your User ID, Password, and Image Verification (CAPTCHA) Code and click on **"Submit"**.

#### **Cast your vote electronically:**

1. After successful login, you will be able to see the notification for e-voting. Select **"View"** icon.

2. E-voting page will appear.

3. Refer the Resolution description and cast your vote by selecting your desired option **"Favour / Against"** (If you wish to view the entire Resolution details, click on the **"View Resolution"** file link).

4. After selecting the desired option i.e. Favour/Against, click on **"Submit"**.

A confirmation box will be displayed. If you wish to confirm your vote, click on **"Yes"**, else to change your vote, click on **"No"** and accordingly modify your vote.

### **32. GUIDELINES FOR INSTITUTIONAL SHAREHOLDERS ("CORPORATE BODY/ CUSTODIAN/MUTUAL FUND"):**

#### **STEP 1 – Registration**

a) Visit URL: <https://instavote.linkintime.co.in>

b) Click on Sign up under "Corporate Body/ Custodian/Mutual Fund"

c) Fill up your entity details and submit the form.

d) A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up at Sr. No. 2 above). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity &

stamped and sent to [insta.vote@linkintime.co.in](mailto:insta.vote@linkintime.co.in).

e) Thereafter, Login credentials (User ID; Organisation ID; Password) will be sent to Primary contact person's email ID.

f) While first login, entity will be directed to change the password and login process is completed.

#### **STEP 2 – Investor Mapping**

a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.

b) Click on "Investor Mapping" tab under the Menu Section

c) Map the Investor with the following details:

a. "Investor ID" -

i. *Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678*

ii. *Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.*  
b. "Investor's Name" - Enter full name of the entity.

c. "Investor PAN" - Enter your 10-digit PAN issued by Income Tax Department.

d. "Power of Attorney" - Attach Board resolution or Power of Attorney. File Name for the Board resolution/Power of Attorney shall be – DP ID and Client ID. Further, Custodians and Mutual Funds shall also upload specimen signature card.

d) Click on Submit button and investor will be mapped now.

e) The same can be viewed under the "Report Section".

#### **STEP 3 – Voting through remote e-voting.**

The corporate shareholder can vote by two methods, once remote e-voting is activated:

##### **METHOD 1 - VOTES ENTRY**

a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.

b) Click on "Votes Entry" tab under the Menu section.



c) Enter Event No. for which you want to cast vote. Event No. will be available on the home page of Instavote before the start of remote voting.

d) Enter "16-digit Demat Account No." for which you want to cast vote.

e) Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).

f) After selecting the desired option i.e., Favour / Against, click on 'Submit'.

Mohit Paper Mills Limited

g) A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

#### Login type

Individual Shareholders holding securities in demat mode with NSDL

Individual Shareholders holding securities in demat mode with CDSL

**Helpdesk for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode:** Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022-4918 6000.

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

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

#### OR

#### VOTES UPLOAD:

a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.

b) You will be able to see the notification for e-voting in inbox.

c) Select '**View**' icon for '**Company's Name / Event number**'. E-voting page will appear.

d) Download sample vote file from "Download Sample Vote File" option.

e) Cast your vote by selecting your desired option 'Favour / Against' in excel and upload the same under "Upload Vote File" option.

f) Click on "Submit". "Data uploaded successfully" message will be displayed. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

#### Helpdesk:

#### Helpdesk details

Members facing any technical issue in login can contact NSDL helpdesk by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or call at : 022 - 4886 7000 and 022 - 2499 7000

Members facing any technical issue in login can contact CDSL helpdesk by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33

#### Forgot Password:

#### Individual shareholders holding securities in physical form has forgotten the password:

If an Individual shareholder holding securities in physical form has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

Click on "**Login**" under "**SHARE HOLDER**" tab and further Click "**forgot password?**"

Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

*In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter.*

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

User ID for Shareholders holding shares in NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID

User ID for Shareholders holding shares in CDSL demat account is 16 Digit Beneficiary ID.

**Institutional shareholders ("Corporate Body/ Custodian/Mutual Fund") has forgotten the password:**

If a Non-Individual Shareholders holding securities in demat mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- Click on "Login" under "Corporate Body/ Custodian/Mutual Fund" tab and further Click "forgot password?"
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

*In case shareholders is having valid email address, Password will be sent to his / her*

*registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter.*

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

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

By Order of the Board of Directors

**For Mohit Paper Mills Limited**

Sd/-  
Sandeep Jain  
Managing Director cum Chairman  
DIN: 00458048  
Dated: 25 August 2024  
Place: New Delh



**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****Item No. 3**

The Members of the Company at 30<sup>th</sup> Annual General Meeting held on 29 September 2022, appointed Mr. Mohit Jain as the Non-Executive Non-Independent Director of the Company. The Board and Nomination & Remuneration Committee ("NRC") recognized the importance of the Mr. Mohit Jain, in the Company, especially his vast experience in the field of paper industry. Mr. Mohit Jain is the son of Mr. Sandeep Jain (Chairman and Managing Director) and Mrs. Anju Jain (Director), and spouse of Mrs. Shubhi Jain (Director) of the Company. Mr. Mohit Jain is associated with the Company from 2013 and member of the Board since 2022 and gave his best for growth of the Company. Therefore, the Board, the NRC and Audit Committee in their respective meetings held on 14 August, 2024, acknowledged that Mr. Mohit Jain possesses extensive knowledge and vast experience in the paper industry, which has significantly benefitted the Company's development and growth in the past years. The Board, the NRC and the Audit Committee agreed that Mr. Mohit Jain's expertise in paper industry, strategy planning, policy development, governance, risk & compliance makes him exceptionally well-suited to the Company. Further he will also provide expert advisory and carry out other duties, responsibilities, functions on regular basis and/or time to time in relation to the management and/or marketing activity of the Company on the written or oral request by the Board. Considering the experience, qualification and role of Mr. Mohit Jain, the Board has decided to appoint him as the advisor/ consultant Accordingly, the Board based on the recommendations of the NRC and the Audit Committee has decided to designate Mr. Mohit Jain as an advisor/

consultant (Non- Executive Director and holding a place of profit) effective from October 01, 2024 subject to maximum remuneration non-exceeding Rs. 5,00,000/- (Rupees Five Lakhs) per month and such other perquisites in accordance with the Act and SEBI Listing Regulations. The provisions of section 188(1) of the Companies Act, 2013 Act govern the Related Party Transactions require a Company to obtain prior approval of the Board of Directors and in certain cases approval of the shareholders is also required for the related party's appointment to any office or place of profit. In view of the same, the position/office held by Mr. Mohit Jain in the Company will fall within the preview of Section 188(1)(f) and remuneration in excess of ₹ 30,00,000/- (Rupees Thirty Lakh only) per annum, requires shareholders' approval. Section 188(1)(f) of the Companies Act, 2013 provides for the related party's appointment to any office or place of profit. The Board of Directors of the Company on the recommendation of the Nomination & Remuneration Committee and the Audit Committee, at their meeting held on August 14, 2024, had approved the appointment of Mr. Mohit Jain, as Non- Executive Director (officers and holding a place of profit), subject to the approval of the shareholders by way of an Special Resolution, on a remuneration of Rs. 5,00,000/- (Rupees Five Lakhs) per month and such other perquisites and in terms of the provisions of the Section 188 (1)(f) of the Companies Act, 2013 read with rules mentioned thereto, in the event of increase in salary in excess of the aforesaid limits, the approval of the shareholders by way of special resolution is required. It is to be mentioned that appointment of Mr. Mohit Jain as advisor/ consultant and salary payable to Mr. Mohit Jain and holding office or place of profit in the Company, are in ordinary course of business and at arm's length basis transaction. Required information or details pursuant to the Rule 15(3) of the Companies (Meetings of the Board and its Power) Rules, 2014 of Mr.



Mohit Jain seeking approval of related party transaction under Section 188(1)(f) of the Act.

Sr. No.	Particulars	Details/Information
a.	Name of the Related Party	Mr. Mohit Jain (Non-Executive Director)
b.	Name of the directors or key managerial personnel who is related	None of the Directors, Key Managerial Personnel and their relatives, except Mr. Sandeep Jain, Mrs. Anju Jain and Mrs. Shubhi Jain and their relative, are in anyway, concerned or interested, financially or otherwise in the said resolution.
c.	Nature of relationship	Mr. Mohit Jain is son of Mr. Sandeep Jain and Mrs. Anju Jain and husband of Mrs. Shubhi Jain and holds 17,30,818 equity share of the Company.
d.	Nature, material terms, monetary value and particulars of the contract or arrangement	On the recommendation of NRC and Audit Committee, the Board given its consent for the appointment of Mr. Mohit Jain, Director as adviser/consultant (officer and holding place of profit) and he shall provided expert advisory and carry out other duties, responsibilities, functions on regular basis and/or time to time in relation to the management and/or marketing activity of the Company on the written or oral request by the Board and he is also eligible to get remuneration of Rs. 5,00,000/- p.m. w.e.f. October 01, 2024.
e.	Any other information	As required relevant information provided in explanatory statement above under the item no. 3.

Disclosure under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard-2 issued by the Institute of Company Secretaries of India is provided in the Annexure to the Explanatory Statement. This Explanatory Statement also serves as an appropriate disclosure under the SEBI Listing Regulations

None of the Directors and/or Key Managerial Personnel of the Company and their relatives thereof except Mr. Mohit Jain, Mr. Sandeep Jain (Chairman & Managing Director), Mrs. Anju Jain (Director) and Mrs. Shubhi Jain (Director) are concerned or interested financially or otherwise in the resolution at Item no. 3 of this notice. The Board of Directors of your Company recommends that the Resolution under Item No. 3 be passed in the interest of your Company.

#### Item No. 4

The Board of Directors of the Company in their meeting held on May 28, 2024, on the recommendation of the Audit Committee, had appointed M/s H.Tara & Co., Cost Accountants to conduct the audit of the cost records of Mohit Paper Mills Limited for the financial year 2024-25 at a remuneration of Rs. 60,000/- p.a. (Rupees Sixty Thousand Mohit Paper Mills Limited Only) plus applicable taxes and reimbursement of other out of pocket expenses.

In accordance with the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014, prescribes that the remuneration payable to the Cost Auditors has to be approved by the Board of Directors, based on the recommendation of the Audit Committee, and further it is be

ratified by the Shareholders. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at item No.4 of the Notice of the AGM.

None of the Directors and/ or Key Managerial Personnel (KMP) of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

The Board of Directors of your Company recommends that the Resolution under Item No. 4 be passed in the interest of your Company.

**By Order of the Board of Directors**

**For Mohit Paper Mills Limited**

Sd/-

**Sandeep Jain**

**Managing Director cum Chairman**

**DIN: 00458048**

**Dated: 25 August, 2024**

**Place: New Delhi**

**Additional Information on Directors recommended for appointment/re-appointment as required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standards-2 as prescribed by the Institute of Company Secretaries of India**

Name of Director	Mrs. Anju Jain	Mr. Mohit Jain
DIN	00459540	07203009
Age	15 December 1965 (59 years)	34
Qualifications	Engineering Graduate	Graduate (Honors)
Brief Profile, experience and expertise in specific functional area	Technical Expert	He is commerce graduate (Honors) and having skills/expertise/ competencies fundamental as mentioned in Corporate Governance report
Term and conditions of re-appointment	To be reappointed as Non-Executive Director on existing terms.	To appoint office director as office of place of profit under the provisions of Section 188(1)(f) of the Act.
Details of Remuneration sought to be paid	Only Sitting Fee for attending the Board/ Committee Meetings	Rs. 5,00,000/- per month and other perquisites as applicable and mentioned in details in explanatory statement.
Details of remuneration last drawn	Only Sitting Fee for attending the Board/ Committee Meetings	Getting Rs. 28,80,000/- annually as remuneration under as required provisions of the Act.
Date of first appointment on the Board	August 30, 1992	September 05, 2022
Shareholding in the Company	30,77,589 Equity shares	17,30,818 Equity Shares
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Wife of Mr. Sandeep Jain, Chairman and Managing Director and Mother-in-law of Shubhi Jain, Director and Mother of Mr. Mohit Jain (Director)	Mr. Mohit Jain is husband of Mrs. Shubhi Jain (Non- Executive Director), and Son of Mr. Sandeep Jain (Chairman and Managing Director) and Mrs. Anju Jain (Non- Executive Director).
Attendance at Board, Committee & General Meetings held during the year.	Board Meeting (7/7)	Board Meeting (7/7)
Directorship held in other Indian Listed Companies	None	None
Directorship in other Companies	Centurion Industries Private Limited Mohit Tissues Private Limited	
Chairman/Member of Committees of Board of Director of other Listed Companies	None	None
Resignation from Directorships of Listed Entities in last three years.	None	None

By Order of the Board of Directors

**For Mohit Paper Mills Limited**

Sd/-

Sandeep Jain

Managing Director cum Chairman

DIN: 00458048

Dated: 25 August 2024

Place: New Delhi



## BOARD'S REPORT

### Dear Members

Your Directors have the pleasure in presenting Thirty Second (32<sup>nd</sup>) Annual Report on the business and operations of Mohit Paper Mills Limited ("**MPML**" or the "**Company**"), along with the audited financial statements, for the financial year ended 31<sup>st</sup> March, 2024. The performance of the Company has been referred to wherever required.

### FINANCIAL PERFORMANCE

The standalone financial statements for the financial year ended March 31, 2024, forming part of this Annual Report, have been prepared in accordance with Companies Act, 2013 ("**the Act**") and the relevant rules issued there under, the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements), Regulations, 2015 ("**SEBI Listing Regulations**") and applicable Indian Accounting Standards.

(Rs. in Lakhs)

Particulars	FY 2023-24	FY 2022-23
Revenue from Operations	18562.6	22,216.50
Other Income	640.05	401.27
<b>Total Income of the company</b>	<b>19,202.66</b>	<b>22,617.77</b>
<b>Profit before Depreciation, Finance Costs, Exceptional items and Tax Expense</b>	<b>1,875.92</b>	<b>1610.07</b>
Less: Depreciation/ Amortisation/ Impairment	590.42	556.58
<b>Profit before Finance Costs, Exceptional items and Tax Expense</b>	<b>1285.5</b>	<b>1,053.49</b>
Less: Finance Costs	375.54	348.00
<b>Profit before Exceptional items and Tax Expense</b>	<b>909.96</b>	<b>705.49</b>
Add/(less): Exceptional items	0.00	0.00
<b>Profit before Tax Expense</b>	<b>909.96</b>	<b>705.49</b>
Less: Tax Expense (Current & Deferred)	264.62	213.92
<b>Profit for the year (1)</b>	<b>645.35</b>	<b>491.57</b>
Other Comprehensive Income (2)	0.00	0.00
<b>Total Comprehensive Income (1+2)</b>	<b>645.35</b>	<b>491.57</b>

### COMPANY OVERVIEW

The Company was incorporated in the year 1992 and listed with BSE Ltd. under the provisions of the Act. Your Company is engaged in manufacturing of various kinds of paper like writing printing paper (color and white), MG Poster paper, kraft paper and others various quality papers as

required on customer demand. Your Company is agro based paper manufacturing Company means that we use agriculture products like bagasse and other agriculture product etc. for manufacturing of paper and we also use imported waste paper for manufacturing of paper to increase quality and strength of the manufactured paper. At present the

Company is using higher production capacity of the installed manufacturing capacity. We sold paper in form of reels, sheets and other size as required or demand of the customers.

The Company is adopting all the means for reducing the cost of production for increase the profit in the coming years the Company will achieve perfect point of cost of production after installation of evaporator and caustic soda plant. The Company's cost of production of paper is higher than other paper company because of our small production capacity and using agro product for manufacturing of paper, because of the price of agro products is based on availability of bagasse and other agriculture products in the market.

We expect for better and bright future of the Company. Our strategic objectives are to build a sustainable organization that remains relevant to the agenda of our stakeholders and creating growth opportunities for the employee and increase the wealth of the company for our stakeholders and members

## RESULTS OF OPERATIONS AND STATE OF COMPANY'S AFFAIRS

Your Company's management is committed to aegis of the Company in every situation and also committed to achieving its objectives and goals. Presently the Company engaged in single segment i.e. manufacturing of paper, the management of the Company always keeps keen eyes on every situation/transitions of the Company. The Company is moving fast to maximization the wealth of shareholders and stakeholders of the Company.

At present the production capacity of the Company is 130 MT/per day and the Company is utilized it's maximum production capacity. In the previous financial year 2022-2023 the Board of

Directors decided to install 150 TDS Boiler and Evaporator ("BE") in the production line and caustic soda plant, the purpose to install this BE and caustic soda plant to increase the production with existing production capacity. The idea behind to install BE is that to increase the production of steam, power and caustic soda lye and result of this increment in steam, power and caustic soda, the production will be increased within the existing production capacity. After installing the BE and caustic soda plant, the Company can utilized its optimum or maximum production capacity. The Board supposed that this BE and caustic soda plant will be in used during FY 2024-2024 and which will be a mile stone for the Company.

### During the financial year 2023-2024:

- The Company engaged in single segment i.e. the Company engaged in manufacturing of Paper.
- There is no changes in status of the company.
- There is no changes in financial year of the company.
- There are no acquisition, merger, expansion, modernization and diversification during the year in the company under review.
- There is no any other material event having an impact on the affairs of the company during the year under review.

### HIGHLIGHTS OF FINANCIAL PERFORMANCE FOR THE FINANCIAL YEAR 2023-2024.

During FY 2023-2024, the Company has turnover (Net) of Rs. 18562.61/- lakhs as against previous figure of Rs. 22,216.50/- lakhs, the Company recorded decrease in sale (16.45%) (approx) due to reduce in the price of the paper in national market.

The Company has recorded 27% (approx.) downfall in market price of paper in the year 2023-2024. Further, during the financial year



2023-2024, other income of the Company has been increased to Rs. 640.05 lakhs as against previous year income of Rs. 411.03 lakhs (i.e. increase by around 55.72% during the financial year 2023-2024. However, due to reduction in price of paper as mentioned above, total income has shown a downfall during the financial year 2023-2024. The total income during financial year 2023-2024 is at Rs. 19,202.66/- and previous year income of Rs. 22,627.53/- lakhs.

### RESERVES

Out of the profits of the Company, a sum of Rs. 645.35 lakhs has been transferred to General Reserves during the financial year 2023- 2024 and total free reserves and surplus (Other Equity) as on March 31, 2024 stood at Rs. 3052.36/- lakhs as compared to previous year figure of Rs. 2407.01/- lakhs.

### CASH AND EQUIVALENTS

As on March 31, 2024, the Company is having cash and cash equivalents balance of Rs. 13.12 lakhs in comparison to Rs. 5.34 lakhs as at March 31, 2023, posting an increment by 145.23% (approx). The Company is continuing focus on judicious management of its working capital, receivable, inventories and other working capital parameters are kept under strict check through continuous monitoring.

### NETWORTH AND EARNING PER SHARE (EPS)

As on March 31, 2024, net worth of your Company was 4,452.36 lakhs as compared to Rs. 3,807.01 lakhs for the previous financial year. Mohit Paper Mills Limited 28 EPS of the Company for the financial year ended March 31, 2024 stands at Rs. 4.61 in comparison to Rs. 3.51 for the financial year ended March 31, 2023.

### DIVIDEND

The Board of Directors of your Company, after considering holistically the relevant

circumstances and keeping in view the Company's financial position and future growth prospects, has decided that it would be prudent, not to recommend any dividend for financial year 2023-2024.

### MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments affecting the financial position of the Company which have occurred from the end of the financial year of the Company to which the financial statement relates i.e. March 31, 2024 till the date of this report.

### CHANGE IN THE NATURE OF BUSINESS, IF ANY

There is no change in the nature of business of your Company during the year under review.

### CHANGES IN CAPITAL STRUCTURE

.During the period under review, no change has taken place with regard to capital structure of the Company.

Details of share capital of the Company as on March 31, 2024 is as under:

#### • Authorized Share Capital

As on March 31, 2024, there was no change in the authorized share capital of the Company and it stood at Rs. 17,50,00,000/- (Rupees Seventeen Crore Fifty Lakhs Only) consisting of 1,75,00,000 (One Crore Seventy Five Lakhs) Equity Shares of Rs. 10/- (Rupees Ten Only) each.

**•Paid- up Share Capital**

As on March 31, 2024, Issued, Subscribed and Paid-up Capital of the Company is Rs. 14,00,00,000/- (Rupees Fourteen Crore Only) divided into 1,40,00,000 (One Crore Forty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten Only) each. There is no changes in the share capital during the year.

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

**HOLDING, SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES**

The Company does not have any subsidiaries or associate company as on March 31, 2024, so there is no requirement of statement in Form: AOC-1, under section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014.

**RELATED PARTY TRANSACTIONS**

In line with the requirements of the Act and the Listing Regulations, the Company has formulated a Policy on Materiality of Related Party Transaction (RPT) & Dealing with RPT which is also available on the Company's website.

The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and its Related Parties. All Related Party Transactions and subsequent material modifications are placed before the Audit Committee for its review and approval. Prior omnibus approval is obtained for RPTs on a quarterly basis for transactions which are of repetitive nature and/or entered in the ordinary course of business and are at arm's length, if any. All RPTs are

subjected to independent review by a reputed accounting firm to establish compliance with the requirements of RPTs under the Act, and SEBI Listing Regulations. During the year, the Company had not entered into any contract/ arrangement/ transaction with related parties which could be considered material in accordance with the policy of the company on materiality of related party transactions.

All RPTs entered during the year were in ordinary course of the business and at arm's length basis. No Material RPTs, as per the materiality threshold adopted by the Board of Directors, were entered during the year by the Company. Accordingly, the disclosure of RPTs as required under Section 29 134(3)(h) of the Act, in Form AOC-2 is not applicable. The web link of above policy is here [http://www.mohitpaper.in/upload/others/policies\\_latest/3\\_relatedpartytransactionPolicyMetaUp.pdf](http://www.mohitpaper.in/upload/others/policies_latest/3_relatedpartytransactionPolicyMetaUp.pdf)

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirements of clause (c) of sub-section (3) of Section 134 of the Act, the Board of Directors of your Company confirms that:

- a. In the preparation of the annual accounts for the year ended March 31, 2024, the applicable accounting standards have been followed and there are no material departures from the same;
- b. The Directors have selected such



accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2024 and of the profit of the company for the year ended on that date;

- c. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. The Directors had prepared the annual accounts of the Company on a going concern basis;
- e. The Directors had laid down the internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **INTERNAL FINANCIAL CONTROLS**

The Company has in place adequate internal financial controls with reference to financial

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

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

#### **DIRECTOR AND KEY MANAGEMENT PERSONNEL ("KMP")**

The Board of the Company have an optimum combination of the Executive and Non-Executive Directors (including women Directors). As on March 31, 2024, the Board comprised 10 (Ten) Directors, out of which 5 (Five) were Non-Executive Independent Directors, 2(Two) are Whole Time Directors, and 3 (Three) are the Non- Executive Director.

#### **•Changes in Directors**

Mr. Sushil Kumar Tyagi (DIN: 06362605), Mr. Rachit Jain (DIN: 06982727) and Mr. Sanjeev Kumar Jain (DIN: 07018412) ceased to be the Independent Director(s) of the Company w.e.f. closing of business hours of March 31, 2024 due to completion of their tenure.

Further, Board of Directors in their meeting held on March 30, 2024, based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Members, appointed Mr. Satya Prakash (DIN: 10564516), Mrs. Shubhi Jain (DIN: 10564596) and Mrs. Sakshi Jain (DIN: 10564854) as Non-executive Independent Director, not liable to retire by rotation, for a period of five years commencing from April 01, 2024 to March 31, 2029 (both days inclusive) and the same has Mohit Paper Mills Limited 30 been approved by the shareholders through postal ballot passed on June 19, 2024.

#### • Director liable to retire by rotation

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mrs. Anju Jain (DIN: 00459540), Non- Executive Non-Independent Director of the Company will be retiring by rotation at the ensuing AGM and being eligible offers herself for re-appointment. Necessary resolutions for the re-appointment of aforesaid Director have been included in the Notice convening the ensuing AGM and details of the proposed re-appointment are disclosed in the explanatory statement of the Notice.

#### • Changes in KMPs

During the financial year 2023-2024, there were no changes in the KMP's of the Company. The Key Managerial Personnel of the Company as on March 31, 2024, are Mr. Sandeep Jain (Chairman and Managing Director), Mr. Pradeep Rajput Kumar (Whole Time Director), Mr. Arvind Kumar (Chief Financial Officer) and Mr. Shivam Sharma (Company Secretary & Compliance Officer).

Mr. Shivam Sharma has ceased to be the Company Secretary & Compliance Officer of the Company w.e.f. July 13, 2024 consequent to his resignation.

Further, the Board of Directors of the Company based on the recommendation of the Nomination & Remuneration in their meeting held on August 14, 2024 had appointed Mrs.

