

Date: 28-08-2024

**To**  
**The Manager**  
**Department of Corporate Services**  
The National Stock Exchange of India  
"Exchange Plaza"  
Bandra Kurla Complex, Bandra (E)  
Mumbai - 400 051.

**To**  
**The Manager**  
**Department of Corporate Services**  
The Bombay Stock Exchange Ltd.  
Floor 25, PJ Towers,  
Dalal Street,  
Mumbai – 400 001.

Script Code: malupaper

Script Code: 532728

**Sub** : Annual Report for the financial year 2023-24 including Notice convening 31<sup>st</sup> Annual General Meeting (AGM)

Sir/Madam

Pursuant to Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), please find enclosed herewith the Notice of the Thirty-first (31<sup>st</sup>) Annual General Meeting of the Company along with Annual Report 2023-24. The Notice of AGM along with the Annual Report for the financial year 2023-24 is also being made available on the website of the Company at <https://malupaper.com/wp-content/uploads/2024/08/Annual-Report-2023-24.pdf>.

This is for your information and records.

Kindly acknowledge the receipt of the same.

Thanking You

**For Malu Paper Mills Limited**

Mayuri  
Suresh  
Asawa

Digitally signed by Mayuri Suresh Asawa  
DN: c=IN, o=Personal, title=1323,  
pseudonym=c22dbf8e77465c9beebc8  
d5f76c6f1,  
2.5.4.20=9edf5c91251b77511ccdef5d2aa  
ef9f9dc2a329f9e95e3e3a314817e4716d532  
56, postalCode=444403, st=Maharashtra,  
serialNumber=981d772a29e44ebce715  
2aa6693c9e8e9847117c2000e9e94eac,  
email=Mayuri.Suresh.Asawa  
Date: 2024.08.28 15:42:14 +05'30'

**Mayuri Asawa**

**A50891**

**Company Secretary & Compliance officer**





**MALU PAPER**  
**MILLS LTD.**

# **ANNUAL REPORT**

## **FOR THE FINANCIAL YEAR**

### **2023-24**

**Heera Plaza, 4<sup>th</sup> Floor,  
Near Telephone Exchange,  
Central Avenue,  
Nagpur – 440 008  
Phones : 0712-2760308,2778506, 2733100  
Fax : 0712- 2760310  
Email : [info@malupaper.com](mailto:info@malupaper.com) ;  
[contacts@malupaper.com](mailto:contacts@malupaper.com)**

## MALU PAPER MILLS LIMITED

### **Founder**

Late Mr. Bhanwarlal Malu  
(1924 - 2007)

### **Former Chairman**

Late Mr Damodarlal Malu  
(1946-2020)

### **Managing Director & CEO**

Mr. Punamchand Malu

### **Joint Managing Director**

Mr. Banwarilal Malu

### **Non Executive Directors**

Mr. Vasudeo Malu  
Mr. Purushottam Malu

### **Independent Directors**

Mr. Chandrakant Thakar  
Mr. Satyanarayan Rathi  
CA. Shrutika Inani  
CA. Sahil Agrawal

### **CFO**

Mr. Prakash Modi

### **Company Secretary & Compliance Officer**

CS. Mayuri Asawa

### **Bankers**

State Bank of India  
Axis Bank Ltd  
Bank of Baroda  
Bank of India  
Jammu & Kashmir Bank

### **Statutory Auditors**

M/s. Demble Ramani & Co.

### **Internal Auditors**

M/s. Samria & Co.

### **Secretarial Auditors**

CS. Yugandhara Kothalkar (till 15-04-2024)  
CS V Ramachandran, Nagpur (appointed on  
18-05-2024)

### **Cost Auditors**

M/s. Deepak Khanuja & Associates

### **Registered and Corporate Office**

Heera Plaza, 4<sup>th</sup> Floor, Near Telephone  
Exchange, Central Avenue,  
Nagpur 440008

### **Plants**

#### **Kraft Division**

Village Borujwada, Nagpur Saoner Road,  
Taluka: Saoner, District: Nagpur

#### **Newsprint & Writing Printing Division**

Village Hetti Surla,  
Nagpur Bhopal Road,  
Taluka: Saoner, District: Nagpur

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**MALU PAPER MILLS LIMITED**  
**Regd. Office: Heera Plaza,4th floor, Near Telephone Exchange,**  
**Central Avenue,**  
**Nagpur –400008**  
**CIN:L15142MH1994PLC076009**

**NOTICE**

Notice is hereby given to the members of Malu Paper Mills Limited that the Thirty first(31<sup>st</sup>) Annual General Meeting of the members will be held on Tuesday, the 24<sup>th</sup> day of September 2024 at the registered office of the Company at 'Heera Plaza, 4th Floor, Near Telephone Exchange Square, Central Avenue, Nagpur at 3.00 P.M. (IST) to transact the following businesses:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Standalone Financial Statements for the financial year ended on 31<sup>st</sup> March 2024 together with the Reports of the Board of Directors and the Auditors thereon; and
2. To appoint a director in place of Shri Purushottam Malu (DIN: 01720007), who retires by rotation and being eligible, offers himself for re-appointment in this regard to consider and if thought fit, to pass the following resolution as an Ordinary Resolution.

“RESOLVED THAT Shri Purushottam Malu (DIN: 01720007), who retires by rotation in terms of Section 152 of Companies Act, 2013 and being eligible be and is hereby re-appointed as Director of the Company whose office shall be liable to retirement by rotation”.

**SPECIAL BUSINESS**

3. To appoint Mr. Vijaykumar Mulchandji Sarda (DIN: 10727783), as an Independent Director of the Company.

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160, 161, read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 as well as other Rules made thereunder and pursuant to applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the provisions of the Articles of Association of the Company and based on the approval of the Board of Directors of the Company, Mr. Vijaykumar Mulchandji Sarda (DIN: 10727783) who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and the SEBI Listing Regulations and who in the opinion of the Board fulfils the conditions specified in the Act and rules made thereunder and in respect of whom the

Company has received a notice in writing, under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a period of 5 years from September 25, 2024 till September 24, 2029 and not liable to retire by rotation..”

**“RESOLVED FURTHER THAT** any Director and the Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things and execute all documents or writings as may be necessary, desirable or expedient to give effect to the above resolution, including completing necessary filings with the relevant regulatory authorities regarding such appointment.”

**4. To appoint CA. Rajesh Nandkishore Sarda (DIN: 10727785), as an Independent Director of the Company.**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 160, 161, read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (‘Act’) and the Companies (Appointment and Qualification of Directors) Rules, 2014 as well as other Rules made thereunder and pursuant to applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’), as amended (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the provisions of the Articles of Association of the Company and based on the approval of the Board of Directors of the Company, CA. Rajesh Nandkishore Sarda (DIN: 10727785) who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and the SEBI Listing Regulations and who in the opinion of the Board fulfils the conditions specified in the Act and rules made thereunder and in respect of whom the Company has received a notice in writing, under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a period of 5 years from September 25, 2024 till September 24, 2029 and not liable to retire by rotation.”

**“RESOLVED FURTHER THAT** any Director and the Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things and execute all documents or writings as may be necessary, desirable or expedient to give effect to the above resolution, including completing necessary filings with the relevant regulatory authorities regarding such appointment.”

**5. To appoint CS. Surabhi Pankaj Gandhi (DIN: 10729302), as an Independent Director of the Company.**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 160, 161, read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (‘Act’) and the Companies (Appointment and Qualification of Directors) Rules,

2014 as well as other Rules made thereunder and pursuant to applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the provisions of the Articles of Association of the Company and based on the approval of the Board of Directors of the Company, CS. Surabhi Pankaj Gandhi (DIN: 10729302) who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and the SEBI Listing Regulations and who in the opinion of the Board fulfils the conditions specified in the Act and rules made thereunder and in respect of whom the Company has received a notice in writing, under Section 160 of the Act proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a period of 5 years from September 25, 2024 till September 24, 2029 and not liable to retire by rotation.”

“**RESOLVED FURTHER THAT** any Director and the Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things and execute all documents or writings as may be necessary, desirable or expedient to give effect to the above resolution, including completing necessary filings with the relevant regulatory authorities regarding such appointment.”

**6. Ratification of Cost Auditor’s Remuneration for the financial year ending 31<sup>st</sup> March 2025.**

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

“**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, and Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s. Deepak Khanuja & Associates., Cost Accountants (Firm Regn no. 100247), appointed as Cost Auditors of the Company by the Board of Directors to conduct audit of cost records of the Company for the financial year ending 31<sup>st</sup> March, 2025 be paid remuneration of Rs. 60,000/- (Sixty thousand only), apart from reimbursement of actual expenses, in connection with conducting the audit of cost records of the Company.”

**Registered Office:**  
Heera Plaza, 4<sup>th</sup> floor,  
Central Avenue  
Nagpur- 440008

Date: 13<sup>th</sup> August, 2024

**By order of the Board  
For MALU PAPER MILLS LIMITED**

**Mayuri Asawa**  
*Company Secretary & Compliance Officer*

## NOTES:

1. A member entitled to attend and vote at the meeting, is entitled to a member entitled to attend and vote at the annual general meeting is entitled to appoint a proxy to attend and vote at the annual general meeting instead of himself and such proxy need not be a member of the company. Proxies, in order to be effective, must be received at the registered office of the company, not less than forty-eight hours before the commencement of the meeting. **A PROXY FORM IS APPENDED WITH THE ATTENDANCE SLIP.**
2. The Statement pursuant to section 102(1) of the Companies Act, 2013 in respect of the special business set out under the notice is annexed hereto.
3. Details under Regulation 36(3) of SEBI Listing Regulations read with Secretarial Standards (SS-2) issued by the Institute of Company Secretaries of India, in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting forms integral part of the Notice. The Directors have furnished the requisite declarations/disclosures for their appointment/re-appointment.
4. In compliance with the MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company Registrar and Share Transfer Agent (RTA)/Depositories. Members may note that the Notice and Annual Report 2023-24 will also be available on the website of the Company at [www.malupaper.com](http://www.malupaper.com), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
5. In case of joint holders attending the meeting, the person who is first in order of names recorded in the Register of Members will be entitled to attend and vote at the AGM.
6. The Register of Members and share transfer books of the Company will remain closed from 18<sup>th</sup> September 2024 to 24<sup>th</sup> September 2024 both days inclusive.
7. Documents referred to the accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company during office hours on all working days (Monday to Friday) between 11.00 a.m. and 1.00 p.m. upto the date of Annual General Meeting and will also be available for inspection at the meeting.
8. Pursuant to MCA Circular and Section 101 of the Companies Act, 2013 read with rules made thereunder, the companies are allowed to send communication to shareholders electronically. Therefore, those shareholders who have not yet registered their email addresses are requested to get their email registered by following the procedure given below:



- a. Shareholders holding shares in physical form, are requested to register/update their email addresses by submitting Form ISR-1 to the RTA along with relevant documents.
  - b. Shareholders holding shares in dematerialized form, are requested to update their e-mail address with the Depository Participants with whom the demat account is being maintained.
9. Corporate/Institutional Members are required to send a scanned certified true copy of the Board Resolution/Authority Letter, etc., authorising their representative to attend the AGM through VC / OAVM on their behalf and to vote through remote e-voting or during the AGM. The said Resolution/Authorisation shall be sent to the Scrutinizer by email through its registered email address at [sujaramu1@gmail.com](mailto:sujaramu1@gmail.com) with a copy marked to the Company at [contacts@malupaper.com](mailto:contacts@malupaper.com) , if they have voted from individual Tab and not uploaded the same in the NSDL e-voting system for the scrutinizer to verify the same.
10. Members/Proxies should bring attendance slips duly signed for attending the meeting.
11. For the convenience of the members, an attendance slip is annexed with the proxy form. Photocopies of the slip will not be entertained for issuing gate pass for attending annual general meeting. However, in case of non- receipt of notice of annual general meeting, members are requested to write to the company at its head office for issuing duplicate of the same. Members are requested to affix their signature at the space provided and fill up the particulars and hand over the attendance slip at the place of the meeting.
12. Any member desirous of getting any information on accounts or operations of the company is required to forward his/her queries to the company at least ten days prior to the meeting so that the required information can be made available at the meeting.
13. The copy of notice shall also be made available at our official website [www.malupaper.com](http://www.malupaper.com). In case any shareholder could not receive the same, he can download it or go through our website.
14. For any communication, the shareholders may also send requests to the Company's investor email id [contacts@malupaper.com](mailto:contacts@malupaper.com)
15. Pursuant to the provision of section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (Listing Regulations), the company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').

16. The facility for voting through ballot paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.
17. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-**

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-**

The remote e-voting period begins on Friday, September 20, 2024 at 09:00 A.M. and ends on Monday, September 23, 2024 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Tuesday, September 17, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 17-09-2024.

**How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:*

**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

| Type of shareholders  | Login Method  |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL. | 1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “ <b>Beneficial Owner</b> ” icon under “ <b>Login</b> ” which is available under ‘ <b>IDeAS</b> ’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting |

services under Value added services. Click on “**Access to e-Voting**” under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nSDL.com>. Select “**Register Online for IDeAS Portal**” or click at <https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp>

2. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nSDL.com/> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.
3. Shareholders/Members can also download NSDL Mobile App “**NSDL Speede**” facility by scanning the QR code mentioned below for seamless voting experience.



|   |   |
|---|---|
| <p>Individual Shareholders holding securities in demat mode with CDSL</p>                                     | <ol style="list-style-type: none"> <li>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol> |
| <p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p> | <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p>  |

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

| <b>Login type</b>  | <b>Helpdesk details</b>  |
|--|--|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022 - 4886 7000  |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33 |

**B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below :

| <b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b> | <b>Your User ID is:</b>   |
|---|---|
| a) For Members who hold shares in demat account with NSDL.            | 8 Character DP ID followed by 8 Digit Client ID<br><br>For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b) For Members who hold shares in demat account with CDSL.            | 16 Digit Beneficiary ID<br><br>For example if your Beneficiary ID is 12***** then your user ID is   |

|   |  |
|---|--|
|   | 12*****  |
| c) For Members holding shares in Physical Form. | <p>EVEN Number followed by Folio Number registered with the company</p> <p>For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***</p> |

5. Password details for shareholders other than Individual shareholders are given below:
- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
  - c) How to retrieve your ‘initial password’?
    - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
- a) Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically on NSDL e-Voting system.**

### **How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [sujaramul@gmail.com](mailto:sujaramul@gmail.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on : 022 - 4886 7000 or send a request to Rahul Rajbhar at [evoting@nsdl.com](mailto:evoting@nsdl.com)

### **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [contacts@malupaper.com](mailto:contacts@malupaper.com).



2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [contacts@malupaper.com](mailto:contacts@malupaper.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.com](mailto:evoting@nsdl.com) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

### **Explanatory Statement pursuant to Section 102 of the Companies Act, 2013**

#### **Item No. 3**

The Board of Directors has recommended the appointment of Mr. Vijaykumar Mulchandji Sarda(DIN: 10727783) as an Independent Director for a period of 5 years from September 25, 2024 till September 24, 2029 as recommended by Nomination and Remuneration Committee on the basis of his vast knowledge and experience.

The Company has received a declaration from Mr. Vijaykumar Mulchandji Sarda to the effect that he meets the criteria of Independence as provided in Section 149(6) of the Act read with the Rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations. Mr. Vijaykumar Mulchandji Sarda is not debarred or disqualified from being appointed as Director of the Company by SEBI/Ministry of Corporate Affairs or such other statutory body and is independent of the management.

In the opinion of the Board, Mr. Vijaykumar Mulchandji Sarda fulfils the conditions specified in the Act, the Rules framed thereunder and SEBI Listing Regulations for his appointment as an Independent Director. Copy of the draft letter of appointment of Mr. Vijaykumar Mulchandji Sarda as Independent Director setting out the terms and conditions is available for inspection by the Members at the registered office of the Company.

The Company has received a notice in writing under Section 160(1) of the Act proposing his candidature as an Independent Director of the Company.

Accordingly, it is proposed to appoint Mr.Vijaykumar Mulchandji Sardaas an Independent Director of the Company to hold office for a period of five years from September 25, 2024 till September 24, 2029.

Except Mr. Vijaykumar Mulchandji Sardaand his relatives who may be deemed to be interested in the resolution to the extent of their shareholding, if any, None of the other Directors/ Key Managerial Personnel and their relatives are interested financially or otherwise in the resolution.



The Board recommends the resolution as set out in item no. 3 of this Notice for approval of members.

#### **Item No. 4**

The Board of Directors has recommended the appointment of CA. Rajesh Nandkishore Sarda (DIN: 10727785) as an Independent Director for a period of 5 years from September 25, 2024 till September 24, 2029 as recommended by Nomination and Remuneration Committee on the basis of his vast knowledge and experience.

The Company has received a declaration from CA. Rajesh Nandkishore Sarda to the effect that he meets the criteria of Independence as provided in Section 149(6) of the Act read with the Rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations. CA. Rajesh Nandkishore Sarda is not debarred or disqualified from being appointed as Director of the Company by SEBI/Ministry of Corporate Affairs or such other statutory body and is independent of the management.

In the opinion of the Board, CA. Rajesh Nandkishore Sarda fulfils the conditions specified in the Act, the Rules framed thereunder and SEBI Listing Regulations for his appointment as an Independent Director. Copy of the draft letter of appointment of CA. Rajesh Nandkishore Sarda as Independent Director setting out the terms and conditions is available for inspection by the Members at the registered office of the Company.

The Company has received a notice in writing under Section 160(1) of the Act proposing his candidature as an Independent Director of the Company.

Accordingly, it is proposed to appoint CA. Rajesh Nandkishore Sarda as an Independent Director of the Company to hold office for a period of five years from September 25, 2024 till September 24, 2029.

Except CA. Rajesh Nandkishore Sarda and his relatives who may be deemed to be interested in the resolution to the extent of their shareholding, if any, None of the other Directors/ Key Managerial Personnel and their relatives are interested financially or otherwise in the resolution.

The Board recommends the resolution as set out in item no. 4 of this Notice for approval of members.

#### **Item no. 5**

The Board of Directors has recommended the appointment of CS. Surabhi Pankaj Gandhi (DIN: 10729302) as an Independent Director for a period of 5 years from September 25, 2024 till September 24, 2029 as recommended by Nomination and Remuneration Committee on the basis of her vast knowledge and experience.

The Company has received a declaration from CS. Surabhi Pankaj Gandhi to the effect that he meets the criteria of Independence as provided in Section 149(6) of the Act read with the Rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations. CS. Surabhi Pankaj Gandhi is not debarred or disqualified from being appointed as Director of the Company by SEBI/Ministry of Corporate Affairs or such other statutory body and is independent of the management.

In the opinion of the Board, CS. Surabhi Pankaj Gandhi fulfils the conditions specified in the Act, the Rules framed thereunder and SEBI Listing Regulations for his appointment as an Independent Director. Copy of the draft letter of appointment of CS. Surabhi Pankaj Gandhi as Independent Director setting out the terms and conditions is available for inspection by the Members at the registered office of the Company.