Kusum Chauhan (member of Institute of Company Secretaries of India) as Company Secretary & Compliance Officer w.e.f date of her joining.

#### BOARD DIVERSITY

In terms of the provisions of Section 178(3) of the Act and Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations, the Nomination & Remuneration Committee is responsible for formulating the criteria for determining qualifications, positive attributes and independence of a Director. We understand the value and importance of balanced and diverse board in the company. We always support a better/best board in the company. The Company believes that a truly diverse board will changes in thoughts, perspective, knowledge, skills, industry experience, cultural and geographical background, age, gender that will help us retain our competitive advantage.

Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other employees of the Company, is available on the Company's website at [http://www.mohitpaper.in/upload/others/policies\\_latest/1\\_Board%20Diversity%20Policy.pdf](http://www.mohitpaper.in/upload/others/policies_latest/1_Board%20Diversity%20Policy.pdf).

#### FAMILIARISATION PROGRAMME

During the financial year ended March 31, 2024, the Company conducted familiarization programme of independent directors to familiar the independent director with the culture of the Company. During the relevant financial year, as per company policy the Independent Directors of the Company has conducted a separate meeting of Independent Directors of the company on February 12, 2024. The meeting conducted for the purpose of evaluation of the Board of Directors as whole and individually and also conducted the familiarization program for Independent Directors to introduction to the Board and to attend an orientation program. The details of training and familiarization program are provided in the corporate governance report and also available on company's website



[http://www.mohitpaper.in/upload/others/extra/3\\_1\\_Meeting\\_Website\\_22-23.pdf](http://www.mohitpaper.in/upload/others/extra/3_1_Meeting_Website_22-23.pdf).

### **DETAILS OF BOARD MEETINGS**

During the financial year ended March 31<sup>st</sup> 2024, the Board met 7 (Seven) times. The details of Board meetings are mentioned in Corporate Governance Report as annexed with this report. The intervening gap between any two meetings was within the period prescribed by the Act and SEBI Listing Regulations.

For further details in respect of Composition, number and attendance of each director in various Committees of Board as required in accordance with Secretarial Standard-1 on Board Meetings and SEBI Listing Regulations, please refer to the Corporate Governance Report of this Annual Report.

### **COMMITTEES OF THE BOARD**

As on March 31, 2024, the Board had all Statutory Committees i.e. the Audit Committee, the Nomination & Remuneration Committee and the Stakeholders Relationship Committee. The Committees consists of balanced majority of Independent Directors in the committee. The details are available in the Corporate Governance Report forming part of this Annual Report.

During the financial year 2023-2024, all recommendations made by the committees were approved by the Board, if any.

### **AUDIT COMMITTEE**

The Company has duly constituted an Audit Committee, whose detailed composition and powers are provided in the Corporate Governance Report. There were no recommendations of the Audit Committee which have not been accepted by the Board during the financial year.

### **DECLARATION BY INDEPENDENT DIRECTORS**

The Company has received necessary declaration from each independent director under Section 149(7) of the Act, that he/she meets the criteria of independence laid down in Section 149(6) of the Act and Regulation 25 of the SEBI Listing Regulations. In terms of Regulation 25 (8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstances or situations which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

All Independent Directors have affirmed compliance to the code of conduct for independent directors as prescribed in Schedule IV of the Companies Act, 2013 and the Code of Conduct for Directors and Senior management personnel formulated by the Company.

Independent Directors get registered themselves in the data bank maintained with the Indian Institute of Corporate Affairs, Manesar ("IICA") from time to time and undertake, if required, online proficiency self-assessment test

conducted by the IICA.

The Board of Directors of the Company has taken on record the declarations and confirmations submitted by the Independent Directors and based upon the declarations received from them, in the opinion of the Board all independent directors (including independent directors appointed during the year) possess strong sense of integrity and have requisite experience, skills, qualification and expertise and are independent of the management. For further details, please refer to Corporate Governance report.

### **BOARD EVALUATION**

The performance evaluation process and related tools are reviewed by the "Nomination & Remuneration Committee" on a need basis, and the Committee may periodically seek independent external advice in relation to the process. The Committee may amend the Policy, if required, to ascertain its appropriateness as per the needs of the Company from time to time.

The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual directors, which includes criteria for performance evaluation of the non-executive and executive directors. The overall effectiveness of the Board is measured on the basis of the ratings obtained by each Director and accordingly the Board decides the Appointments, Re-appointments and Removal of the non-performing Directors of the Company. On the basis of Policy for

Performance Evaluation of Independent Directors, a process of evaluation is being followed by the Board for its own performance and that of its Committees and individual Directors.

The exercise was carried through a structured evaluation process covering various aspects of the Board including committees and every Directors functioning such as composition of Board and committees, experience and competencies, performance of specific duties and obligations, governance issues, etc.

The evaluation process focused on various aspects of the Board and Committees functioning such as structure, composition, quality, board meeting practices and overall Board effectiveness.

The Independent Directors had a separate meeting held on February 12, 2024. No Directors other than Independent Directors attended this meeting. Independent Directors discussed *inter-alia* the performance of Non-Independent Directors and Mohit Paper Mills Limited 32 Board as a whole and the performance of the Chairman of the Company after taking into consideration the views of Executive and Non- Executive Directors and took note of the quality, quantity and timeliness of flow of information between the company management and the Board. The performance evaluation of all the Independent Directors have been done by the entire Board, excluding the Director being evaluated.



## OUTCOME OF EVALUATION PROCESS

The Board was satisfied with the professional expertise and knowledge of each of its Directors. All the Directors effectively contributed to the decision-making process by the Board. Further, all the Committees were duly constituted and were functioning effectively. The Board also expressed its satisfaction in relation to the provision of supporting documents to the Board enabling it to assess the policy & procedural requirements for the proper functioning of the Company. The Board expressed its satisfaction with the decision making and decision implementing procedure followed by it. The Directors express their satisfaction with the evaluation process.

## REMUNERATION POLICY

The policy on directors' Nomination and Remuneration, including criteria for determining qualification, positive attribute and independence of a director and other relevant matter, as required as per section 178(3) of the Act, and SEBI Listing Regulations, The Board has, on the recommendation of the Nomination and Remuneration Committee ("NRC") framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Nomination and Remuneration Policy is placed on the website of the Company at [http://www.mohitpaper.in/upload/others/policies\\_latest/2\\_N&RPolicy.pdf](http://www.mohitpaper.in/upload/others/policies_latest/2_N&RPolicy.pdf).

There was no change carried out in the policy during the year under review.

## VIGIL MECHANISM/WHISTLE BLOWER POLICY

Your Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity, and ethical behavior. In compliance with requirements of Act & SEBI Listing Regulations, the Company has established a mechanism under its Whistle Blower Policy for employees to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. Whistle blowing is the confidential disclosure by an individual of any concern encountered in the workplace relating to a perceived wrongdoing. The policy has been framed to enforce controls so as to provide a system of detection, reporting, prevention and appropriate dealing of issues relating to fraud, unethical behavior etc. The policy provides for adequate safeguards against victimization of director(s) / employee(s) who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. During the year under review, no complaints were received by the Board or Audit Committee.

The whistle blower policy of the Company is available at the [https://www.mohitpaper.in/upload/others/policies\\_latest/9\\_WISTLE%20BLOWER\\_VIGIL%20MACHANISM.pdf](https://www.mohitpaper.in/upload/others/policies_latest/9_WISTLE%20BLOWER_VIGIL%20MACHANISM.pdf)

**CORPORATE SOCIAL RESPONSIBILITY**

As a responsible corporate citizen, the Company is committed to ensure its contribution to the welfare of the communities in the society where it operates, through its various Corporate Social Responsibility ("CSR") initiatives.

The objective of Company's CSR Policy is to consistently pursue the concept of integrated development of the society in an economically, socially and environmentally sustainable manner and at the same time recognize the interests of all its stakeholders. The Company has adopted a CSR policy which is available at [www.mohitpaper.in](http://www.mohitpaper.in). The Company's CSR activities are centered around the creation of sustainable education opportunities towards the societies and nations

To attain its CSR objectives in a professional and integrated manner, the Company shall undertake the CSR activities as specified under the Act.

During FY 2023-2024, the CSR Committee consists of Mr. Sandeep Jain, Executive Director, Mrs. Anju Jain Non- Executive Director and Mr. Sourabh Mathur, Independent Director. As the Company does not have any CSR liabilities more than Rs. 50 Lakhs in any of the preceding financial years, therefore in line with the provisions of Companies Act, 2013, the Board of Directors in their meeting held on March 30, 2024 has dissolved the CSR Committee and the duties of the CSR Committee are being discharged by the Board of Directors of the Company.

Further, the Annual Report on CSR Activities/ Initiatives including all

requisite details is annexed with this report at **Annexure 2**

**RISK MANAGEMENT POLICY**

The Company has implemented an integrated risk management approach through which it review and assess significant risks on a regular basis to help ensure that there is a robust system of risk control and mitigation. Senior Management periodically reviews this risk management framework to keep updated and address emerging challenges.

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

**BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT**

The Company does not fall under the purview of the disclosure of Business Responsibility and Sustainability Report under the Regulation 34 (2)(f) of SEBI Listing Regulations.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT U/S 186**

Details of loans, guarantees and investments covered under Section 186 of the Act including purpose thereof form part of the notes to the financial statements provided in this Annual Report.



## **ANNUAL RETURN**

In accordance with the provisions of Section 92(3) and 134 (3)(a) of the Act, the Annual Return of the Company is available on the website of the Company at: [https://www.mohitpaper.in/mpml\\_financial-info.html](https://www.mohitpaper.in/mpml_financial-info.html)

## **STATUTORY AUDITORS**

Pursuant to provisions of Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014, M/s. Pankaj K. Goyal & Co. (ICAI Firm Registration Number: 006885C), Chartered Accountants was appointed as the Statutory Auditors of the Company at the Thirtieth (30th) Annual General Meeting of the Company held at September 29, 2022 for a term of Five (5) consecutive years till the conclusion of the Thirty Fifth (35th) Annual General Meeting of the Company.

The Statutory Auditors have audited the financial statements of the Company for the financial year ended 31<sup>st</sup> March 2024 and the same are being placed before members at the ensuing Annual General Meeting for their approval.

The Auditors' Report for the financial year 2024 does not contain any qualifications, reservations or adverse remarks or disclaimers. The Auditors' Report is enclosed with the financial statements in this Report. The Statutory Auditors were present at the last AGM.

## **REPORTING OF FRAUD BY AUDITORS**

During the year, under section 143(12) of the Act, neither the Internal Auditors, Statutory Auditors nor Secretarial Auditors have reported to the Audit Mohit Paper Mills Limited 34. Committee or the Board of the Company any

fraud by its officers or employees and therefore no details are required to be disclosed under Section 134(3)(ca) of the Act.

## **INTERNAL AUDITORS**

M/s.M/s MAA, Chartered Accountants, were appointed as Internal Auditor. Reports of the Internal Auditor for the year were submitted to the Audit Committee & Board.

## **COST AUDITORS AND COST AUDIT REPORT**

Pursuant to the provision of the section 148(3) of Act read with rule 6(2) of Companies (Cost Records and Audit) Amendment Rule, 2014 (include any modification or re-enactment thereof, if any) and other applicable law, rules or regulations, if any. The Company has appointed M/s H. TARA & Co. (Reg. No.: 100265) for the financial year 2023-24. In accordance with the provisions of Section 148 and other applicable provisions, if any, of the Act and Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the members of the Company.

## **SECRETARIAL AUDITORS**

As required under Section 204 of the Act and Rules made there under, the Board has appointed M/s. Agarwal S. Associates, Practicing Company Secretaries as secretarial auditor of the Company of the Company to conduct the audit of the secretarial records for the financial year ending March 31, 2024.

The Secretarial Audit report for the financial year March 31, 2024, in Form No. MR-3 is annexed as **Annexure 3** to this Annual Report.



The Secretarial Audit Report confirms that the Company has complied with the provisions of the Act, Rules, Regulations, and Guidelines and that there were no deviations or noncompliance.

The Secretarial Audit report does not contain any qualification, reservation, or adverse remark

### HUMAN RESOURCES

The Management recognises that people are a key resource and endeavours to enable its employees to deliver on business requirements while meeting their personal and professional aspirations. The Human resources plays a pivotal role in enabling smooth implementation of key strategic decisions. The Management aims at providing an environment where continuous learning takes place to meet the changing demands and priorities of the business including emerging businesses. The Management believes in inclusivity and is committed to and has always maintained gender diversity & equality in the organization. The employee engagement programmes are organized on the objective of inclusiveness. The Management encourages participation of employees in social activities and provides healthy work environment including flexi-timing wherein employees can maintain work life balance.

Industrial relations - Healthy, cordial, and harmonious industrial relations are being maintained at all times and all levels by your Company.

### CORPORATE GOVERNANCE

A separate report on corporate governance, along with a certificate from the Practicing Company Secretary regarding the compliance of conditions of corporate governance norms as stipulated under SEBI Listing Regulations is annexed as **Annexure- 4** and forms part

of the Annual Report.

All Board members and Senior Management Personnel have affirmed in writing their compliance with and adherence to the code of conduct adopted by the Company for FY24.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis on matters related to the business performance as stipulated in the SEBI Listing Regulations is given as a separate section in the Annual Report.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/OUTGO

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

### PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is attached to the Directors' Report at **Annexure 1**

Further, a statement showing the names and other particulars of employees drawing remuneration in excess of the limits as set out in the Rule 5(2) and 5(3) of the aforesaid rules, is maintained and forms part of this report. However, in terms of first proviso to Section 136(1) of the Act, the Annual Report and Accounts are being sent to the members and others entitled thereto, excluding the aforesaid information. None of the employees listed in the

said information is related to any Director of the Company. The aforesaid information is available for inspection by the members. Any member interested in obtaining a copy thereof, may write to the Company Secretary at investorsmohitpaper@gmail.com or send letter at Company Secretary, Mohit Paper Mills Limited, 15A/13, Upper Ground floor, East Patel Nagar, New Delhi -110008.

#### **SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL), ACT 2013**

Your Company has in place a Prevention of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee has been set up as required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, inter-alia, to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The Company has not received any sexual harassment complaints during the year 2023-24 and hence no complaint is outstanding as on March 31, 2024.

#### **OTHER DISCLOSURES**

##### **(i) SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

No significant or material orders were passed during the year under review by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

##### **(ii) TRANSFER OF AMOUNTS TO**

#### **INVESTOR EDUCATION AND PROTECTION FUND (IEPF)**

No amount/ shares are underlying for transferring to IEPF.

##### **(iii) DEPOSITS**

During the year, the Company has not accepted any deposits from the public falling within the purview of Section 73 of the Act, read with the (Companies Acceptance of Deposits) Rules, 2015 and as such, no amount on account of principal or interest related thereto was outstanding as on date of the Balance Sheet i.e. March 31, 2024.

##### **(iv) COMPLIANCE WITH SECRETARIAL STANDARD ON BOARD AND GENERAL MEETINGS**

During the period under review, the Company has complied with the applicable Secretarial Standards as issued by the Institute of Company Secretaries of India.

##### **(v) DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR**

The Company has neither made any application nor any proceedings is pending under Insolvency and Bankruptcy Code, 2016 during the financial year 2023-24.

##### **(vi) DETAILS OF DIFFERENCE BETWEEN THE AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS**

There are no specific disclosures required under details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan



from the Banks or Financial Institutions along with the reasons thereof.

Further, no application was filed under the Insolvency and Bankruptcy Code, 2016 during the year.

#### GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review: Mohit Paper Mills Limited 36

- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- Neither Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.

#### CAUTIONARY STATEMENT

Statements in this "Director's Report" & "Management Discussion and Analysis" describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations including raw material/ fuel availability and its prices, cyclical demand and pricing in the Company's principal markets, changes in the Government regulations, tax regimes, economic

developments within India and the Countries in which the Company conducts business and other ancillary factors.

#### ACKNOWLEDGEMENT

The Directors take this opportunity to express their deep sense of gratitude to the Central Government, State Government, Stock Exchanges and its members, Banks, Financial Institutions, Shareholders, Lenders, Depositories, Registrar and Share Transfer Agents and Business Associates for their continued support.

Your directors would also like to record its appreciation for the support and cooperation your Company has been receiving from its clients and everyone associated with the Company.

Your directors place on record their sincere appreciation to the employees at all levels for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain as an industry leader.

And to you, our shareholders, we are deeply grateful for the confidence and faith that you have always reposed in us. We look forward to continued support of all these partners in future.

For and on behalf of the Board  
Sd/-  
(Sandeep Jain)  
Chairman & Managing Director  
DIN: 00458048  
Date: August 14, 2024  
Place: New Delhi

**ANNEXURE (A)**
**Particulars under section 134(3)(m) read with Rule 8(3) of the Companies Act, 2013**
**a. CONSERVATION OF ENERGY**
**a. Energy Conservation measures taken:**

- i. The Company is self-sufficient in terms of power. Co-generation power plant is running good.
- ii. Training sessions of Shop Floor Workmen had been organized periodically.
- iii. The Company has revamped and realigned the existing facilities to optimize power consumption in various power consuming facilities.
- iv. The Bio Digester Plant is running satisfactorily which is utilising the baggaes and waste of Paper (Sludge) for making gas which is used as fuel for Boiler for reducing the cost of fuel and is used as a tool for making the environment clean and pollution free.
- v. The Company's management decided to install 150 TDS Boiler and Evaporator ("BE") for increasing in the production and power. BE will help to enhance the production and reached upto ultimate production capacity.

**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 particulars of Foreign Exchange Earnings and outgo during the year under review are furnished hereunder:

Foreign Exchange Earning	Rs. 181.33 Lakhs
Foreign Exchange Outgo	Rs. 1125.00 Lakhs

**For and on behalf of the Board**

**Sd/-**

**(Sandeep Jain)**

**Chairman & Managing Director**

**DIN: 00458048**

**Date: August 14, 2024**

**Place: New Delhi**



**FORM- A**

Disclosure of particulars with respect to conservation of energy: POWER &amp; FUEL

**CONSUMPTION**

<b>1. ELECTRICITY</b>	<b>CURRENT YEAR 31.03.2024</b>	<b>PREVIOUS YEAR 31.03.2023</b>
<b>PURCHASED:</b>		
UNITS	6439332	3682776
TOTAL AMOUNT (Rs.)	54464265	33458529
RATE/UNIT	8.46	9.09
<b>THROUGH STEAM TURBINE/GENERATOR</b>		
<b>a. UNITS PRODUCED</b>		
Unit Produced	26664542	29481747
Cost/Units	NIL	NIL
UNITS PER Ltrs OF FUEL	NIL	NIL
<b>b. UNITS SOLD</b>		
Unit Sold	6798748	4764310
Rate/Units	8 -	8/-
<b>c. NET UNITS CONSUMED FOR PRODUCTION</b>		
Units	26305128	28400213
Cost/Units	NIL	NIL
UNITS PER Ltrs OF FUEL	NIL	NIL
<b>2. CHAR COAL:</b>		
QTY (MT)	64.800	84.250
TOTAL COST (Rs.)	59507.65	1420769.10
AVERAGE RATE	918.33	16863.73
<b>3. TEL RAHIT BHUSSI:</b>		
QTY (MT)	30777.00	47933.440
TOTAL COST (Rs.)	189317444.93	406448497.37
AVERAGE RATE	6151.26	8479.44
<b>4. LUBRICANT:</b>		
QTY (LTR)	8546.00	16016.00
TOTAL COST (Rs.)	1588957.70	2977968.30
AVERAGE RATE	185.94	185.94
<b>5. BAGASSE</b>		

QTY (MT)	NIL	24762.275
TOTAL COST (Rs.)	NIL	98735871
AVERAGE RATE	NIL	3987.35
<b>6. COAL:</b>		
QTY (MT)	36665.00	29970.283
TOTAL COST (Rs.)	246386496.29	216532628.16
AVERAGE RATE	6719.94	7224.91

**CONSUMPTION/TONES OF PRODUCTION:**

PRODUCT	CURRENT YEAR 31.03.2024	CURRENT YEAR 31.03.2023
	W/P PAPER/ POSTER PAPER	W/P PAPER/ POSTER PAPER
PRODUCTION (MT)	26192.00	27125.472
ELECTRICITY (UNITS/MT)	1004	1047

For and on behalf of the Board

Sd/-

(Sandeep Jain)

Chairman & Managing Director

DIN: 00458048

Date: August 14, 2024

Place: New Delhi



**FORM – B****DISCLOSURE OF PARTICULARS WITH RESPECT WITH TO TECHNOLOGY ABSORPTION  
RESEARCH & DEVELOPMENT****1. Research & Development (R & D):**

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

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

The 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****FORM – C****DISCLOSURE OF PARTICULARS OF IMPORTS/EXPORTS AND FOREIGN EXCHANGE EARNING  
AND OUTGO****1. Imports**

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

**2. Exports**

The Company do not dealt with exports. Details are provided under the Notes of Accounts of the Financials of the Company for the financial year ended as on March 31, 2024.

For and on behalf of the Board

Sd/-

(Sandeep Jain)

Chairman & Managing Director

DIN: 00458048

Date: August 14, 2024

Place: New Delhi

## Management Discussion and Analysis Report

**"The strength of the team is each individual member. The strength of each member is the team."  
– Phil Jackson**

### Forward Looking Overview Statement

The report contains forward-looking statements, identified by words like „plans“, „expects“, „will“, „anticipates“, „believes“, „intends“, „projects“, „estimates“ and so on. All statements that address expectations or projections about the future, but not limited to the Company’s strategy for growth, product development, market position, expenditures and financial results, are forward looking statements. Since these are based on certain assumptions and expectations of future events, the Company cannot guarantee that these are accurate or will be realised. The Company’s actual results, performance or achievements could thus differ from those projected in any forward-looking statement. The Company assumes no responsibility to publicly amend, modify or revise any such statement based on subsequent developments, information, or events. The Company disclaims any obligation to update these forward-looking statements, except as may be required by law.

### Overview

In the ever-evolving landscape of corporate governance, the Management’s role is paramount in driving performance and ensuring that the corporation contributes positively to society. The Management is tasked with maintaining operational efficiency, making strategic decisions, and upholding principles of fairness and transparency. By adhering to regulatory frameworks and ethical standards, Management ensures that the company not only meets its business objectives but also supports the well-being of all stakeholders involved. Effective management is crucial for cultivating a work environment that is conducive to sustainable growth and aligns with the collective interests of stakeholders, thus reinforcing the foundation of corporate governance.

Mohit Paper Mills Limited is a prominent manufacturer in the Indian paper industry, specializing in a diverse range of writing, printing paper, and tissue paper. Our operations are agro-based, utilizing agricultural by-products such as bagasse and other readily available agricultural waste to produce high-quality paper. This approach underscores our commitment to sustainability and efficient resource use.

Our facility is equipped with advanced technology, including a Chemical Recovery Plant that recovers caustic soda and produces soda ash, a valuable by-product. We also prioritize environmental responsibility with our Effluent Treatment Plant, which ensures effective pollution control and water management. Additionally, our captive power plant meets the entire energy needs of the factory, reinforcing our dedication to sustainable and self-reliant operations.

The objective of this report is to provide a comprehensive overview of Mohit Paper Mills Limited’s management perspective on the external environment and the paper industry, with a particular focus on our operations in writing, printing, and tissue paper. This report outlines our strategic direction, operational and financial performance, and material developments in human resources and industrial relations. Additionally, it addresses risks and opportunities, as well as the effectiveness of our internal control systems during FY 2023-24.

This report should be read in conjunction with the Company's financial statements, accompanying schedules, and notes, as well as other information presented in the Annual Accounts for FY 2023-24. Our financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS"), complying with the requirements of the Companies Act, 2013, as amended, and the regulations issued by the Securities and Exchange Board of India ("SEBI") from time to time..

## **INDUSTRY STRUCTURE AND DEVELOPMENTS**

### **Macro economic conditions**

The global economy has shown remarkable resilience, with growth remaining steady as inflation approaches target levels. The path to recovery has been complex, marked by initial supply chain disruptions following the pandemic, a Russian-initiated war on Ukraine which led to a global energy and food crisis, and a significant rise in inflation.

Tightened monetary policies led to higher policy and interest rates, hampering new investments.

Despite many gloomy predictions, the world managed to avert a recession. The banking system demonstrated considerable resilience, and major emerging market economies avoided abrupt disruptions. Furthermore, although the surge in inflation led to a significant cost-of-living crisis, it did not escalate into uncontrolled wage-price spirals. Remarkably, just as global inflation surged, it has also begun to recede almost as rapidly.

On a year-over-year basis, global growth hit its lowest point at the end of 2022, reaching 2.3 percent, shortly after median headline inflation peaked at 9.4 percent. The IMF forecast global real GDP growth of 3.2% for 2024 and 2025 - the same rate as in 2023. The 2024 forecast was revised upward by 0.1 percentage point from the previous World Economic Outlook's estimate in January, 2024 largely due to a significant upward revision in the U.S. outlook.

Asia is expected to emerge as a pioneer in global growth in 2024-25, with its economy projected to represent 49% of the world's GDP and grow at a rate of 4.5%, remaining the largest contributor to global economic expansion.

Despite high inflation and monetary tightening, the global economy remains robust, with growth anticipated to remain steady over the next two years.

### **Indian Economy**

Despite global slowdowns and steady growth, India's economic growth rate remains robust compared to many peer economies. This strength is driven by strong domestic consumption and a lower reliance on global demand.

India's economy has performed well and stronger than-expected data in 2023 has made the rating agency to raise the 2024 growth estimate to 6.8% from 6.1%.



India is likely to remain the fastest-growing among G-20 economies. The Indian economy soared ahead in the December quarter (the third quarter of FY24) with a surprise growth of 8.4%, belying fears of tempering as the manufacturing, electricity and construction sectors put up a robust show. The statistics ministry also raised its GDP growth estimate for FY24 to 7.6% in its second revised estimate, up from 7.3% in its first advance forecast. The Reserve Bank of India's GDP growth estimate for FY24 is 7%, while the International Monetary Fund's forecasts 6.7%.

Capital spending by the government and strong manufacturing activity have meaningfully contributed to the robust growth outcomes in 2023.

Additionally, rising capacity utilization, robust credit growth and upbeat business sentiment point to an improving outlook for private investment.

According to RBI, the total cost of private corporate projects sanctioned by major banks and financial institutions was up 23% annually during the April-December period as compared with the same period a year earlier, suggesting that the private capital expenditure cycle is gaining steam.

It is expected that India's urban consumption demand shall remain resilient, based on robust goods and services tax collections, rising auto sales, consumer optimism and double-digit credit growth, while expanding manufacturing and services PMIs are expected to add to economic momentum.

The Indian economy, which expanded at a four month high in January, continued to strengthen in February, seeing accelerations in both manufacturing and services sectors during the month. While services sector growth climbed to a seven-month high in February, manufacturing sector growth reached a five-month high, firming India's position as one of the fastest-growing major economies. India's headline inflation also eased in January to 5.1% from 5.7% in the preceding month. Core inflation moderated to 3.5% from 3.8%. (Sources : Rating agency Moody's)

### **Global Paper Industry Overview**

Paper Industry is a significant player in the world market. The global pulp and paper market is estimated at USD 365.60 billion in 2023 and is projected to grow to USD 434.36 billion by 2031, with a compound annual growth rate (CAGR) of 2.35% from 2024 to 2031. The market has been experiencing growth in recent years, driven by factors such as population expansion, urbanization, and increasing consumer demand for paper-based products. Additionally, the shift towards sustainable and eco-friendly packaging solutions is expected to further boost demand in the coming years.

To stay competitive, players in the pulp and paper industry are focusing on developing advanced technologies and processes to enhance efficiency, reduce production costs, and improve product quality. The adoption of sustainable practices is also a priority to mitigate environmental impact and meet the growing demand for eco-friendly products.

Despite these advancements, the industry faces challenges, including the rise of digital media, which has led to a decline in paper product demand. Moreover, fluctuating availability and rising prices of raw materials, such as wood pulp and chemicals, have impacted the sector's viability.

## PRODUCTWISE INSIGHT

### Printing and Writing Paper

Printing and writing paper, which represents 13% of global pulp and paper capacity, has faced a negative compound annual growth rate (CAGR) of -1.68% since 2020. Although there was a temporary increase in capacity production in 2022 due to a brief economic recovery and the easing of COVID-19 restrictions, this segment has been in decline since at least 2013.

However, in contrast to the global trend, some Asian countries, including China and India, are experiencing notable growth in printing and writing paper capacity. This growth is largely driven by a robust education sector and the expanding e-commerce industry in these regions.

### Tissue and Towel

Despite accounting for only about 9% of global pulp and paper capacity, the tissue and towel sector is currently one of the fastest growing in the industry. Since 2020, it has experienced an impressive compound annual growth rate (CAGR) of 4.25%. China saw a capacity growth of approximately 3 million tons in the first half of 2023 compared to the same period in 2022. Similarly, Turkey witnessed an increase of nearly 153 thousand tons, while Mexico recorded a rise of around 149 thousand tons. These three nations stood out as the top performers in terms of capacity growth in 2023 compared to the previous year among the top ten producing countries.

### Indian Paper Industry Overview

The pulp and paper market in India was valued at USD 14.75 billion in 2023 and is projected to reach USD 35.57 billion by 2030, growing at a compound annual growth rate (CAGR) of 13.4% from 2023 to 2030. The market is expected to peak at USD 19.1 billion by 2033. Among the various segments within the paper industry, the packaging sector has performed particularly well, driven by applications in the pharmaceutical and FMCG sectors and boosted by e-commerce growth.

However, the Indian paper industry has faced challenges. The volume growth for FY 2023-24 is anticipated to decline to a range of 2-5%, compared to approximately 7% in FY 2022-23. Additionally, industry revenues are projected to decrease by about 7-10% in FY 2023-24, reflecting a drop in realizations. The packaging paper segment, which accounts for over 60% of total demand, has experienced reduced realizations since the second quarter of FY 2023 due to softened input prices and increased competition. This trend is expected to continue into FY 2023-24.

### Domestic Market

India, a significant player in the global paper industry, ranks as the fifth-largest producer worldwide with an annual production capacity of 26 million tonnes. The Indian paper sector is projected to grow at a compound annual growth rate (CAGR) of 6%, anticipated to reach 27 million tonnes by the fiscal year 2023-24. The domestic market is diverse, comprising several key segments. The packaging sector, which accounts for 40% of total paper consumption, is poised for robust growth with a CAGR forecasted between 6-8%. In contrast, printing and writing paper, making up 35% of consumption, is



expected to see moderate growth. Newsprint, representing 10% of the market, is experiencing a decline, while specialty papers, anticipated to expand at a CAGR of 11-13%, are emerging as a prominent growth area.

The Indian paper industry holds significant potential for expansion, driven by the relatively low per capita paper consumption compared to global standards. Despite housing approximately 15% of the world's population, India consumes only about 5% of the global paper output. This disparity highlights the untapped opportunities within the market. Key drivers of growth include a strong emphasis on education and literacy, the expansion of organized retail, and increasing demand for high-quality paper. Additionally, there is sustained demand for quality packaging in various sectors such as fast-moving consumer goods (FMCG), pharmaceuticals, textiles, organized retail, and the rapidly growing e-commerce sector. With these factors at play, the future of the Indian paper industry appears promising, particularly in segments like packaging and specialty papers.

#### SEGMENT WISE OR PRODUCT WISE PERFORMANCE:

The Company is a single product company and hence segment-wise or product-wise performance is not provided.

#### Major Areas of Concern

Several issues are of significant concern within the domestic market. High raw material costs, including those for waste paper and imported pulp, pose a challenge to profitability. The containerboard sector faces issues such as surplus capacity and fluctuating raw material prices, impacting operational efficiency. Rising freight rates are contributing to increased production costs, while a surge in paper imports threatens domestic production. Addressing these concerns is crucial for maintaining market stability and competitiveness.

#### Opportunities and Threats

- **Anti-Plastic Movement:** Rising concerns about plastic pollution are driving demand for biodegradable paper alternatives, supported by government and public initiatives promoting eco-friendly paper products.
- **Rise of Online Shopping:** Increased online sales are fueling the need for efficient packaging solutions, leading to higher demand for raw materials and corrugated boxes.
- **Food Packaging:** Growing demand for grease-resistant packaging in the food industry is boosting the use of paper-based solutions for various food products and restaurant packaging.

#### Threats

- **Digitalization:** The shift to electronic formats is reducing the demand for traditional print products. E-books, online newspapers, and digital magazines are replacing printed materials, while electronic transactions are diminishing the need for physical currency and cheques. Digital advertising and social media are also contributing to declining print volumes for magazines, catalogs, and books.
- **Manufacturing Costs:** The paper industry is capital-intensive, requiring substantial investments in machinery, raw materials, infrastructure, and labor. Balancing manufacturing costs with



quality, sustainability, and efficiency is challenging. Although investing in new technologies can be costly initially, it often leads to long-term savings and sustainability benefits. The industry faces pressure to maintain competitive pricing while addressing environmental and social concerns. To overcome these challenges, focusing on efficiency, waste reduction, and sustainable practices is essential.

### Environmental Impact

The paper industry faces significant scrutiny due to its environmental footprint. To support a sustainable future, the industry should:

1. **Reduce Global Paper Consumption:** Promote digital alternatives and lower paper usage, ensuring fair access to paper for essential needs.
2. **Maximize Recycled Paper Use:** Increase the proportion of recycled content in paper products to reduce reliance on virgin fiber and minimize waste.
3. **Uphold Social Responsibility:** Ensure fair labor practices, support local communities, and contribute positively to societal well-being throughout the supply chain.
4. **Source Fiber Responsibly:** Obtain raw materials from sustainable sources, avoid deforestation, and support certified sustainable forestry practices.
5. **Lower Greenhouse Gas Emissions:** Implement energy-efficient technologies, cleaner energy sources, and improved production processes to reduce carbon emissions.
6. **Maintain Clean Production Practices:** Invest in advanced technologies to address water and air pollution and minimize the release of harmful substances.
7. **Promote Transparency and Integrity:** Foster openness about environmental impacts, production processes, and supply chain practices to build trust with consumers and stakeholders.

### Additional Considerations

- Water Management:** Implement efficient water use and recycling practices to minimize consumption and pollution.
- Waste Reduction:** Develop strategies to reduce waste and enhance recycling efforts throughout the production process and product lifecycle.
- Biodiversity Protection:** Support conservation efforts and avoid sourcing from areas that threaten wildlife habitats and biodiversity.
- Innovation and Research:** Invest in research and development to create more sustainable materials and processes, such as biodegradable alternatives and closed-loop production systems.
- Consumer Education:** Raise awareness about the environmental impact of paper products and promote responsible consumption practices.

The Indian paper industry presents both opportunities and threats. Strengths include a growing domestic market, supportive government initiatives, urbanization, and a skilled workforce. Conversely, weaknesses encompass high raw material costs, low paper recovery rates, and stringent environmental regulations. Navigating these factors requires a balanced approach to capitalize on opportunities while mitigating potential threats.

By addressing these opportunities, threats, and environmental considerations, the paper industry can enhance its sustainability and contribute to a more eco-friendly future.

### **Future Outlook**

The future of the paper industry in India will be shaped by various factors, including market demand, regulatory policies, and technological advancements. Key trends include a growing domestic demand driven by increased literacy and the expansion of the middle class. India has the potential to emerge as a significant player in the global market, supported by government policies that favor sustainability and innovation.

### **Sustainability Initiatives**

The company is committed to advancing sustainability through several key initiatives. Efforts to reduce resource consumption include optimizing water and energy usage via advanced technologies. Recycling initiatives are emphasized, with a focus on designing products that are recyclable. The company is also exploring alternative fibers and sustainable sourcing to diversify raw material sources. Investing in energy optimization, including the adoption of energy-efficient and renewable technologies, is a priority. Collaboration with research institutions and industry peers, along with ongoing market research and product development, ensures that the company remains at the forefront of consumer trends and innovation.

### **Risks and Concerns**

Your Company has classified the Four types of major risks :

1. Regulatory Risk
2. Strategic Risk
3. Operational Risk
4. Market Risk

Several risks and concerns need to be addressed to ensure long-term success. The availability, quality, and cost of raw materials are critical factors that require diversification and exploration of alternative fibers. Technological advancements must be embraced through investments in automation and process optimization. Additionally, environmental concerns necessitate the adoption of sustainable practices and technologies to mitigate potential impacts. Your company is continuously taking steps through policy and advocacy to mitigate the risks associated.

Being present in a competitive and regulated environment, your company is exposed to various strategic and operational risks such as financial, regulatory, compliances, information technology and cyber security, legal and market risk, among others. Our focussed risk management approach seeks to minimise the adverse impact of these risks on our business and enables us to leverage market opportunities

### **Material developments in Human Resources / Industrial Relations front, including number of people employed.**

Your Company recognizes that employees are vital stakeholders in the growth of the organization. The company has cultivated a skilled and motivated workforce through leadership programs and continuous training initiatives. As of March 31, 2024, the company employs 244 permanent individuals, maintaining positive industrial relations and fostering a collaborative, growth-oriented work environment.



**Outlook**

The company is optimistic about the coming times. Necessary capital expenditure required to ramp up production to meet the expected demand has been made. Human resource required to cope with the increased volumes is continuously being put in place. The company is continually increasing the capacity utilization ratios of the machines on a month on month basis and working with partners to identify new value added products for the market.

**Internal Control System and Their Accuracy**

The Company has established a robust internal control framework tailored to its size and complexity. An independent internal audit function, conducted by an external Chartered Accountant firm, provides comprehensive coverage of operations. This framework ensures that internal controls are effective and aligned with best practices, safeguarding the company's assets and ensuring the integrity of financial reporting.

**Discussion on Financial Performance with respect to Operational Performance**

During FY 2023-2024, the Company has turnover (Net) of Rs. 18562.61/- lakhs as against previous figure of Rs. 22,216.50/- lakhs, the Company recorded decrease in sale (16.45%) (approx) due to reduce in the price of the paper in national market.

The Company has recorded 27% (approx.) downfall in market price of paper in the year 2023-2024. Further, during the financial year 2023-2024, other income of the Company has been increased to Rs. 640.056 lakhs as against previous year income of Rs. 411.03 lakhs (i.e. increase by around 55.72% during the financial year 2023-2024. However, due to reduction in price of paper as mentioned above, total income has shown a downfall during the financial year 2023-2024. The total income during financial year 2023-2024 is at Rs. 19,202.66/- and previous year income of Rs. 22,627.53/- lakhs.

During the year under review PBDFET (Profit before Depreciation, Finance, Exceptional Item and Tax) was Rs. 1875.92/- (In lakhs) as compared to previous year figure of Rs. 1610.07/- (In lakhs), posting a increase by MohitPaper Mills Limited

16.51% (approx) and PBFET (Profit before Finance, Exceptional Item and Tax) was Rs. 1285.50/- (In lakhs) as compared to previous year figure of Rs. 1053.49/- (In lakhs), posting a increase by 22.02% (approx) and PBET (Profit before Exceptional Item and Tax) was Rs. 909.96/- (In lakhs) as compared to previous year figure of Rs. 705.49/- (In lakhs), posting a increase by 28.98% (approx).

Further under review PBT (Profit before Tax) was Rs. 909.96 lakhs as compared to previous year figure of Rs. 705.49 lakhs, posting a increase by 28.98% (approx) in PBT. Net profit and PAT (Profit after Tax) was Rs. 645.35 lakhs as compared to previous year figure of Rs. 491.57 lakhs reporting an increase of 31.28% (approx) in net profit as compared to previous year. Net profit and PATOCI (Profit after Tax and Other Comprehensive Income) was Rs. 645.35 lakhs as compared to previous year figure of Rs.491.57 lakhs reporting a increase of 31.28% (approx) in net profit as compared to previous year. Earning Per Share was during the year Rs. 4.61/- (Each Equity Share) as compared to previous year figure of Rs. 3.51/- (Each Equity Share) reporting a increase of 31.28% (approx) in EPS as compared to previous year.



As on March 31, 2024, net worth of your Company was 4,452.36 lakhs as compared to Rs. 3,807.01 lakhs for the previous financial year.

### Key Ratios

Ratios	Numerator	Denominator	FY 2023-24	FY 2022-23	%age Change	Reason for Change
Current Ratio (in times)	Current Assets	Current Liabilities	1.13	1.14	(0.01)	Decrease as a result of increase in Short-Term Debt during the year
Debt Equity Ratio (in times)	Total Debt	Shareholder's Equity	1.81	1.17	0.64	Increase due to addition loan obtained for recovery plant
Debt service coverage ratio (in times)	Earnings for debt service = Net profit after taxes + Noncash operating exp. + Finance Cost	Debt service = Interest & Lease Payments + Principal Repayments	2.11	2.19	(0.08)	Decrease as a result of increase in interest & principal repayments during the year
Return on Net Worth (%age)	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	15.63	13.80	1.83	Improve as a result of profit earning during the year
Inventory Turnover (in times)	Cost of goods sold	Average Inventory	4.73	8.80	(4.07)	Decrease due to holding of extra inventory as compare to previous year
Debtors Turnover (in times)	Net credit sales – Gross credit sales - sales return	Average Trade Receivable	8.86	15.79	(6.93)	Decrease due to decrease in sales as compare to last year
Trade payables Turnover (in times)	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	12.41	17.98	(5.57)	Rationalization of trade payables for better purchase efficiency
Net capital turnover (in times)	Net sales – Total sales - sales return	Working capital – Current assets – Current liabilities	21.98	28.65	(6.67)	Decline in sales and current ratio
Net Profit Margin (%age)	Net Profit	Net sales = Total sales - sales return	3.48	2.21	1.27	Improvement in profit earning as compare to previous year
Return on capital employed (%age)	Earnings before interest and taxes	Capital Employed – Tangible Net Worth + Total Debt + Deferred Tax Liability	9.77	11.50	(1.73)	Decrease due to additional loan taken as compared to last year.
Return on Investment	Net return on investment	Cost of investment	N/A	N/A	N A	-

For and on behalf of the Board

Sd/-  
**(Sandeep Jain)**  
 Chairman & Managing Director  
 DIN: 00458048  
 Date: August 14, 2024  
 Place: New Delhi

**ANNEXURE 1  
DISCLOSURE PURSUANT TO RULE 5 (1) OF COMPANIES (APPOINTMENT AND REMUNERATION OF  
MANAGERIAL PERSONNEL) RULES, 2014**

Sl. No.	Requirements	Disclosure	
		Name	Ratio
1	The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2024	Sandeep Jain	35.71
		Pradeep Rajput Kumar	2.92
		Mohit Jain	19.76
2	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Name	% increased
		Sandeep Jain	50
		Pradeep Rajput Kumar	2.37
		Mohit Jain	72.92
		CFO	11.95
	CS	47.04	
3	The percentage increase in the median remuneration of employees in the financial year	34.61%	
4	The number of permanent employees on the rolls of Company	244	
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	The average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year is ...10...% whereas there was ...53.31...% change in the remuneration of managerial personnel	
6	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes, it is confirmed	

**For and on behalf of the Board of Directors**
**Mohit Paper Mills Limited**
*Sd/-*

Sandeep Jain  
Managing Director cum Chairman  
DIN: 00458048  
Dated: 14 August, 2024  
Place: New Delhi

**ANNEXURE 2**
**Annual CSR Compliance Report for the Financial Year 2024**

(Pursuant to Section 135 of the Companies Act, 2013 &amp; Rules made there under)

**1. Brief outline on CSR Policy of the Company:**

The Company has been one of the foremost proponents of inclusive growth and has been undertaking projects for overall development and welfare of the society through its CSR initiatives in areas pertaining to promoting preventive education, livelihood intervention, rural development, environmental sustainability and conservation of natural resources, healthcare etc. The Company has framed a CSR Policy as required under Section 135 of the Companies Act 2013 and the Rules made there under. The CSR Policy has been posted on the website of the Company.

**2. Composition of CSR Committee:**

Sr. No.	Name of the Member	Designation	Status	No. of Meetings held	No. of Meetings Attended
1.	Mr. Sandeep Jain	Executive Director	Chairman	2	2
2.	Mrs. Anju Jain	Non-Executive Director	Member	2	2
3.	Mr. Sourabh Mathur	Non-Executive-Independent Director	Member	2	2

As the Company does not have any CSR liabilities more than Rs. 50 Lakhs in any of the preceding financial years, therefore in line with the provisions of Companies Act, 2013, the Board of Directors in their meeting held on March 30, 2024 has dissolved the CST Committee and the duties of the CSR Committee are being discharged by the Board of Directors of the Company.

- Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company: [www.mohitpaper.in](http://www.mohitpaper.in)
- Provide the executive summary along with web-link(s) of Impact Assessment of CSR projects carried out in pursuance of sub rule (3) of rule 8, if applicable. **Not Applicable.**
- Calculation of CSR obligation:



Particulars	Amount (Rs. in lakhs)
Average Net Profit of the Company as per sub section (5) of section 135	436.17
2% of Average net profit of the company as per sub section (5) of section 135	2.91
Surplus arising out of the CSR projects or programs or activities of the previous financial years	Nil
Amount required to be set off for the financial year, if any	-
Total CSR obligation for the financial year	2.91

**6. Amount spent on CSR obligation:**

Particulars	Amount (Rs. in lakhs)
CSR obligation to spent	2.91
Amount spent on CSR Projects (both Ongoing Project and other than core Ongoing Projects, if any)	3.00
Amount spent in Administrative Overheads	-
Amount spent on Impact Assessment, if applicable	NA
Total amount spent for the Financial Year	3.00

Total Amount Spent for the Financial Year (Rs. in Lakhs)	Unspent amount (Rs. In Lakhs)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of fund	Amount	Date of transfer
3.00	NA	NA	NA	NA	NA

**Excess amount for set off, if any:**

Sl.No.	Particulars	Amount (Rs. in lakhs)
1.	Two percent of average net profit of the company as per sub-section (5) of section 135	2.91
2.	Total amount spent for the Financial Year	3.00
3.	Excess amount spent for the Financial Year	0.09
4.	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	0.00
5.	Amount available for set off in succeeding Financial Years	0.09

**7. Details of Unspent CSR amount for the preceding three financial years: NIL**

Sl no.	Preceding Financial year	Amount transferred to Unspent CSR Account under sub section (6) of section 135 (In lakhs)	Balance Amount in Unspent CSR Account under sub section (6) of section 135 (In lakhs)	Amount spent in the Financial Year (In lakhs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub section (5) of section 135, if any Amount (In lakhs)	Date of transfer	Amount remaining to be spent in succeeding Financial Years (In lakhs)	Deficiency if any
<b>NIL</b>								

**8. Whether any capital assets have been created or acquired through CSR amount spent in the Financial Year: No**
**9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub section (5) of section 135: Not Applicable, the Company has met and exceeded the prescribed CSR requirement.**

Sd/-  
Sandeep Jain  
Chairman & Managing Director / Chairman- CSR Committee  
DIN: 00458048

Sd/-  
Anju Jain  
Director  
DIN : 00459540

Place: Delhi  
Date : 14 August 2024

**ANNEXURE 3****SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2024**

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

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

We have conducted the Secretarial Audit of the Compliance of Applicable Statutory Provisions and the adherence to good corporate practices by **Mohit Paper Mills Limited** (hereinafter called MPML/the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31<sup>st</sup> March, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and Compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31<sup>st</sup> March, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 („SCRA“) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 („SEBI Act“):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of



- (b) Shares and Takeovers) Regulation, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the Audit Period)**
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the Company during the Audit Period)**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2021; **(Not applicable to the Company during the Audit Period)**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable to the Company during the Audit Period)**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the Audit Period)**
- (vi) Compliances/ processes/ systems under other specific applicable laws as listed below as informed and certified by the management of the Company are being verified on the basis of periodic certificate submitted to the Board of Directors of the Company:
- (a) Factories Act, 1948 and Rules made there under;
  - (b) Air (Prevention & Control of Pollution) Act, 1981;
  - (c) Water (Prevention & Control of Pollution) Act, 1974;
  - (d) Forest (Conservation) Act, 1980 (e) Indian Boilers Act, 1923

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligation & Disclosure Requirements) Regulation, 2015.

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

**Observation No. 1**

*Non- Compliance of Regulation 47(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 : The Company has delayed in publishing the results in the vernacular newspaper for the results approved by the Board of Directors in their meeting held on 14<sup>th</sup> August, 2024.*

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

Generally, adequate notice is given to all directors to schedule the Board Meetings and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per minutes maintained by the Company for the Board/ Committees, we notices that all of decisions were approved by the respective Board/ Committee without any dissent note.

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

**We further report that** during the audit period, there were no specific events/actions having a major bearing on the affairs of the Company in pursuance of the above referred Laws/ Rules & Regulations.

For **Agarwal S. & Associates,**  
*Company Secretaries,*  
ICSI Unique Code: P2003DE049100  
Peer Review Cert. No.: 3939/2023  
CS Ankit Jain  
Partner

ACS No.: 31103  
CP No.: 26724  
Date: 12 August 2024  
Place: New Delhi  
UDIN: A031103F000950043

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

**"Annexure A"**

To,  
The Members  
Mohit Paper Mills Limited

(For the period from 01<sup>st</sup> April, 2023 to 31<sup>st</sup> March, 2024)

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records, based on our inspection of records produced before us for Audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and our report is not covering observations/comments/ weaknesses already pointed out by the other Auditors.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.

5. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis and to give our opinion whether Company has proper Board-processes and Compliance-mechanism in place or not.