The Company has received a notice in writing under Section 160(1) of the Act proposing his candidature as an Independent Director of the Company.

Accordingly, it is proposed to appoint CS. Surabhi Pankaj Gandhi as an Independent Director of the Company to hold office for a period of five years from September 25, 2024 till September 24, 2029.

Except CS. Surabhi Pankaj Gandhi and her relatives who may be deemed to be interested in the resolution to the extent of their shareholding, if any, None of the other Directors/ Key Managerial Personnel and their relatives are interested financially or otherwise in the resolution.

The Board recommends the resolution as set out in item no. 5 of this Notice for approval of members.

#### **Item no. 6**

#### **Ratification of Cost Auditor's Remuneration for the financial year 2024-25:**

The Board, on the recommendation of the Audit Committee, at its meeting held on 18<sup>th</sup> May, 2024 has approved the appointment and remuneration of the Cost Auditor to conduct the audit of the cost records of the Company for the financial year 2024-25 at a fee not exceeding Rs. 60,000/- (excluding taxes and out of pocket expenses).

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 6 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year 2024-25.

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

The Board recommends the Ordinary Resolution as set out in Item No.6 of the Notice, for approval of the Members.

#### **Registered Office:**

Heera Plaza, 4<sup>th</sup> floor,  
Central Avenue  
Nagpur- 440008  
Date :13<sup>th</sup> August, 2024

**By order of the Board**  
**For MALU PAPER MILLS LIMITED**

**Mayuri Asawa**  
*Company Secretary & Compliance Officer*

As required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and as required under Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India (SS-2), the particulars of Directors who are proposed to be re-appointed at this 31<sup>st</sup> Annual General Meeting, are given below:

| Sr. no | Name of the Director  | Mr. Purshottam Ramlal Malu   |
|--------|---|--|
| i.     | DIN   | 01720007   |
| ii.    | Age   | 67   |
| iii.   | Qualification   | PUC  |
| iv.    | Terms and conditions of appointment   | Appointed as Non-Independent Non-Executive Director  |
| v      | Date of first appointment on the Board                                      | 09/11/2020   |
| vi.    | Shareholding in the Company   | 303,083  |
| vii.   | Relationship with other Directors / KMPs                                    | Brother of Mr. Punamchand Malu, (MD&CEO) of the company  |
| viii.  | Number of Board Meetings attended during the year                           | 2  |
| ix.    | Chairman/ Member of the Committees of the Board of Directors of the Company | Member of NRC Committee  |
| x.     | Expertise in specific functional area/Experience                            | Mr. Purshottam Malu has diverse knowledge and experience of over 47 years in businesses such as Cement, Textile, Yarn, Synthetics, FMCG, Chemical, Paper etc. His other business interest includes dealing and trading in real estate properties and share & stock markets. His association provides valuable insights and perspectives to the Board for deliberation on business matters. |
| xi.    | Directorships held in other companies                                       | <ul style="list-style-type: none"> <li>• Ganpati Energy Private Limited</li> <li>• Shree Sales Corporation Private Limited</li> <li>• Frontline Commercials Private Limited</li> </ul>   |
| x.     | Memberships / Chairmanships of committees of other companies                | NA   |
| xi.    | Remuneration last drawn   | N.A  |

As required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and as required under Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India (SS-2), the particulars of Directors who are proposed to be appointed at this 31<sup>st</sup> Annual General Meeting, are given below:

| Sr. no | Name of the Director  | Mr. Vijaykumar Mulchandji Sarda  | CA. Rajesh Nandkishore Sarda  | CS. Surabhi Pankaj Gandhi   |
|--------|---|--|---|---|
| i.     | DIN   | 10727783   | 10727785  | 10729302  |
| ii.    | Age   | 64   | 44  | 30  |
| iii.   | Qualification   | B.Com  | CA  | CS  |
| iv.    | Terms and conditions of appointment   | As per the resolution at Item No. 3 of the Notice convening this meeting read with Explanatory Statement thereto, Mr. Vijaykumar Mulchandji Sarda is proposed to be appointed as Non-Executive Independent Director. | As per the resolution at Item No. 4 of the Notice convening this meeting read with Explanatory Statement thereto, CA. Rajesh Nandkishore Sarda is proposed to be appointed as Non-Executive Independent Director. | As per the resolution at Item No. 5 of the Notice convening this meeting read with Explanatory Statement thereto, CS.Surabhi Pankaj Gandhi is proposed to be appointed as Non-Executive Independent Director. |
| v      | Date of first appointment on the Board  | Not Applicable, since his appointment is proposed in this Annual General Meeting effective from 25 <sup>th</sup> September, 2024   | Not Applicable, since his appointment is proposed in this Annual General Meeting effective from 25 <sup>th</sup> September, 2024  | Not Applicable, since her appointment is proposed in this Annual General Meeting effective from 25 <sup>th</sup> September, 2024  |
| vi.    | No. of Equity Shares of ₹10/- held in the Company as on March 31, 2024            | 150  | Nil   | Nil   |
| vii.   | Relationship with other Directors / KMPs  | None   | None  | None  |
| viii.  | Number of Board Meetings attended during the year                                 | NA   | NA  | NA  |
| ix.    | Chairman/ Member of the Committees of the Board of Directors of the Company as on | NA   | NA  | NA  |

|      |  |  |  |  |
|------|--|--|--|--|
|      | March 31, 2024   |  |  |  |
| x.   | Expertise in specific functional area/Experience             | Mr. Vijaykumar Mulchandji Sarada has diverse knowledge and experience of over 40+ years in Hosiery business.His association will provide valuable insights and perspectives to the Board for deliberation on business matters. | CA. Rajesh Nandkishore Sarada has the relevant experience to justify the skills and capabilities required for his role in the Company as Independent Director. | CS. Surabhi Pankaj Gandhi has the relevant experience to justify the skills and capabilities required for his role in the Company as Independent Director. |
| xi.  | Directorships held in other companies                        | Nil  | Nil  | Nil  |
| x.   | Memberships / Chairmanships of committees of other companies | Nil  | Nil  | Nil  |
| xi.  | Remuneration last drawn                                      | N.A  | N.A  | N.A  |
| xii. | Resignation from Listed entities in the past three years     | None   | None   | None   |

## MALU PAPER MILLS LIMITED

### REPORT OF BOARD OF DIRECTORS.

The Directors have pleasure in presenting the Thirty-first (31<sup>st</sup>) Annual Report for the year ended 31<sup>st</sup> March 2024 along with the Audited Statement of Accounts with the Report of the Auditors thereon:

#### FINANCIAL RESULTS

(Rs. In Lakhs)

| Particulars   | FY<br>2023-2024 | FY<br>2022-2023 |
|---|-----------------|-----------------|
| Sales   | 27444.08        | 23388.87        |
| Other Incomes   | 62.33           | 65.85           |
| Total Revenue   | 27506.41        | 23454.73        |
| Expenses  | 25769.12        | 23487.35        |
| Profit before Interest, Tax, Depreciation<br>& Amortization, finance cost and exceptional items | 1737.29         | (32.62)         |
| Less: Financial Costs   | 1089.05         | 863.69          |
| Less: Depreciation & amortization expense   | 500.78          | 502.66          |
| Profit / (Loss) before taxation   | 147.44          | (1398.97)       |
| Less: Provision For Taxation  | 57.92           | (353.60)        |
| Profit/(Loss) After Tax   | 89.52           | (1045.37)       |
| Other Comprehensive Income (net)  | 3.18            | 9.96            |
| Total Comprehensive income for the year   | 92.71           | (1035.41)       |

#### KEY HIGHLIGHTS OF THE FINANCIAL PERFORMANCE:

The Company continues to be engaged in manufacturing and sale of Kraft Papers, Writing & Printing and Newsprint papers. During the year 2023-24, the Company recorded a turnover of Rs. 2,74,44,08,013/- and net profit of Rs. 92,71,069/- compared to the turnover of Rs. 2,33,88,87,628/- and net loss of Rs. 10,35,41,038/- for the previous year 2022-2023.

#### STATE OF AFFAIRS

The company is in the business of Manufacturing Newsprint, Writing & Printing paper and Kraft Paper. The overall profitability of the Company during the year under review, as compared to the previous year, has been improved as company has increased its capacity in the Writing & Printing paper segment to utilize the higher capacity utilization.

The current year witnessed lot of change in the international paper market and these changes impacted the operations of the Indian paper industry. In the FY 2023-24 the company produced 82,442 Mt of paper as against 53,459 Mt produced in FY 2022-23. In FY 2022-23, the company produced 33,612 Mt (63%) of Kraft paper and 19,815 Mt (37%) of Newsprint & Writing printing paper. In FY 2023-24, the company produced 47,439 Mt (58%) of Kraft paper and 35,003 Mt (42%) of Newsprint & Writing printing paper. There was a change in the product mix in FY 2023-24 to take advantage of the market scenario.

Malu Paper Mills Ltd has paper mills strategically located in Central India at Nagpur (Maharashtra). The company is the largest Newsprint and Writing & Printing manufacturer of

Central India with 49,500 TPA capacities and produces quality Newsprint and Writing & Printing Paper with recycle process. The company has swing facility wherein it can change to Newsprint and Writing paper production at short notice. The company is also in the manufacture of the packaging paper of recycle grade with an annual capacity 49,500 TPA. The positive turn of events in the Indian paper industry in the current year due to changes in the International and Domestic market, Environment and Industrial policy of the government has resulted in favourable changes, which will continue to impact the prospects of the company in years to follow.

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

There has been no major change in the business of the company during the financial year ended 31<sup>st</sup> March, 2024.

#### **NUMBER OF BOARD MEETINGS HELD**

The Board of Directors met Four (04) times during the year and the details thereof were mentioned in the Report of Corporate Governance forming part of this Annual Report.

#### **AUDITOR'S REPORT AND SECRETARIAL AUDIT REPORT**

The statutory auditor's report and the secretarial audit report do not contain any qualifications, reservations, or adverse remarks or disclaimer. Secretarial audit report is attached to this report.

#### **DETAILS OF FRAUD REPORT BY AUDITOR:**

As per auditors' report, no fraud u/s 143(12) reported by the auditor.

#### **STATUTORY AUDITORS**

At the 29<sup>th</sup>AGM M/s Demble Ramani & Co., Chartered Accountants, Nagpur (Firm Registration No:-102259W) was appointed as statutory auditors of the Company for a term of 5 years from the financial year 2022-23 onwards. Accordingly, M/s Demble Ramani & Co., Chartered Accountants, Nagpur will continue as statutory auditors of the Company till the financial year 2026-27.

#### **PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEE GIVEN OR SECURITY PROVIDED**

The loans given, investments made or guarantee given or security provided by the Company is same as mentioned in notes to the Financial Statements.

#### **CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES**

All the related party transactions entered into during the financial year were on arm's length basis and in ordinary course of business. There are no materially significant related party transactions made by the Company during the financial year under review. Accordingly, disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act in prescribed format Form AOC-2 is not applicable.

However, the disclosure of transactions with related party for the year, as per Accounting Standard-18 Related Party Disclosures is given in Note no 27 to the Balance Sheet as on 31<sup>st</sup> March, 2024.

### **TRANSFER TO RESERVES**

The Company transferred a sum of Rs. 92,71,069/- to Retained Earning Reserve during the financial year ended 31<sup>st</sup> March, 2024.

### **CHANGE IN SHARE CAPITAL**

The Paid-up Share Capital as on 31<sup>st</sup> March, 2024 is INR 17,05,92,500 comprising 1,70,59,250 Equity Shares of Rs.10/-each. There has been no change in the capital structure of the Company during the year.

### **DIVIDEND**

The Board of Directors of your company, after considering holistically the relevant circumstances, has decided that it would be prudent, not to recommend any Dividend for the year under review.

### **DISCLOSURE ON ACCOUNTING TREATMENT**

The Company has adopted the Indian Accounting Standards (IndAS) from Financial Year 2017-18, as mandated. Accordingly, the financial statements for current year, including comparative figures of previous year are based on IndAS and in accordance with the recognition and measurement principles stated therein, as well as other accounting principles generally accepted in India.

The Company has not used any differential treatment which is not in compliance with accounting standards and the financials of the Company depict a true and fair view of the state of affairs of the Company.

### **MATERIAL CHANGES AND COMMITMENTS**

There have been no material changes and commitments, which affect the financial position of the company which have occurred between the end of the financial year to which the financial statements relate and the date of this Report.

### **DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES**

The Company does not have any Subsidiary, Joint Venture or Associate Company.



## **DETAILS OF DIRECTOR / KEY MANAGERIAL PERSONNEL APPOINTED/ RETIRED DURING THE YEAR**

Pursuant to Section 152(6) of the Companies Act, 2013 and as per clause 146 of Article of Association of the Company, the Managing directors of the Company shall be a Director not liable to retire by rotation.

The Act mandates that at least two-third of the total number of Directors (excluding independent directors) shall be liable to retire by rotation. Accordingly, Shri. Purushottam Malu (DIN: 01720007), Non - Executive Director, liable to retire by rotation, retires from the Board this year and, being eligible, has offered himself for re-appointment. The Boards of Directors recommend his re-appointment at Item No. 2 of the Notice Calling 31<sup>st</sup> Annual General Meeting for consideration of the Shareholders.

The brief resume and other details relating to Shri. Purushottam Malu (DIN: 01720007) who is proposed to be re-appointed, as required to be disclosed under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is incorporated in the annexure to the notice calling 31<sup>st</sup> Annual General Meeting.

The Board of Directors based on the recommendation of the Nomination and Remuneration Committee, approved the appointment of Mr. Vijaykumar Mulchandji Sarda (DIN: 10727783), CA. Rajesh Nandkishore Sarda (DIN: 10727785) and CS. Surabhi Pankaj Gandhi (DIN: 10729302) as Independent Directors for a period of five years with effect from 25<sup>th</sup> September, 2024 subject to the approval of the Members at the ensuing AGM. The Company has received a notice under Section 160 of the Companies Act, 2013 proposing their candidature as Independent Directors of the Company.

Mr. Chandrakant Thakar (DIN 00784189), Mr. Satyanarayan Rathi (DIN 01797378) and CA. Shrutika Inani (DIN 06937649) who were appointed as Independent Directors for second term at the 26<sup>th</sup> Annual General Meeting held on 27<sup>th</sup> September, 2019, will complete their tenure on 25<sup>th</sup> September, 2024 and accordingly would cease to be Independent Directors of the Company.

All Independent Directors of the Company have given declaration that they meet the criteria of independence as laid down under Section 149 (6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, and are independent to the management of the Company. During the year, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses incurred by them for attending meetings of the Company.

Except this, there has been no change in the composition of Board of Directors of the Company during the year under review.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2024 are: Mr. Punamchand Malu - Managing Director & CEO, Mr. Banwarilal Malu - Jt. Managing Director, Mr. Prakash Modi - Chief Financial Officer and Mayuri Asawa - Company Secretary.

## **DECLARATION BY INDEPENDENT DIRECTORS**

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the Listing Regulations, 2015 read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

The maximum tenure of Independent Directors is in compliance with the Companies Act, 2013 (“the Act”) and the Listing Regulations. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Listing Regulations, 2015 and that they are independent of the management.

The Independent Directors have also confirmed that they have registered themselves in the databank of persons offering to become Independent Directors.

Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he meets the criteria of independence and submits the declaration regarding the status of holding other directorship and membership as provided under law.

Based on the intimations/disclosures received from the Directors periodically, none of the Director is a Director in more than 10 public limited companies (as specified in section 165 of the Act) and Director in more than 8 listed entities (as specified in Regulation 17A of the Listing Regulations, 2015) or acts as an Independent Director (including any alternate directorships) in more than 7 listed companies or 3 equity listed companies in case he/she serves as a Whole-time Director/Managing Director in any listed company (as specified in Regulation 17A of the Listing Regulations, 2015).

Further, none of the Directors on the Board is a Member of more than 10 Committees and Chairperson of more than 5 Committees (as specified in Regulation 26 of the Listing Regulations, 2015), across all the Indian public limited companies in which he/she is a Director.

## **EVALUATION OF INDIVIDUAL DIRECTORS, THE BOARD & ITS COMMITTEES:**

Pursuant to the provisions of the Companies Act, 2013, and the corporate governance requirements as prescribed by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015(‘SEBI Listing Regulations’); the Board of Directors have carried out an annual evaluation of its own performance as a whole, the directors individually as well as the evaluation of the working of its Committees.

The performance of the board was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc. Performance evaluation of independent directors was done by the entire Board, excluding the independent director being evaluated.

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

In a separate meeting of independent directors, performance of non-independent directors, the Board as a whole was evaluated, taking into account the views of executive directors and non-executive directors.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

The Board of Directors expressed their satisfaction with the evaluation process.

## **PUBLIC DEPOSITS**

During the year under review, the Company has neither accepted nor renewed any deposit within the meaning of Section 73 and 74 of the Companies Act, 2013 read together with Companies (Acceptance of Deposits) Rules, 2014.

## **CREDIT RATINGS**

During the year under review no credit rating was obtained on the bank facilities of Malu Paper Mills Ltd (MPML).

## **INTERNAL FINANCIAL CONTROL**

The Company has put in place adequate internal financial control procedures commensurate with its size, complexity and nature of business. The Company has identified and documented all key financial controls, which impact the financial statements as part of its Standard Operating Procedures (SOP). The financial controls are tested for operating effectiveness through ongoing monitoring and review process by the management and also independently by the Internal Auditor.

The Internal Auditor of the Company reports functionally to the Audit Committee of Board, which reviews and approves risk based annual internal audit plan. The Audit Committee periodically reviews the performance of internal audit function.

During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

## **INTERNAL AUDITORS**

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 (as amended), the Board of Directors, on the recommendations of the Audit Committee, of the Company, has approved and appointed M/s. Samria & Co. Chartered accountants, Chartered Accountants, Nagpur, as the Internal Auditors of the Company, for the FY 2023-24.

The Internal Audit Finding/s and Report/s submitted by the said Internal Auditors, from time to time, during the FY 2023-24, to the Audit Committee and Board of Directors of the Company, do not contain any adverse remarks and qualifications, is self-explanatory and do not call for any further explanation/s by the Company.

Further, the Company has appointed M/s. Samria & Co. Chartered accountants as the Internal Auditors of the Company of FY 2024-25.

### **COST RECORDS& COST AUDIT**

The provision of Cost audit as per section 148 applicable on the Company and company has maintained proper records and account of the same as required under the act.

Pursuant to the provisions of the Companies Act, 2013, the Board of Directors had appointed M/s. Khanuja Patra& Associates, Cost Accountants, as Cost Auditors of the Company for conducting the audit of Cost records for the financial year ended on 31<sup>st</sup> March 2024. The audit report will be filed within prescribed period.

The Company has appointed M/s. Deepak Khanuja & Associates., Cost Accountants as Cost Auditors under Section 148 of the Companies Act, 2013, for audit of cost records of the Company for the year ending 31<sup>st</sup> March, 2025.

### **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS**

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

### **CONSTITUTION OF COMMITTEE - SEXUAL HARASSMENT AT WORKPLACE**

The Company has constituted committee under the sexual harassment of women at workplace (prevention, prohibition and Redressal) Act, 2013 and company has complied with the provisions of the same.