6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Agarwal S. & Associates,  
Company Secretaries,  
ICSI Unique Code: P2003DE049100  
Peer Review Cert. No.: 3939/2023

CS Ankit Jain  
Partner  
ACS No.: 31103  
CP No.: 26724

Date: 12 August 2024  
Place: New Delhi  
UDIN:A031103F000950043



## ANNEXURE 4

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

A detailed report on Company's corporate governance policies and practices demonstrating the Company's accountability to its stakeholders is set out hereunder:

**1. Company's Philosophy on Corporate Governance**

Mohit Paper Mills Limited ("the Company") is committed to good corporate governance and ensuring adequate disclosure for its stakeholders as on time to time. The Company believes that governance process should be such so as to ensure adequate utilization of resources to meet the expectations of the shareholders and stakeholders. The Corporate Governance is about maintaining the ultimate/perfect balance between economic, social, individual, regulatory and community goals.

The Company believes in accountability, self-responsibility, transparency, safety, professionalism of the people and environment. The Corporate philosophy of the Company envisages complete transparency and adequate disclosures with an ultimate aim of value creation for all players i.e. stakeholders, the creditors, Governments and employees.

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

The Company has adopted a Code of Conduct for its employees including Directors. Apart from the performance evaluation of regular employees, the Company has formed the code of conduct for performance evaluation of its Executive and Non-Executive Directors which suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013 ("the Act"). This code is available on the Company's website. The Company has also established a mechanism called „Whistle Blower Policy“ for employees to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct, rules of laws or ethics policy.

The spirit of governance of the Company is derived from this philosophy and has been articulated through the Company's various policies. We are committed to meet the aspirations of all our stakeholders. The Corporate Governance ensures transparency and accountability, it also has broader social and institutional dimensions, under these rules of corporate governance focus on implementing the values of fairness, transparency, accountability and responsibility to all the

stakeholders. The Company is in compliance with the requirements stipulated under regulation 17 to 27 read with Para C and D of Schedule V and clauses (b) to (i) to Sub-Regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") with regard to Corporate Governance and applicable provisions and/or sections of the Act. The Company is committed to achieve the best standards of Corporate Governance.

## 2. Board of Directors

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

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

### ii. Composition and Categories of Directors

The Board of the Company has an optimum combination of Executive and Non-Executive Directors. As on March 31, 2024, the Board of the Company comprises of 10 (Ten) Directors, out of which 1 (One) is Managing Director, 1 (One) is Whole Time Director and 8 (Eight) are Non-Executive Directors, which constitute 5 (five) Independent Directors.

The composition of the Board of Directors of the Company as on date of this report:

Category	Name of Director
Chairman and Managing Director	Mr. Sandeep Jain
Whole Time Director	Mr. Pradeep Rajput Kumar
Non-Executive Non- Independent Director (Women Director)	Ms. Anju Jain
Non-Executive Non- Independent Director (Women Director)	Ms. Shubhi Jain
Non-Executive Non- Independent Director	Mr. Mohit Jain
Non-Executive Independent Director	Mr. Sourabh Mathur
Non-Executive Independent Director	Mr. Rakesh Juyal
Non-Executive Independent Director (Women Director)	Ms. Sakshi Jain*
Non-Executive Independent Director (Women Director)	Ms. Shubhi Jain*
Non-Executive Independent Director	Mr. Satya Prakash*

\*Appointed w.e.f. April 01, 2024

Mr. Sushil Kumar Tyagi (DIN: 06362605), Mr. Rachit Jain (DIN: 06982727) and Mr. Sanjeev Kumar Jain (DIN: 07018412) ceased to be the Independent Director of the Company w.e.f. closing of business hours of March 31, 2024 due to completion of their tenure.

### iii. ATTENDANCE RECORDS AND OTHER DIRECTORSHIPS/ COMMITTEE MEMBERSHIPS

The details of directorships held and committee membership/ chairmanship held and attendance of the directors at the Board Meetings and at the last Annual General Meeting is given below

Name	Category of Directorship	Number of Board meetings attended during FY23-24	Whether attended last AGM	No. of Directorships as on 31.03.24*		No. of Committee position held**		No. of share holding in the Company	Directors hip in other listed entities
				Chairperson	Member	Chair person	Member		
Sandeep Jain DIN: 00458048	Executive/ Managing Director/ promoter	7	Yes	-	-	-	-	2764900	-
Pradeep Rajput Kumar DIN: 06685586	Executive / Whole Time Director/Non-promoter	7	Yes	-	-	-	-	-	-
Anju Jain DIN: 00459540	Non-executive/ promoter	7	Yes	-	-	-	-	3077589	-
Shubhi Jain DIN: 06685602	Non-executive/ promoter	7	Yes	-	-	-	-	1045000	-
Mohit Jain DIN: 07203009	Non-executive/ promoter	7	Yes	-	-	-	-	1730818	-
Sushil Kumar Tyagi DIN: 06362605	Non-executive/ Independent	7	Yes	-	-	-	-	-	-



Rakesh Juyal DIN: 09698162	Non-executive/ Independent	7	Yes	-	-	-	-	-	-
Rachit Jain DIN: 06982727	Non-executive/ Independent	7	Yes	-	-	-	-	-	-
Sanjeev Kumar Jain DIN: 07018412	Non-executive/ Independent	7	Yes	-	-	-	-	-	-
Sourabh Mathur DIN: 08354589	Non-executive/ Independent	7	Yes	-	-	-	-	-	-

*Exclude directorship in the Company, private limited companies, foreign company and Section 8 of the Act's company. Pertains to memberships/chairpersonships of the Audit Committee and Shareholder Relationship Committee of Indian public companies (excluding the Company, private limited companies, foreign company and Section 8 of the Act's company.) as per Regulation 26(1)(b) of the SEBI Listing Regulations.*

The Board confirm that the Independent Directors fulfill the conditions specified in SEBI Listing regulations and are independent of the management. All the Independent Directors have also furnished the declaration of independence as laid down under Section 149 (6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations.

The Independent Directors are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective Independent judgment and without any external influence. Further, in terms of notification issued by Ministry of Corporate Affairs, all the Independent Directors of the Company are registered in Independent

Director's Databank maintained by Indian Institute of Corporate Affairs. The Independent Directors are required to undertake online proficiency self-assessment test conducted by the IICA. The Independent Directors, whosoever is required, shall undertake the said proficiency test.

A formal letter of appointment to Independent Directors as provided in Act has been issued and

the draft of the same is disclosed on website of the Company viz. [www.mohitpaper.in](http://www.mohitpaper.in).

The number of Directorships, Chairmanships and Committee Memberships of each Director is in compliance with the relevant provisions of the Act and the SEBI Listing Regulations. The Chairman/Managing Director of the Company is an executive director and related to the promoter/promoter group and hold the position of Managing Director in the Company.

The Non-executive Directors do not have any significant shareholding in the Company. Further, Directors are not relatives of each other and none of the employees of the Company are relative of any of the Directors.

As mandated by the SEBI Listing Regulations, none of the Directors of the Company are members of more than ten Board level committees or are the Chairman of more than five Board level committees in other companies in which they are Directors.

In the opinion of the Board, the Independent Directors fulfill the conditions specified in these regulations and are independent of the management.

#### **iv. Board Meeting Details:**

The Board meets at least once in every quarter to discuss and decide on inter alia business strategies/policies and review the financial performance of the Company and its subsidiaries and other items on agenda. Additional meetings are held from time to time as and when necessary.

The notice of each Board Meeting is given in writing to each director of the Company. The agenda along with the relevant notes and other material information are sent to each director in advance and in exceptional cases tabled at the meeting which includes price sensitive information.

Also, the Board meetings of the Company have been held with proper compliance of the provisions of Companies Act, 2013, Listing Regulations and Secretarial Standards, as applicable thereon.

During the financial year ended March 31, 2024, the Board met 7 (seven) times as against the minimum requirement of four Board Meetings. The details of the Board Meetings held during the financial year 2023-24 are as under: -

Sl. No.	Date	Board Strength	Number of Director's present
1	May 27, 2023	10	10
2	August 14, 2023	10	10
3	August 25, 2023	10	10
4	September 27, 2023	10	10
5	November 10, 2023	10	10
6	February 12, 2024	10	10
7	March 30, 2024	10	10

**Note:**

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

**v. Expertise, Key skills and Competence of the Directors**

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

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

The Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company, which are available with the Board:

Name of Director	Expertise, Keyskills and Competence of the Directors								
	Administration	Finance	Leadership	Technical	Sales	Governance	Government/Regulatory	HR	Strategy
Sandeep Jain	Yes	Yes	Yes	-	Yes	Yes	Yes	Yes	Yes
Pradeep Rajput Kumar	Yes	-	Yes	Yes	-	Yes	Yes	Yes	Yes
Anju Jain	Yes	Yes	Yes	-	-	Yes	Yes	Yes	Yes
Shubhi Jain	Yes	-	Yes	Yes	-	Yes	-	-	Yes
Mohit Jain	Yes	Yes	Yes	-	Yes	Yes	-	-	Yes
Sushil Kumar Tyagi*	Yes	Yes	Yes	Yes	-	Yes	-	-	Yes
Rachit Jain*	Yes	-	Yes	-	-	Yes	-	Yes	Yes
Sanjeev Kumar Jain*	Yes	Yes	Yes	-	-	Yes	-	Yes	Yes



Sourabh Mathur	Yes	Yes	Yes	Yes	-	Yes	-	Yes	Yes
Rakesh Juyal	Yes	-	Yes	-	-	Yes	-	-	Yes
Sakshi Jain*	Yes	-	Yes	-	-	Yes	-	-	Yes
Shubhi Jain*	Yes	-	Yes	-	-	Yes	-	-	Yes
Satya Prakash*	Yes	-	Yes	-	-	Yes	-	-	Yes

\*Appointed w.e.f. April 01, 2024

#Mr. Sushil Kumar Tyagi (DIN: 06362605), Mr. Rachit Jain (DIN: 06982727) and Mr. Sanjeev Kumar Jain (DIN: 07018412) ceased to be the Independent Director of the Company w.e.f. closing of business hours of March 31, 2024 due to completion of their tenure.

#### vi. Change in Board Composition

During the financial year 2023-2024, there is no change in the composition of the Board of Directors of the Company. During the year under review, no director(s), who resign form directorship of the Company. Mr. Sushil Kumar Tyagi (DIN: 06362605), Mr. Rachit Jain (DIN: 06982727) and Mr. Sanjeev Kumar Jain (DIN: 07018412) ceased to be the Independent Director of the Company w.e.f. closing of business hours of March 31, 2024 due to completion of their tenure.

**vii. Relationship between inter-se and shared held in the Company:**

As per clause C (2), (e) of schedule V of the SEBI Listing Regulations, details of relationship between board of directors inter-se, required details are:

Name of the Director	Designation	Relationship with other director	No. of share held	Directorships in other listed entities and category of Directorship
Mr. Sandeep Jain	Managing Director	Husband of Mrs. Anju Jain, Father of Mr. Mohit Jain and Father-in-law of Mrs. Shubhi Jain	27,64,900	-
Mr. Anju Jain	Director	Wife of Mr. Sandeep Jain, Mother of Mr. Mohit Jain and Mother-in-law of Mrs. Shubhi Jain	30,77,589	-
Mr. Mohit Jain	Director	Son of Mr. Sandeep Jain and Mrs. Anju Jain and Husband of Mrs. Shubhi Jain	17,30,818	-
Mrs. Shubhi Jain	Director	Daughter-in-law of Mr. Sandeep Jain and Mrs. Anju Jain and wife of Mr. Mohit Jain	10,45,000	-

Apart from the above, none of the directors are related to each other and none of the non-executive director apart from the above holds any share / convertible instruments in the Company.

**viii Mechanism of evaluation of the Board its committees and Directors**

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

On the basis of Policy for Performance Evaluation of Independent Directors, a process of evaluation is being followed by the Board for its own performance and that of its Committees and individual Directors. The Committee may amend the Policy, if required, to ascertain its appropriateness as per the needs of the Company. The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of the criteria such as the composition of Committees,

effectiveness of Committee meetings and meeting fees etc. The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual Directors including Independent Directors on the basis of the criteria such as the contribution of the individual Director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

#### **ix Term of Board membership and new appointment**

The NRC determines the appropriate characteristics, skills and experience required for the Board as a whole and for individual members. The Board members are expected to possess the required qualifications, integrity, expertise and experience for the directorship in the Company. They also possess expertise and insights in sectors/areas relevant to the Company and have ability to contribute to the Company's growth. As per the existing policy, the retirement age for Managing Director is seventy.

The NRC shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment subject to the approval of members of the Company in general meeting. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The NRC has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/satisfactory for the concerned position.

#### **x Meeting of Independent Director s**

In accordance with the provisions of clause VII of Schedule IV of the Act and Regulation 25 (3), (4) of the SEBI Listing Regulations a separate meeting of the Independent Directors of the Company was held on February 12, 2024 without the attendance of non-independent Directors and members of the management to discuss:-

1. Evaluation of the performance of Non Independent Directors and the Board of Directors as a Whole;
2. Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non Executive Directors.
3. Evaluation of the quality, content and time lines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties. All the independent Directors were present at the meeting. At such meetings, the independent directors discuss, among other matters, the performance of the Company and risks faced by it, the flow of information to the Board, competition, strategy, leadership strengths and weaknesses, governance, compliance, Board movements, human resource matters and performance of the executive members of the Board, including the Chairman. During the year, the independent directors met without the presence of the Management.



**xi Familiarization program for independent directors**

At the time of appointing an Independent Director, a formal letter of appointment is given to him/her, which inter-alia explains the role, functions, duties and responsibilities expected from him/her as a Director of the Company. The Director is also explained in detail the compliances required from him under the Companies Act 2013, the SEBI Listing Regulations and other relevant rules & regulations. The Chairman & Managing Director also have one to one discussion with the newly appointed director to familiarize him/her with the Company's Operations. The Board Members are provided with necessary documents, reports and policies to enable them to familiarize with the Company's Procedures and Practices. Periodic presentations are made at the Board and Committee Meetings on Business and performance update of the Company.

Moreover interactive meets are organized from time to time where they get opportunity to interact with Senior Management, Head of departments and other key personnel of the organization. All-important corporate communications/announcements are forwarded to all the Independent Directors on regular basis to keep them abreast with what is happening in the Company. Independent Directors have the freedom to interact with the Company's management as and when required.

The familiarization aims to provide insights into the Company and the business environment to enable the Independent Directors to be updated of newer challenges, risks and opportunities relevant in the Company's context and to lend perspective to the strategic direction of the Company.

The familiarization program has been uploaded on the website of the Company at [https://www.mohitpaper.in/mpml\\_financial-info.html](https://www.mohitpaper.in/mpml_financial-info.html)

**xii Independent director databank registration and declaration**

All the Independent Directors of the Company have registered themselves in the data bank maintained with the Indian Institute of Corporate Affairs, Manesar („IICA?). In terms of Section 150 of the Act read with Rule 6(4) of the Companies (Appointment & Qualification of Directors) Rules, 2014, the Independent Directors are required to undertake online proficiency self-assessment test conducted by the IICA within a period of one (1) year from the date of inclusion of their names in the data bank.

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

**xiii Information provided to the Board**

Pursuant to the Regulation 17(7) read with Part A of Schedule II of the SEBI Listing Regulations, during the financial year 2023-2024, these specified information as mentioned in has been placed before the Board for its consideration.

**xiv Code of Conduct for Prevention of Insider Trading**

In accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Board of the Company has adopted the Code of Conduct for Directors and management personnel for Prevention of Insider Trading. The Company Secretary of the company is acting as Compliance Officer of the Company.

**3 Director s Remuneration Shareholding**
**i. Remuneration of the Executive Directors & their Shareholding**

Name of the Director	Designation	Remuneration	Perquisites	Total
Mr.Sandeep Jain	Managing Director	Rs. 90.00 Lakhs	-	Rs. 90.00 Lakhs
Mr. Pradeep Rajput Kumar	WholeTime Director	Rs. 7.35 Lakhs	-	Rs. 7.35 Lakhs

**ii. Remuneration paid to the Non-Executive Directors including the fees paid or attending the Board and Committee meetings during the year ended March 31, 2024, outstanding stock options and their shareholding as at March 31, 2024 is as below:**

Name of Director	Sitting Fee Amount (In Rs. Lakhs)		Remuneration (In Rs. Lakhs)	Stock Options	Shareholding in the Company as at March 31, 2024 (in Nos.)
	Board/ Committees	Commission			
Ms. Shubhi Jain	0.21	-	-	-	10,45,000
Ms. Anju Jain	0.21	-	-	-	30,77,589
Mr. Mohit Jain	-	-	49.80	-	17,30,818

Mr. Sanjeev Kumar Jain	0.51	-	-	-	-
Mr. Rachit Jain	0.30	-	-	-	-
Mr. Sourabh Mathur	0.39	-	-	-	-
Mr. Sushil Kumar Tyagi	0.51	-	-	-	-
Mr. Rakesh Juyal	0.21	-	-	-	-

There were no pecuniary relationships or transactions between the Non-Executive Directors and the Company during FY24, (other than of Mr. Mohit Jain, Mr. Sandeep Jain, Mrs. Shubhi Jain, and Mrs. Anju Jain, details are mentioned in the notes of the accounts of the Company) except for sitting fees paid to the Non-Executive Directors.

During FY 24, the Non-Executive Directors (except Mr. Mohit Jain) were entitled to sitting fees of Rs. 3,000/- per Board/ Committee meeting.

The sitting fees paid to the Non-Executive Directors and/or Independent Directors are within the limits prescribed under the Companies Act, 2013. The criteria of making payment to non-executive directors have been disclosed in the Nomination and Remuneration Policy of the Company.

#### 4. Board Committees

Pursuant to the applicable provisions of the Act, SEBI Listing Regulation provide the framework to the constitute do the committee by the Board focus on specific are as and take in formed decisions with in the frame work designed by the Board and make specific recommendations to the Board on matters in their areas or purview. All decisions and recommendations of the Committees are placed before the Board for information or for approval, if required. To enable better and more focused attention on the affairs of the Company, the Board has delegated particular matters to the Committees of the Board set up for the purpose.

During FY24, all recommendations of the Committees of the Board which were mandatorily required have been accepted by the Board. There have been no instances where such recommendations have not been considered.



The Board has established the following statutory Committees:

- a. Audit Committee
- b. Nomination & Remuneration Committee
- c. Stakeholder Relationship Committee
- d. Corporate Social Responsibility Committee

#### **a. Audit Committee**

As required under Section 177 of the Companies Act, 2013 (the „Act“) and as per Regulation 18 of SEBI Listing Regulations, the Board has constituted a competent Audit Committee consisting of two-third Independent Directors as its members.

#### **Brief Terms of Reference**

The terms of the Audit Committee Charter include:

- oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
    - b. changes, if any, in accounting policies and practices and reasons for the same;
    - c. major accounting entries involving estimates based on the exercise of judgment by management;
    - d. significant adjustments made in the financial statements arising out of audit findings;
    - e. compliance with listing and other legal requirements relating to financial statements;
    - f. disclosure of any related party transactions;
    - g. modified opinion(s) in the draft audit report;
- reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- approval or any subsequent modification of transactions of the listed entity with related parties;
- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the listed entity, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;

- reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- discussion with internal auditors of any significant findings and follow up there on;
- reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- discussion with 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;
- to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- to review the functioning of the whistle blower mechanism;
- approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

**The Audit Committee shall mandatorily review the following information(s)**

- management discussion and analysis of financial condition and results of operations;
- management letters/letters of internal control weaknesses issued by the statutory auditors;
- internal audit reports relating to internal control weaknesses; and
- the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- Statement of deviations:
  - i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - ii. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

The Committee acts as a link between the Internal Auditor, Statutory Auditor and the Board of Directors of the Company. The Committee reviews the financial statements and other related matters before submission to the Board for approval.

The Audit Committee terms and condition is available on our website at: [http://www.mohitpaper.in/upload/others/policies\\_latest/10\\_ACC.pdf](http://www.mohitpaper.in/upload/others/policies_latest/10_ACC.pdf).



**Composition, Meetings and Attendance**

As on March 31, 2024, the Audit Committee comprised of four (4) Directors, three (3) of whom are Independent. The Chairperson of the Committee is an Independent Director. All the Members of the Committee have the requisite qualification for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls.

During the financial year 2023-2024, six (6) Audit Committee Meetings were held and gap between any two meetings did not exceed 120 days. The said meetings were held on May 27, 2023, August 14, 2023, August 25, 2023, September 27, 2023, November 10, 2023 and February 12, 2024. The necessary quorum was present for all the meetings. The Chairperson of the Audit Committee was present at the last Annual General Meeting held on September 29, 2023 to answer the queries of the shareholders.

The composition of the Committee and attendance of members at the Committee meetings held during FY24, are given below:

Name of the Member	Designation	No. of Meetings attended (total held during Tenure)
Mr. Sanjeev Kumar Jain (Chairman)	Non-Executive-Independent Director	6/6
Mr. Sourabh Mathur (Member)	Non-Executive-Independent Director	6/6
Mr. Sushil Kumar Tyagi (Member)	Non-Executive-Independent Director	6/6
Mr. Pradeep Rajput Kumar (Member)	Executive Director	6/6

The CFO assists the Committee in the discharge of its responsibilities and the Company Secretary of the Company acts as Secretary of the Committee. The minutes of each Audit Committee are placed in the next Meeting of the Board. The meetings of the Audit Committee are also attended by Managing Director, Whole Time Director, CFO, Statutory Auditors and Internal Auditors as invites as required.

**b. Nomination and Remuneration Committee**

In terms of the provisions of Section 178(3) of the Act and Regulation 19(4) read with Part D of Schedule II to the SEBI Listing Regulations, the Committee is responsible for inter alia formulating the criteria for determining qualification, positive attributes and independence of a Director. The Committee is also responsible for recommending to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees.

The Board has adopted the Policy on Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other employees of the Company. The Company does not have any Employee Stock Option Scheme.



The Board has also approved the Charter of the Committee defining its composition, powers, responsibilities, reporting, evaluation, etc. The terms of the Charter broadly include Board composition and succession planning, evaluation, remuneration, board development and review of HR Strategy, Philosophy and Practices. The NRC charter containing terms and condition is available on our website at [http://www.mohitpaper.in/upload/others/policies\\_latest/2\\_N&RPolicy.pdf](http://www.mohitpaper.in/upload/others/policies_latest/2_N&RPolicy.pdf).

#### **Brief Terms of Reference**

The terms of reference of Nomination & Remuneration Committee, inter-alia, includes:

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/ or removal;
- To carry out evaluation of every Director's performance;
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel, sr. management and other employees;
- To formulate the criteria for evaluation of Independent Directors and the Board;
- To devise a policy on Board diversity;
- To recommend/ review remuneration of the Managing Director(s) and Whole time Director(s) based on their performance and defined assessment criteria;
- To administer, monitor and formulate detailed terms and conditions of the Employees' Stock Option Scheme.

#### **Composition, Meetings and Attendance**

As on March 31, 2024, NRC comprised three Directors, all of them are Independent. The Chairman of the Committee, Mr. Sanjeev Kumar Jain is Non-Executive -Independent Director.

The Company Secretary of the Company is the Secretary to the Committee.

During FY24, three (3) meeting of the NRC was held on May 27, 2023, August 25, 2023 and March 30, 2024. Mr. Sanjeev Kumar Jain, Chairman of the Committee, was present at the last AGM held on September 29, 2023.

The composition of the Committee and attendance of members at the Committee meetings held during FY24, are given below:

<b>Name of the Member</b>	<b>Designation</b>	<b>No. of Meetings attended (total held during Tenure)</b>
Mr. Sanjeev Kumar Jain (Chairman)	Non-Executive-Independent Director	3/3
Mr. Sushil Kumar Tyagi (Member)	Non-Executive-Independent Director	3/3
Mr. Rachit Jain (Member)	Non-Executive-Independent Director	3/3

The minutes of the meetings of the committee are placed before and noted by the Board.

On the basis of Nomination and Remuneration Policy for Performance Evaluation of Independent Directors, a process of evaluation is being followed by the Board for its own performance and that of its Committees and individual Directors. The Committee may amend the Policy, if required, to ascertain its appropriateness as per the needs of the Company. The NRC shall formulate the criteria and framework for evaluation of performance of Independent Directors including all directors of the Board and on the basis of the performance the Board rate every directors including independent directors.

### **c. Stakeholders Relationship Committee**

Pursuant to the provisions of the Regulation 20 read with part D of Schedule II of the SEBI Listing Regulation and Section 178 of the Act, the Company has constituted "Stakeholders Relationship Committee" ("SRC") to consider and resolve the grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of annual report and etc.

The Committee charter containing terms and condition is available on our website and the link of the above committee is here [http://www.mohitpaper.in/upload/others/policies\\_latest/11\\_STAKEHOLDERS\\_RELATIONSHIP\\_COMMITTEE.pdf](http://www.mohitpaper.in/upload/others/policies_latest/11_STAKEHOLDERS_RELATIONSHIP_COMMITTEE.pdf).

### **Brief Terms of Reference**

The terms of the Charter broadly include:

- Approval of issue of duplicate certificates for securities and transmission of securities.
- Resolving the grievances of the security holders of the Company including complaints related to transfer, transmission of shares, non-receipt of annual report, non receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of the company.
- Oversee the statutory compliance relating to all securities including dividend payments and transfer of unclaimed amounts to the Investor Education and Protection Fund.
- Review of movements in shareholding and ownership structures of the Company.
- Conduct a Shareholder Satisfaction Survey to judge the level of satisfaction amongst shareholders.
- Suggest and drive implementation of various investor friendly initiatives.
- Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification/ amendment or modification as may be applicable.

### **Composition, Meetings and Attendance**

As on March 31, 2024, SRC comprises of three (3) Directors out of which two (2) are Non-Executive Independent Directors, one (1) is Executive Director. The Chairman of the Committee

is an Non- Executive Independent Director. The Company Secretary of the Company is the Secretary to the Committee.

During FY 24, one (1) meeting of the SRC was held on August 25, 2023. The composition of the Committee and attendance of members at the Committee meetings held during FY 24, are given below:

Name of the Director	Designation	No. of Meetings attended (total held during Tenure)
Sanjeev Kumar Jain (Chairman)	Non-Executive-Independent Director	1/1
Sushil Kumar Tyagi (Member)	Non-Executive-Independent Director	1/1
Sandeep Jain (Member)	Executive Director	1/1

The Chairman of the Committee also attended the last Annual General Meeting of the Company held on September 29, 2023.

#### Details of Compliance Officer during FY 23-24

Name of Compliance Officer	Mr. Shivam Sharma (ceased w.e.f. 13.07.2024)
Designation	Company Secretary & Compliance Officer
E-mail	investorsmohitpaper@gmail.com
Tel	011-25886798

#### Details of the number of complaints received from shareholders and attended during the financial year

Investor Complaints	Status
Opening Balance as on April 01, 2023	0
Number of complaints received during the year	1
Number of complaints resolved during the year	1
Number of complaints not solved to the satisfaction of the shareholders during the year@	0
Number of pending complaints as on March 31, 2024	1

@ All the complaints were resolved to the satisfaction of the shareholders.



#### d. Corporate Social Responsibility Committee

During the year, your Company constituted a Corporate Social Responsibility Committee in terms of provisions of Section 135 of the Companies Act, 2013, which shall indicate the activities to be undertaken by the Company on Corporate Social Responsibility and recommend the amount of expenditure to be incurred. The Committee adopted the CSR Committee charter and the same is available on the website and the link of the same is here [http://www.mohitpaper.in/upload/others/policies\\_latest/14\\_CSR\\_MPML\\_2023.pdf](http://www.mohitpaper.in/upload/others/policies_latest/14_CSR_MPML_2023.pdf).

During the financial year 2023-2024, the Committee comprised of three members.

#### Brief Terms of Reference

The terms of reference of the CSR Committee are in conformity with Section 135 of the Companies Act, 2013, which includes:

- i. Formulate and recommend to the Board, a CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII to the Act.
- ii. Recommend the amount of expenditure to be incurred on the activities mentioned in the CSR Policy.
- iii. Monitor the CSR Policy of the Company from time to time. The minutes of the meetings of the Committee are placed before and noted by the Board, as applicable.

#### Composition, Meetings and Attendance

During the financial year 2023-2024, CSR Committee comprised three Directors, two of which are non-executive directors. The Chairperson of the Committee is an Executive Director. The Company Secretary of the Company is the Secretary to the Committee.

During the financial year 2023-24, 2 (two) meetings was held on February 12, 2024 and March 30, 2024. The composition of the Committee and attendance of members at the Committee meetings held during FY 24, is given below:

Name of the Member	Designation	No. of Meetings attended (total held during tenure)
Mr. Sandeep Jain (Chairman)	Executive Director	2/2
Mrs. Anju Jain (Member)	Non-Executive Director	2/2
Mr. Sourabh Mathur (Member)	Non-Executive-Independent Director	2/2

As the Company does not have any CSR liabilities more than Rs. 50 Lakhs in any of the preceding financial years, therefore in line with the provisions of Companies Act, 2013, the Board of Directors in their meeting held on March 30, 2024 has dissolved the CSR Committee and the duties of the CSR Committee are being discharged by the Board of Directors of the Company.

**5. Senior Management**

The particulars of the senior management are as below:

<b>Name</b>	<b>Designation</b>
Mr. Sandeep Kumar Jain	Chairman and Managing Director
Mr. Pradeep Rajput Kumar	Whole Time Director
Mr. Arvind Kumar Dixit	Chief Financial Officer
Mr. Shivam Sharma*	Company Secretary

\*Ceased w.e.f. July 13, 2024.

**6. General Body Meeting(s)**
**i. Annual General Meeting ("AGM")**

Year	Date	Time	Venue
2022-2023 (31 <sup>st</sup> )	September 29, 2023	04.00P.M.	Meeting conducted through VC/OAVM pursuant to MCA Circulars.
2021-2022 (30 <sup>th</sup> )	September 29, 2022		
2020-2021 (29 <sup>th</sup> )	September 30, 2021		

**ii. Particulars of Special Resolution passed in last three AGMs.**

Date	Particulars
September 29, 2023	a. To consider the approval for remuneration of Mr. Sandeep Jain (DIN: 00458048), Managing Director of the Company in case of no profit or in adequate profits. b. To consider the approval for remuneration of Mr. Pradeep Rajput Kumar (DIN: 06685586), Whole Time Director of the Company in case of no profit or in adequate profits. c. To consider the re-appointment of Mr. Sourabh Mathur (DIN: 08354589) as the Non- Executive Independent Director of the Company for a second term of five consecutive years. d. To consider and approve the alteration of Memorandum of Association of the Company. e. To consider and approve the alteration the Article of Association of the Company.
September 29, 2022	a. To approve remuneration payable to Mr. Mohit Jain (DIN: 07203009) (Non-Executive and Non-Independent Directors) (Director of Marketing) by way of Fees b. Appointment of Mr. Rakesh Juyal (DIN: 09698162) as an Independent Director:
September 30, 2021	No special resolution was passed

**iii. Extra-Ordinary General Meeting ("EGM")**

No extraordinary general meeting of the members was held during FY 2024

**iv. Postal Ballot**

a. Details of special resolution passed through postal ballot, the persons who conducted the postal ballot exercise, details of the voting pattern and procedure of postal ballot



During the year 2023-24, no Special Resolution has been passed through Postal Ballot. However, after the end of the FY 2023-2024, the Company had sought the approval of the shareholders by way of Special Resolution through notice of postal ballot dated May 10, 2024 for:

- a. Appointment of Mr. Satya Prakash (DIN: 10564516) as an Independent Director
- b. Appointment of Mrs. Shubhi Jain (DIN: 10564596) as an Independent Director
- c. Appointment of Mrs. Sakshi Jain (DIN: 10564854) as an Independent Director

All the aforesaid resolutions were duly passed and the results of which were announced on June 19, 2024.

**b. Person who conducted the Postal Ballot Exercise**

Mr. Ankit Jain, Practicing Company Secretary (ACS 31103, CP: 26724), was appointed as the Scrutinizer to scrutinize the postal ballot process by voting through electronic means only (remote e-voting) in a fair and transparent manner.

**c. Procedure for Postal Ballot**

The postal ballot is conducted in accordance with the provisions contained in Section 110 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014 and in terms of the General Circular No. 33/2020 dated 28 September 2020 read with General Circular No.14/2020 dated 8 April 2020 General Circular No. 17/2020 dated 13 April 2020, and General Circular No. 39/2020 dated 31 December 2020, (the "MCA Circulars"). In line with MCA Circulars, the Notice of Postal Ballot was sent in electronic mode only to all those shareholders who have registered their e-mail addresses with the Company or Depository Participant / Depository, Company's Registrar & Transfer Agent. Further, the shareholders were provided the option to vote only through remote e-voting and voting through physical ballot papers was not provided as per the guidelines issued by the MCA vide MCA Circulars. The Company fixes a cut-off date to reckon paid-up value of equity shares registered in the name of shareholders for the purpose of voting. Shareholders may cast their votes through e-voting during the voting period fixed for this purpose. After completion of scrutiny of votes, the scrutinizer submits his report to the Chairman or person duly authorised by the Chairman and the results of voting by postal ballot are announced by the Chairman or Person duly authorized within two working days from the conclusion of the voting period. The results are also displayed on the website of the Company ([www.mohitpaper.in](http://www.mohitpaper.in)), besides being communicated to the Stock Exchanges, Depositories.

**d. Details of special resolution proposed to be conducted through postal ballot**

None of the businesses proposed to be transacted at the ensuing AGM requires passing of a special resolution through postal ballot.

**7. Means of Communication**

The Company always gives the preference to the implementation of best Corporate Governance in the Company in all level in true words. It is a key element of the corporate governance framework and therefore emphasizes continuous, efficient and relevant in all levels.

**Financials:** Quarterly/Half Yearly/Annual financial results are usually published in widely circulated newspapers like "Top stories" an English daily newspaper and in "Haribhomi" in hindi edition, a Hindi daily news paper. The same are also available on the website of the Company, viz. [www.mohitpaper.in](http://www.mohitpaper.in) and have also been submitted to stock exchanges BSE i.e. [www.bseindia.com](http://www.bseindia.com) as per requirement of the SEBI Listing Regulation.

The financial results, and other information are also disseminated to the Stock Exchanges (i.e., BSE Limited) where the securities of the Company are listed, as required/ prescribed under SEBI Listing Regulations.

**Website:** The Company's website contains a separate dedicated section "Investor Relations" where information sought by shareholders is available.

Significant events, if any, during the financial year, are filed with the Stock exchange and also posted on the Company's website [www.mohitpaper.in](http://www.mohitpaper.in) from time to- time. The Company's website gives information on trading, clearing & settlement, circulars issued by the Exchange, market data, Exchange rules, byelaws, business rules, products, financials including Annual Report, contract specifications of products and membership related information etc.

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

#### Financial year ended on 31st March 2024.

Particulars	Published Date
Financial year	April 01, 2023 to March 31, 2024
Un-audited financial results for the first three quarters	Un-audited financial results for the first quarter were announced on August 14, 2023.
	Un-audited financial results for the second quarter and half year was announced on November 10, 2023.
	Un-audited financial results for the third quarter was announced on February 12, 2024.
Annual financial results	Audited financial results for quarter and year ended March 31, 2024 was announced on May 28, 2024.

#### Calendar of the financial year ending March 31, 2025

The Company follows April-March as the financial year. The meetings of the Board of Directors for approval of quarterly financial results for the financial year ending on March 31, 2025, will be held on the following dates:

Particulars	Date
Quarter ended June 30, 2024	On or before August 14, 2024
Quarter/half-year ended September 30, 2024	On or before November 15, 2024
Quarter/ nine months ended December 31, 2024	On or before February 15, 2025
Quarter/ year ended March 31, 2025	On or before May 30, 2025

**8. General Shareholder Information:**

Particulars	Details
Annual General Meeting	Friday, September 27, 2024 at 04: 00 p.m. through VC/ OAVM in terms of the circulars issued by MCA and SEBI
Financial year	April 01, 2023 to March 31, 2024
Dividend Payment Date	Not Applicable
Date of Book Closure/ Record Date	As mentioned in the notice of the AGM
Name and Address of Stock Exchange(s) at which the Equity Shares are listed	The equity shares of the Company are listed on the following Stock Exchanges:  BSE Limited, PhirozeJeejeebhoy Towers, Dalal Street, Mumbai- 400001
Stock code	530169
Listing Fee	The Company has paid the annual listing fee for the Financial Year 2024-25 to BSE Limited. Further the Company has also paid the Annual Custody Fee to National Securities Depositories Ltd and Central Depository Services (India) Limited.
Registrar & Transfer Agents	LinkIntime India Private Limited <b>Registered Office:</b> -101, 247 Park, L B S Marg, Vikhroli (West) Mumbai 400083 <b>Correspondence Address:</b> Noble Heights 1st Floor, Plot No. NH-2, C-1 Block, LSC Near Savitri Market Janakpuri, New Delhi-110058, Phone:011-41410592,93,94, Telefax: 011 - 41410591 E.Mail: <a href="mailto:delhi@linkintime.co.in">delhi@linkintime.co.in</a> , <a href="mailto:sunil.mishra@linkintime.co.in">sunil.mishra@linkintime.co.in</a> Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>
Share Transfer system	81.43 % of the equity shares of the Company are in electronic form. Transfer of these shares is done electronically in demat mode through the depositories with no involvement of the Company.  In accordance with the proviso to Regulation 40(1) of the SEBI Listing Regulations, transfers of shares of the Company shall not be processed unless the shares are held in the



dematerialized form with a depository. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them.

<p>Outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion date and likely impact on equity</p> <p>Commodity price risk or foreign exchange risk and hedging activities</p> <p>Plant Locations</p> <p>Address for Correspondence</p>	<p>As on March 31, 2024, the Company did not have any outstanding GDRs/ ADRs / Warrants or any convertible instruments.</p> <p>Not Applicable</p> <p>Mohit Paper Mills Limited, 9TH KM Stone, Nagina Road, Bijnor, UP- 246701</p> <p>Mohit Paper Mills Limited</p> <p><b>Regd.</b>  <b>Office:</b> 15A/13, Upper Ground Floor, East Patel Nagar, NewDelhi -110008</p> <p><b>Plant Office:</b> Mohit Paper Mills Limited, 9TH KM Stone, Nagina Road, Bijnor, UP- 246701</p> <p>E-Mail <a href="mailto:investorsmohitpaper@gmail.com">investorsmohitpaper@gmail.com</a></p> <p>Website: <a href="http://www.mohitpaper.in">www.mohitpaper.in</a></p> <p><b>National Securities Depository Limited (NSDL)</b>  <b>Central Depository Services (India) Limited (CDSL)</b>          INE388C01017</p>
<p>Depository for equity shares</p> <p>Demat International Securities Identification Number (ISIN) allotted to the equity shares of the Company under the Depository System</p> <p>Corporate Identification Number (CIN) of the Company</p> <p>Credit Rating</p>	<p>L21093DL1992PLC116600</p> <p>Your Company enjoys credit rating from Brickwork Ratings, The Brickwork Ratings India Pvt. Ltd. has granting credit rating on January 22, 2021 to the company as BWR BB+ (Pronounced as BWR Double B Plus), Outlook: Stable (Downgraded) for Fund Based and BWR A4+ (Pronounced as BWR, A Four Plus) (Downgraded) for Non Fund Based.</p>
<p>Transfer to Investor Education and Protection Fund (IEPF):</p>	<p>No amount is transferred/pending to be transferred to IEPF.</p>

### 9. Code of Conduct

All Directors and senior management personnel of the Company have affirmed compliance with Company's Code of Conduct as approved and adopted by the Board of Directors for the financial year ended 31 March 2024 and a Declaration to this effect signed by the Chairman and Managing Director has been annexed as **Annexure 5** to the Report. The Code of Conduct of the Company is available on the website of the Company and can be accessed through the following web link: [https://www.mohitpaper.in/upload/others/policies\\_latest/2\\_code%20of%20conduct%20of%20directors%20and%20management%20personnel.pdf](https://www.mohitpaper.in/upload/others/policies_latest/2_code%20of%20conduct%20of%20directors%20and%20management%20personnel.pdf)

## 10. Other Disclosures

### A. Disclosures on materially significant related party transactions

During the financial year 2023-2024, the Company entered in all transactions with the related parties are in compliance with the applicable provisions of the Act and SEBI Listing Regulations and do not have potential conflicts with the interest of the Company. Further, the details of related party transactions are presented in Note of the financials statements of the company. In line with requirement of the Act and SEBI Listing Regulations, the Company has formulated a policy for determining Materially Significant Related Party Transactions and the same is disclosed on website of the Company at the link as follows:

[http://www.mohitpaper.in/upload/others/policies\\_latest/3\\_related\\_party\\_transaction\\_Policy\\_MetaUp.pdf](http://www.mohitpaper.in/upload/others/policies_latest/3_related_party_transaction_Policy_MetaUp.pdf).

### B. Details of Non-Compliance by the Listed Entity, Penalties or restrictions imposed on the listed entity by Stock Exchanges, SEBI or any statutory authority, on any matter related to the capital markets during the last three years.

There are no such instance of non-compliance. The Company has complied with the requirements of the Schedule V of SEBI Listing Regulations. Further, the Company is also in compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations except under regulation 47(3) of advertisement in News Paper i.e. Delay in furnishing the advertisement in newspaper.

### C. Whistle Blower Policy/Vigil Mechanism

The Company has adopted a Whistle Blower Policy & Vigil Mechanism for directors, employees and stakeholders to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The said policy has been posted on the Company's website. The Company affirms that no personnel have been denied access to the Chairman of the AC. The policy on vigil mechanism is placed on our website and the related link of the policy is here [http://www.mohitpaper.in/upload/others/policies\\_latest/9\\_WISTLE%20BLOWER\\_VIGIL%20MACHANISM.pdf](http://www.mohitpaper.in/upload/others/policies_latest/9_WISTLE%20BLOWER_VIGIL%20MACHANISM.pdf).

### D. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

#### Mandatory Requirements

Your Company has complied with all the mandatory corporate governance requirements under the SEBI Listing Regulations. Specifically, your Company confirms compliance with corporate governance requirements specified in Regulation 17 to 27 and Regulation 46 of the SEBI Listing Regulations. The Practicing Company Secretary's certificate regarding the compliance of conditions of Corporate Governance is attached as **Annexure 7** in this Annual Report.

**Discretionary Requirements: (Part E of Schedule II)**

The Company has complied with the following non-mandatory and discretionary requirements as per Schedule II Part E of the SEBI Listing Regulations:

Particulars	Date
<b>Shareholder Rights</b>	Quarterly financial results including the summary of significant events disseminated to stock exchanges are published in the newspaper and are also posted on the website of the Company and hence are available to all the shareholders.
<b>Modified opinion(s) in the audit report</b>	The auditors report on financial statements of the Company are unmodified
<b>Reporting of internal auditor</b>	Internal auditors of the Company make quarterly presentations to the Audit Committee on their reports.

**E. Policy on Material Subsidiaries**

The Company has no subsidiary or material subsidiaries during the financial year 2023-2024. The Company has adopted a Policy on Material Subsidiary in line with the requirements of the SEBI Listing Regulations. The objective of this policy is to lay down criteria for identification and dealing with material subsidiaries and to formulate a governance framework for subsidiaries of the Company. The policy on Material Subsidiary is available website of the Company.

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

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

**G. Disclosure of commodity price risks and commodity hedging activities**

The Company is not engaged in hedging activity during the year under review.

**H. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)**

During the year under review, there was no issuance of equity shares of the Company under preferential allotment or qualified institutions placement.

**I. CEO and CFO Certification**

As per requirement of Regulation 17(8) of SEBI Listing Regulations, the Chairman and Managing Director and the CFO made a certification to the Board of Directors in the prescribed format for FY23-24, which has been reviewed by the Audit Committees and taken on record by the Board. The same is attached as **Annexure 6**.



**J. Compliance with the Corporate Governance Requirements**

Your Company has complied with all the mandatory corporate governance requirements under the SEBI Listing Regulations. Specifically, your Company confirms compliance with corporate governance requirements specified in Regulation 17 to 27 and Regulation 46 of the SEBI Listing Regulations.

The Practicing Company Secretary's certificate regarding the compliance of conditions of Corporate Governance is attached as **Annexure 7** in this Annual Report.

**K. A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority**

A certificate from the Practicing Company Secretaries stating that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/MCA or any such statutory authority and the same is reproduced at the end of this report and marked as **Annexure- 8**.

**L. Disclosure with respect to non-acceptance of any recommendation of any Committee of the Board which is mandatorily required, along with reasons thereof**

During the year under review, all the recommendations, if any of the various mandatory committees were accepted by the Board.

**M. Total fees for all services paid by the listed entity to the statutory auditor**

During the year under review, total fees paid/payable to the Statutory Auditor, details are given below:

Sr. No.	Particulars	Fees paid /payable by the Company (In Lakhs)	Total Amount (In Lakhs)
1.	Statutory Audit fees	1.20	1.20
		Total	1.20

The above fees are exclusive of applicable tax.

**N. Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has always believed in providing a safe and harassment free workplace for every individual working in its premises through various policies and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Company has adopted a policy on Prevention of Sexual Harassment at Workplace which aims at prevention of harassment of employees and lays down

the guidelines for identification, reporting and prevention of undesired behaviour. An Internal Complaints Committee ("ICC") has been set up from the senior management which is responsible for redressed of complaints related to sexual harassment and follows the guidelines provided in the Policy.

During the year ended 31<sup>st</sup> March, 2024, no complaints pertaining to sexual harassment have been received.

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

**O. Details of Loans & Advances to firms/companies in which Directors are interested**

The Company has not given any loans and advances to firms/Companies in which directors are interested.

**P. Disclosure of certain types of agreements binding listed entities**

There are no agreements entered into by the shareholders, related parties, directors, key managerial personnel, employees of the Company, subsidiary or associate company, among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to impact the management or control of the listed entity or impose any restriction or create any liability upon the Company.

**Q. Disclosure under Regulation 30A of SEBI Listing Regulations**

The Company has not been informed about any agreement which are binding on the Company by any of its shareholders, related parties, Directors, KMP and employees of the Company or its subsidiaries and associate companies executed under Clause 5A of Para A at Part A of Schedule III to SEBI Listing Regulations.

**11. Details of Demat / Unclaimed Suspense Account**

There were no shares lying in the suspense account as on 31<sup>st</sup> March, 2024, (Pursuant to Regulation 34(3) and Schedule V Part F of the SEBI Listing Regulations)

**12. Dematerialization of shares and Liquidity**

The Company have Registrar and share Transfer agent i.e. Link Intime India Private Limited ("LIPL") for issue related to equity share, we have established connectivity with both NSDL and CDSL. Details of shares held in dematerialised and physical mode as on 31<sup>st</sup> March, 2024 are as under:

Category	No. of Share	No. of Shareholder	% of total equity
PHYSICAL	5963	2599567	18.57
NSDL	2110	10233872	73.10
CDSL	1988	1166561	8.33
Total	10061	14000000	100

### 13. Reconciliation of share capital audit

As stipulated by SEBI, a qualified company secretary carries out, on quarterly basis, reconciliation of share capital Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital and report thereon is submitted to BSE Ltd. where the Company's shares are listed. Based on the Audit Report, it is certified that the total listed and issued/ paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

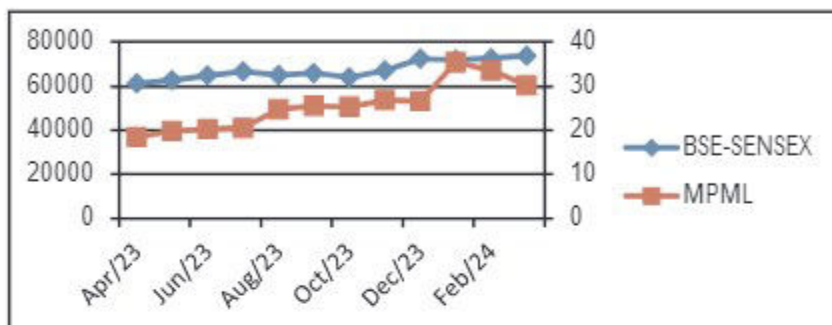
#### Month wise Stock Market data:

Month	High Price	Low Price	Close Price	No. of Shares Traded
Apr-23	19.79	16.9	18.43	45462
May-23	20.29	17.92	19.75	69171
Jun-23	21.07	18.55	20.23	85509
Jul-23	21.3	19.2	20.5	68040
Aug-23	25.9	20	24.7	141685
Sep-23	28.49	24	25.47	103168
Oct-23	28.89	24.71	25.25	90377
Nov-23	28.75	24.32	26.75	89204
Dec-23	32.78	25.01	26.55	119700
Jan-24	37.7	26.06	35.37	177340
Feb-24	38.31	31.3	33.5	101751
Mar-24	34.71	28.17	30.15	33190

#### Share price performance in comparison to broad based indices:

The chart below depicts the performance of the Company's share price in comparison to broad-based indices, such as BSE Sensex. The stock movement shown in the graph below should not be considered indicative of potential future stock price performance.