During the year, no complaint of sexual harassment was received to the company.

### **CONSOLIDATED FINANCIAL STATEMENTS**

Company doesn't have any subsidiaries so there is no need to prepare consolidated financial statement for the F. Y. 2023-24.

### **COMPLIANCE WITH SECRETARIAL STANDARD**

The Board of Directors confirms that the Company, has duly complied and is in compliance, with the applicable Secretarial Standard/s, namely Secretarial Standard – 1 ('SS-1') on Meetings of the Board of Directors and Secretarial Standard - 2 ('SS-2') on General Meetings, during the FY 2023-24.

## **CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC)**

During the year under review, there is no application made and/or no proceeding pending under the Insolvency and Bankruptcy Code, 2016

## **DETAILS OF DIFFERENCE BETWEEN THE AMOUNT OF VALUATION AT THE TIME OF ONE-TIME SETTLEMENT AND THE VALUATION DONE AT THE TIME OF TAKING A LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:**

During the year under review, the Company has not made any settlement with its bankers for any loan(s)/facility(ies) availed or / and still in existence.

## **FAILURE TO IMPLEMENT ANY CORPORATE ACTION**

During the FY 2023-24 under review, there is no occasion wherein the Company failed to implement any Corporate Action. As such, no specific details are required to be given or provided.

## **DIRECTORS RESPONSIBILITY STATEMENT FORMING PART OF BOARD'S REPORT**

As required under Section 134(5) of the Companies Act, 2013, the Director's confirm that:

- 1 In the preparation of the annual accounts, the applicable accounting standards have been followed.
- 2 The Directors had selected such accounting policies and applied them consistently and made judgments and estimate that are reasonable and prudent so as to give a true and fair view of the state of affairs of Company as on 31<sup>st</sup> March 2024 and of the profit of the company for that period.
- 3 The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- 4 The annual accounts for the year ended March 31, 2024 have been prepared on a going concern basis.
- 5 The directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- 6 The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and these were adequate and operating effectively.

## **LISTING OF SHARES**

Equity Shares of Company are listed on The Bombay Stock Exchange, Mumbai (BSE) and The National Stock Exchange (NSE). The Company has duly paid listing fees to stock exchanges.

## **POLICY ON NOMINATION AND REMUNERATION:**

In compliance with the requirements of Section 178 of the Act, the Company has laid down a Nomination and Remuneration Policy which has been uploaded on the Company's website. The web-link as required under the Act is <http://www.malupaper.com/investors/>

## **RISK MANAGEMENT POLICY**

Risks are inherent to our business as our operating environment is complex, highly regulated, and dynamic. To attain our strategic growth objectives, protect the interests of all our stakeholders and meeting legal requirements we have an established process of identifying, analysing, and responding appropriately to all business risks. We have a well-embedded Risk Management Framework to ensure that we are well-placed to manage any adverse effect posed by financial, operational, strategic or regulatory related risks. Our framework adopts appropriate risk mitigation measures for identified risks across functions. The process ensures that new risks, which might arise, or the impact of existing risks which might have increased, are identified and a strategy is put in place for mitigating such risks. The major risks identified by the management are Raw Material Risk, Quality Risk, Technological Risk, Competition Risk, Cost Risk, Financial Risk, and Legal/Regulatory Risk along with economic and political risks.

A review of the risk management policy is carried out annually by the Audit Committee and the Board of Directors.

## **AUDIT COMMITTEE**

As per the provisions of the Listing Agreement and pursuant to Section 177 of the Companies Act, 2013, the Audit committee constituted to review compliances with internal control systems and other various functions of the Company. FCA Shrutika Inani, Independent Director was the Chairman of the Audit Committee.

## **CORPORATE GOVERNANCE**

In terms of the Listing Regulations, a report on Corporate Governance along with Auditors' Report on its compliance is annexed, forming part of the Annual Report.

Further all the Board members and Senior Management personnel have affirmed compliance with the Code of Conduct for the financial year 2023-24. A declaration to this effect signed by the Managing Director & CEO of the Company also forms part of this Annual Report.

Additionally, CEO/CFO Certification as required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Annual Report.

A Certificate from Practicing Chartered accountant regarding the compliance with the conditions of Corporate Governance as stipulated under Regulation 34 read with Schedule V of the SEBI Listing Regulations is annexed to this Report.

In line with the requirements of Companies Act, 2013, your Company has constituted the Board Committees and has in place all the statutory Committees required under the law. Details of Board Committees along with their terms of reference, composition and meetings of the Board and Board Committees held during the year, are provided in the Corporate Governance Report.

## **SUSPENSION OF TRADING**

The equity shares of the Company have been listed and actively traded on Main Board of Bombay Stock Exchange (BSE) and National Stock Exchange of India Limited (NSE).

There was no occasion wherein the equity shares of the Company have been suspended for trading during the FY 2023-24.

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

The Management Discussion and Analysis Report in accordance with Regulation 34 read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) forms part of this Annual Report as **Annexure A**.

## **SECRETARIAL AUDITORS**

The Company had appointed CS. Yugandhara Kothalkar, Practicing Company Secretary as the Secretarial Auditor for the audit of the practices and procedures followed by the Company as prescribed to undertake Secretarial Audit of the Company for the FY 2023-24. Due to the pre-occupation CS. Yugandhara Kothalkar, Practicing Company Secretary tendered her resignation as a Secretarial auditor, w-e-f 15-04-2024.

Company then appointed CS V Ramachandran, Nagpur, Company secretary in Practice (Certificate of Practice Number-3773) to comply with the provisions of Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI (LODR) Regulations, 2015 and also to provide the Secretarial Compliance Report for the financial year 2023-24. Copy of the Secretarial Audit Report in Form MR-3 is given as an **Annexure B** to this Board’s Report.

## **ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE**

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required under the Companies Act, 2013, read with the Companies (Accounts) Rules 2014 is given as per **Annexure C** and forms part of the Board’s Report.

As regards disclosure of particulars relating to conservation of energy, great emphasis has been given for reduction of energy consumption to reduce cost per unit of goods. Details are attached herewith as per **Annexure C**.

The Company imports some portion of its raw material requirement. The foreign exchange earnings and outgo are as mentioned in the reports of the auditor of the Company. Details are attached herewith as per **Annexure C**

## **CORPORATE SOCIAL RESPONSIBILITY**

The provisions of Section 135 of the Companies Act, 2013 relating to corporate social responsibility are not applicable to the Company in the reporting financial year.

## **VIGIL MECHANISM/WHISTLE BLOWER POLICY**

As per the provisions of Section 177(10) of the Companies Act 2013 and Regulation 22 of the Listing Regulations, a Vigil Mechanism for Directors and employees to report genuine concerns has been established. The practice of the Whistleblower Policy is overseen by the Audit Committee and no employee has been denied access to the Committee. The same has been uploaded on company's website at <http://www.malupaper.com/investors/>

## **Web Address of the Annual Return**

Pursuant to the provisions of Section 92(3) read with Section 134(3) (a) of the Companies Act, 2013, a copy of the Annual Return of the Company is available at the Company's website <http://www.malupaper.com/investors/>

## **DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT**

- (a) The outstanding shares in the suspense account held with Sharekhan Limited lying at the beginning of the year is 3,019 shares;
- (b) none of shareholders approached listed entity for transfer of shares from suspense account during the year;
- (c) no shares were transferred from suspense account during the year;
- (d) the outstanding shares in the suspense account held with Sharekhan Limited lying at the end of the year is 3,019 shares;
- (e) that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

## **DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES:**

None of the employee, including Key Managerial Personnel, was drawing in excess of the limits prescribed by Section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Particulars of Employees) Rules, 1975, which needs to be disclosed in the Board's report.



The ratio of the remuneration of each director to the median remuneration of the employees of the Company and percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year–

| S.No   | Name of the Director   | Remuneration | Median Remuneration | Ratio (Remuneration of Director to Median Remuneration) times |
|--|------------------------|--------------|---------------------|---|
|  |                        | Per Annum    | Per Annum           |   |
|  |                        | (INR)        | (INR)               |   |
| <b>Executive Directors</b>                           |                        |              |                     |   |
| 1  | Mr. Punamchand Malu*   | NIL          | -                   | -   |
| 2  | Mr. Banwarilal Malu*   | NIL          | -                   | -   |
| <b>Non Executive Directors/Independent Directors</b> |                        |              |                     |   |
| 3  | Mr. Purushottam Malu   | NIL          | -                   | -   |
| 4  | Mr. Vasudeo Malu       | NIL          | -                   | -   |
| 5  | Mr. Chandrakant Thakar | NIL          | -                   | -   |
| 6  | FCA. Shrutika Inani    | NIL          | -                   | -   |
| 7  | Mr. Satyanarayan Rathi | NIL          | -                   | -   |
| 8  | Mr. Sahil Agrawal      | NIL          | -                   | -   |
| <b>Key Managerial Person</b>                         |                        |              |                     |   |
| 9  | Mr. Prakash Modi, CFO  | 10,51,200    | N.A                 | N.A   |
| 10   | CS. Mayuri Asawa       | 3,30,000     | N.A                 | N.A   |

- \*The Executive Directors had decided to waive remuneration for the reporting financial year in the Board meeting held on 09-08-2023.
- There is no increase in the remuneration of Chief Financial Officer in the financial year.
- There is no increase in the remuneration of Company Secretary during the financial year.
- The percentage increase in the median remuneration of employees in the financial year: 10.78%
- The number of permanent employees on the rolls of Company: 211

**Affirmation that the remuneration is as per the remuneration policy of the Company:**

The Company affirms that the remuneration is as per the remuneration policy of the Company.

**ACKNOWLEDGEMENTS**

Your Directors wish to place on record their gratitude to Bankers, Customers, and Business Associates for the co-operation and support and to the Shareholders, dealers and suppliers, staff and workers for their contribution to the company's growth.

Date : 13/08/2024

By Order of Board of Directors

Place : Nagpur

**Punamchand Malu**  
**Managing Director & CEO**  
**(DIN:00301030)**

**Banwarilal Malu**  
**Jt. Managing Director**  
**(DIN:00301297)**

**MANAGEMENT DISCUSSION & ANALYSIS REPORT**

**INDUSTRY STRUCTURE AND DEVELOPMENT**

**GLOBAL**

The global pulp and paper market is estimated at USD 365.60 billion in 2023 and is expected to reach USD 434.36 billion with a CAGR of 2.35% between 2024 to 2031. The market has been on a growth trend in the last few years, catalysed by factors such as population growth, urbanisation, and rising consumer demand for paper-based products. Moreover, the rising trend towards sustainable and eco-friendly packaging solutions is anticipated to propel the demand for the product in the coming years. To remain competitive, pulp and paper industry players emphasised the development of advanced technologies and processes to enhance efficiency, moderate production costs, and improve product quality. Moreover, the industry adopted sustainable practices to moderate environmental impact and address the rising demand for eco-friendly products. However, the pulp and paper industry faced challenges. This included increasing digitisation, leading to a downturn in the demand for paper products. Furthermore, the fluctuating availability and increasing prices of raw materials such as wood pulp and chemicals affected sectorial viability.

**Asia Pacific analysis**

The Asia-Pacific region is the current market leader with a 37.84% share in 2023 in the packaging industry on account of rising demand for packaging materials. The region is anticipated to witness a significant growth in the pulp and paper market over the upcoming years. This can be attributed to the rising demand for paper and packaging products in countries such as China and India, along with the increasing industrialisation and urbanisation in the region. The European paper market is expected to grow at a CAGR of 4.47% for the time span - 2024 to 2029. The increasing demand from e-commerce applications provided a boost for the paper market in Europe as consumers turned to online shopping during the lockdown. The market size of China's paper and paperboard industry stood at USD 225.27 billion in 2023. The paper market in Japan stood at USD 16.36 billion in 2024 and expected a CAGR of 1.17% from 2024-28.

The rise of internet and smartphone usage in emerging markets such as China, India, Southeast Asian nations, Brazil, and others, catalysed the growth of online retailing. Particularly, among younger consumers, there was a growing trend of purchasing cosmetics, food, groceries, and other products online. Paper is an optimal choice for lightweight and efficient packaging. The escalating demand for sustainable retail packaging is aimed at countering the adverse effects of plastic waste, boosting the demand for paper-based packaging solutions. Consequently, the use of corrugated boxes and paper bags is anticipated to surge. In response to this trend, stakeholders in the pulp and paper industry concentrated on the creation of innovative, sustainable, and cost-effective paper-based packaging

options. They implemented environment-friendly practices to reduce their ecological footprint and cater to the growing consumer demand for sustainable packaging solutions. (Source: Statista, Resource wise, Mordor Intelligence, Statista, Industry Arc, Extrapolate, India Brand Equity Foundation)

## **DOMESTIC**

The pulp and paper market in India was valued at USD 14.75 billion in 2023 and expected to reach USD 35.57 billion by 2030, growing at a CAGR of 13.4% during the time spanning 2023 to 2030. The market value of the Indian paper industry was forecast to peak USD 19.1 billion in 2033. Among the various business segments within the paper industry, the packaging industry fared well across application segments like the pharma sector and FMCG, catalysed by e-commerce. The Indian paper industry's volume growth is expected to have declined to a 2-5% range in FY 2023-24 as against ~7% in FY 2022-23. Besides, the industry's revenues were projected to have declined by ~7-10% in FY 2023-24 amid a decline in realisations. The realisation levels in the packaging paper segment (more than 60% of total demand) witnessed a decline starting from the second quarter of FY2023, as the input prices and rising competition softened. This trend continued in FY 2023-24 as well.

### **Wastepaper-based paper manufacturing in India**

The demand for pulpable wood in India in FY 2022-23 stood at 11 million tons, which is expected to reach 15 million tons by 2024-25. The availability of the product is pegged at 9 million tons. However, India's wastepaper collection/recovery is a mere 38% as against 68% in the US.

The paper industry uses wood, agro residues (such as straw and bagasse) and waste paper (imported as well as domestic) as input substrates for production. Currently, in the total production, the share of wood, agro and waste paper-based mills stand at 18%, 7% and 75% respectively. Imports of wastepaper grew by 11.62% in terms of quantity and 9.90% in terms of value in FY 2022-23.

Currently out of 125 newsprint mills in India, 46 have stopped the production of newsprint. The present domestic installed capacity of newsprint stands at 2.2 million tons. The imports of newsprint in the country for FY22 and FY 2022-23 stood at 0.61 million tons and 0.62 million tons respectively. Around 50% of the required newsprint in the nation was met through imports.

- 75% Share of waste-paper based mills out of all paper mills in India
- 68% Wastepaper collection/recovery in the US
- 38% Wastepaper collection/recovery in India

(Source: The Pulp and Paper Times, DPIIT annual report 2022-23, INMA, IPMA)

## **Environment and economic benefits of wastepaper**

Wastepaper consists of various environment and economic benefits:

- Energy and water savings
- Reducing pollution and protecting the environment
- Reduction in carbon emissions
- Saving investment and reducing costs

Every 1% increase in waste paper recovery in India leads to savings of:

- 0.2 Million tons of raw materials
- 0.16 Million tons of coal
- 2,750 MW of power
- 7.7 Million cubic metre of water
- 0.02 Million tons of greenhouse gas emissions

(Source: Papermart, Paperpulpmachine, pulpandpapertechnology.com)

## **India paper and paperboard packaging industry**

The India paper and paperboard packaging market was valued at USD 12.87 billion in 2024 and is forecast to reach USD 17.74 billion by 2029, growing at a CAGR of 6.63% between 2024 and 2029. The growth of the market is dependent on a shift towards flexible packaging on account of high logistics costs, growing retail demand, and increase in the demand for digitally printed packaging. India has more than enough capacity to produce nearly all grades of paper, yet large imports are threatening the financial health of many mills. Of the over 900 paper mills in the country, only 553 are currently operational. Imports, particularly paper and paperboard from ASEAN countries, enter India duty-free under the ASEAN-India Free Trade Agreement. Additional duty concessions from ASEAN and Korean FTAs, as well as tariff concessions to China under the Asia Pacific Trade Agreement (APTA), have further stimulated paper imports. Subsidies provided to paper mills in some of these countries give them a pricing edge over Indian mills. For the fiscal year 2023, India exported paper and paperboard products worth around USD 3.04 billion. Conversely, the export value of pulp and waste paper was the lowest at USD 3.59 million. In 2023, India's per capita paper consumption was about 15 kg. The Indian paper industry contributes 5% to global production, suggesting significant potential for growth. The flexible packaging market in India is projected to expand by USD 15.57 billion from 2023 to 2028, with a CAGR of 12.69%. There is a growing demand for paper, particularly in the packaging of FMCG products and ready-to-eat foods. Packaging-grade paper represents 55% of the primary types of paper produced in the domestic paper and paperboard industry. In FY 2023-24, the volume of packaging paper was expected to increase by 6-8%, driven by demand in the pharmaceutical and FMCG sectors. The sector's growth is fuelled by increases in e-commerce, food processing, pharmaceuticals, FMCG, manufacturing, and healthcare. Furthermore, various government initiatives, including 'Make in India', have positively influenced the packaging industry. The

paper and packaging industry ranks as the fifth largest sector in the Indian economy. (Source: Mordor Intelligence, Technavio, Print Week India, Economic Times, Statista)

### **Writing and printing paper industry in India**

The Indian writing and printing paper market was valued at USD 2660.00 million in 2021 and is expected to reach USD 4502.48 million by 2029, registering a CAGR of 6.80 % during the forecast period of 2022 to 2029. The market has expanded significantly in recent years due to the swift adoption of packaging solutions and an increase in home delivery services across various regions. Writing, printing, and specialty paper are essential for protecting and transporting a diverse range of goods. Demand for this paper from catalogues, books, notebooks, industrial printing, stationery, newspapers, magazines, business forms, packaging, and labelling is expected to fuel the growth of the writing, printing, and specialty paper in India. The volume of writing and printing paper grew by a modest 3-5% due to increased digitalisation. (Source: Data Bridge Market Research)

### **STRENGTH & OPPORTUNITIES**

The competitive strengths and the opportunities that are available to the Indian Paper Industry are:

- The Government and consumers both have concerns about environmentally sustainable packaging solutions, which present an opportunity for the Company as paper-based packaging is more eco-friendly than plastics and other non-biodegradable materials. The Company can utilise this opportunity by investing more towards sustainable packaging solutions.
- While the Newsprint segment is facing challenges in the short term, we believe once normalcy returns; we shall see a V shaped recovery due to emergence of the demand.
- The impending changes in the education policy and curriculum are bound to create a huge demand for Newsprint and Writing & printing papers to meet the needs of new books etc.
- Robust growth in e-commerce, FMCG, Consumer Goods & Pharma to drive paper board demand.
- With a number of countries replacing plastic bags with paper equivalents, paper industry opportunities are growing.

### **WEAKNESS & THREATS**

The following competitive weaknesses and threats confront the Industry:

- The Indian paper industry is currently being crushed by a plenty of problems including the non-availability of waste paper, high prices for pulp, fibres and newsprint, container problems, including rising freight rates, increasing coal, chemicals and other inputs rates.

- Poor collection of used paper resulting in low recovery rate and undue dependence on imports to meet domestic needs.
- Absence of policy measures for creation of sustainable raw material base through industrial plantations and used paper recovery.
- Increasing competition from electronic media and digital communication alternatives
- Cyclical: Prices of paper are linked to global prevailing raw material prices and price of finished product. This industry is also highly cyclical in nature. Unchecked imports can prevent companies from passing on the increase in raw material prices.
- Increasing imports consequent on numerous Regional Trade Agreements (RTAs) / Free Trade Agreements (FTAs) entered into by the Govt without adequate safeguards.

Paper Industry is capital intensive and yields poor returns on investments. To enhance the competitiveness of the Industry, Govt must address the issues of creation of robust raw material base as well as extending fiscal incentives for assimilation of eco-friendly technologies, etc. International Competitiveness is the key issue that is confronting the Indian Paper Industry, today especially in the context of Government's resolve to bring down import tariff every year and RTAs/ FTAs entered into with ASEAN / SAARC countries. The major players, alive to the emerging international threats, have been aggressively pursuing quality improvement programmes, coupled with cost rationalisation and capacity additions. Increasingly, more up-to-date technologies are sought to be implemented, with added focus on environmental compliance.

### **SEGMENT WISE PERFORMANCE**

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

### **RISKS AND CONCERNS**

- Digitalization: As the world shifts towards digital platforms, paper demand could decline.
- Volatility: Wastepaper and pulp are critical paper raw materials, around 57% of the cost of sales. These costs are subject to fluctuations, affecting profits.
- Disruptions in supply-chain affecting availability and prices of key input materials.

### **FUTURE OUTLOOK**

The long-term demand outlook for paper in the Indian market remained moderately positive, due to the relatively low per-capita consumption compared to global averages. The implementation of the New Education Policy (NEP) is expected to stimulate demand for printing and writing paper. The increasing use of specialised and traditional packaging in FMCG, healthcare, e-commerce, pharmaceuticals, and consumer industries is expected to drive demand; a focus on innovative and visually appealing packaging, and ongoing transition from plastic to paper-based packaging in the FMCG and food product sectors is expected to catalyse demand as well. (Source: Maximize Market Research, ICRA, Financial Express)

## **INTERNAL CONTROL SYSTEM & THEIR ADEQUACY**

The Company has laid down adequate systems and well drawn procedures for ensuring internal financial controls. It has appointed an external audit firm as Internal Auditors for periodically checking and monitoring the internal control measures. The Board of Directors have adopted various policies for ensuring the orderly and efficient conduct of the business of the Company, 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. The Statutory Auditors have also expressed satisfaction with the existing system in their Audit Report to the Shareholders.

## **COMPANY FINANCIAL PERFORMANCE & SIGNIFICANT RATIOS**

| <b>Sr.<br/>No.</b> | <b>Particulars</b>                          | <b>(Rs. in Lakhs)</b> |                |
|--------------------|---|-----------------------|----------------|
|                    |   | <b>2023-24</b>        | <b>2022-23</b> |
| 01.                | Total Income                                | 27444.08              | 23454.73       |
| 02.                | EBITDA                                      | 1737.29               | (32.62)        |
| 03.                | Less: Finance Cost                          | 1089.05               | 863.69         |
| 04.                | Profit Before Depreciation & Tax            | 648.24                | (896.31)       |
| 05.                | Less: Depreciation                          | 500.79                | 502.66         |
| 06.                | Profit Before Tax                           | 147.45                | (1398.97)      |
| 07.                | Less: Deferred/Current Tax                  | 57.92                 | (353.60)       |
| 08.                | Profit After Tax                            | 89.53                 | (1045.37)      |
| 09.                | Add: Other Comprehensive Income(Net of Tax) | 3.19                  | 9.96           |
| 10.                | Net Profit for the Year                     | 92.71                 | (1035.41)      |
| 11.                | Debtors Turnover Ratio                      | 10.29                 | 8.98           |
| 12.                | Inventory Turnover Ratio                    | 5.98                  | 5.64           |
| 13.                | Current Ratio                               | 1.64                  | 1.56           |
| 14.                | Debt Equity Ratio                           | 4.76                  | 5.16           |
| 15.                | Interest Coverage Ratio*                    | 1.15                  | 0.00           |
| 16.                | Operating Profit Margin*                    | 11.90                 | 5.71           |
| 17.                | Net Profit Margin*                          | 0.32                  | (4.47)         |
| 18.                | Return on Net Worth*                        | 14.57                 | (60.61)        |

\* Loss incurred during the last financial year

For further information and detailed explanations on ratios, please refer note no. 36 of the Financial Statements.

## **DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

This has been dealt with in the Board's Report.

## **HUMAN RESOURCE & INDUSTRIAL RELATIONS**

The Company employs 211 persons in all ranks in its two units as on 31<sup>st</sup> March, 2024. The employees of the company are considered as its most valuable resource and the company recognizes the importance of aligning human resource practices with business priorities and objectives. The workforce is the key strategic pillar that drives the business processes to attain the company's vision. The company has maintained a healthy and cordial industrial relationship with its employees, who

have been equal partners in implementing company policies and achieving stretched operational targets.

### **CAUTIONARY STATEMENT**

Statements in this report on 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 or regulations. These statements are based on certain assumptions and expectations of future events. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and domestic demand supply conditions, finished goods prices, raw material cost and availability, changes in Government regulations, tax regimes, economic developments within India and other factors such as litigation and industrial relations. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent developments, information or events.



**Form No. MR-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 No. 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014)**

**To,  
THE MEMBERS,  
MALU PAPER MILLS LIMITED  
CIN - L15142MH1994PLC076009  
HEERA PLAZA, 04<sup>TH</sup> FLOOR,  
NEAR TELEPHONE EXCHANGE,  
CENTRAL AVENUE, NAGPUR,  
MH - 440008, INDIA.**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MALU PAPER MILLS LIMITED**. (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the **MALU PAPER MILLS LIMITED**'s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **MALU PAPER MILLS LIMITED**. ("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 thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder; to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable as there was no fresh issue of capital during the year)**
- (b) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (c) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable to the listed entity during the Review Period);**
- (d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **(Not applicable to the listed entity during the Review Period);**
- (e) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the listed entity during the Review Period);**
- (f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(Not applicable to the listed entity during the Review Period);**
- (g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (h) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;
- (i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and **(No incidence during the audit period, hence not applicable);**

(vi) I have reviewed the systems and mechanisms established by the Company for ensuring compliances under the other applicable Acts, Rules, Regulations and Guidelines prescribed under various laws which are specifically applicable to the Company and categorized under the following heads/ groups:-

- (a) The Factories Act, 1948 and Rules made thereunder;
- (b) Labour laws and other incidental laws related to labour and employees appointed by the Company;
- (c) Acts and Rules prescribed under prevention and control of pollution;
- (d) Acts and Rules relating to Environmental protection, energy conservation and hazardous substances and chemicals;
- (e) Acts and Rules relating to boilers, electricity, fire, etc.;

I 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 Listing Agreements entered into by the Company with National Stock Exchange and Bombay Stock Exchange(s),
- (iii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

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

As per the minutes of the meeting duly recorded and signed by the Chairman the decisions of the Board were unanimous and no dissenting views have been recorded,

**I further report that**

Based on the information provided and the representation made by the Company, in my opinion there are adequate systems and processes in the Company commensurate with the size and operations of the Company to

monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

The Compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subjected to review by statutory financial audit and other designated professionals.

**I further report that** during the audit period, there were no specific events/ actions in pursuance of the above referred laws, rules, regulations, guidelines, etc, having major bearing on the Company's affairs. Except that During the year under review One action taken against the company by BSE for late filing of Annual report under Regulation 34 of SEBI (LODR) Regulations, 2015 & Company has duly paid the penalty, amounting to Rs. 54,280 (incl of Gst).

Date: 13/08/2024

Place: Nagpur

**Ramachandran Iyer**

Practicing Company Secretary

M.No. FCS 5255

CP No.: 3773

UDIN :F005255F000943863

**'ANNEXURE - A'**

**To,**

**MALU PAPER MILLS LIMITED  
CIN - L15142MH1994PLC076009  
HEERA PLAZA, 04<sup>TH</sup> FLOOR,  
NEAR TELEPHONE EXCHANGE,  
CENTRAL AVENUE, NAGPUR,  
MH - 440008, INDIA.**

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: 13/08/2024

Place: Nagpur

**Ramachandran Iyer**  
Practicing Company Secretary  
M.No. FCS 5255  
CP No.: 3773  
UDIN :F005255F000943863

## ANNEXURE - C

To Board's Report 2024

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE**

Information as required under the Companies Act, 2013 is given hereunder:

#### **A. Conservation of energy**

| <b>Power &amp; Fuel Consumption</b> |                                | <b>Current Year</b> | <b>Previous Year</b> |
|-------------------------------------|--------------------------------|---------------------|----------------------|
| 1                                   | Electricity (Purchased) Units  | 1,31,02,553         | 1,08,24,978          |
|                                     | Total Amount                   | 12,04,33,225        | 9,96,71,140          |
|                                     | Rate per Unit                  | 9.19                | 9.21                 |
| 2                                   | Electricity (Generated ) Units | 3,55,08,300         | 2,00,36,500          |
|                                     | Diesel consumed in Liters      | -                   | -                    |
|                                     | Total Amount                   | -                   | -                    |
|                                     | Rate per Unit                  | -                   | -                    |
| 3                                   | Total Units consumed           | 4,86,10,853         | 3,08,61,478          |

#### **B. Consumption per unit of production**

| <b>Quality</b>                      |   | <b>Kwh/MT</b> | <b>Kwh/MT</b> |
|-------------------------------------|---|---------------|---------------|
| Kraft Paper                         | : | 263.74        | 288.99        |
| Newsprint, Writing & Printing Paper | : | 1031.31       | 1067.29       |

#### **C. Energy conservation measures**

- Installation of energy efficient LED lamps in Plant and common lighting area by replacement of copper ballasts thereby saving in consumption of electricity.
- Optimization of pipeline sizes and routing of pipes to reduce the running load of pump motors.
- Using Biomass fuel in the captive power plants and in process boilers to reduce green house gas emissions.

#### **B. Technology absorption and research and development**

##### ***(1) Research and Development:***

Technical discussion and presentation by the suppliers to the technical staff for upgrading the systems and adopt industrial best practices and sharing of R & D knowledge of the equipment suppliers was done during the year.

**(2) R & D Expenditure**

31st March, 2024    31st March, 2023

Amount in Rs

|  |     |     |
|--|-----|-----|
| (a) Capital                                      | NIL | NIL |
| (b) Revenue                                      |     |     |
| (c) Total  |     |     |
| (d) Total R&D expenditure as % of Total Turnover |     |     |

**(3) Technology absorption, adaption and innovation**

(a) Efforts in brief made towards technology absorption, adaption and innovation:

- Updation of process and investment in new age products and advanced equipments was done in the plants to improvise the process.
- Regular interaction with equipment designers and manufacturers for improvements to processing and operating parameters.

(b) Benefits derived as a result of above efforts.

- The Company has benefited by increasing the output due to induction of new and advanced equipments.

(c) The company has not imported technology during the last 8 years reckoned from the beginning of the financial year.

**C. Foreign Exchange Earning and Outgo**

(a) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans.

The company has successfully marketed its product in the China Market and continues to sell its product in its existing markets in Africa and Asia.

(b) Information in respect of Foreign Exchange Earning and Outgo is:

|          | <b>Amount in Rs</b> |                      |
|----------|---------------------|----------------------|
|          | <b>Current Year</b> | <b>Previous Year</b> |
| Earning  | 1,10,78,330         | 1,38,15,167          |
| Outgoing | 42,89,29,158        | 57,89,75,516         |

Date: 13/08/2024

By Order of Board of Directors

Place: Nagpur

**Punamchand Malu**  
**Managing Director & CEO**  
**(DIN:00301030)**

**Banwarilal Malu**  
**Jt. Managing Director**  
**(DIN:00301297)**

## CORPORATE GOVERNANCE REPORT

Your Directors present the Company's Report on the Corporate Governance for the financial year 2023-24 as incorporated in Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Corporate Governance envisages working towards high levels of transparency, accountability, consistent value systems, delegation across all facets of its operations leading to sharply focused and operationally efficient growth. The Company's approach to Corporate Governance and the role it plays goes well beyond meeting our compliance obligations. The Company strives to be transparent, ethical and maintain high level of integrity in the conduct of its business and also in its interactions with stakeholders, including shareholders, employees, customers, suppliers and statutory authorities. The Company's policy is to have an appropriate blend of independent and non-independent directors to maintain the independence of the Board and to separate the Board functions of governance from Management of the Company.

The company follows all the principles of Corporate Governance in its true spirit and at all times.

### 2. BOARD OF DIRECTORS:

#### a. Composition and category of directors:

The composition of Board of Directors of the Company has an optimum combination of executive and non-executive directors in conformity with Section 149 of the Companies Act, 2013 (hereinafter referred to as "the Act") and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Listing Regulations").

The Board of Directors comprises optimum mix of Six Non-Executive Directors and two Executive Directors as on 31<sup>st</sup> March 2024.

None of the Directors on the Board hold directorships in more than ten public companies. Further none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he/she is a Director.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. The maximum tenure of independent directors is in compliance with the Act.

All the Independent Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act.

|    |                                 |            |
|----|---------------------------------|------------|
| i) | <b>Non-Executive Directors:</b> | <b>DIN</b> |
| a) | <b>Promoter Group</b>           |            |
|    | 1 Mr. Vasudeo Malu              | 00301313   |
|    | 2 Mr. Purushottam Malu          | 01720007   |



b) **Independent**

|   |                           |          |
|---|---------------------------|----------|
| 1 | Mr. Satyanarayan Rathi    | 01797378 |
| 2 | Mr. Chandrakant Thakar    | 00784189 |
| 3 | FCA Shrutika Inani        | 06937649 |
| 4 | Mr. Sahil Shankar Agrawal | 02690403 |

ii) **Executive Directors:**

|   |                     |          |
|---|---------------------|----------|
| 1 | Mr. Punamchand Malu | 00301030 |
| 2 | Mr. Banwarilal Malu | 00301297 |

- b. Attendance of each Director at the meetings of Board of Directors held during the financial year 2023-24, last Annual General Meeting and the Number of Directorships and memberships of Committees of each Director in various Companies during the period under review is as follows:

| Name of the Director   | Category                       | No. of Board Meetings attended | Attendance at last AGM | Relationships between directors inter-se |
|------------------------|--------------------------------|--------------------------------|------------------------|--|
| Mr. Punamchand Malu    | Executive                      | 3                              | YES                    | Brother of Mr. Purushottam Malu          |
| Mr. Banwarilal Malu    | Executive                      | 4                              | YES                    | Brother of Mr. Vasudeo Malu              |
| Mr. Vasudeo Malu       | Non-Executive, Non-Independent | 3                              | YES                    | Brother of Mr. Banwarilal Malu           |
| Mr. Purushottam Malu   | Non-Executive, Non-Independent | 2                              | YES                    | Brother of Mr. Punamchand Malu           |
| Mr. Satyanarayan Rathi | Non-Executive, Independent     | 4                              | YES                    | -  |
| Mr. Chandrakant Thakar | Non-Executive, Independent     | 2                              | YES                    | -  |
| CA. Shrutika Inani     | Non-Executive, Independent     | 4                              | YES                    | -  |
| CA. Sahil Agrawal      | Non-Executive, Independent     | 2                              | YES                    | -  |

- c. The Board of Directors meets at least once a quarter to review the Company's performance and financial results and more often, if necessary, to transact other business. 04 (Four) meetings of Board of Directors were held on 20/05/2023, 09/08/2023, 04/11/2023 and 12/02/2024 during the financial year.

**d. Number of directorships/committee positions of Directors As on 31<sup>st</sup> March 2024**

| Name of Director       | Directorships              |                                      |                              | Committee positions in listed and unlisted public limited companies* |             | Directorship in listed entity and the category of Directorship |
|------------------------|----------------------------|--------------------------------------|------------------------------|--|-------------|--|
|                        | In equity listed companies | In unlisted public limited companies | In private limited companies | As Member  | As Chairman |  |
| Mr. Punamchand Malu    | 1                          | -                                    | 4                            | -  | -           | Malu Paper Mills Limited- Executive Managing Director & CEO    |
| Mr. Banwarilal Malu    | 1                          | -                                    | 2                            | 1  | 0           | Malu Paper Mills Limited- Jt Managing Director                 |
| Mr. Purushottam Malu   | 1                          | -                                    | 3                            | -  | -           | Malu Paper Mills Limited- Non Executive Director               |
| Mr. Vasudeo Malu       | 1                          | -                                    | 1                            | -  | -           | Malu Paper Mills Limited- Non Executive Director               |
| Mr. Satyanarayan Rathi | 1                          | -                                    | -                            | 2  | 1           | Malu Paper Mills Limited- Non Executive Independent Director   |
| Mr. Chandrakant Thakar | 1                          | 1                                    | -                            | 2  | -           | Malu Paper Mills Limited- Non Executive Independent Director   |
| CA. Shrutika Inani     | 1                          | -                                    | -                            | 1  | 1           | Malu Paper Mills Limited- Non Executive Independent Director   |
| CA. Sahil Agrawal      | 1                          | -                                    | -                            | 0  | 0           | Malu Paper Mills Limited- Non Executive Independent Director   |

\*This covers Membership / Chairmanship of 'Audit Committee' and 'Stakeholders Relationship Committee' in all Public limited Companies (including Malu Paper Mills Limited) as per Regulation 26(1)(b) of Listing Regulations

**e. Number of Shares and Convertible Instruments held by Non- Executive directors;**

Except below mentioned, none of the non-Executive Directors hold any equity shares in the Company:

| Sr. No | Name and designation of the Director                       | No. of Shares held |
|--------|--|--------------------|
| 1      | Mr. Vasudeo Malu, Non Executive Director                   | 7,26,774           |
| 2      | Mr. Purushottam Malu                                       | 3,03,083           |
| 3      | Mr. Chandrakant Thakar, Non Executive Independent Director | 2,232              |
| 4      | Mr. Satyanarayan Rathi                                     | 1,000              |

**f. Familiarization Programme**

Pursuant to Regulation 25(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has framed a policy to familiarize the Independent Directors about the Company. The details on familiarization programme is disclosed on the website of the Company at [www.malupaper.com](http://www.malupaper.com).

A formal familiarization programme was conducted to familiarize independent directors about the company's product and services and also to familiarize independent directors about the amendments in the Companies Act, 2013, Rules prescribed thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other applicable laws of the Company.

It is the general practice of the Company to notify the changes in all the applicable laws from time to time to the Board of Directors regularly.

**g. Core Skill/Expertise/Competencies**

As stipulated under Schedule V of the SEBI Listing Regulations, core skills/expertise/competencies, as required in the context of the business and sector for it to function effectively and those actually available with the Board have been identified by the Board of Directors.