**Top 10 shareholders of the Company as on March 31, 2024:**

Sl.No.	Name & Type of Transaction	NO OF SHARES HELD	% OF COMPANY
1	SELTRON FINANCE LIMITED	1400000	10.0000
2	SHIVANK SECURITIES (P) LTD	135000	0.9643
3	KETAN KIRTIKUMAR VAKHARIA	128338	0.9167
4	K M AJITH THARAKAN .	115431	0.8245
5	SUNITA KOTHARI	75660	0.5404
6	JAYKISHAN BIRLA	69173	0.4941
7	ATUL TANDON	58350	0.4168
8	ATHULOORI KOWSHIK KUMAR	53450	0.3818
9	GARVIT KOTHARI	47400	0.3386
10	VANDANA BAJAJ	42446	0.3032

**Note:**

1. Top ten equity shareholders exclude promoter and promoter group holding.
2. Paid up Share Capital of the Company (Face Value Rs. 10.00) at the end of the year is 14000000 Shares.
3. The details of holding has been clubbed based on PAN.
4. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.

**Distribution of Shareholding & Consolidated Shareholding pattern as on March 31, 2024**
**Distribution of shareholding**

Sr. No.	Shareholding of nominal shares			Shareholder	Percentage of total	Total Shares	Percentage of total
1	1	to	5000	9232	91.7603	1057840	7.556
2	5001	to	10000	376	3.7372	334164	2.3869
3	10001	to	20000	251	2.4948	400947	2.8639
4	20001	to	30000	79	0.7852	200487	1.4321
5	30001	to	40000	31	0.3081	110150	0.7867
6	40001	to	50000	13	0.1292	61137	0.4367
7	50001	to	100000	30	0.2982	220594	1.5757
8	100001	to	*****	49	0.4870	11614681	82.962
Total				10280	100	140000000	100

**Category of Shareholders**

Sr.	Category	No. of Share	% of Shareholding	Demat	Physical
1	Promoters (Individuals)	89,70,707	64.08	89,70,707	-
2	Other then promoters (Individuals)	30,64,825	21.89	21,04,458	9,60,367
3	Foreign Nationals	2,32,700	1.66	0	2,32,700
4	HUFs	1,11,658	0.80	1,11,558	100
5	NRI's (Repeated and Non Repeated)	61,953	0.44	61,953	0
6	Clearing Members	100	0.00	100	0
7	Corporate bodies	15,58,057	11.13	15,1,657	14,06,400
Total		1,40,00,000	100.00	1,14,00,433	25,99,567

For and on behalf of the Board

Sd/-

(Sandeep Jain)

Chairman & Managing Director

DIN: 00458048

Date: August 14, 2024

Place: New Delhi

**ANNEXURE 5****Declaration by Chief Executive Officer under Regulation 34.3 read with Schedule V of SEBI Listing Obligations and Disclosure Requirement Regulations, 2015 in respect of compliance with the Company's Code of Conduct**

This is to confirm that the members of Board of Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of Mohit Paper Mills Limited, as applicable to them, for the Financial Year ended March 31, 2024.

Sd/-  
Sandeep Jain  
Chairman and Managing Director  
DIN: 00458048  
August 14, 2024



## ANNEXURE 6

**CHIEF EXECUTIVE OFFICER & CHIEF FINANCIAL OFFICER CERTIFICATE  
(Regulation 33(2) & Regulation 17(8) read with Part B of Schedule-II of SEBI (LODR) Regulations 2015)**

To,  
The Board of Directors  
Mohit Paper Mills Limited  
15A/13, Upper Ground Floor  
East Patel Nagar  
New Delhi-110008

We hereby certify that:

1. We have reviewed the financial statement and the cash flow statement for the year ended March 31, 2024 and to the best of our knowledge and belief, we state that
  - these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. These are to the best of our knowledge and belief, no transactions entered into by the company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal control systems and that we have evaluated the effectiveness of the internal control system of the company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any of which we are aware and the steps the company has taken or propose to take to rectify the deficiencies.
4. We have indicated to the Auditors and the Audit Committee:
  - Significant changes in internal control during the year;
  - Significant changes in accounting policies during the year and the same has been disclosed in the notes to the financial statements;
  - 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 Board of Directors  
Mohit Paper Mills Limited  
Sd/-  
Sandeep Jain  
Chairman and Managing Director

Sd/-  
Arvind Kumar Dixit  
CFO

Place: New Delhi  
Date: May 28, 2024

## ANNEXURE 7

## CERTIFICATE OF COMPLIANCE ON CORPORATE GOVERNANCE

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

We have examined the compliance of Guidelines on Corporate Governance by M/s Mohit Paper Mills Limited ("the Company") for the financial year ended March 31, 2024 as stipulated in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") of the Company with stock exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to 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 financial statements of the Company.

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2024.

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

*For Agarwal S. & Associates,  
Company Secretaries,  
ICSI Unique Code: P2003DE049100  
Peer Review Cert. No.: 3939/2023*

**CS Ankit Jain**  
(Partner)  
ACS 31103  
C.P. 26724  
UDIN: A031103F000948789

Place : New Delhi  
Date: 11 August 2024

**ANNEXURE 8**
**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

To,  
**The Members of  
 Mohit Paper Mills Limited  
 15A/13, Upper Ground Floor  
 East Patel Nagar, New Delhi-110008**

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s. Mohit Paper Mills Limited bearing CIN:L21093DL1992PLC116600, having registered office at 15A/13, Upper Ground Floor, East Patel Nagar, New Delhi-110008, India (hereinafter referred to as "the Company"), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status on the website of Ministry of Corporate Affairs) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below have been debarred or disqualified from being appointed or continuing as directors of Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority as on March 31, 2024.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Sandeep Jain	00458048	30.06.1992
2	Anju Jain	00459540	30.08.1992
3	Sushil Kumar Tyagi*	06362605	14.05.2012
4	Pradeep Rajput Kumar	06685586	23.11.2017
5	Shubhi Jain	06685602	15.07.2013
6	Rachit Jain*	06982727	30.09.2014
7	Sanjeev Kumar Jain*	07018412	30.09.2014
8	Sourabh Mathur	08354589	14.02.2019
9	Mohit Jain	07203009	05.09.2022
10	Rakesh Juyal	09698162	05.09.2022

*\*Ceased to be Director w.e.f closing hours of 31 March 2024.*

Ensuring the eligibility of the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**FOR AGARWAL S. & ASSOCIATES**  
 Company Secretaries

**ICSI Unique Code: P2003DE049100**  
**Peer Review No. : 3939/2023**  
**CS Ankit Jain**

**Place: New Delhi**

**Date: 11 August 2024**  
**UDIN:A031103F000948778**

Partner  
 ACS: 31103  
 COP :26724



**INDEPENDENT AUDITOR'S REPORT****TO THE MEMBERS OF MOHIT PAPER MILLS LIMITED****Report on the Audit of the Ind AS Financial Statements****Opinion**

We have audited the accompanying Ind AS financial statements of **MOHIT PAPER MILLS LIMITED** (the "Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a **TRUE AND FAIR VIEW IN CONFORMITY WITH THE INDIAN ACCOUNTING STANDARDS** prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

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

**Key Audit Matters**

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

Sr. No.	Key Audit Matter	Auditor's Response
1	<p>Revenue is recognized when the control of the products being sold has transferred to the customer. Revenue is measured net of any discounts and rebates. Recognition and measurement of discounts and rebates accruals, involves judgement and estimates. This leads to a risk of revenue being misstated due to inaccurate estimation over discounts and volume rebates.</p> <p>We identified the recognition of revenue from sale of products as a key audit matter because:</p> <ul style="list-style-type: none"> <li>● The Company and its external stakeholders focus on revenue as a key performance indicator. This could create an incentive for higher revenue to be recognized throughout the period (including period end), i.e., before the control of underlying goods have been transferred to the customer.</li> </ul>	<p>Our audit procedures include:</p> <ul style="list-style-type: none"> <li>● Assessing the compliance of revenue recognition accounting policies, including those relating to discounts and rebates, with reference to Ind AS 115 Revenue from contracts with customers (applicable accounting standard);</li> <li>● Evaluating the design, testing the implementation and operating effectiveness of the Company's internal controls over recognition of revenue and computing discounts and volume rebates in the general ledger accounting systemK</li> <li>● Performing substantive testing (including for period end cut-off) by selecting statistical samples of revenue transactions recorded for the year and agreeing to the underlying documents, which included sales invoices and shipping documents;</li> <li>● Performing substantive testing by agreeing statistical samples of discounts and rebate accruals and disbursements to underlying documents.</li> <li>● Performing a retrospective assessment of discounts and rebate accruals with prior period to evaluate the historical accuracy; and assessing manual journals posted to revenue to identify unusual items.</li> <li>● Evaluating adequacy of disclosures given in Note to the standalone financial statements.</li> </ul>

**Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise



appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

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

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

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

The Management and Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Ind AS Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain



audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls over financial reporting in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Ind AS financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or

regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

1. As required by Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except
  - for the matter stated in paragraph 1(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors Rules), 2014.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 1(b) above on reporting under Section 143(3) (b) and

paragraph 1(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has no pending litigation which has any impact on its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts; for which there were any material foreseeable losses.
  - iii. There were no amount which were required to be transfer to the Investor Education and Protection Fund by the Company.
  - iv.
    - (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate Beneficiaries;
    - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
  - v. The Company has neither declared dividend nor paid any dividend during the year.



- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of accounts using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1 2023. Based on our examination which included test checks, the company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.
2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

Place: Muzaffarnagar

Date: 28.05.2024

For PANKAJ K. GOYAL & CO

Chartered Accountants

(Firm's Registration No. 006885C)

CA PANKAJ KUMAR GOYAL, Partner

(Membership No.075828)

UDIN: 24075828BKHIDP4724

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of MOHIT PAPER MILLS Limited of even date)

**Report on the Internal Financial Controls with reference to Ind AS Financials Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")**

We have audited the internal financial controls over financial reporting of MOHIT PAPER MILLS LIMITED (the "Company") as of March 31, 2024 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditor's Responsibility**

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

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

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

**Meaning of Internal Financial Controls over financial reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over financial reporting**

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

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Place: Muzaffarnagar

Date: 28.05.2024

**For PANKAJ K. GOYAL & CO**

Chartered Accountants

(Firm's Registration No. 006885C)

**CA PANKAJ KUMAR GOYAL, Partner**

(Membership No.075828)

**UDIN: 24075828BKHIDP4724**



## ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of MOHIT PAPER MILLS Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's property, plant and equipment, right-of-use assets and intangible assets:
  - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property and plant and equipment.  
(B) The Company has maintained proper records showing full particulars of intangible assets.
  - (b) The Company has a program of physical verification of property, plant and equipment and right-of-use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets, Pursuant to the program, certain property, plant and equipment and right-of-use assets were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) Based on our examination & according to information & explanations given to us, we report that, the title in respect of self constructed buildings and title deeds of all other immovable properties, disclosed in the financial statements included under property, plant and equipment are held in the name of the Company as at the balance sheet date.
  - (d) The Company has not revalued any of its property, plant and equipment and intangible assets during the year.
  - (e) Based on our examination & according to information & explanations given to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (prohibition) Act, 1988 (as amended in 2016) and rules made there under
- ii.
  - (a) As explained to us physical verification has been conducted by the management at reasonable intervals, on our opinion, the procedures 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, te explained that no material discrepancies have been noticed on physical verification,
  - (b) The Company has been sanctioned a working capital limit in excess of ₹ 5 crore, in aggregate from bank on the basis of security of current assets of the company, during the year. The quarterly returns/statements, in respect of the working capital limits have been filed by the Company with such banks in some cases were vary from books and accounts. However, the utilization of the working capital limits from banks were within the drawing power based the books of account of the Company for the respective periods, which are subject to audit/review.
- iii. The Company, during the year, has not made investment, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, LLP or any other parties. Therefore, the provisions of clause 3 (iii)(a) to 3(iii)(f) of the order are not applicable.

- iv. Based on audit procedures performed and the representation obtained from the management, the company has not granted any loans or provided any guarantees, or given any security or made any investment requiring compliance with provisions of section 185 and 186 of the Companies Act. Accordingly, provisions of clause 3(iv) are not applicable to the company
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits from the public within the meaning of Section 73 to 76 of the Act and the Rules framed there under to the extent notified.
- vi. We have broadly reviewed the books of account maintained by the company in respect of product covered, pursuant to the Rules made by the Central Government, the maintenance of cost records has been prescribed under section 148(1) of the Act, in respect of products covered and are of the opinion that, prima facie, the prescribed accounts and the records have been made and maintained. We have not, however made a detailed examination of the same.
- vii. In respect of statutory dues:
  - (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of income tax, GST, duty of custom, duty of excise, value added tax, sales tax and service tax which have not been recorded in the books of account.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix.
  - (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
  - (b) According to the information and explanations given to us including confirmations received from banks and other lenders and representation received from the management of the Company and on the basis of our audit procedures, we report that the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
  - (c) According to the information and explanations given to us, the term loan taken by the Company have been applied for the purpose for which they were raised.
  - (d) On an overall examination of the financial statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long-term purposes by the Company.



- (e) The Company does not have any subsidiaries, joint venture or associate companies and therefore the clause 3(ix)(e) is not applicable.
- (f) The Company does not have any subsidiaries, joint venture or associate companies and therefore the clause 3(ix)(f) is not applicable.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under.
- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) According to the information and explanations given to us including representation received from the management of the Company, there are no whistle-blower complaints received by the company during the year.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards (Ind AS-24) "Related Party Disclosures" specified under section 133 of the act.
- xiv. (a) In our opinion and according to the information and explanations given to us, the Company has an adequate internal audit system as required under section 138 of the Act which is commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.



- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) The reporting under clause 3(xx)(a) and clause 3(xx)(b) of the order are not applicable in respect of the audit of Financial Statements as the provisions of section 135(1) of Companies Act, 2013 are not applicable in view of the threshold limit specified therein. Accordingly, no comment in respect of the said clause has been included in this report.
- xxi. The reporting under clause 3(xxi) of the order are not applicable in respect of the audit of Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

Place: Muzaffarnagar

Date: 28.05.2024

For PANKAJ K. GOYAL & CO

Chartered Accountants

(Firm's Registration No. 006885C)

CA PANKAJ KUMAR GOYAL, Partner

(Membership No.075828)

UDIN: 24075828BKHIDP4724

**BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2024**

(Rs. in Lakhs)

PARTICULARS	Note No.	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	3	6,877.56	5,551.96
(b) Capital work-in-progress	3A	2,816.99	1,231.75
(c) Other intangible assets	3B	0.11	0.11
(d) Financial assets			
(i) Investments	4	110.79	110.79
(ii) Other financial assets	5	287.85	832.41
(iii) Income Tax Assets (Net)	6	--	--
(e) Other non-current assets	7	147.48	238.68
<b>Total non-current assets</b>		<b>10,240.78</b>	<b>7,965.70</b>
<b>(2) Current assets</b>			
(a) Inventories	8	3,707.21	2,844.70
(b) Financial assets	--	--	--
(i) Trade receivables	9	2,492.13	1,698.29
(ii) Cash and cash equivalents	10	13.12	5.34
(iii) Other bank balance	11	236.08	130.50
(c) Other current assets	12	1,026.64	1,525.31
<b>Total Current Assets</b>		<b>7,475.18</b>	<b>6,204.14</b>
<b>Total Assets</b>		<b>17,715.96</b>	<b>14,169.84</b>
<b>EQUITY AND LIABILITIES</b>			
<b>(1) EQUITY</b>			
(a) Equity share capital	13	1,400.00	1,400.00
(b) Other equity		3,052.36	2,407.01
<b>Total equity</b>		<b>4,452.36</b>	<b>3,807.01</b>
<b>LIABILITIES</b>			
<b>(2) Non-current liabilities</b>			
(a) Financial Liabilities	--	--	--
(i) Borrowings	14	3,801.92	2,290.93
(b) Provisions	15	21.75	16.23
(c) Deferred tax liabilities (net)	16	623.14	599.75
(d) Other non-current liabilities	17	2,185.99	2,042.53
<b>Total non-current liabilities</b>		<b>6,632.80</b>	<b>4,949.25</b>
<b>(3) Current Liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	18	3,853.54	2,169.99
(ii) Trade payables	19		
(A) Total outstanding dues of micro enterprises and small enterprises		-	-
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		703.21	1,789.93
(b) Other current liabilities	20	2,074.05	1,453.47
<b>Total current liabilities</b>		<b>6,630.80</b>	<b>5,413.38</b>
<b>Total Equity and Liabilities</b>		<b>17,715.96</b>	<b>14,169.84</b>

The accompanying notes 1 to 30 are an integral part of the Ind AS Financial Statements.

As per our report of even date attached

**For PANKAJ K. GOYAL & CO**

 Chartered Accountants  
 Registration No.: 006885C

For and on behalf of the Board of Directors

**CA PANKAJ KUMAR GOYAL**  
 (Partner)

**Sandeep Jain**  
 (Managing Director)

**Anju Jain**  
 (Director)

**Shivam Sharma**  
 (Company Secretary)

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

 Membership No.: 075828  
 Place: Muzaffarnagar  
 Date: 28.05.2024

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2024**

(Rs. in Lakhs)

PARTICULARS	Note No.	For the Year ended 31 <sup>st</sup> March, 2024	For the Year ended 31 <sup>st</sup> March, 2023
<b>Income</b>			
<b>I Revenue from operations</b>	21	18,562.61	22,216.50
<b>II Other income</b>	22	640.05	401.27
<b>III Total Income</b>		<b>19,202.66</b>	<b>22,617.77</b>
<b>IV Expenses</b>			
Cost of materials consumed	23	5,660.28	6,481.20
Changes in inventories of finished goods, stock-in-trade and work-in-progress	24	(60.08)	267.70
Employee benefits expense	25	827.46	758.18
Finance costs	26	375.54	348.00
Depreciation and amortization expense	27	590.42	556.58
Other expenses	28	10,899.09	13,500.63
<b>Total Expenses (IV)</b>		<b>18,292.69</b>	<b>21,912.28</b>
<b>V Profit before exceptional items and tax (III - IV)</b>		<b>909.96</b>	<b>705.49</b>
<b>VI Exceptional items</b>		-	-
<b>VII Profit/(loss) before tax (V - VI)</b>		<b>909.96</b>	<b>705.49</b>
<b>VIII Tax Expense:</b>			
(1) Current tax		231.63	38.53
(2) Less : MAT credit available		-	-
(3) Deferred tax		23.39	156.89
(4) Earlier Year Tax Adjustment		9.60	18.50
<b>IX Profit for the year (VII - VIII)</b>		<b>645.35</b>	<b>491.57</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to Profit or Loss:			
<b>X Remeasurement of defined benefit liability/(assets)</b>		-	-
<b>XI Income tax relating to items that will not be reclassified to Profit or Loss</b>		-	-
<b>XII Other Comprehensive Income for the period (X - XI)</b>		-	-
<b>XIII Total Comprehensive Income/(expense) for the period (IX+XII)</b>		<b>645.35</b>	<b>491.57</b>
<b>XIV Earning per Equity Share</b>	29		
(i) Basic		4.61	3.51
(ii) Diluted		4.61	3.51

The accompanying notes 1 to 30 are an integral part of the Ind AS Financial Statements.

As per our report of even date attached

**For PANKAJ K. GOYAL & CO**

Directors

*Chartered Accountants*

Registration No.: 006885C

For and on behalf of the Board of

**CA PANKAJ KUMAR GOYAL**
*(Partner)*
*Officer*

Membership No.: 075828

Place: Muzaffargarh

Date: 28.05.2024

**Sandeep Jain**
*(Managing Director)*
**Anju Jain**
*(Director)*
**Shivam Sharma**
*(Company Secretary)*
**A.K.Dixit**
*(Chief Financial*



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2024**

(Rs. in Lakhs)

	PARTICULARS	For the Year ended 31 <sup>st</sup> March, 2024	For the Year ended 31 <sup>st</sup> March, 2023
<b>A.</b>	<b>Cash Flow from Operating Activities</b>		
	PROFIT BEFORE TAX	909.96	705.49
	ADJUSTMENT FOR:		
	-Depreciation & Amortization Expense	590.42	556.58
	-Finance Costs	375.54	348.00
	-Interest Income	(15.76)	(11.11)
	-Loss on sale of property, plant and equipment	-	-
	-Tax adjustment	-	-
	-Others	- 950.20	- 893.47
	<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>1,860.16</b>	<b>1,598.96</b>
	ADJUSTMENTS FOR:		
	- (Increase)/Decrease Trade Receivables, loans, advances & other assets	340.59	(1,652.31)
	- (Increase)/Decrease Inventories	(862.52)	(508.47)
	- Increase/(Decrease) Trade Payables, other liabilities and provisions	(317.16)	1,521.24
		(839.09)	(639.54)
	<b>CASH GENERATED FROM OPERATIONS</b>	<b>1,021.07</b>	<b>959.42</b>
	Income tax paid	231.63	38.53
	<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>789.45</b>	<b>920.88</b>
<b>B.</b>	<b>Cash Flow From Investing Activities</b>		
	- Purchase of property, plant & equipment, Intangibles etc.	(1,916.02)	(201.77)
	- Sale of property, plant and equipment	-	-
	- (Increase)/Decrease in capital work in progress	(1,585.24)	(1,231.75)
	-Interest Received	15.76	11.11
	<b>NET CASH AVAILABLE / (USED) IN INVESTING ACTIVITIES</b>	<b>(3,485.49)</b>	<b>(1,422.41)</b>

(Rs. in Lakhs)

PARTICULARS	For the Year ended 31 <sup>st</sup> March, 2024		For the Year ended 31 <sup>st</sup> March, 2023	
<b>C. Cash Flow from Financing Activities</b>				
- Receipts/(Repayment) from Long Term Borrowings	1,510.99		1,515.57	
- Adjustment of Deffered Tax	9.60		18.50	
	1,501.39		1,497.06	
- Receipts/(Repayment) of Short Term Borrowings	1,683.55		(729.35)	
- Interest Paid	(375.54)		(348.00)	
NET CASH AVAILABLE / (USED) IN FINANCING ACTIVITIES		2,809.40		419.72
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		113.35		(81.81)
OPENING IN CASH AND CASH EQUIVALENTS		135.85		217.65
CLOSING CASH AND CASH EQUIVALENTS		249.20		135.85

Notes:

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

 2. **Cash and Cash Equivalents:** Cash and cash equivalents as above

Cash and cash equivalents (Note 10)	13.12	5.35
Other Bank Balances (Note 11)	236.08	130.50

As per our report of even date attached

**For PANKAJ K. GOYAL & CO**

Chartered Accountants

Registration No.: 006885C

For and on behalf of the Board of Directors

**CA PANKAJ KUMAR GOYAL**

(Partner)

**Sandeep Jain**

(Managing Director)

**Anju Jain**

(Director)

**Shivam Sharma**

(Company Secretary)

**A.K.Dixit**

(Chief Financial Officer)

Membership No.: 075828

Place: Muzaffarnagar

Date: 28.05.2024

**STATEMENT OF CHANGES IN EQUITY**
**Equity Share Capital Current reporting period**

(Rs. in Lakhs)

Particulars	Amount
Balance at the beginning of the current reporting period i.e. 01 <sup>st</sup> April.2023	1,400.00
Changes in Equity Share Capital due to prior period errors	-
Restated balance at the beginning of the current reporting period	-
Changes in equity share capital current reporting period	-
Balance at the end of the current reporting period i.e. 31 <sup>st</sup> March 2024	1,400.00

**Previous reporting period**

(Rs. in Lakhs)

Particulars	Amount
Balance at the beginning of the current reporting period i.e. 01st April.2022	1,400.00
Changes in Equity Share Capital due to prior period errors	-
Restated balance at the beginning of the current reporting period	-
Changes in equity share capital current reporting period	-
Balance at the end of the current reporting period i.e. 31st March 2023	1,400.00

**Other Equity**
**Current reporting period**

(Rs. in Lakhs)

Particulars	Balance at the beginning of the current reporting period i.e. 01st April 2023	Changes in accounting policy or prior period errors	Restated balance at the beginning of the current reporting period	Total Comprehensive Income for the current year	Dividends	Transfer to retained earnings	Any other change	Balance at the end of the current reporting period i.e. 31.03.2024
Share application money pending allotment	-	-	-	-	-	-	-	-
Equity component of compound financial instruments	-	-	-	-	-	-	-	-
Reserve and Surplus								
Capital Reserve	155.17	-	-	-	-	-	-	155.17
Securities Premium	-	-	-	-	-	-	-	-
Other Reserves	-	-	-	-	-	-	-	-
Retained Earnings	2,271.84	-	-	-	-	645.35	-	2,917.19
Debits instruments through Other Comprehensive Income	-	-	-	-	-	-	-	-
Equity instruments through Other Comprehensive Income	-	-	-	-	-	-	-	-
Effective portion of Cash Flow Hedges	-	-	-	-	-	-	-	-
Revaluation Surplus	-	-	-	-	-	-	-	-



Exchange differences on translating the financial statements of a foreign operation	-	-	-	-	-	-	-	-
Other items of Other Comprehensive Income	-	-	-	-	-	-	-	-
money received against share warrants	-	-	-	-	-	-	-	-
<b>Total</b>	<b>2,407.01</b>	-	-	-	-	<b>645.35</b>	-	<b>3,052.36</b>

**Previous reporting period**

(Rs. in Lakhs)

Particulars	Balance at the beginning of the current reporting period i.e. 01st April, 2022	Changes in accounting policy or prior period errors	Restated balance at the beginning of the current reporting period	Total Comprehensive Income for the current year	Dividends	Transfer to retained earnings	Any other change (MAT Credit Entitlement)	Balance at the end of the current reporting period i.e. 31.03.2023
Share application money pending allotment	-	-	-	-	-	-	-	-
Equity component of compound financial instruments	-	-	-	-	-	-	-	-
Reserve and Surplus	135.17	-	-	-	-	-	-	135.17
Capital Reserve	135.17	-	-	-	-	-	-	135.17
Securities Premium	-	-	-	-	-	-	-	-
Other Reserves	-	-	-	-	-	-	-	-
Retained Earnings	1,780.27	-	-	-	-	491.57	-	2,271.84
Debt instruments through Other Comprehensive Income	-	-	-	-	-	-	-	-
Equity instruments through Other Comprehensive Income	-	-	-	-	-	-	-	-
Effective portion of Cash Flow Hedges	-	-	-	-	-	-	-	-
Revaluation Surplus	-	-	-	-	-	-	-	-
Exchange differences on translating the financial statements of a foreign operation	-	-	-	-	-	-	-	-
Other items of Other Comprehensive Income	-	-	-	-	-	-	-	-
money received against share warrants	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1,915.44</b>	-	-	-	-	<b>491.57</b>	-	<b>2,407.01</b>

**Capital Reserve**

This Reserve was created on 31.03.1996 upon revaluation of land & building and plant & machinery by crediting to capital reserve the resultant surplus arising therefrom. The carrying value of these assets, measured as per the previous GAAP, as recognized in the financial statements as at the date of transition to Ind AS are continued to be used as the deemed cost as at the date of transition.