**Chart/Matrix of such core skills/expertise/competencies identified by the Board as requirement for the Company is given below:-**

| Name of the Director   | Management and Strategy | Information Technology, Systems and Computers | Industry knowledge | Sales, Marketing and International Business | Interpretation of Financial Statements | Understanding of laws, rules and regulations |
|------------------------|-------------------------|---|--------------------|---|--|--|
| Mr.Punamchand Malu     | High                    | Moderate                                      | High               | High  | High                                   | High   |
| Mr.Banwarilal Malu     | High                    | Moderate                                      | High               | High  | High                                   | High   |
| Mr. Vasudeo Malu       | High                    | Moderate                                      | High               | High  | High                                   | High   |
| Mr. Purushottam Malu   | High                    | Moderate                                      | High               | High  | High                                   | High   |
| Mr. Satyanarayan Rathi | High                    | Moderate                                      | High               | High  | High                                   | High   |
| Mr. Chandrakant Thakar | High                    | Moderate                                      | High               | Moderate                                    | High                                   | High   |
| FCA. Shrutika Inani    | High                    | High  | High               | Moderate                                    | High                                   | High   |
| Mr. Sahil Agrawal      | High                    | High  | High               | Moderate                                    | High                                   | High   |

- h. The Board of Directors be and is hereby confirm that in the opinion of the Board, the Independent Directors fulfill the conditions specified by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they are independent of the management.

i. Independent Director Databank Registration

Pursuant to a notification dated October 22, 2019 issued by the Ministry of Corporate Affairs, all the Independent Directors have completed the registration with the Independent Directors Databank.

Requisite disclosures have been received from the directors in this regard.

**3. AUDIT COMMITTEE:**

The Audit Committee as on 31-03-2024 comprised of three independent Non-Executive Directors namely CA Shrutika Inani(Chairman of the Committee), Mr Satyanarayan Rathi and Mr Chandrakant Thakar.

CA Shrutika Inani is Chartered Accountant and possessed expert knowledge in the area of finance and accounting.

The terms of reference of the Audit Committee are as per Section 177 of the Companies Act, 2013 and the guidelines set out in Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 that inter-alia include overseeing financial reporting process, reviewing periodic financial results, financial statements and adequacy of internal control systems with the management and adequacy of internal audit functions, discussions with auditors about the scope of audit including the observations of the auditors and discussion with internal auditors on any significant findings. The Committee also recommends to the Board the remuneration payable to the Executive Directors.

The members of the Audit Committee are financially literate and have experience in financial management.

The Committee invites the Managing Director, CFO, Statutory Auditors and Internal Auditor to attend the meetings of the Committee for meetings/ matters which requires their participation. Company Secretary of the Company acts as Secretary to the Committee.

- i. During the year under review 04(Four) meetings were held on 20/05/2023, 09/08/2023, 04/11/2023 and 12/02/2024.

The following table gives attendance record:

| Sr. No. | Name of the Members of Audit Committee | Category                    | Number of Meetings held | Number of Meetings attended |
|---------|--|-----------------------------|-------------------------|-----------------------------|
| 1       | FCA Shrutika Inani                     | Non-Executive & Independent | 4                       | 4                           |
| 2       | Mr. Satyanarayan Rathi                 | Non-Executive & Independent | 4                       | 4                           |
| 3       | Mr. Chandrakant Thakar                 | Non-Executive & Independent | 4                       | 2                           |

#### 4. NOMINATION AND REMUNERATION COMMITTEE:

In compliance with provisions of Section 178 of the Companies Act, 2013, the Nomination and Remuneration Committee as on 31-03-2024 comprised of three independent Non-Executive Directors namely Mr. Chandrakant Thakar (Chairman of the Committee), Mr. Satyanarayan Rathi and Mr. Purushottam Malu.

The Committee has been constituted to recommend remuneration of executive Directors, formulation of criteria for evaluation of Independent Director, Identifying persons who are qualified to become Directors and who may be appointed in senior management and recommendation to the Board for their appointment and removal.

During the year under review 01 (One) meeting was held on 12/02/2024.

The following table gives attendance record:

| <b>Sr. No.</b> | <b>Name of the Members of Shareholders' Grievance Committee</b> | <b>Category</b>                 | <b>Number of Meetings held</b> | <b>Number of Meetings attended</b> |
|----------------|---|---------------------------------|--------------------------------|------------------------------------|
| 1              | Mr. Satyanarayan Rathi  | Non-Executive & Independent     | 1                              | 1                                  |
| 2              | Mr. Chandrakant Thakar  | Non-Executive & Independent     | 1                              | 1                                  |
| 3              | Mr. Purushottam Malu  | Non-Executive & Non Independent | 1                              | 1                                  |

#### 5. SHAREHOLDERS' GRIEVANCE COMMITTEE:

The Shareholders' Grievance Committee as on 31<sup>st</sup> March 2024 comprised of three Directors i.e. Mr. Satyanarayan Rathi (Chairman of the Committee), Mr. Chandrakant Thakar and Mr. Banwarilal Malu. Ms. Mayuri Asawa, Company Secretary & Compliance officer has been appointed as the Compliance Officer of the Company as per Regulation 6 of the SEBI Listing Regulations to discharge all duties under the said SEBI Listing Regulations.

The shareholder grievance committee has been constituted to attend to and redress the shareholders / investors grievances in matters such as transfer of shares, non-receipts of annual reports, dematerialization of shares etc.

The Company and the Link Intime India Pvt. Ltd., the RTA of the Company attend to all grievances of the shareholders and investors received directly or through SEBI, Stock Exchanges etc. Continuous efforts are made to ensure that grievances are more expeditiously redressed to the satisfaction of the investors.

During the year under review, the Company has received 01 complaint from applicant/shareholder, which inter-alia included request to send all the correspondence documents in hard copies and the complaints was duly taken into consideration and reply has been filed on the same. No complaint was pending as on March 31, 2024.

The Committee met on 09/08/2023 in which three directors were respectively present.

| Sr. No. | Name of the Members of Shareholders' Grievance Committee | Category                        | Number of Meetings held | Number of Meetings attended |
|---------|--|---------------------------------|-------------------------|-----------------------------|
| 1       | Mr. Satyanarayan Rathi                                   | Non-Executive & Independent     | 1                       | 1                           |
| 2       | Mr. Chandrakant Thakar                                   | Non-Executive & Independent     | 1                       | 0                           |
| 3       | Mr. Banwarilal Malu                                      | Executive Jt. Managing Director | 1                       | 1                           |

## 6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The provisions of Section 135 of the Companies Act, 2013 relating to corporate social responsibility are not applicable to the Company in the reporting financial year. The company had dissolved CSR Committee w.e.f 11/02/2023.

## 7. SEPARATE MEETING OF INDEPENDENT DIRECTORS:

During The year under review, all the Independent Directors of the Company met on 20<sup>th</sup> May 2023, to review the performance of non- Independent Directors and the Board as a whole, review the performance of the Chairperson of the Company and had assessed the quality, quantity and timeliness of flow of information between the company management and the Board.

## 8. REMUNERATION OF DIRECTORS:

- i. During the financial year 2023-24, the Company has made the following payments to the Non-executive Directors/Independent directors:

| Sr.No | Name of Director       | Sitting Fees (Rs.) |
|-------|------------------------|--------------------|
| 1.    | Mr. Vasudeo Malu       | 15,000/-           |
| 2.    | Mr. Chandrakant Thakar | 10,000/-           |
| 3.    | Mr. Satyanarayan Rathi | 20,000/-           |
| 4.    | FCA. Shrutika Inani    | 20,000/-           |
| 5.    | Mr. Purushottam Malu   | 10,000/-           |
| 6.    | Mr. Sahil Agrawal      | 10,000/-           |

- ii. The details of remuneration paid to Managing Directors for the F.Y. 2023-24 is given as follows: (No sitting fees are paid to the Managing Directors):

| Director            | Designation             | Term   | Remuneration (including all perquisites)* |
|---------------------|-------------------------|--|---|
| Mr. Punamchand Malu | Managing Director & CEO | five years from 1 <sup>st</sup> Day of April, 2020 | Nil                                       |
| Mr. Banwarilal Malu | Jt. Managing Director   | five years from 1 <sup>st</sup> Day of April, 2020 | Nil                                       |

\*The Executive Directors had decided to waive remuneration for the reporting financial year in the Board meeting held on 09-08-2023.

- iii. The Company has not issued any stock options to its directors.

iv. **CRITERIA OF MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS:**

- a) All the remuneration of the Non- Executive Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.
- b) The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
- d) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
- The Services are rendered by such Director in his capacity as the professional; and
  - In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

**9. GENERAL BODY MEETINGS**

| <b>Financial year ended</b> | <b>Date &amp; Time</b>                              | <b>Venue</b>   | <b>Nature</b>          | <b>Special Resolutions passed</b>   |
|-----------------------------|---|--|------------------------|---|
| 31 March, 2023              | 27 <sup>th</sup> day of September 2023 at 3:00 p.m  | 'Heera Plaza', 4th Floor, Near Telephone Exchange Square, Central Avenue, Nagpur | Annual General Meeting | No special resolutions passed   |
| 31 March, 2022              | 28 <sup>th</sup> day of September, 2022 at 3:00 p.m | 'Heera Plaza', 4th Floor, Near Telephone Exchange Square, Central Avenue, Nagpur | Annual General Meeting | 1. Continuation of appointment of Shri Punamchand Malu (Din: 00301030) as an Executive Managing Director & CEO (the whole time key managerial personnel) of the Company |
| 31 March, 2021              | 15 <sup>th</sup> day of September, 2021 at 3:00 p.m | The meeting was conducted through video conferencing                             | Annual General Meeting | No special resolutions passed   |

During the financial year 2023-24 under review, no resolutions were passed by the shareholders through postal ballot. No resolution is proposed to be passed through postal ballot.

## MEANS OF COMMUNICATION

We regularly interact with the shareholders through the multiple channels of communication such as publication of notices, results, annual Reports and our website at [www.malupaper.com](http://www.malupaper.com)

- All the communication, may it be results or notices etc, by way of News Papers is published in Loksatta, a Marathi daily newspaper in [Maharashtra](#) and Indian express - The English newspaper published in Nagpur.
- Financials are furnished to BSE and NSE within the time specified under Regulation 33 of SEBI(LODR) Regulations, 2015 and simultaneously, they are also put on the Company's website can be accessed at <https://www.malupaper.com/investors/>
- Event based news releases are posted on our website and also furnished to the Stock Exchange.
- No presentations were made to institutional investors or to the analysts during the financial year under review.
- The company promptly informs Stock Exchange about all the price sensitive information and all such other matters which in our opinion are material and relevant for the shareholders.
- The Company's website: <https://www.malupaper.com/investors/> contains separate section for investors where shareholders information is made available.

## • GENERAL SHAREHOLDERS INFORMATION

### a. Thirty-first Annual General Meeting:

Date : 24<sup>th</sup>September, 2024.

Time : 3.00 PM

Venue: The AGM will be held at the registered office of the Company at 'Heera Plaza, 4th Floor, Near Telephone Exchange Square, Central Avenue, Nagpur.

### Dates of Book Closure:

18<sup>th</sup> September 2024 to 24<sup>th</sup> September 2024 (both days inclusive).

### b. Financial Calendar of the Company:

The Financial Year covers the period from April 1, 2023 to March 31, 2024.

### Financial Reporting for 2024-2025 (Tentative)

|                                      |                                |
|--------------------------------------|--------------------------------|
| First Quarter results (April - June) | On August 13, 2024             |
| Second Quarter results (July – Sept) | On or before November 14, 2024 |
| Third Quarter results (Oct – Dec)    | On or before February 14, 2025 |
| Annual Results audited (Audited)     | On or before May 30, 2025      |

### c. Dividend Payment date:

No Dividend recommended for FY 2023-24 by the Board.



**d. Listing on Stock Exchanges:**

The equity shares of the Company are listed on The Bombay Stock Exchange Limited and the National Stock Exchange of India. The requisite annual listing fees for the year 2024-25 have been paid in full to the Stock Exchanges.

**e. Stock Code:**

ISIN (Equity Shares) in NSDL and CDSL - INE383H01017

The Bombay Stock Exchange Ltd. -532728

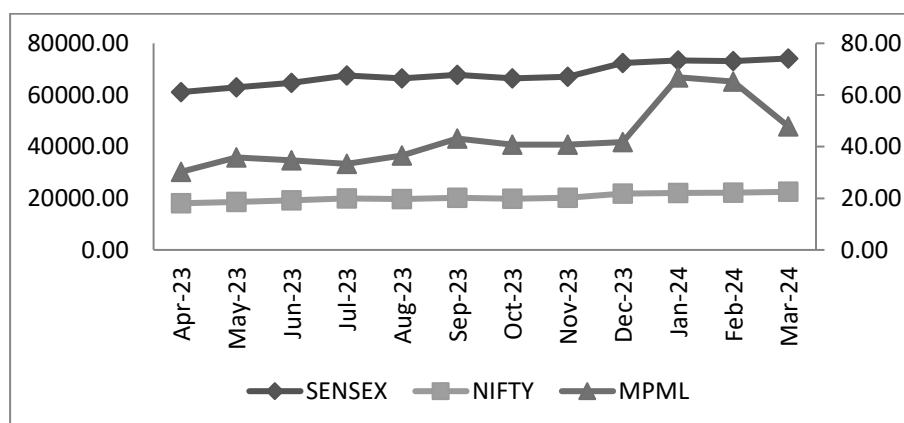
National Stock Exchange of India Ltd.-MALUPAPER

**f. Market Price Data**

The details of monthly high and low quotations of the equity shares of the Company traded at BSE and NSE from April 01, 2023 to March 31, 2024 are given below:

| Month           | Bombay Stock Exchange<br>(BSE) |       | National Stock Exchange<br>(NSE) |       |
|-----------------|--------------------------------|-------|----------------------------------|-------|
|                 | High                           | Low   | High                             | Low   |
| April, 2023     | 30.90                          | 26.60 | 30.90                            | 27.50 |
| May, 2023       | 37.80                          | 30.10 | 37.15                            | 29.75 |
| June, 2023      | 39.70                          | 31.65 | 35.45                            | 31.80 |
| July, 2023      | 36.50                          | 31.31 | 34.30                            | 31.10 |
| August, 2023    | 37.81                          | 31.24 | 38.00                            | 31.20 |
| September, 2023 | 45.00                          | 34.26 | 44.75                            | 34.30 |
| October, 2023   | 43.13                          | 35.61 | 43.15                            | 35.65 |
| November, 2023  | 41.99                          | 37.40 | 42.00                            | 37.45 |
| December, 2023  | 43.00                          | 36.50 | 42.90                            | 37.25 |
| January, 2024   | 69.90                          | 39.00 | 69.90                            | 39.30 |
| February, 2024  | 68.01                          | 45.10 | 68.30                            | 45.10 |
| March, 2024     | 49.00                          | 36.21 | 36.00                            | 49.20 |

g. Stock Performance of the Company in comparison to BSE Sensex and NSE Nifty  
(Share Price Movement)



h. Registrar and Transfer Agents:

Link Intime Private Limited  
C- 101, 247 Park, LBS Marg, Vikroli (W)  
Mumbai 400 083 (MS)  
Tel. No. 022-49186000  
Fax No. 022- 49186060  
Email: info@linkintime.co.in

i. Share Transfer System:

All the transfers received are processed by the Registrar and Transfer Agent and are approved by the Stakeholders Relationship Committee constituted in this behalf. Shares sent for transfer in physical form are registered and returned within a period of thirty days from the date of receipt of the document, provided the documents are valid and complete in all respects.

The Company obtains from a Company Secretary in practice a Half-Yearly Certificate of compliances with the share transfer formalities and files a copy of the Certificate with the Stock Exchange(s).

j. Distribution of Equity Shareholding as on 31-03-2024:

| Shareholding of Shares |     |       | Share holders |                 | Total Shares       |                 |
|------------------------|-----|-------|---------------|-----------------|--------------------|-----------------|
|                        |     |       | Number        | %               | Shares             | %               |
| 1                      | -   | 500   | 8194          | 84.85           | 999027             | 5.86            |
| 501                    | -   | 1000  | 746           | 7.72            | 610788             | 3.58            |
| 1001                   | -   | 2000  | 339           | 3.51            | 510955             | 2.99            |
| 2001                   | -   | 3000  | 130           | 1.35            | 330873             | 1.94            |
| 3001                   | -   | 4000  | 48            | 0.50            | 170744             | 1.00            |
| 4001                   | -   | 5000  | 45            | 0.47            | 216584             | 1.27            |
| 5001                   | -   | 10000 | 54            | 0.56            | 410120             | 2.40            |
| 10001                  | And | Above | 101           | 1.04            | 13810159           | 80.96           |
| <b>TOTAL</b>           |     |       | <b>9657</b>   | <b>100.0000</b> | <b>1,70,59,250</b> | <b>100.0000</b> |

**k. Shareholding Pattern as on 31-03-2024:**

| Category                   | No. of Shares held | % of Share holding |
|----------------------------|--------------------|--------------------|
| Individual/HUF promoters   | 8348629            | 48.94              |
| Promoters Corporate Bodies | 3584024            | 21.01              |
| Indian Public              | 5067358            | 29.71              |
| NRI's                      | 58739              | 0.34               |
| <b>TOTAL</b>               | <b>17,059,250</b>  | <b>100.00</b>      |

**l. Dematerialisation of Shares:**

As at 31st March 2024, 170,55,688 (99.97%) of total equity capital was held in electronic form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Company's Equity Shares have to be compulsorily traded in the electronic form. Requests for dematerialization of shares are processed and confirmed within 7 days.

No GDRs, ADRs or warrants have been issued by the Company.

**m. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on Equity**

Not applicable as the Company has not made any such issue.

**n. Commodity price risk or foreign exchange risk and hedging activities:**

During the year under review, the Company was not exposed to any significant Foreign Exchange Risk and hence there was no need to enter into any Hedging arrangements.

**o. Registered Office and Address of Correspondence:**

Heera Plaza, 4<sup>th</sup> Floor,  
Near Telephone Exchange,  
Central Avenue,  
Nagpur – 440 008 (MS)  
Tel. No: (0712) 2760308; 2778506  
Fax. No. (0712) 2760310  
Email: [info@malupaper.com](mailto:info@malupaper.com) ; [contacts@malupaper.com](mailto:contacts@malupaper.com)

**p. Plant Locations:****Kraft Division**

Village: Borujwada,  
Taluka: Saoner  
Saoner Road.  
District: Nagpur.

**Newsprint & Writing Printing Division**

Village: Heti Surla  
Taluka: Saoner  
Nagpur Bhopal Highway  
District: Nagpur.

## 10. OTHER DISCLOSURES:

- I. There are no materially significant related party transactions of the Company, which have a potential conflict with the interest of the company at large.

The Policy on related party transactions as approved by the Board may be viewed on the Company's website at the web link: [www.malupaper.com](http://www.malupaper.com)

- II. **Details of non-compliances, penalties and strictures by Stock Exchanges / SEBI / Statutory Authorities on any matter related to capital markets during the last three years:**

During the year under review 1 action taken against the company by BSE for late filing of Annual report and the Company has duly paid the penalty, amounting to **Rs. 54,280.**

- III. **Whistleblower Policy**

The Company has implemented the vigil mechanism policy to report genuine concerns. The policy provides for adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the chairperson of the audit committee in appropriate or exceptional cases.

During the year, none of such personnel have been denied access to the audit committee. The whistle blower policy of the Company can be accessed through its website [www.malupaper.com](http://www.malupaper.com)

- IV. **Details of compliances with mandatory requirements of corporate governance and adoption of non-mandatory requirements:**

All mandatory requirements of corporate governance have been complied with.

- V. **Subsidiary:**

The Company does not have any Material Non-Listed Indian Subsidiary as defined under Regulation 16 of SEBI Listing Regulations.

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

During the year under review, the Company has not raised any amount through preferential allotment or qualified institutional placement.

- VII. **Certificate from a company secretary in practice:**

The Company has obtained a Certificate pursuant to the Regulation 34(3) read with Schedule V of the Listing Regulations, from a Practicing Company Secretary, confirming 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 either by Securities and Exchange Board of India or the Ministry of Corporate Affairs or any other Statutory Authorities. The said certificate forms part of this report.

**VIII. Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year:**

There are no such instances during the year and the Board considered and accepted the recommendations of all the Committees.

**IX. Total fees for all services paid by the listed entity, on a consolidated basis, to the statutory auditors, M/s. Demble Ramani & Co, Chartered accountants is Rs. 3,00,000/- (Excluding of GST).**

**X. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. The Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy.

The following is the Summary of sexual harassment complaints received and disposed-off during the financial year 2023-24 ended 31<sup>st</sup> March 2024:-

|                               |     |                                   |     |
|-------------------------------|-----|-----------------------------------|-----|
| Number of Complaints received | NIL | Number of Complaints disposed off | NIL |
|-------------------------------|-----|-----------------------------------|-----|

**XI. Disclosures by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested:-**

The Company does not have any subsidiary and has not given any loans and advances in the nature of Loans to Firms/companies in which Directors are interested.

**XII. Non-compliance of any requirement of corporate governance report, with reasons thereof:**

All the corporate governance requirements are complied with to the extent applicable to the Company.

**XIII. Disclosure of agreement binding on listed entities**

There is no agreement entered into parties as specified in Clause 5A to para A of Part A of schedule III to SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

**XIV. Disclosure on Non-Compliance of Corporate Governance**

There was no such non-compliance made by the Company on corporate governance as required under sub- paras (2) to (10) of Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**XV. Code of conduct for prevention of Insider trading**

In Compliance with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and Companies Act, 2013 the Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors, KMPs and designated employees.

**XVI. Disclosures of compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 are as follows:**

**XVII.**

| <b>Regulation</b> | <b>Particulars of regulations</b>   | <b>Compliance</b> |
|-------------------|---|-------------------|
| 17                | Board of directors  | <b>Yes</b>        |
| 18                | Audit committee   | <b>Yes</b>        |
| 19                | Nomination and Remuneration committee   | <b>Yes</b>        |
| 20                | Stakeholders Relationship committee   | <b>Yes</b>        |
| 21                | Risk Management committee   | <b>N.A</b>        |
| 22                | Vigil mechanism   | <b>Yes</b>        |
| 23                | Related party transactions  | <b>Yes</b>        |
| 24                | Corporate Governance requirements with respect to Subsidiary of list identity         | <b>N.A</b>        |
| 25                | Obligations with respect to Independent directors (to the extent applicable)          | <b>Yes</b>        |
| 26                | Obligation with respect to Directors and Senior Management (to the extent applicable) | <b>Yes</b>        |
| 27                | Other Corporate Governance requirements (to the extent applicable)                    | <b>Yes</b>        |
| 46(2)(b) to (i)   | Website   | <b>Yes</b>        |

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**CEO / CFO CERTIFICATE UNDER REGULATION 17(8) OF SEBI (LODR)  
REGULATIONS 2015**

**To,  
The Board of Directors  
Malu Paper Mills Ltd.**

Pursuant to the provisions of Regulation 17(8) of the Listing Regulations, we hereby certify that

- (a) we have reviewed financial statements and the cash flow statement for the financial year 2023-24 and that to the best of our knowledge and belief, we state that:
- i. These statements do not contain any materially untrue statement nor omit any material fact or contain statements that might be misleading;
  - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) We are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year 2023-24 which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee
- i. significant changes in internal control over financial reporting during the year;
  - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. instances of significant fraud of which we have become aware and the involvements therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: 13/08/2024  
Place : Nagpur

**Punamchand Malu**  
Managing Director & CEO

**Prakash Modi**  
CFO

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR  
MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

To,  
The Members of  
Malu Paper Mills Limited

I, PunamchandMalu, Managing Director & CEO of the Company, hereby confirm pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, that

The Board of Directors of Malu Paper Mills Limited has laid down a code of conduct for all the Board Members and Senior Management Personnel of the Company.

The said code of conduct has also been posted on Company's website i.e. [www.malupaper.com](http://www.malupaper.com). All the Board members and senior management personnel have affirmed their compliance with the said code of conduct for the year ended on March 31, 2024

For the purpose of this declaration, Senior Management Personnel means the Chief Financial Officer, Mr. Prakash Modi and the Company Secretary, Ms. Mayuri Asawa as on March 31, 2024.

Date : 13/08/2024  
Place : Nagpur

**Punamchand Malu  
Managing Director& CEO**



**Auditors' Certificate on compliance with the conditions of Corporate Governance under Regulation 17 to 27 & 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To  
The Members  
Malu Paper Mills Limited

We have examined the compliance of corporate governance by Malu Paper Mills Limited ("the Company") for the year ended on March 31, 2024, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for the period ended on March 31, 2024.

The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the design, implementation and maintenance of internal controls and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

Our examination is limited to review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the ICAI), the standards on Auditing specified under section 143 (10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

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 for the year ended March 31, 2024.

We 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 DEMBLE RAMANI & CO.  
CHARTERED ACCOUNTANTS  
FRN: 105487W**

**Place: Nagpur  
Date: 13.08.2024**

**CA ASHOK RAMANI  
PARTNER  
M. No. 030537  
FRN :102259W  
UDIN:24030537BKFPUM6216**

**CERTIFICATE ON DIRECTOR'S NON-DISQUALIFICATION TO THE  
MEMBERS OF MALU PAPER MILLS LIMITED  
(Pursuant to Regulation 34 (3) and Schedule V Para C Clause (10) (i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)**

This certificate is issued pursuant to the Clause 10(i) of Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended vide circular dated May 9, 2018 of the Securities Exchange Board of India.

I have examined the compliance of provisions of the aforesaid Clause 10(i) of Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and to the best of my information and according to the explanations given to me by the Company and the declarations made by the Directors, I certify that **none of the Directors** of MALU PAPER MILLS LIMITED (“the Company”) (CIN L15142MH1994PLC076009) having its Registered Office at Heera Plaza, 04<sup>th</sup> Floor, Near Telephone Exchange, Central Avenue, Nagpur, MH – 440008, India **have been debarred or disqualified as on March 31, 2024** from being appointed or continuing as Directors of the Company by SEBI/ Ministry of Corporate Affairs or any other Statutory Authority.

| <b>Sr. No.</b> | <b>Name of Director</b>              | <b>DIN</b> | <b>Date of appointment in Company</b> |
|----------------|--------------------------------------|------------|---------------------------------------|
| 1.             | Mr. Poonamchand Ramlal Malu          | 00301030   | 11/01/1994                            |
| 2.             | Mr. Banwari Bhanwarlal Malu          | 00301297   | 11/01/1994                            |
| 3.             | Mr. Vasudeo Bhanwarlal Malu          | 00301313   | 11/01/1994                            |
| 4.             | Mr. Purshottam Ramlal Malu           | 01720007   | 09/11/2020                            |
| 5.             | Mr. Chandrakant Jaydevshankar Thakar | 00784189   | 11/11/2005                            |
| 6.             | Mr. Satyanarayan Rathi               | 01797378   | 11/11/2005                            |
| 7.             | CA. Shrutika Arvind Inani            | 06937649   | 25/09/2014                            |
| 8.             | CA. Sahil Shankar Agrawal            | 02690403   | 09/11/2020                            |

Date: 13/08/2024  
Place: Nagpur

**Ramachandran Iyer**  
Practicing Company Secretary  
M.No. FCS 5255  
CP No.: 3773  
UDIN: F005255F000943885

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**INDEPENDENT AUDITOR'S REPORT**

**TO,  
THE MEMBERS OF  
MALU PAPER MILLS LIMITED**

**REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL  
STATEMENTS**

**Opinion**

We have audited the accompanying standalone financial statements of **MALU PAPER MILLS LIMITED** (“the Company”), which comprise the Balance Sheet as at 31st March 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 notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the Standalone financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 31st March, 2024, the loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of standalone financial statements in accordance with the Standards on Auditing (“SAs”) 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 Standalone 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 independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

**Key audit matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone 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.

| <b>Key Audit Matters</b>   | <b>How our audit addressed the key audit matter</b>  |
|--|--|
| <p><b><u>Deferred Tax.</u></b></p> <p>As disclosed in note no. 6 the company has recognized deferred tax assets in respect of certain deductions on account of provision for post-Retirement, the extent that it</p> | <p>Reviewed the assumptions made by management for uncertain current and deferred tax positions to assess whether appropriate current and deferred tax provisions have been recognised and are</p> |

|   |  |
|---|--|
| <p>is probable that we get tax benefits in future. This requires management judgement in estimating future taxable income and is accordingly a key audit matter.</p>  | <p>based on the most probable outcome. We found the disclosures relating to the income tax and deferred tax balances to be appropriate.</p>  |
| <p><b><u>Related Party Transactions</u></b></p> <p>The Company has related party transactions which include Sales / Purchases of Goods / Services / Loans &amp; Advances to its Associates and other related parties.</p> <p>We focused on identification and disclosure of related parties in accordance with relevant Indian Accounting Standards as a key audit matter. This matter assumes significance in view of the indirect acquisition pursuant to the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 for having received open offer from the Acquirer to take over the controlling interest which was completed subsequently.</p> | <p>Our audit procedures amongst others included the following:</p> <p>Evaluated the design and tested the operating effectiveness of controls over identification and disclosure of related party transactions, obtained a list of related parties from the Company's Management consequent to Indirect Acquisition traced the same to declarations given where applicable and tested transactions based on such declarations given by the related parties as detailed in Note 27 of the standalone Ind AS financial statements which were verified for compliance with secretarial and other relevant laws.</p> |

**Information Other than the Standalone financial statements and Auditor's Report Thereon**

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

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 on the even date.

#### **Management's Responsibility for the Standalone financial statements**

The Company's management and Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone 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 Ind AS and other accounting principles generally accepted in India.

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

In preparing the standalone 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial statements process.

### **Auditor's Responsibilities for the Audit of the financial statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve



collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system, in relation to the financial statements, 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 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 financial statements.

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

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure "A"**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
  
2. As required by Section 143 (3) of the Act, 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.
  
  - (c). The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of change in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account of the company.
  
  - (d). In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015.
  
  - (e). On the basis of the written representations received from the directors as on 31st March,2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 B**”.

(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 Company has not paid any remuneration to its directors during the year.

(h). 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 disclosed the impact of pending litigations on its financial position in its standalone financial statements (Refer Note 32(iv) to the Standalone Financial Statements).

(ii) The company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

(iii) There was no requirement of transfer of funds to Investor Education and Protection Fund by the Company during the year.

(iv) a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) (Refer Note 37e to the Standalone Financial Statements) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company 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 have been received by the Company (Refer Note 37f to the Standalone Financial Statements) from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c) Based on the audit procedures performed that we 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 mis-statement.

(v) The Company has not declared and paid dividend during the current year and previous year and as such compliance with section 123 of the Act is not applicable.

(vi) Based on our examination, which included test checks, the company has used accounting software for maintaining its books of accounts for the financial year ended March 31, 2024 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 the audit trail feature being tampered with.

**FOR DEMBLE RAMANI & CO.  
CHARTERED ACCOUNTANTS**

**CA ASHOK RAMANI  
PARTNER**

**MEM NO.: 030537**

**FRN :102259W**

**PLACE: NAGPUR**

**DATE: 18-05-2024**

**UDIN: 24030537BKFPUI5231**

**“Annexure A” to the Independent Auditors’ Report of even date on the Standalone financial statements of MALU PAPER MILLS LIMITED**

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the standalone financial statements of the Company for the year ended March 31, 2024:

1. (a) (i) Though, the Company has maintained Property Plant & Equipment records they are not showing full particulars, including quantitative details and situation of Property, plant & equipment. The Management is in process of updating records showing full particulars including quantitative details and situations of Property Plant & Equipment.  
  
(ii) The Company doesn’t have any intangible assets as on Balance Sheet date so the relevant provisions are not applicable
- (b) According to the information and explanations given to us and based on our examination of the records, the company has a program of physical verification of Property, Plant and Equipment so to cover all the assets annually once in a year which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of freehold immovable properties are held in the name of the Company and those taken on lease are disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, wherein the Company is the lessee in the agreement.
- (d) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has

not revalued its property, plant and equipment (including right of use assets) or intangible assets or both during the year.

- (e) According to the information and explanations given to us and based on our examination of the records of the Company, there are no proceedings initiated or pending against the Company as at March 31, 2024 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- 2. (a) The Management has conducted physical verification of inventory at reasonable intervals and in our opinion, the coverage and procedure of such verification by the management is appropriate; no discrepancies of 10% or more were noticed.
  - (d) 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 been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.
- 3. 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 made any investments, not provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year.
  - 4. In our opinion and according to the information and explanations given to us, the Company has not made loans, investments and guarantees as per the provisions of section 185 and 186 of the Act



5. The Company has not accepted any deposits or amounts are deemed to be deposits. Hence, reporting under clause 3(v) of the order is not applicable.
6. We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under section 148 (1) of the Companies Act, 2013 in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out detailed examination of the records with a view to determine whether these are accurate or complete.
7. (a) According to information and explanations given to us and based on our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Goods and service tax, Income-Tax and any other statutory dues with the appropriate authorities.  
  
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2024 for a period of more than six months from the date on when they become payable.  
  
(c) According to the information and explanation given to us, details of statutory dues referred to in sub-clause (a) above which have not been deposited as on account of any dispute as at March 31, 2024.

| <b>Nature of the Statute</b> | <b>Nature of the Dues</b>       | <b>Forum where Dispute is pending</b>    | <b>Period to which the Amount Relates</b> | <b>Amount (Rs. In lakhs)</b> |
|------------------------------|---------------------------------|--|---|------------------------------|
| Income Tax Act, 1961         | Income Tax demand u/s 36(1)(va) | Rectification filed with CPC, Income Tax | AY 2019-20                                | 41.24                        |

8. 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 surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
9. (a) The Company has not defaulted in repayment of the loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.
- (c) The Company has not raised money by way of term loans during the year, thus reporting under this clause is not applicable.
- (d) On an overall examination of the standalone financial statements of the Company, no funds raised on short-term basis have, prima facie, been applied for long term purpose.
- (e) We report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e)

of the Order is not applicable.

- (f) We report that The Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.
10. (a) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments. Accordingly, the provisions of clause 3 (x)(a) of the Order are not applicable to the Company and hence not commented upon.
- (b) The Company has not made any preferential allotment or private placement of shares during the year and hence reporting under clause 3(x)(b) of the order is not applicable.
11. (a) Based upon the audit procedures performed and the information and explanations given by the management, considering the principles of materiality outlined in the Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government. In view of the above reporting under clause 3 (xi) (b) of the order is not applicable.
- (c) To the best of our knowledge and according to the information and explanations given to us, the company has not received whistle-blower complaints, during the year.

12. In our opinion, the Company is not a Nidhi Company. The provisions of clause 3 (xii) of the Order are not applicable to the Company.
13. In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
14. (a) Based on the information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with size and nature of its business.  
  
(b) We have considered the internal audit reports of the Company issued till date for the period under audit.
15. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of Section 192 of the Act are not applicable to the Company.
16. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clauses 3(xvi)(a) of the Order are not applicable.  
  
(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clauses 3(xvi)(b) of the Order are not applicable.  
  
(c) The Company is not a Core Investment Company (CIC) as defined in

the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

- (d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

17. The Company has not incurred cash losses during the financial year covered by our audit, but had incurred cash loss of Rs. 896.31 Lakhs during the immediately preceding financial year.

18. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

19. According to the information and explanations given to us and 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 standalone financial statements, 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 that the 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 give neither 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.

20. The provision of Sec. 135 of Companies Act 2013 is not applicable to the company, accordingly reporting under-clause 3(x)(a) and (b) is not applicable.

**FOR DEMBLE RAMANI & CO.  
CHARTERED ACCOUNTANTS**

**CA ASHOK RAMANI  
PARTNER**

**MEM NO.: 030537**

**FRN :102259W**

**PLACE: NAGPUR**

**DATE: 18-05-2024**

**UDIN: 24030537BKFPUI5231**

**“Annexure –B” to the Auditors’ Report****Report on the Internal Financial Controls 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 **MALU PAPER MILLS LIMITED** (“the Company”) as of 31st March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (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 Companies Act, 2013.

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over the standalone Ind AS 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”) and the Standards on Auditing, issued by ICAI and deemed to be

prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 the standalone Ind AS financial statements reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone Ind AS financial statements 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and



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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone Ind AS financial statements 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 with reference to these standalone Ind AS financial statements 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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these Standalone Ind AS financial statements and such internal financial controls over financial reporting were operating effectively as at 31st March 2024, 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

Demble Ramani & Co.

Contd.....

Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**FOR DEMBLE RAMANI & CO.  
CHARTERED ACCOUNTANTS**

**CA ASHOK RAMANI  
PARTNER**

**MEM NO.: 030537**

**FRN :102259W**

**PLACE: NAGPUR**

**DATE: 18-05-2024**

**UDIN: 24030537BKFPUI5231**

# MALU PAPER MILLS LTD ; NAGPUR

| <b>BALANCE SHEET AS AT 31TH MAR'2024</b>                                       |   |   |   |
|--|---|---|---|
| (Rs. in Lakhs)   |   |   |   |
| Particulars  | Notes   | As at 31st Mar 24   | As at 31st Mar 23                               |
| <b>ASSETS</b>  |   |   |   |
| <b>Non-Current Assets</b>  |   |   |   |
| Property, Plant and Equipment  | 2   | 6,484.09  | 6,758.49  |
| Capital work in progress   | 2   | 528.16  | -   |
| Investment properties  |   | -   | -   |
| Intangible assets  |   | -   | -   |
| <b>Financial Assets:</b>   |   |   |   |
| i. Investments   | 3   | 11.00   | 11.00   |
| ii. Other  | 4   | 13.49   | 12.79   |
| Other non-current Assets   | 5   | 32.26   | 31.98   |
| Deffered Tax Asset ( Net )   | 6   | 1,060.15  | 1,119.38  |
| <b>Total non-current assets</b>  |   | <b>8,129.14</b>   | <b>7,933.64</b>                                 |
| <b>Current Assets</b>  |   |   |   |
| Inventories  | 7   | 5,074.72  | 4,101.10  |
| <b>Financial Assets</b>  |   |   |   |
| i. Trade Receivables   | 8   | 3,070.60  | 2,261.80  |
| ii. Cash and Cash Equivalents  | 9   | 5.28  | 2.54  |
| iii. Bank balances other than Cash & Cash Equivalent                           | 10  | 192.54  | 184.10  |
| iv. Other financial assets   |   | -   | -   |
| Other current assets   | 11  | 266.62  | 605.35  |
| <b>Total Current Assets</b>  |   | <b>8,609.77</b>   | <b>7,154.88</b>                                 |
| <b>Total Assets</b>  |   | <b>16,738.91</b>  | <b>15,088.53</b>                                |
| <b>EQUITY AND LIABILITIES</b>  |   |   |   |
| <b>Equity</b>  |   |   |   |
| Equity Share Capital   | 12  | 1,705.93  | 1,705.93  |
| Other Equity   | 13  | (1,026.14)  | (1,069.78)                                      |
| <b>Total Equity</b>  |   | <b>679.79</b>   | <b>636.14</b>                                   |
| <b>Liabilities</b>   |   |   |   |
| <b>Non-current liabilities</b>   |   |   |   |
| <b>Financial Liabilities</b>   |   |   |   |
| i. Borrowings  | 14  | 1,247.77  | 1,305.46  |
| Provisions   | 15  | 119.40  | 103.72  |
| Other non-current liabilities  |   | -   | -   |
| <b>Total Non-Current liabilities</b>   |   | <b>1,367.17</b>   | <b>1,409.18</b>                                 |
| <b>Current Liabilities</b>   |   |   |   |
| <b>Financial Liabilities</b>   |   |   |   |
| i. Borrowings  | 16  | 11,870.18   | 10,898.37                                       |
| ii. Trade Payables   | 17  | 2,573.22  | 1,961.94  |
| iii. Other Financial Liabilities   | 18  | 23.05   | -   |
| Other current liabilities  | 19  | 225.50  | 182.88  |
| <b>Total Current Liabilities</b>   |   | <b>14,691.95</b>  | <b>13,043.20</b>                                |
| <b>Total Liabilities</b>   |   | <b>16,059.13</b>  | <b>14,452.38</b>                                |
| <b>Total Equity and Liabilities</b>  |   | <b>16,738.91</b>  | <b>15,088.53</b>                                |
| <b>Significant accounting policies</b> 1                                       |   |   |   |
| <b>Notes to the financial statements</b> 2-37                                  |   |   |   |
| The notes referred to above form an integral part of the financial statements. |   |   |   |
| For Malu Paper Mills Limited,  |   | As per our Report of even date,<br>For Demble Ramani & Co.<br>Chartered Accountants |   |
| Sd/-   | Sd/-  | Sd/-  | Sd/-  |
| Punamchand Malu<br>(Managing Director)<br>(Din 00301030)                       | Banwarilal Malu<br>(Jt.Managing Director)<br>(Din 00301297) | Prakash Modi<br>(CFO)   | Mayuri Asawa<br>(Company Secretary)             |
|  |   |   | Sd/-<br>Ashok Ramani<br>Partner<br>M.No. 030537 |
| Place : Nagpur   |   | FRN : 102259W   |   |
| Date : 18-05-2024  |   | UDIN: 24030537BKFPUI5231  |   |

# MALU PAPER MILLS LTD ; NAGPUR

| <b>STATEMENT OF PROFIT &amp; LOSS ACCOUNT FOR THE YEAR ENDED 31TH MAR'2024</b>        |                         |  |   |
|---|-------------------------|--|---|
| (Rs in Lakhs, except EPS)   |                         |  |   |
| Particulars   | Note                    | For The Year Ended<br>31st Mar 24  | For The Year Ended<br>31st Mar 23                                       |
| <b>CONTINUING OPERATIONS</b>  |                         |  |   |
| <b>Revenue from Operations</b>  | <b>20</b>               | 27,444.08  | 23,388.88   |
| Other Income  | <b>21</b>               | 62.34  | 65.85   |
| <b>Total Income</b>   |                         | <b>27,506.42</b>   | <b>23,454.73</b>  |
| <b>Expenses</b>   |                         |  |   |
| Cost of Material Consumed   | <b>22</b>               | 18,440.89  | 16,266.93   |
| Changes in Inventories of Work in progress and Finished Goods                         | <b>23</b>               | (1,385.86)   | 240.53  |
| Employee benefit expenses   | <b>24</b>               | 860.07   | 857.62  |
| Depreciation and Amortization expense   | <b>2</b>                | 500.79   | 502.66  |
| Finance Costs   | <b>25</b>               | 1,089.06   | 863.69  |
| Other expenses  | <b>26</b>               | 7,854.02   | 6,122.27  |
| <b>Total Expenses</b>   |                         | <b>27,358.97</b>   | <b>24,853.70</b>  |
| Profit before exceptional items and tax   |                         | -  | -   |
| Exceptional items   |                         | -  | -   |
| <b>Profit before tax</b>  |                         | <b>147.45</b>  | <b>(1,398.97)</b>   |
| Income Tax expenses   |                         |  |   |
| Current Tax   |                         | -  | -   |
| Mat Credit Entitlement  |                         | -  | -   |
| Deferred Tax  |                         | 57.92  | (353.60)  |
| Income Tax for prior period   |                         |  |   |
| <b>Total tax expenses</b>   |                         | <b>57.92</b>   | <b>(353.60)</b>   |
| <b>Profit/(loss) for the period from continuing operations</b>                        |                         | <b>89.53</b>   | <b>(1,045.37)</b>   |
| <b>Other Comprehensive Income</b>   |                         |  |   |
| Items that may be classified to Profit or Loss  |                         |  |   |
| Items that will not be reclassified to Profit or Loss                                 |                         |  |   |
| Remeasurement of employees benefit obligations  |                         | 4.49   | 13.46   |
| Income Tax relating to Items that will not be reclassified to Profit or Loss          |                         | (1.31)   | (3.50)  |
| Other Comprehensive Income for the period ( net of tax )                              |                         |  |   |
| <b>Total Comprehensive Income for the year</b>  |                         | <b>92.71</b>   | <b>(1,035.41)</b>   |
| Earning Per Equity Share for profit from Continuing Operations                        |                         |  |   |
| Basic Earning per share (In `)  |                         | 0.54   | (6.07)  |
| Diluted Earning per share (In `)  |                         | 0.54   | (6.07)  |
| <b>Significant accounting policies</b>  | <b>1</b>                |  |   |
| <b>Notes to the financial statements</b>  | <b>2-37</b>             |  |   |
| <b>The notes referred to above form an integral part of the financial statements.</b> |                         |  |   |
| <b>For Malu Paper Mills Limited,</b>  |                         | <b>As per our Report of even date,<br/>For Demble Ramani &amp; Co.<br/>Chartered Accountants</b> |   |
| Sd/-  | Sd/-                    | Sd/-   | Sd/-  |
| <b>Punamchand Malu</b>  | <b>Banwarilal Malu</b>  | <b>Prakash Modi</b>  | <b>Mayuri Asawa</b>   |
| (Managing Director)   | (Jt. Managing Director) | (CFO)  | (Company Secretary)   |
| (Din 00301030)  | (Din 00301297)          |  |   |
|   |                         |  | Sd/-<br><b>Ashok Ramani</b><br>Partner<br>M.No. 030537<br>FRN : 102259W |
| <b>Place : Nagpur</b>   |                         |  | <b>UDIN: 24030537BKFPUI5231</b>   |
| <b>Date : 18-05-2024</b>  |                         |  |   |

## MALU PAPER MILLS LTD ; NAGPUR

| <b>CASH FLOW STATEMENT FOR THE YEAR ENDED 31TH MARCH, 2024</b>  |  |   |
|---|--|---|
| (Rs. in Lakhs)  |  |   |
| Particulars   | For The Year Ended<br>31st Mar 2024  | For The Year Ended<br>31st Mar 2023             |
| <b>Cash flow from Operating activities</b>  |  |   |
| Profit before income tax from Continuing Operations   | 147.45   | (1,398.97)                                      |
| Non-Cash Income - Deferred Sales tax Incentive Packages (As per Ind AS 20)  | (49.07)  | (53.22)   |
| <b>Profit before income tax including discontinued operations</b>   | <b>98.38</b>   | <b>(1,452.19)</b>                               |
| Adjustments for   |  |   |
| Depreciation and amortisation   | 500.79   | 502.66  |
| Non-Cash Expense - Provision for Gratuity & OCI   | 20.17  | 18.87   |
| Loss/(Gain) on disposal of Property, plant and equipment  | -  | -   |
| Dividend and Security Deposit Interest  | (0.79)   | (0.58)  |
| Accrued interest on FDR   | (12.39)  | (10.29)   |
| Finance Costs   | 1,089.06   | 863.69  |
| Net exchange differences  |  |   |
| <b>Total</b>  | <b>1,695.22</b>  | <b>(77.83)</b>                                  |
| (Increase) / Decrease in trade receivables  | (808.80)   | 687.25  |
| (Increase) / Decrease in inventories  | (973.62)   | 97.17   |
| Increase / (Decrease) in Trade Liabilities and Other Financial Liabilities  | 676.94   | (1,298.34)                                      |
| (Increase) / Decrease in Other Financial Assets   | -  | -   |
| (Increase)/Decrease in Other Current Assets (Excluding Income Tax)  | 338.73   | (324.53)  |
| <b>Total</b>  | <b>(766.75)</b>  | <b>(838.45)</b>                                 |
| <b>Cash generated from operations</b>   | <b>928.47</b>  | <b>(916.28)</b>                                 |
| Less: Income Tax paid   | -  | -   |
| <b>Net cash inflow from operating activities</b>  | <b>928.47</b>  | <b>(916.28)</b>                                 |
| <b>Cash flow from investing activities</b>  |  |   |
| Payments for property, plant and equipment  | (775.66)   | (144.40)  |
| (Investment)/Redemption in Fixed Deposits   | (8.45)   | (15.53)   |
| Change in Other Financial Assets  | (0.70)   | (0.59)  |
| Change in Other Non Current Assets  | (0.28)   | -   |
| Proceeds from sale of property, plant and equipments  | 21.12  | -   |
| Interest received & Dividend Received   | 13.18  | 10.87   |
| <b>Net Cash Flow from investing activities</b>  | <b>(750.79)</b>  | <b>(149.64)</b>                                 |
| <b>Cash flow from financing activities</b>  |  |   |
| Proceeds/Repayments of borrowings (Net)   | 914.13   | 1,927.12  |
| Interest paid   | (1,089.06)   | (863.69)  |
| Repayment of Other Non-Current Liabilities  | -  | -   |
| <b>Net cash inflow (outflow) from financing activities</b>  | <b>(174.93)</b>  | <b>1,063.43</b>                                 |
| Net increase (decrease) in cash and cash equivalents  | 2.75   | (2.49)  |
| <b>Cash and Cash equivalents at the beginning of the financial year</b>   | <b>2.54</b>  | <b>5.03</b>                                     |
| <b>Cash and cash equivalents at the end of the financial year</b>   | <b>5.28</b>  | <b>2.54</b>                                     |
| <b>Note:</b>  |  |   |
| A) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS 7 on 'Statement of Cash Flows'.   |  |   |
| B) Under Previous GAAP, bank overdrafts were presented as part of "Cash flows from financing activities" in the statement of cash flows. Under Ind AS, bank overdrafts are included as a component of cash and cash equivalents in the statement of cash flows. |  |   |
| For Malu Paper Mills Limited.   | As per our Report of even date,<br><b>For Demble Ramani &amp; Co.</b><br>Chartered Accountants |   |
| Sd/-<br>Punamchand Malu<br>(Managing Director)<br>(Din 00301030)  | Sd/-<br>Banwarilal Malu<br>(Jt.Managing Director)<br>(Din 00301297)                            | Sd/-<br>Prakash Modi<br>(CFO)                   |
|   | Sd/-<br>Mayuri Asawa<br>(Company Secretary)  | Sd/-<br>Ashok Ramani<br>Partner<br>M.No. 030537 |
| Place : Nagpur  |  | FRN : 102259W                                   |
| Date : 18-05-2024   |  | UDIN: 24030537BKFPUI5231                        |

# MALU PAPER MILLS LTD; NAGPUR

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2024

### A. Equity Share Capital

(Rs. in Lakhs)

| Particulars  | As at<br>31st March, 2024 | As at<br>31st March, 2023 |
|--|---------------------------|---------------------------|
| <b>Balance as at the beginning of the year</b>             | 170.59                    | 1,705.93                  |
| Changes in equity share capital due to prior period errors | -                         | -                         |
| <b>Restated balance as at the beginning of the year</b>    | 170.59                    | 1,705.93                  |
| Changes in equity share capital during the year            | -                         | -                         |
| <b>Balance as at the end of the year</b>                   | 170.59                    | 1,705.93                  |

| B. Other Equity (Extract from Note no 13)          |                      |                  |  |                   |               | (Rs. in Lakhs)    |
|--|----------------------|------------------|--|-------------------|---------------|-------------------|
| Particular   | Reserves and Surplus |                  |  |                   |               | Total             |
|  | General Reserve      | Security Premium | Capital Grant<br>(Deffered Sales tax<br>Incentive Packages -<br>As per Ind AS 20 ) | Retained Earning  | OCI           |                   |
| <b>As at 31st March 2022</b>                       | <b>2,118.80</b>      | <b>1,479.53</b>  | <b>203.05</b>  | <b>(3,782.21)</b> | <b>(0.33)</b> | <b>18.85</b>      |
| Net Profit/Loss for the period                     | -                    | -                | -  | (1,045.37)        | 9.96          | <b>(1,035.41)</b> |
| Recognised in Statement of Profit and Loss Account | -                    | -                | (53.22)  | -                 | -             | <b>(53.22)</b>    |
| <b>As at 31st March 2023</b>                       | <b>2,118.80</b>      | <b>1,479.53</b>  | <b>149.84</b>  | <b>(4,827.57)</b> | <b>9.63</b>   | <b>(1,069.78)</b> |
| Net Profit/Loss for the period                     | -                    | -                | -  | 89.53             | 3.19          | <b>92.71</b>      |
| Recognised in Statement of Profit and Loss Account | -                    | -                | (49.07)  | -                 | -             | <b>(49.07)</b>    |
| <b>As at 31st March 2024</b>                       | <b>2,118.80</b>      | <b>1,479.53</b>  | <b>100.77</b>  | <b>(4,738.05)</b> | <b>12.81</b>  | <b>(1,026.14)</b> |

For Malu Paper Mills Limited.

As per our Report of even date,  
For Demble Ramani & Co.  
Chartered Accountants

|  |  |                               |   |
|--|--|-------------------------------|---|
| Sd/-<br>Punamchand Malu<br>(Managing Director)<br>(Din 00301030) | Sd/-<br>Banwarilal Malu<br>(Jt. Managing Director)<br>(Din 00301297) | Sd/-<br>Prakash Modi<br>(CFO) | Sd/-<br>Mayuri Asawa<br>(Company Secretary) |
|--|--|-------------------------------|---|

Sd/-  
Ashok Ramani  
Partner  
M.No. 030537

Place : Nagpur  
Date : 18-05-2024

UDIN: 24030537BKFPUI5231

# Notes Forming Part of the Financial Statements

## **1. Corporate Information**

**Malu Paper Mills Limited** (“the Company”) is engaged in Manufacturing of Pulp & Paper.

The company is a public limited company incorporated and domiciled in India and has Registered Office at Heera Plaza, 4th Floor, Near Telephone Exchange, and Nagpur 440008. The Equity shares of the company are listed on Bombay Stock Exchange Limited (BSE) and National Stock Exchange Limited (NSE).

The Board of Directors approved the standalone financial statements for the year ended March 31, 2024 and authorize for issue on May 18, 2024.

## **2. Significant Accounting Policies**

### **2.1 Basis of preparation**

The financial statements of the company have been prepared and presented in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards)(Amendment) Rules, 2015 and the relevant provisions of the Companies Act, 2013 (“the Act”).

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period as stated in the accounting policies. The accounting policies have been applied consistently over all the periods presented in these financial statements.

### **2.2 Significant accounting judgments’, estimates and assumptions:**

The preparation of the financial statements in conformity with IND AS requires the management to make estimates, judgments’ and assumptions. These judgments and assumptions affect the application of accounting policies and the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and reported amount of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material, their effects are disclosed in the notes

## Notes Forming Part of the Financial Statements

to the financial statements.

### **2.3 Current versus non – current classification:**

All the assets and liabilities have been classified as current or non – current as per the Company’s operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of the products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current and non – current classification of assets and liabilities.

### **2.1 Property, Plant and Equipment (PPE)**

- PPE are recognized when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. PPE (other than Freehold land and Capital Work-in-progress) are stated at cost less accumulated depreciation and impairment losses, if any. The initial cost of an asset comprises its purchase price, non-refundable purchase taxes and any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any. Cost includes qualifying assets, borrowing costs capitalized in accordance with the company’s accounting policy.
- If significant parts of an item of PPE have different useful lives, then those are accounted as separate items (major components) of PPE.
- Material items such as spare parts, stand-by equipment and service equipment are classified as and when they meet the definition of PPE, as specified in IND AS 16 on “Property, Plant and Equipment”.
- The carrying amount of an item of PPE, derecognized upon disposal or when no future economic benefit is expected to arise from its continued use. Any gain or loss arising on the recognition of an item of PPE is determined as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in Statement of Profit and Loss.

### **Capital Work-in-Progress**

Property, Plant and Equipment which are not ready for intended use on the date of balance sheet are disclosed as capital work-in-progress. It is carried at cost, such properties are classified and capitalized to the appropriate categories of Property, Plant and Equipment when completed and ready for intended use. Depreciation of these assets, will be provided on the same basis as other property assets are ready for their intended use.



## Notes Forming Part of the Financial Statements

### **2.2 Depreciation**

Depreciation on Property, Plant and Equipment (other than Freehold Land and Capital Work-in-progress) is provided on the Straight-Line Method in accordance with requirements prescribed under Schedule II to the Companies Act, 2013.

The Company has assessed the estimated useful lives of its PPE and has adopted the useful lives and residual value as prescribed therein.

Land under finance lease is amortised over the period of lease.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

### **2.3 Intangible Assets and Amortisation**

Intangible assets are stated at acquisition cost, net of accumulated Amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis as per Schedule II of Companies Act, 2013.