Retained Earnings: This Reserve represents the cumulative profits of the Company. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

The accompanying notes 1 to 30 are an integral part of the Ind AS Financial Statements.

As per our report of even date attached

For PANKAJ K. GOYAL & CO

Chartered Accountants

Registration No.: 006885C

For and on behalf of the Board of Directors

CA PANKAJ KUMAR GOYAL  
(Partner)

Sandeep Jain

Anju Jain

Shivam Sharma

A.K.Dixit

(Managing Director)

(Director)

(Company Secretary)

(Chief Financial Officer)

Membership No.: 075828

Place: Muzaffarnagar

Date: 28.05.2024

**Notes to the Financial Statements for the Year Ended 31st March, 2024****1. Corporate Information:**

Mohit Paper Mills Limited (the "Company" or "MPML") is a public company incorporated under the provisions of the Companies Act 1956 with a CIN: L21093DL1992PLC116600, domiciled in India, with its registered office situated at 15A/13, Upper Ground Floor, East Patel Nagar, New Delhi – 110008, India. The equity shares are listed on the Bombay Stock Exchange ("BSE") in India.

The company's business primarily consists of manufacturing Writing & Printing Paper and Tissue Paper mainly in the domestic market. Soda Ash is recovered as by-product. The manufacturing facilities are situated in Bijnor, Uttar Pradesh.

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

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III of the Companies Act, 2013 (Ind AS Compliant Schedule III), as applicable to the financial statement.

Accordingly, the Company has prepared these Standalone Financial Statements which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as "Standalone Financial Statements" or "financial statements").

**(ii) Basis of measurement**

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

**(iii) Functional and presentation currency**

The functional currency of the Company is the Indian Rupee ("INR"). These financial statements are presented in Indian rupees. All amounts have been rounded-off to the



nearest lakhs, up to two places of decimal, unless otherwise indicated.

**(iv) Use of estimates and judgments**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgments, estimates and assumptions that impact the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods. In particular, information about significant areas of estimation uncertainty & critical judgments in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following areas:

- Useful life of Property, plant and equipment - refer Note No. 2 c
- Valuation of Inventory - refer Note No. 2 f
- Estimation of Defined benefit obligation - refer Note No. 2 h
- Estimation of current tax expenses - refer Note No. 2 i
- Accounting for government grants - refer Note No. 2 o
- Provisions and Accruals - refer Note No. 2 r
- Contingencies - refer Note No. 2 r

**(v) Measurement of Fair value**

The Company measures financial instruments at fair value as per Ind AS 113 at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets

and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

**Level 1** - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

**Level 3** - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

For assets and liabilities that are recognized in the financial statement on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

**b. Recent accounting pronouncements**

The Ministry of Corporate Affairs has vide notification dated 23 March 2024 notified Companies (Indian Accounting Standard) Amendment Rules, 2024 which amends certain accounting standards, and are effective 1 April 2024. These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

Schedule III Amendment applicable from April 1, 2021: On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification amended Schedule III of the Companies Act, 2013. The Company has prepared the financial statements in accordance with the said schedule.

**c. Property, plant and equipment ('PPE')**

**i Recognition and measurement**

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

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any

**ii. Subsequent Expenditure**

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

### iii. Depreciation

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

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

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

### iv. Derecognition

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

### d. Intangible assets

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

#### Subsequent expenditure

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

#### Amortization



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

**De-recognition**

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

**e. Reclassification to investment property**

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

**f. Inventories**

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

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

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

**Work-in-process**

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

**Finished goods**

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

**By-Products**

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

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

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

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognized in the statement of profit and loss if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount. Impairment losses, other than those recognized on goodwill, that have been recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying

## ii. Impairment of financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### Financial Assets

#### Initial Recognition and Measurement

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

#### Subsequent Measurement

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

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

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

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

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

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

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

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

All equity investments are measured at fair value in the balance sheet, with value changes recognized in the statement of profit and loss, except for those equity investments for which the



entity has elected irrevocable option to present value changes in OCI.

#### **Derecognition of financial assets**

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

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and Impairment of financial assets

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

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

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

**Financial Liabilities**

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

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

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

**Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the financial statements if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

**Measurement of expected credit losses**

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

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

**Write-off**

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

off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

#### **h. Employee benefits**

##### **i. Short-term employee benefits**

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

##### **ii Defined contribution plan**

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

##### **iii Defined benefit plan**

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

##### **Gratuity**

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

Group Gratuity cum Life Assurance Scheme with the Life Insurance Corporation of India has been taken in such a way that the gratuity benefits will be payable under an irrevocable trust. The trustees appointed for the purpose of administering the Scheme ensure gratuity



benefits is with the LIC. The company shall pay on demand by and to the LIC such contributions as are required to secure Gratuity benefits to the employees.

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

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

#### **i Taxes on Income**

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

##### **i Current tax**

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

Current tax assets and current tax liabilities including MAT are offset only if there is a legally

##### **ii Deferred tax**

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

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

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

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

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

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

### iii Minimum Alternative tax ('MAT')

Minimum Alternative tax ('MAT') under the provisions of Income-tax Act, 1961 is recognized as current tax in profit or loss. The credit available under the Act in respect of MAT paid is adjusted from deferred tax liability only when and to the extent there is convincing evidence that the company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognized adjusted from deferred tax liability is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

### j Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

### Cash flow statement

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

**k. Earnings per share**

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

**l. Foreign currency transactions****i. Initial recognition**

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

**ii. Measurement at the reporting date**

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

**m. Financial instruments**

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



**Financial Assets****Recognition and Measurement**

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

**Classification**

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

Financial assets are classified as those measured at

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

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

**Impairment**

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised

cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognized if the credit quality of the financial asset has deteriorated significantly since initial recognition.

#### **Reclassification**

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

#### **De-recognition**

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

(a) amortised cost, the gain or loss is recognized in the Statement of Profit and Loss;

fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment which is taken at initial cost and continues to be so taken and for other investments in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

#### **n. Revenue**

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

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

#### **Interest income**

Interest income primarily comprises of interest from term deposits. Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

**Other Income**

Other income is recognized when no significant uncertainty as to its determination or realization exists.

**o. Government grants**

Government grants are recognized initially at fair value when there is reasonable assurance that they will be received and the Company will comply with the conditions associated with grant. They are then recognized in profit or loss as other income on a systematic basis over the periods in which the company recognizes as expenses the related costs for which the grant is intended to compensate. Government grants related to depreciable capital assets is recognized in profit or loss over the useful life of the asset and in the proportions in which depreciation expense on those assets is recognized.

**p. Borrowing cost**

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

**q. Operating segments**

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

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

The Board of directors of the Company, who have been identified as being the chief operating decision maker (CODM), evaluated the company's performance and allocated resources based on the analysis of various performance indicators of the Company as a single unit. Accordingly,



there is no reportable segment or any entity wide disclosure which are applicable to the company.

**r. Provisions, Contingent Liabilities and Contingent Assets**

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

**Contingent Liabilities**

A contingent liability exists when there is a possible obligation, or a present obligation that may, but probably will not require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. Contingent assets are recognized when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

A contingent asset is disclosed where an inflow of economic benefits is probable.

**s. Commitments**

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting date.

**t. Ind AS 116 – Leases**

The Company does not have any finance leases. There are no instances in which the company is a lessor.

Hence there is no impact on adoption of Ind AS 116.

**4. NON-CURRENT INVESTMENTS**

(Rs. in Lakhs)

PARTICULARS	As At 31 <sup>st</sup> March, 2024	As At 31 <sup>st</sup> March, 2023
Investments in Equity Instruments:	110.79	110.79
Mohit Petrochemicals (P) Ltd. (Unquoted Shares) 1107880 Equity Shares of ` 10/- each fully paid-up		
<b>TOTAL</b>	<b>110.79</b>	<b>110.79</b>

**5. OTHER FINANCIAL ASSETS**

(Rs. in Lakhs)

PARTICULARS	As At 31 <sup>st</sup> March, 2024	As At 31 <sup>st</sup> March, 2023
<b>Non-Current</b>		
Security Deposit with Non-Government Authorities	23.71	23.39
Balance with Government Authorities	21.33	21.33
Bank deposits with more than 12 months maturity*	-	26.10
Advance Against Capital Goods	242.82	761.59
<b>TOTAL</b>	<b>287.85</b>	<b>832.41</b>

\*Bank deposits with original maturity of more than 12 months from the Balance Sheet date. These deposits include restricted bank deposits pledged as security for bank guarantees amounting to zero in FY 2023-2024 and previous year ` 26.10 Lakhs

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

(Rs. in Lakhs)

PARTICULARS	As At 31 <sup>st</sup> March, 2024	As At 31 <sup>st</sup> March, 2023
Tax deducted at source and Tax collected at source (net of current tax provision if any)	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

**7. OTHER NON -CURRENT ASSETS**

(Rs. in Lakhs)

PARTICULARS	As At 31 <sup>st</sup> March, 2024	As At 31 <sup>st</sup> March, 2023
MAT credit available	147.48	238.68
<b>TOTAL</b>	<b>147.48</b>	<b>238.68</b>

**8. INVENTORIES**

(As taken, valued &amp; hereby certified by the management)

(Rs. in Lakhs)

PARTICULARS	As At 31 <sup>st</sup> March, 2024	As At 31 <sup>st</sup> March, 2023
Raw Materials & Chemicals	2,620.02	1,600.02
Finished Goods	307.73	221.29
Stores & Fuel	651.76	653.56
Packing Materials & Others	77.71	37.58
Unfinished Goods	24.58	42.81
Work-in-Process	25.41	33.54
Stock In transit	-	255.90
<b>TOTAL</b>	<b>3,707.21</b>	<b>2,844.70</b>

**9. TRADE RECEIVABLES**

(Rs. in Lakhs)

PARTICULARS	As At 31 <sup>st</sup> March, 2024	As At 31 <sup>st</sup> March, 2023
Secured, considered good	-	-
Unsecured, considered good	2,492.13	1,698.29
<b>TOTAL</b>	<b>2,492.13</b>	<b>1,698.29</b>

Trade receivable ageing schedule



As at March 31, 2024

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
i Undisputed Trade Receivables - Considered good	1,973.44	395.59	42.43	16.99	63.68	2,492.13
ii Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
iii Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
iv Disputed Trade Receivables - Considered good	-	-	-	-	-	-
v Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
iv Disputed Trade Receivables - credit impaired	-	-	-	-	-	-

As at March 31, 2023

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
i Undisputed Trade Receivables - Considered good	1,400.26	147.97	77.50	42.47	30.09	1,698.29
ii Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
iii Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
iv Disputed Trade Receivables - Considered good	-	-	-	-	-	-
v Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
iv Disputed Trade Receivables - credit impaired	-	-	-	-	-	-

Where due date of payment is not available date of transaction has been considered.

**10. CASH AND CASH EQUIVALENTS**

PARTICULARS	(Rs. in Lakhs)	
	As At 31 <sup>st</sup> March, 2024	As At 31 <sup>st</sup> March, 2023
Balance with Banks		
Current Accounts*	7.56	2.74
Cash on hand*	3.56	0.33
Term Deposits with Bank**	2.00	2.00
Cheque Receivables	-	0.28
<b>TOTAL</b>	<b>13.12</b>	<b>5.35</b>

\*Cash and cash equivalents include cash on hand, cash at bank.

\*\*Term deposits with original maturity of 3 months or less which is restricted bank deposits pledged as security for bank guarantees amounting to Rs. 2.00 Lakhs and previous year Rs. 2.00 Lakhs.

**11. OTHER BANK BALANCE**

PARTICULARS	(Rs. in Lakhs)	
	As At 31 <sup>st</sup> March, 2024	As At 31 <sup>st</sup> March, 2023
Term Deposits (maturity of more than three months but less than twelve months*)	236.08	130.50
	236.08	130.50

\*Term deposits with original maturity of more than 3 months having remaining maturity of less than 12 months from the Balance Sheet date. These deposits include restricted bank deposits pledged as security for bank guarantees amounting to ₹ 236.08 Lakhs and previous year ₹ 130.50 Lakhs

**12. OTHERS CURRENT ASSET**

PARTICULARS	(Rs. in Lakhs)	
	As At 31 <sup>st</sup> March, 2024	As At 31 <sup>st</sup> March, 2023
Advance to suppliers	543.45	1,306.30
Prepaid Expenses	36.89	26.44
Other Current Assets*	442.58	150.96
Interest accrued on deposits	3.72	41.61
<b>TOTAL</b>	<b>1,026.64</b>	<b>1,525.31</b>

\*Other Current Assets includes imprest with staff and advance to others.

**13. EQUITY SHARE CAPITAL**

PARTICULARS	(Rs. in Lakhs)	
	As At 31 <sup>st</sup> March, 2024	As At 31 <sup>st</sup> March, 2023
<b>AUTHORISED:</b>	<b>1,750.00</b>	<b>1,750.00</b>
1,75,00,000 (Previous year 1,75,00,000)		
Equity shares of ₹ 10/- each.		

ISSUED, SUBSCRIBED AND PAID UP	1,400.00	1,400.00
1,40,00,000 (Previous year 1,40,00,000)		
Equity Shares of ₹ 10/- each fully paid up.		
<b>TOTAL</b>	<b>1,400.00</b>	<b>1,400.00</b>

**A. Shares held by promoters at the end of the year**

S. No.	Promoter name	Number of Shares	% of total shares	% Change during the year
1.	Mr. Sandeep Jain	27,64,900	19.75%	No Change
2.	Mrs. Anju Jain	30,77,589	<b>21.98%</b>	No Change
3.	Mr. Mohit Jain	17,30,818	12.36%	No Change
4.	Mrs. Shubhi Jain	10,45,000	7.46%	No Change
5.	Mr. Sanjeev Gupta	11,100	0.08%	No Change

Neither any bonus shares have been issued nor any shares have been bought back. Further, no shares have been issued for consideration other than cash.

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

Particulars	As at 31.03.2024		As at 31.03.2023	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Equity Shares outstanding at the beginning of the year	1,40,00,000	1,400.00	1,40,00,000	1,400.00
Add: Equity Shares issued during the year	-	-	-	-
Less: Equity Shares bought back/ redeemed during the year	-	-	-	-
Equity Shares outstanding at the end of the year	1,40,00,000	1,400.00	1,40,00,000	1,400.00



**14. NON-CURRENT BORROWINGS**

(Rs. in Lakhs)

PARTICULARS	As At 31 <sup>st</sup> March, 2024	As At 31 <sup>st</sup> March, 2023
Secured:		
Loan from Bank		
- Term Loan		
UBI	222.93	438.87
Yes Bank	2,874.96	1,047.63
- Vehicle Loan		
UBI	13.13	20.37
HDFC Bank	70.23	95.64
	3,181.25	1,602.51
Unsecured:		
- Loans from Directors	16.16	86.09
- Intercorporate Loans	604.52	602.33
	620.67	688.42
<b>TOTAL</b>	<b>3,801.92</b>	<b>2,290.93</b>

Nature of Security for Secured Borrowings are given below:

Term Loan from Union Bank of India

- The Term Loan from Union Bank of India of Rs. 222.93 Lakhs (Previous Year of Rs. 438.87 Lakhs) is secured by way of Pari- Passu charge over immovable assets/ current assets of the Company and equitable mortgage of factory land & building situated at Village Aaspur Ka and Abdulpur Munna, Nagina Road, Bijnor and property at East Patel Nagar, New Delhi. Term Loan of Rs. 222.93 Lakhs include UGCEL of Rs. 376.00 Lakhs, which has been sanctioned during the time frame of Covid pandemic, for the working capital assistance and has been repaid off to the extent.
- The loan is further secured by way of personal guarantee of promoters/directors of the company.
- Rate of Interest of Term Loan from UBI is EBLR +2.75 %, charges on monthly rest. Further in case of UGCEL rate of interest is 7.50 %, to be charged on monthly rest.
- Current Maturity of Term Loan amounting to Rs. 190.45 Lakhs, has been shown under the head other current liabilities.
- The company does not have any continuing defaults in repayment of any of the loans and interest thereon, as at the reporting date.

Term Loan from Yes Bank

- The Term Loan from Yes Bank of 2,874.96 Lakhs (Previous Year 1,047.63 Lakhs) is secured by way of Pari- Passu charge over all the current assets/ immovable assets of the Company and equitable mortgage of factory land & building situated at Village Aaspur Ka and Abdulpur Munna, Nagina Road, Bijnor and property at East Patel Nagar, New Delhi.
- The loan is further secured by way of personal guarantee of promoters/directors of the company.
- Rate of Interest of Term Loan from UBI is Repo Rate +3.45 %, charges on monthly rest.
- Current Maturity of Term Loan is Rs. 195.59 Lakhs, has been shown under the head other current liabilities

- The company does not have any continuing defaults in repayment of any of the loans and interest thereon, as at the reporting date.

Vehicle Loan from Union Bank of India

- The Term Loan from Yes Bank of 13.13 Lakhs is secured by way of hypothecation of Vehicle & personal guarantee of directors.
- Rate of Interest of Vehicle Loan from UBI is (8.05 to 9.80) %, charges on monthly rest.
- Current Maturity of Term Loan is 7.32 Lakhs, has been shown under the head other current liabilities
- The company does not have any continuing defaults in repayment of any of the loans and interest thereon, as at the reporting date.

Vehicle Loan from HDFC Bank

- The Term Loan from HDFC Bank of 70.23 Lakhs is secured by way of hypothecation of Vehicle & personal guarantee of directors.
- Rate of Interest of Vehicle Loan from HDFC is (7.50 to 8.51) %, charges on monthly rest.
- Current Maturity of Term Loan is 26.73 Lakhs, has been shown under the head other current liabilities
- The company does not have any continuing defaults in repayment of any of the loans and interest thereon, as at the reporting date.

**15. PROVISIONS**

(Rs. in Lakhs)

PARTICULARS	As At 31 <sup>st</sup> March, 2024	As At 31 <sup>st</sup> March, 2023
Provision for employee benefit (refer note 30D)	21.75	16.23
	21.75	16.23

**16. DEFERRED TAX LIABILITIES (NET)**

(Rs. in Lakhs)

PARTICULARS	As At 31 <sup>st</sup> March, 2024	As At 31 <sup>st</sup> March, 2023
At the beginning of the year	599.75	442.86
Charge / Credit to Statement of Profit and Loss	23.39	156.88
	623.14	599.75
Provision for employee benefits	-	-
At the end of the year	623.14	599.75

**17. OTHER NON -CURRENT LIABILITIES**

(Rs. in Lakhs)

PARTICULARS	As At 31 <sup>st</sup> March, 2024	As At 31 <sup>st</sup> March, 2023

Paper Mills		
Creditors for capital goods and retention for performance security	2,185.99	2,042.53
<b>TOTAL</b>	<b>2,185.99</b>	<b>2,042.53</b>

**18. CURRENT BORROWINGS**

PARTICULARS	(Rs. in Lakhs)	
	As At 31 <sup>st</sup> March, 2024	As At 31 <sup>st</sup> March, 2023
Secured:		
Loans from Banks		
Cash credit facilities-Union Bank	2,264.89	1,216.05
WCTL from HDFC Bank	1,000.00	-
Cash credit facilities-Yes Bank	(30.83)	453.94
Cash credit facilities-HDFC Bank	(130.52)	-
Demand Loan from Yes Bank	750.00	500.00
<b>TOTAL</b>	<b>3,853.54</b>	<b>2,169.99</b>

Cash Credit Limit from Union Bank of India

- Union Bank of India has sanctioned a CC Limit of Rs. 2300.00 Lakhs, which is secured against hypothecation of Stocks & book debts of the company and collateral security of land, building & entire fixed assets of the company.
- The loan is further secured by way of personal guarantee of promoters/directors of the company.
- Rate of Interest of Cash Credit Limit from UBI is EBLR +0.65 %, charges on monthly rest.
- The company does not have any continuing defaults in repayment of any of the loans and interest thereon, as at the reporting date.

Cash Credit Limit from Yes Bank

- Yes Bank has sanctioned a CC Limit of Rs. 1,000.00 Lakhs, which is secured against hypothecation of Stocks & book debts of the company and collateral security of land, building & entire fixed assets of the company.
- The loan is further secured by way of personal guarantee of promoters/directors of the company.
- Rate of Interest of Cash Credit Limit from Yes Bank is Repo Rate +3.35 %, charges on monthly rest.
- The company does not have any continuing defaults in repayment of any of the loans and interest thereon, as at the reporting date.

Demand Loan from Yes Bank

- Yes Bank has sanctioned a working capital demand loan of Rs. 750.00 Lakhs, which is sub-limit of Cash Credit Limit, which is secured against hypothecation of Stocks & book debts of the company and collateral security of land, building & entire fixed assets of the company.



- The loan is further secured by way of second charge by way of personal guarantee of promoters/directors of the company.
- Rate of Interest of Cash Credit Limit from Yes Bank is Repo Rate +3.10 %, charges on monthly rest.
- The company does not have any continuing defaults in repayment of any of the loans and interest thereon, as at the reporting date.

Cash Credit Limit from HDFC Bank

- HDFC Bank has sanctioned a CC Limit of Rs. 1,500.00 Lakhs, which is secured against hypothecation of Stocks & book debts of the company and collateral security of land, building & entire fixed assets of the company.
- The loan is further secured by way of personal guarantee of promoters/directors of the company.
- Rate of Interest of Cash Credit Limit from Yes Bank is 3M MCLR +0.35%, charges on monthly rest.
- The company does not have any continuing defaults in repayment of any of the loans and interest thereon, as at the reporting date.

Demand Loan from HDFC Bank

- HDFC Bank has sanctioned a working capital demand loan of Rs. 1,500.00 Lakhs, which is sub-limit of Cash Credit Limit, which is secured against hypothecation of Stocks & book debts of the company and collateral security of land, building & entire fixed assets of the company.
- The loan is further secured by way of second charge by way of personal guarantee of promoters/directors of the company.
- Rate of Interest of Cash Credit Limit from HDFC Bank is 1M T-Bill charges on monthly rest.
- The company does not have any continuing defaults in repayment of any of the loans and interest thereon, as at the reporting date.

**19. TRADE PAYABLES**

(Rs. in Lakhs)

PARTICULAR S	As At 31 <sup>st</sup> March, 2024	As At 31 <sup>st</sup> March, 2023
Dues of Micro Enterprises and Small Enterprises	-	-
Other trade payables	703.21	1,789.93
<b>TOTAL</b>	<b>703.21</b>	<b>1,789.93</b>

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

## Trade payable ageing schedule

As at March 31, 2024

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i MSME	-	-	-	-	-
ii Others	678.91	24.30	-	-	703.21
iii Disputed dues - MSME	-	-	-	-	-
iv Disputed dues - Others	-	-	-	-	-

As at March 31, 2023

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i MSME	-	-	-	-	-
ii Others	1,768.61	1.13	4.53	15.66	1,789.93
iii Disputed dues - MSME	-	-	-	-	-
iv Disputed dues - Others	-	-	-	-	-

Where due date of payment is not available date of transaction has been considered.

**20. OTHER CURRENT LIABILITIES**

(Rs. in Lakhs)

PARTICULARS	As At 31 <sup>st</sup> March, 2024	As At 31 <sup>st</sup> March, 2023
Advance from distributors & others	236.89	338.99
Statutory liabilities	62.55	92.11
Other payables*	1082.92	711.91
Dealers Security	259.00	5.00
Current maturities of Long-term debts	420.09	295.75
Income Tax Payable	12.61	9.71
<b>TOTAL</b>	<b>2,074.05</b>	<b>1,453.47</b>

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

**21. REVENUE FROM OPERATIONS**

(Rs. in Lakhs)

PARTICULARS	For the Year ended 31 <sup>st</sup> March, 2024	For the Year ended 31 <sup>st</sup> March, 2023
Sale of Products		
Paper	18,562.61	21,927.57
Soda Ash	-	288.93
<b>TOTAL</b>	<b>18,562.61</b>	<b>22,216.50</b>

Revenue disaggregation by geography is as follows:

Geography

India	18,153.84	22,216.50
Outside India	408.77	--

In presenting the geographical information, sale of product revenue has been based on the geographic location of the customers.

**Information about major customers:**

One customer represents 8.96% or more of the Company's total revenue during the year ended 31 March 2024 (31 March 2023: 15%)

Reconciliation of revenue recognized with the contracted price is as follows:

PARTICULARS	For the Year ended 31 * March, 2024	For the Year ended 31 * March, 2023
Contracted price	18,833.02	22,269.67
Reduction towards variable consideration components	270.41	53.17
Revenue recognised	18,562.61	22,216.50

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

**22. OTHER INCOME**

(Rs. in Lakhs)

PARTICULARS	For the Year ended 31 * March, 2024	For the Year ended 31 * March, 2023
Interest Income	15.76	11.71
Sale of Electricity	611.89	381.14
Exchange Rate Fluctuation	8.35	5.10
Rental Income	1.00	0.72
Others, including Government Grants	3.05	3.20
<b>TOTAL</b>	<b>640.05</b>	<b>401.27</b>

**23. COST OF MATERIAL CONSUMED**

(Rs. in Lakhs)

PARTICULARS	For the Year ended 31 * March, 2024	For the Year ended 31 * March, 2023
Bagasse	4,008.64	5,024.22
Waste Paper:		
- Imported	1,209.88	900.77
- Indigenous	- 1,209.88	15.32
Other Material	441.76	540.88
<b>TOTAL</b>	<b>5,660.28</b>	<b>6,481.20</b>



**24. CHANGES IN INVENTORIES**

(Rs. in Lakhs)

PARTICULARS	For the Year ended 31 <sup>st</sup> March, 2024		For the Year ended 31 <sup>st</sup> March, 2023	
	Opening Stock:			
Finished Goods	221.29		185.08	
Semi - Finished Goods	42.81		263.23	
Work in process	33.54	297.64	117.02	565.33
Closing Stock:				
Finished Goods	307.73		221.29	
Semi - Finished Goods	24.58		42.81	
Work in process	25.41	357.72	33.54	297.64
		60.08		267.69
<b>TOTAL</b>		<b>60.08</b>		<b>267.69</b>

**25. EMPLOYEE BENEFITS EXPENSE**

(Rs. in Lakhs)

PARTICULARS	For the Year ended 31 <sup>st</sup> March, 2024		For the Year ended 31 <sup>st</sup> March, 2023	
	Salaries, Wages & Bonus		786.21	
Contribution to Provident and Other Funds		31.20		25.55
Staff Welfare Expenses		10.05		6.58
<b>TOTAL</b>		<b>827.46</b>		<b>758.18</b>

**26. FINANCE COSTS**

(Rs. in Lakhs)

PARTICULARS	For the Year ended 31 <sup>st</sup> March, 2024		For the Year ended 31 <sup>st</sup> March, 2023	
	Interest & Charges on Bank borrowing for working capital		215.39	
Interest on Term Loans		86.89		80.31
Interest To Others		73.26		7.58
<b>TOTAL</b>		<b>375.54</b>		<b>348.00</b>

**27. DEPRECIATION AND AMORTISATION EXPENSE**

(Rs. in Lakhs)

PARTICULARS	For the Year ended 31 <sup>st</sup> March, 2024	For the Year ended 31 <sup>st</sup> March, 2023
Depreciation on property, plant and equipment	590.42	556.58
Amortization of Intangible asset	-	-
<b>TOTAL</b>	<b>590.42</b>	<b>556.58</b>

**28. OTHER EXPENSES**

(Rs. in Lakhs)

PARTICULARS	For the Year ended 31 <sup>st</sup> March, 2024		For the Year ended 31 <sup>st</sup> March, 2023	
Manufacturing Expenses				
Chemicals Consumed	3,322.14		4,209.43	
Stores & Spares	700.27		809.94	
Power & Fuel	5,284.02		7,709.89	
Repair & Maintenance	872.21		234.60	
Raw Material, Mixing, Loading & Sorting	202.90		112.80	
Laboratory Expenses	0.92		1.83	
Boiler Feeding Expenses	63.25	10,445.71	45.00	13,123.50
Selling & Distribution Expenses				
Commission & other Selling Exp.	298.79		253.30	
Trade Tax	---	298.79	1.84	255.14
Establishment Expenses				
Advertisement & Publicity	0.93		0.86	
Office & General Exp.	26.27		29.87	
Fees, Rate & Taxes	23.54		25.69	
Insurance Charges	30.32		28.20	
Legal and Professional Charges	54.87		27.41	
Printing & Stationery	3.48		2.94	
Communication Charges	4.47		3.48	

Travelling & Conveyance	5.53		0.50	
Vehicle Running & Maintenance Expenses	3.97		1.85	
Auditors Remuneration	1.20	154.59	1.20	122.00
<b>TOTAL</b>		10,899.09		13,500.63
Payment to Auditor				
Audit Fees		1.20		1.20
Add : GST		---		---
		1.20		1.20

**29. EARNINGS PER SHARE (EPS)**

(Rs. in Lakhs)

PARTICULARS	For the Year ended 31 <sup>st</sup> March, 2024	For the Year ended 31 <sup>st</sup> March, 2023
i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	645.35	491.57
ii) Number of equity shares used as denominator for calculating EPS	1,40,00,000	1,40,00,000
iii) Number of Diluted Equity Share	1,40,00,000	1,40,00,000
iv) Basic Earning per share	4.61	3.51
v) Diluted Earning per share	4.61	3.51
vi) Face value per equity share	10	10

**30. Financial instruments - Fair values and risk management**
**A. Accounting classification and fair values**

The following table shows the carrying amounts and fair value of financial assets and financial liabilities including their level in the fair value hierarchy:

(Rs. in Lakhs)

	As at 31.03.2024						As at 31.03.2023			
	Note	Level of hierarchy	FVTPL	FVTOCI	Amortised Cost	Total Carrying Value	FVTPL	FVTOCI	Amortised Cost	Total Carrying Value



Financial assets										
<b>Non-current</b>										
Investment in equity instruments	<b>d</b>	3	-	-	110.79	110.79	-	-	110.79	110.79
Other financial assets	<b>b</b>	3	-	-	287.85	287.85	-	-	832.41	832.41
<b>Current</b>										
Trade Receivable	<b>a</b>	3	-	-	2,492.13	2,492.13	-	-	1,698.29	1,698.29
Cash and cash equivalents	<b>u</b>	3	-	-	13.12	13.12	-	-	5.34	5.34
Bank balances other than above	<b>a</b>	3	-	-	236.08	236.08	-	-	130.50	130.50
Others	<b>a</b>	3	-	-	3.72	3.72	-	-	41.61	41.61
Total financial assets	-	-	-	-	3,143.69	3,143.69	-	-	2,818.95	2,818.95
Financial liabilities										
<b>Non-Current</b>										
Borrowings	<b>c</b>	3	-	-	3,801.92	3,801.92	-	-	2,290.93	2,290.93
<b>Current Liability</b>										
Borrowings	<b>a</b>	3	-	-	3,853.54	3,853.54	-	-	2,169.99	2,169.99

	As at 31.03.2024						As at 31.03.2023			
	Note	Level of hierarchy	FVTPL	FVTOCI	Amortised Cost	Total Carrying Value	FVTPL	FVTOCI	Amortised Cost	Total Carrying Value
Trade payables	<b>a</b>	3	-	-	703.21	703.21	-	-	1,789.93	1,789.93

Advance received from distributors and others	a	3	-	-	236.89	236.89	-	-	338.99	338.99
Other Payables	a	3	-	-	1,158.07	1,158.07	-	-	813.73	813.73
Dealers Security	a	3	-	-	259.00	259.00	-	-	5.00	5.00
Capital Creditors	a	3	-	-	167.49	167.49	-	-	55.50	55.50
Current maturities of long-term debt	c	3	-	-	420.09	420.09	-	-	295.76	295.76
Total financial liabilities	-	-	-	-	2,944.75	2,944.75	-	-	3,298.91	3,298.91

**B. Fair value hierarchy**

Level 1: Quoted prices (unadjusted) in the active markets for identical assets and liabilities.

Level 2: Input other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: Input for the assets or liability that are not based on observable market data (unobservable input)

Notes:

- Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short-term maturities of these instruments.
- Fair value of non-current financial assets has not been disclosed as there is no significant differences between carrying value and fair value.
- The Fair value of borrowings have been disclosed at carrying value which is considered to approximate to fair value.
- Carrying value of unquoted equity instrument has been considered as an appropriate estimate of fair value because carrying value is considered as approximate to fair value and carrying value represents the best estimate of fair value within that range.

Reconciliation of the value

(Rs. in Lakhs)

Unlisted Equity Instrument	
As at 01 April 2022	110.79
Acquisition	-
Gains/(losses) recognized	-

- in other comprehensive income	-
As at 31 March 2023	110.79
Acquisition	-
Gains/(losses) recognized	-
- in other comprehensive income	-
As at 31 March 2024	110.79

There are no such transfers between Level 1, Level 2 and Level 3 during the year.

### C. Financial risk management

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

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

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

#### Interest rate risk

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

#### Exposure to interest rate risk

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

Particulars	(Rs. in Lakhs)	
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Financial Assets/Liabilities		
Variable -rate instruments		
Long term borrowings	3,801.92	2,290.93



Short Term Borrowings	4,273.63	2,465.75
<b>(Profit) or loss</b>		
Particulars	50 bp increase	50 bp decrease
31 <sup>st</sup> March 2024		
Variable-rate instruments	21.66	(21.66)
31 <sup>st</sup> March 2023		
Variable-rate instruments	23.78	(23.78)

**Fair value sensitivity analysis for fixed-rate instruments**

The Company does not have any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

**i) Risk management framework**

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

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

**ii) Credit Risk**

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

**iii) Trade receivables**

The Company has established a credit policy under which each new customer is analyzed individually for creditworthiness before the payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. The Company evaluates the customer credentials carefully from trade sources before appointment of any distributor and only financially sound parties are appointed as distributors. The Company secures adequate deposits from its distributor and hence risk of bad debt is limited. The credit outstanding is sought to be limited to the sum of advances/deposits and credit limit determined by the company.

The following table gives details in respect of percentage of revenues generated from top customer and top five customers:

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Revenue from top Customer	8.95%	15%
Revenue from top five Customer	30.94%	32%

The Company based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Company estimates its allowance for trade receivable using lifetime expected credit loss. Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognized in the Statement of Profit and Loss within other expenses.

**Concentration of significant credit risk**

The ageing of outstanding balance of receivables having more than 10% concentration of credit is within 30 days, and the transactions with them are at arm's length. There is no risk of credit concentration as far as transactions with them are concerned.

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables:

Particulars	Gross Carrying amount	Loss allowance	Carrying amount
31.03.2024			
Less than 6 months	1,973.44	-	1,973.44
More than 6 months	518.69	-	518.69
	2,492.13	-	2,492.13
31.03.2023			
Less than 6 months	1,400.26	-	1,400.26
More than 6 months	298.03	-	298.03
	1,698.29	-	1,698.29

**iv) Cash and cash equivalents**

The company holds cash and cash equivalents of ₹13.12 lakhs at 31 March 2024 (31 March 2023: ₹5.34 lakhs). The cash and cash equivalents are held with bank and cash on hand.

**iv) Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to manage liquidity is to have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed circumstances, without incurring losses or risking damage to the Company's reputation.

Management manages the liquidity risk by monitoring cash flow forecasts on a periodic basis and maturity profiles of financial assets and liabilities. This monitoring takes into account the accessibility of cash and cash equivalents and additional undrawn financing facilities.

The following table provides details regarding the contractual maturities of significant financial liabilities:

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
31.03.2024				
Borrowings (including current maturities)	4,273.63	3,614.72	187.20	8,075.55
Trade Payables	703.21	-	-	703.21
Other Financial Liabilities	1,653.96	-	-	1,653.96
	6,630.8	3,614.72	187.2	10,432.72
31.03.2023				
Borrowings (including current maturities)	2,465.74	2,103.73	187.20	4,756.67
Trade Payables	1,789.93	-	-	1,789.93
Other Financial Liabilities	1,157.71	-	-	1,157.71
	5,413.38	2,103.73	187.20	7,704.31

vi) Market Risk

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

vii) Foreign Currency Risk

The company's policy is to ensure that the time gap between executing the transaction for import / export and the date for making payment / receiving payment is restricted to less than a week so that foreign exchange currency risk is mitigated. The carrying amounts of the company's foreign exchange monetary items as at the end of reporting period is nil and previous year was also nil

D. Employee Benefits

a. Assets and liabilities relating to employee benefits

	As at 31 March 2024	As at 31 March 2023
<b>Non-current</b>		
Liability for compensated absences	-	-
<b>Current</b>		
Liability for compensated absences	5.80	1.04
	5.80	1.04
<b>Current</b>		
Gratuity (asset)	15.94	15.19

For details about the related employee benefit expenses, refer to note no. 25.



**b. Defined contribution plan**

The Company's provident fund scheme and employee's state insurance (ESI) fund scheme are defined contribution plans. The Company has recorded expenses of ₹ 22.47 lakhs (31.03.2022: ₹ 17.92 lakhs) under provident fund scheme and ₹ 8.73 lakhs (31.03.2022: ₹ 7.63 lakhs) under ESI scheme. These have been included in note 25 employees' benefits expenses, in the Statement of Profit and Loss.

**c. Defined plan**
**Gratuity (funded)**

The employees' gratuity fund scheme managed by Life Insurance Corporation of India is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which 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. The Company made annual contributions to the LIC of India.

The above defined benefit plan exposes the Company to following risks:

**Interest rate risk:**

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

**Salary inflation risk:**

Higher than expected increase in salary will increase the defined benefit obligation.

**Demographic risk:**

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The Company has not changed the processes used to manage its risks from previous periods. The funds are managed by specialized team of Life Insurance Corporation of India.

**Funding**

Gratuity is a funded benefit plan for qualifying employees. 35% of the plan assets are managed by LIC and balance managed by the management. The assets managed are highly liquid in nature and the Company does not expect any significant liquidity risks.

The following table sets out the status of the defined benefit plan as required under Ind-AS 19 - Employee Benefits:

**Reconciliation of present value of defined benefit obligation**

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Present value of obligation at the beginning of the year	13.01	21.13
Benefits paid Current	-	-
Service cost	6.17	6.76
Interest cost	0.92	1.48
Actuarial losses/(gains)	2.70	(16.36)
Present value of obligation at the end of the year	22.80	13.01

**Reconciliation of the present value of plan assets**

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Fair value of plan assets at the beginning of the year	6.37	5.93
Contributions	-	-
Interest Income	0.46	0.43
Benefits paid	-	-
Actuarial Gain/(Losses)	0.03	0.01
Fair value of plan assets at the end of the year	6.86	6.37

**Expenses recognized in the Statement of Profit and Loss**

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Current service cost	6.17	6.76
Interest cost	0.92	1.48
Interest income	(0.46)	(0.43)
Previous year Adjustment	--	(7.81)
Expenses recognized in profit and loss account	6.63	--

**Remeasurements recognised in other comprehensive income**

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Actuarial gain/loss on the defined benefit obligation	(2.70)	16.36
Return on plan assets excluding interest income	0.03	0.01
Adjustments	2.67	(16.37)
Amount recognized in other comprehensive income	--	--

**Plan assets**

Plan assets of the Company are held as bank balance and under LIC of India.

**Actuarial assumptions**

Particulars	As at 31 March 2024 (Per Annum)	As at 31 March 2023 (Per Annum)
Economic assumptions	6.00%	6.00%
Discount rate	6.95%	7.20%

Assumptions regarding future mortality are based on Indian Assured Lives Mortality (IALM) (2012-14) rates.

**Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

PARTICULARS	As at 31 March 2024		As at 31 March 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)	(1.15)	1.24	(4.53)	4.88
Future salary growth rate (0.50% movement)	1.19	(1.15)	3.32	(4.11)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same methods (present value of defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

**Expected benefit payments**

Undiscounted amount of expected benefit payments for next 10 years:

Particulars	As at 31 March 2024	As at 31 March 2023
Year 1	0.17	0.56
Year 2	0.19	1.20
Year 3	0.39	0.69
Year 4	1.67	0.97
Year 5	3.29	1.14
Year 6 to 10	12.87	9.03

**E. RELATED PARTIES DISCLOSURES**

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

**Related Parties Disclosures:**

Holding Company	: NIL
Subsidiary Company	: NIL
Key Managerial Personnel	: Mr. Sandeep Jain (Chairman) Mr. Mohit Jain (Director) Mr. Pradeep Kumar Rajput (Executive Director) Mrs. Shubhi Jain (Non-Executive Director) Mrs. Anju Jain (Non-Executive Director) Mr. Arvind Dixit (CFO) Mr. Shivam Sharma (CS)
Relatives of KMP	: Mrs. Neelam Dixit



Corporate Entities : M/s Centurion Industries Private Limited  
M/s Centurion Rubber  
M/s Centurion Paper & Board  
M/s. Mohit Tissues Private Limited

**Managerial Remuneration**

Remuneration paid to Managing Director/Whole Time Director & KMP or their relatives for the year ended 31<sup>st</sup> March 2024

(Rs. in Lakhs)

Name	Designation	Remuneration
Sandeep Jain	Managing Director	90.00
Mohit Jain	Director	49.80
Pradeep Kumar Rajput	Whole Time Director	3.60
Shivam Sharma	CS	4.20
Arvind Kumar Dixit	CFO	5.64

**Directors Sitting Fees**

(Rs. in Lakhs)

Name	Designation	Sitting Fees
Anju Jain	Non-Executive Director	0.21
Shubhi Jain	Non-Executive Director	0.21
Sushil Kumar Tyagi	Independent Director	0.51
Rachit Jain	Independent Director	0.30
Rakesh Juyal	Independent Director	0.21
Sanjeev Kumar Jain	Independent Director	0.51
Saurabh Mathur	Independent Director	0.39

**Unsecured Loans Balance for the year ended 31.03.2024**

(Rs. in Lakhs)

Name	Designation	Loan received	Loan Paid	Balance for the year ended 31.03.2024
Sandeep Jain	Managing Director	45.86	115.95	15.56
Anju Jain	Non-Executive Director	232.77	232.61	0.2
Mohit Tissue Private Limited	Mrs. Anju Jain and Mr. Sandeep Jain are Directors	--	--	200.00
Shubhi Jain	Non-Executive Director	-	-	0.40

**Other Related Party Transaction for the year ended 31.03.2024**

(Rs. in Lakhs)

S. No.	Name of Related Party	Nature of contract/ arrangement	Value of Transaction	Balance due/ (Recoverable) as on 31.03.2024
1.	Centurion Industries Private Limited	Sale of Electricity	95.53	114.11
2.	Centurion Rubber	Sale of Electricity	22.28	6.95
3.	M/s Mohit Tissues Pvt. Ltd.	Sale of Electricity	494.08	469.92
4.	Anju Jain	Rent Paid	18	18

**F. Additional disclosure/regulatory Information as required by notification no. GSR 207(E) dated 24.03.2022 which are not covered in any of the notes above:**
**(i) Loan or advances granted to the promoters, directors and KMPs and the related parties:**

No loan or advances in the nature of loans have been granted to the promoters, directors, key managerial persons and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are:

- (a) repayable on demand or
- (b) without specifying any terms or period of repayment

**(ii) No proceedings have been initiated or pending against the company for holding any benami property under benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.**
**(iii) Willful Defaulter**

No bank has declared the company as "willful defaulter".

**(iv) Relationship with Struck off Companies:**

There are no transaction with the companies whose name is struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended 31 March 2022 and the year ended 31 March 2023.

**(v) Registration of charges or satisfaction with Registrar of Companies:**

All applicable cases where registration of charges or satisfaction is required with Registrar of Companies have been done.

No registration or satisfaction is pending at end of financial year 2023-2024.

**(vi) Compliance with number of layers of companies**

No layers of companies has been established beyond the limit prescribed as per above said section/ rules.

**(vii) Compliance with approved Scheme(s) of Arrangements**

No scheme of arrangements has been approved by the competent authority in terms of Section 230 to 237 of the Companies Act, 2013.

**(viii) Utilization of Borrowed funds and share premium:**

Particulars	Description
No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;	No such transaction has taken place during the year
No funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise that the Company shall whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries	No such transaction has taken place during the year

**(ix) Undisclosed income**

There is no such income which has not been disclosed in the books of accounts. No such income is surrendered or disclosed as income during the year in the tax assessments under Income Tax Act, 1961.

**(x) Details of Crypto Currency or Virtual Currency**

Particulars	31 March 2024	31 March 2023
Profit or loss on transactions involving Crypto currency or Virtual Currency	No Such Transaction during the year	No Such Transaction during the year
Amount of currency held as at the reporting date	No Such Transaction during the year	No Such Transaction during the year
Deposits or advances from any person for the purpose of trading or investing in Crypto Currency / virtual currency	No Such Transaction during the year	No Such Transaction during the year

**(xi) Utilization of Borrowings**

The company has utilized the borrowings from banks and financial institutions for the purpose for which they were taken.

**xiii) Key Financial Ratios**

Ratios	Numerator	Denominator	FY 2023-24	FY 2022-23	%age Change	Reason for Change
Current Ratio (in times)	Current Assets	Current Liabilities	1.13	1.14	(0.01)	Decrease as a result of increase in Short-Term Debt during the year
Debt Equity Ratio (in times)	Total Debt	Shareholder's Equity	1.81	1.17	0.64	Increase due to addition loan obtained for recovery plant



Debt service coverage ratio (in times)	Earnings for debt service = Net profit after taxes + Noncash operating exp. + Finance Cost	Debt service = Interest & Lease Payments + Principal Repayments	2.11	2.19	(0.08)	Decrease as a result of increase in interest & principal repayments during the year
Return on Net Worth (%age)	Net Profits after taxes - Preference Dividend	Average Shareholder's Equity	15.63	13.80	1.83	Improve as a result of profit earning during the year
Inventory Turnover (in times)	Cost of goods sold	Average Inventory	4.73	8.80	(4.07)	Decrease due to holding of extra inventory as compare to previous year
Debtors Turnover (in times)	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	8.86	15.79	(6.93)	Decrease due to decrease in sales as compare to last year
Trade payables Turnover (in times)	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	12.41	17.98	(5.57)	Rationalization of trade payables for better purchase efficiency
Net capital turnover (in times)	Net sales - Total sales - sales return	Working capital - Current assets - Current liabilities	21.98	28.65	(6.67)	Decline in sales and current ratio
Net Profit Margin (%age)	Net Profit	Net sales - Total sales sales return	3.48	2.21	1.27	Improvement in profit earning as compare to previous year
Return on capital employed (%age)	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	9.77	11.50	(1.73)	Decrease due to additional loan taken as compared to last year.
Return on Investment	Net return on investment	Cost of investment	N/A	N/A	N/A	-

- G. The outbreak of Coronavirus (Covid-19) globally and in India has impacted business and economic activities in general. The Company's sale during the year ended March 2022 was impacted significantly by the pandemic and consequently capacity utilization of the plant was lower and is gradually moving towards normal capacity. As regards the recoverability of assets, the Company expects to fully recover the carrying amounts of the assets. The Company is closely monitoring any material changes to future economic conditions.
- H. The previous year figures are regrouped / reclassified wherever required to make them comparable to current year figures.

As per our report of even date attached

For PANKAJ K. GOYAL & CO  
Chartered Accountants  
Registration No.: 006885C

For and on behalf of the Board of Directors

CA PANKAJ KUMAR GOYAL  
(Partner)

Sandeep Jain

Anju Jain

Shivam Sharma

A.K.Dixit

(Managing Director)

(Director)

(Company Secretary)

(Chief Financial Officer)

Membership No.: 075828

Place: Muzaffarnagar

Date: 28<sup>th</sup> May, 2024

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