The estimated useful life and amortizations method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

### **2.4 Impairment of non-financial assets**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets may have been impaired. If any such indication exists, the recoverable amount, which is the higher of its value in use or its fair value less costs of disposal, of the asset or cash-generating unit, as the case may be, is estimated and impairment loss (if any) is recognised and the carrying amount is reduced to its recoverable amount. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

In assessing the 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 for which the estimates of future cash flows have not been adjusted.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

An impairment loss is recognised immediately in the Statement of Profit and Loss. When an impairment subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but up to

## Notes Forming Part of the Financial Statements

the amount that would have been determined, had no impairment loss been recognized for that asset or cash generating unit. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

### **2.5 Inventories**

- Inventories are valued at lower of cost and net realizable value.
- Inventories comprise all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition.
- Cost of raw materials, packing materials, including materials in transit, work in process and finished goods are arrived at on the First in first out method of valuation, including manufacturing overheads wherever applicable.
- Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

### **2.6 Statement of Cash Flows**

Cash flows are reported using the indirect method, whereby net profit for the period is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items 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.

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents include cash on hand, cash at banks, other short-term deposits and highly liquid investments with original maturity of three months or less that are readily convertible into cash and which are subject to an insignificant risk of changes in value, as reduced by bank overdrafts.

### **2.7 Segment Reporting**

- The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the Chief Operating Decision Maker (CODM) in deciding how to allocate resources and in assessing performance.
- The accounting policies adopted for segment reporting are in line with the accounting policies of the Company.
- Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

### **2.8 Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to

## Notes Forming Part of the Financial Statements

get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

### **2.9 Provisions, Contingent Liabilities and Contingent Assets**

Provision is recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provision is not recognised for future operating losses.

Provision is measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, the amount of provision is discounted using an appropriate pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A Contingent liability is disclosed in case of a present obligation arising from past events, when it is either not probable that an outflow of resources will be required to settle the obligation, or a reliable estimate of the amount cannot be made. A Contingent Liability is also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent Assets are not recognised but where an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements.

### **2.10 Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefits of a transaction will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

#### **Sale of Goods**

Revenue from sale of goods is recognised upon transfer of significant risks and rewards of ownership of the goods to the customer, where neither continuing managerial involvement nor effective control over the goods sold is retained. Sales are exclusive Goods and Service Tax (GST). It is measured at fair value of

## Notes Forming Part of the Financial Statements

consideration received or receivable, net of returns, rebates and discounts, Revenue consist of Freight Collected on Account of outward carriage of Goods

### **Rental Income**

Rental Income is accounted as and when accrues.

### **Interest Income**

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a timely basis, by reference to the principal outstanding and at the effective interest rate applicable. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of that financial asset.

### **Dividends**

Dividend Income is accounted for when Company's right to receive income is established.

### **Duty Drawback**

Income from duty drawback and export incentives is recognized on an accrual basis.

### **Sale of Carbon Credits**

Income from sale of carbon credits are recognized on net of expenses basis. The company is recognizing the sale of carbon credit on actual realization basis.

## **2.11 Leases**

The company evaluates if an arrangement qualifies to be a lease as per the requirements of IND AS 116.

## **2.12 Employee Benefits**

### **(i) Short term employee benefits**

Employee benefits such as salaries, wages, short term compensated absences, expected cost of bonus and ex-gratia falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

## Notes Forming Part of the Financial Statements

### (ii) Long-term benefits:

- **Defined Contribution Plan:  
Provident Fund:**

The eligible employees of the Company are entitled to receive post-employment benefits in respect of provident fund, in which both employees and the Company make monthly contributions at a specified percentage of the employee's eligible salary (currently 12%). The contributions are made to Employee provident fund account maintained with EPFO. The Company's contribution is charged to the statement of profit and loss as incurred.

- **Defined Benefit Plan:  
Gratuity:**

The Company has an obligation towards post-employment benefit viz. gratuity, a defined benefits retirement plan covering eligible employees. Post-employment benefit is recognized as an expense in the statement of Profit & Loss in the year in which employee has rendered service. The expenses are recognized at present value of the amount payable as determined by using actuarial valuation techniques. Actuarial gain & loss on this are charged to statement of profit & loss account.

### 2.13 Taxes on Income

Income tax expense represents the sum of the tax currently payable and deferred tax.

#### **Current Tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using applicable tax rates that have been enacted or substantively enacted by the end of the reporting period and the provisions of the Income Tax Act, 1961 and other tax laws, as applicable.

#### **Deferred Tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

## Notes Forming Part of the Financial Statements

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when deferred income tax assets and liabilities relate to the income tax levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net or simultaneous basis.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. The maximum marginal income tax rate applicable to the company is used for the said calculation.

### **Current and Deferred Tax for the year**

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

### **2.14 Cash & Cash Equivalent:**

Cash and Cash equivalent in the balance sheet comprises cash at banks and on hand and short term deposits with an original maturity of the 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 equivalent consists 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. Bank overdrafts are shown within borrowings in current liabilities in Balance Sheet.

### **2.15 Earnings per Share**

The basic earnings per share are computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period. Diluted

## Notes Forming Part of the Financial Statements

earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive.

### **2.16 Foreign Currency Transactions**

Transactions in foreign currencies are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date.

Non-monetary items that are measured at historical cost denominated in a foreign currency are translated using the exchange rate as at the date of initial transaction. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

### **2.17 Financial Instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

#### **Initial Recognition:**

Financial assets and Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at Fair Value through Profit or Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised in the Statement of Profit and Loss.

#### **Classification and Subsequent Measurement: Financial Assets**

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- The entity's business model for managing the financial assets; and
- The contractual cash flow characteristics of the financial assets.

#### **Amortized Cost:**

A financial asset shall be classified and measured at amortised cost, if both of the following conditions are met:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and

## Notes Forming Part of the Financial Statements

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

### **Fair Value through Other Comprehensive Income:**

A financial asset shall be classified and measured at FVOCI, if both of the following conditions are met:

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

### **Fair Value through Profit or Loss:**

A financial asset shall be classified and measured at FVTPL unless it is measured at amortised cost or at FVTOCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

### **Classification and Subsequent Measurement: Financial liabilities:**

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

### **Financial Liabilities at FVTPL:**

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.

Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

### **Other Financial Liabilities:**

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or



## Notes Forming Part of the Financial Statements

(where appropriate) a shorter period, to the net carrying amount on initial recognition.

### **Impairment of financial assets:**

The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss rates. The company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

The Credit Policy approved by the Company for bad debts considering past history of bad debts, instead of recognizing allowance for expected credit loss based on provision matrix, which uses an estimated default rate, the Company makes provision for doubtful debts based as specified by the Board. The Company will reassess the model periodically and make the necessary adjustments for loss allowance.

### **De recognition of financial assets:**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expires, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and recognizes a collateralized borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On de-recognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognizes on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise

## Notes Forming Part of the Financial Statements

been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised based on the relative fair values of those parts.

### **Financial liabilities and equity instruments:**

- Classification as debt or equity:

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

- Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Equity instruments issued by a Company are recognised at the proceeds received.

### **De recognition of financial liabilities:**

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired. The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different.

### **Offsetting:**

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

### **Derivative Financial Instruments:**

The Company enters mainly into foreign exchange forward contracts to mitigate the foreign currency exposure risk.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered and are subsequently re measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in Statement of Profit and Loss depends on the nature of the hedge relationship.

## Notes Forming Part of the Financial Statements

### **2.18 Research and Development:**

Revenue expenditure on Research and Development is charged to Statement of Profit and Loss in the year in which it is incurred. Capital expenditure on Research and Development is considered as an addition to Property, Plant and Equipment/ Intangible Assets.

### **2.19 Critical Accounting Judgments and Key Sources of Estimation Uncertainty**

The preparation of the financial statements requires the management to make judgments, estimates and assumptions in the application of accounting policies and that have the most significant effect on reported amounts of assets, liabilities, incomes and expenses, and accompanying disclosures, and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

#### **Key estimates, assumptions and judgment's**

The key assumptions concerning the future and other major sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

#### **Income taxes**

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions as also to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits.

#### **Property, Plant and Equipment/Intangible Assets**

Property, Plant and Equipment/ Other Intangible Assets are depreciated/amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the Company's historical experience with similar assets and taking into account anticipated technological changes or commercial obsolescence. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. The depreciation/amortisation for future periods is revised, if there are significant changes from previous estimates and accordingly, the unamortised/depreciable amount is charged over the remaining useful life of the assets.

## Notes Forming Part of the Financial Statements

### **Impairment of Financial Assets**

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculations, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

The Company reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

### **Recoverability of Trade Receivables**

Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

### **Fair Value measurements of Financial Instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets (Net Assets Value in case of units of Mutual Funds), their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

### **Impairment of Assets**

The Company has used certain judgments and estimates to work out future projections and discount rates to compute value in use of cash generating unit and to access impairment. In case of certain assets independent external valuation has been carried out to compute recoverable values of these assets.

### **Provisions & Contingent liabilities**

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgment to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are

## Notes Forming Part of the Financial Statements

reviewed regularly and revised to take account of changing facts and circumstances.

**The Company has adopted materiality threshold limits in the preparation and presentation of Financial statements as Given Below:**

| <b>Threshold Limit</b>  | <b>Accounting Policy for the same</b>   | <b>Threshold Limit Value</b> |
|---|---|------------------------------|
| Income / expenditure (net) in aggregate pertaining to prior year(s) | Income / expenditure (net) in aggregate pertaining to prior year(s) above the threshold limit are corrected retrospectively in the first set of financial statements approved for issue after their discovery by restating the comparative amounts and / or restating the opening Balance Sheet for the earliest prior period presented | One Lakh                     |
| Prepaid expenses in each case                                       | Prepaid expenses up to threshold limit in each case, are charged to revenue as and when incurred.   | One Lakh                     |

**MALU PAPER MILLS LTD; NAGPUR**

**NOTE 2 : Property Plant and Equipment & Capital WIP**  
As at 31st March, 2024

(Rs. in Lakhs)

| Sr. No. | Fixed Assets                                | Gross Block                |                           |                                     |                           | Accumulated Depreciation   |                                  |                                     | Net Block                 |                           |                           |
|---------|---|----------------------------|---------------------------|-------------------------------------|---------------------------|----------------------------|----------------------------------|-------------------------------------|---------------------------|---------------------------|---------------------------|
|         |   | Balance as at 1 April 2023 | Additions during the year | Disposal / Transfer during the year | Balance as at 31 Mar 2024 | Balance as at 1 April 2024 | Depreciation charge for the year | Disposal / Transfer during the year | Balance as at 31 Mar 2024 | Balance as at 31 Mar 2024 | Balance as at 31 Mar 2023 |
| a       | <b>Tangible Assets (Under Lease)</b>        |                            |                           |                                     |                           |                            |                                  |                                     |                           |                           |                           |
| 1       | Leasehold Land                              | 85.73                      |                           |                                     | 85.73                     | 15.34                      | 0.90                             |                                     | 16.24                     | 69.49                     | 70.39                     |
| b       | <b>Tangible Assets (Not Under Lease)</b>    |                            |                           |                                     |                           |                            |                                  |                                     |                           |                           |                           |
| 1       | Freehold Land                               | 76.31                      | -                         |                                     | 76.31                     | -                          | -                                |                                     | -                         | 76.31                     | 76.31                     |
| 2       | Factory Building                            | 2,112.52                   | -                         |                                     | 2,112.52                  | 1,093.87                   | 64.55                            |                                     | 1,158.42                  | 954.10                    | 1,018.65                  |
| 3       | Office Building                             | 7.03                       | -                         |                                     | 7.03                      | 2.80                       | 0.11                             |                                     | 2.91                      | 4.12                      | 4.23                      |
| 4       | Office Building (Ho)                        | 10.66                      | -                         |                                     | 10.66                     | 3.22                       | 0.16                             |                                     | 3.38                      | 7.28                      | 7.44                      |
| 5       | Staff Quarters                              | 17.13                      | -                         |                                     | 17.13                     | 7.21                       | 0.26                             |                                     | 7.47                      | 9.66                      | 9.92                      |
| 6       | Plant & Machinery                           | 8,921.31                   | 57.67                     |                                     | 8,978.98                  | 4,905.34                   | 296.52                           |                                     | 5,201.86                  | 3,777.11                  | 4,015.97                  |
| 7       | Furniture & Fixture                         | 33.63                      | -                         |                                     | 33.63                     | 30.87                      | 0.20                             |                                     | 31.08                     | 2.56                      | 2.76                      |
| 8       | Office Equipment                            | 10.02                      | -                         |                                     | 10.02                     | 7.50                       | 0.21                             |                                     | 7.71                      | 2.31                      | 2.52                      |
| 9       | Computers                                   | 19.27                      | -                         |                                     | 19.27                     | 19.27                      | -                                |                                     | 19.27                     | -                         | -                         |
| 10      | Boiler                                      | 120.59                     | -                         |                                     | 120.59                    | 103.22                     | 2.17                             |                                     | 105.40                    | 15.20                     | 17.37                     |
| 11      | Captive Power Plant                         | 2,013.77                   | 133.64                    |                                     | 2,147.41                  | 1,203.05                   | 68.04                            |                                     | 1,271.09                  | 876.32                    | 810.72                    |
| 12      | Water Supply Equipments                     | 2.53                       | -                         |                                     | 2.53                      | 2.53                       | -                                |                                     | 2.53                      | -                         | -                         |
| 13      | Fire Fighting Equipments                    | 2.14                       | -                         |                                     | 2.14                      | 1.66                       | 0.05                             |                                     | 1.72                      | 0.43                      | 0.48                      |
| 14      | Effluent Treatment                          | 306.26                     | 41.40                     |                                     | 347.66                    | 198.12                     | 10.43                            |                                     | 208.55                    | 139.10                    | 108.13                    |
| 15      | Electrical Installation                     | 1,203.71                   | -                         |                                     | 1,203.71                  | 730.49                     | 41.73                            |                                     | 772.22                    | 431.50                    | 473.22                    |
| 16      | Crane, Weigh bridge, Workshop Equip.        | 252.92                     | -                         |                                     | 252.92                    | 148.76                     | 8.77                             |                                     | 157.53                    | 95.39                     | 104.16                    |
| 17      | Vehicles (Industrial)                       | 7.60                       | 14.80                     |                                     | 22.40                     | 2.09                       | 0.63                             |                                     | 2.72                      | 19.68                     | 5.51                      |
| 18      | Cars  | 261.33                     | -                         | 27.45                               | 233.89                    | 231.27                     | 5.82                             | 6.33                                | 230.76                    | 3.12                      | 30.06                     |
| 19      | 2 Wheelers                                  | 4.53                       | -                         | -                                   | 4.53                      | 3.87                       | 0.22                             |                                     | 4.09                      | 0.44                      | 0.66                      |
|         | <b>Total Property Plant &amp; Equipment</b> | <b>15,469.00</b>           | <b>247.51</b>             | <b>27.45</b>                        | <b>15,689.06</b>          | <b>8,710.50</b>            | <b>500.79</b>                    | <b>6.33</b>                         | <b>9,204.96</b>           | <b>6,484.09</b>           | <b>6,758.50</b>           |
| c       | Capital Work In Progress                    | -                          | 528.16                    | -                                   | 528.16                    | -                          | -                                | -                                   | -                         | <b>528.16</b>             | -                         |
|         | <b>Total Capital Work in Progress</b>       | <b>-</b>                   | <b>528.16</b>             | <b>-</b>                            | <b>528.16</b>             | <b>-</b>                   | <b>-</b>                         | <b>-</b>                            | <b>-</b>                  | <b>528.16</b>             | <b>-</b>                  |

Note: The title deeds of the immovable properties are held in the name of the Company

## MALU PAPER MILLS LTD; NAGPUR

**NOTE 2 : Property Plant and Equipment & Capital WIP**  
As at 31st March, 2023

(Rs. in Lakhs)

| Sr. No. | Fixed Assets                                | Gross Block                |                           |                           | Accumulated Depreciation   |                                  |                           | Net Block                 |                           |
|---------|---|----------------------------|---------------------------|---------------------------|----------------------------|----------------------------------|---------------------------|---------------------------|---------------------------|
|         |   | Balance as at 1 April 2022 | Additions during the year | Balance as at 31 Mar 2023 | Balance as at 1 April 2022 | Depreciation charge for the year | Balance as at 31 Mar 2023 | Balance as at 31 Mar 2023 | Balance as at 31 Mar 2022 |
| a       | <b>Tangible Assets (Under Lease)</b>        |                            |                           |                           |                            |                                  |                           |                           |                           |
| 1       | Leasehold Land                              | 85.73                      |                           | 85.73                     | 14.44                      | 0.90                             | 15.34                     | 70.39                     | 71.29                     |
| b       | <b>Tangible Assets (Not Under Lease)</b>    |                            |                           |                           |                            |                                  |                           |                           |                           |
| 1       | Freehold Land                               | 76.31                      |                           | 76.31                     | -                          | -                                | -                         | 76.31                     | 76.31                     |
| 2       | Factory Building                            | 2,112.52                   |                           | 2,112.52                  | 1,029.32                   | 64.55                            | 1,093.87                  | 1,018.65                  | 1,083.20                  |
| 3       | Office Building                             | 7.03                       |                           | 7.03                      | 2.69                       | 0.11                             | 2.80                      | 4.23                      | 4.33                      |
| 4       | Office Building (Ho)                        | 10.66                      |                           | 10.66                     | 3.05                       | 0.16                             | 3.22                      | 7.44                      | 7.60                      |
| 5       | Staff Quarters                              | 17.13                      |                           | 17.13                     | 6.95                       | 0.26                             | 7.21                      | 9.92                      | 10.18                     |
| 6       | Plant & Machinery                           | 8,776.91                   | 144.40                    | 8,921.31                  | 4,606.93                   | 298.42                           | 4,905.34                  | 4,015.97                  | 4,169.99                  |
| 7       | Furniture & Fixture                         | 33.63                      |                           | 33.63                     | 30.67                      | 0.20                             | 30.87                     | 2.76                      | 2.96                      |
| 8       | Office Equipment                            | 10.02                      |                           | 10.02                     | 7.29                       | 0.21                             | 7.50                      | 2.52                      | 2.74                      |
| 9       | Computers                                   | 19.27                      |                           | 19.27                     | 19.27                      | -                                | 19.27                     | -                         | -                         |
| 10      | Boiler                                      | 120.59                     |                           | 120.59                    | 101.05                     | 2.17                             | 103.22                    | 17.37                     | 19.54                     |
| 11      | Captive Power Plant                         | 2,013.77                   |                           | 2,013.77                  | 1,136.95                   | 66.10                            | 1,203.05                  | 810.72                    | 876.82                    |
| 12      | Water Supply Equipments                     | 2.53                       |                           | 2.53                      | 2.53                       | -                                | 2.53                      | -                         | -                         |
| 13      | Fire Fighting Equipments                    | 2.14                       |                           | 2.14                      | 1.61                       | 0.05                             | 1.66                      | 0.48                      | 0.54                      |
| 14      | Effluent Treatment                          | 306.26                     |                           | 306.26                    | 188.35                     | 9.78                             | 198.12                    | 108.13                    | 117.91                    |
| 15      | Electrical Installation                     | 1,203.71                   |                           | 1,203.71                  | 688.76                     | 41.73                            | 730.49                    | 473.22                    | 514.95                    |
| 16      | Crane, Weigh bridge, Workshop Equip.        | 252.92                     |                           | 252.92                    | 139.99                     | 8.77                             | 148.76                    | 104.16                    | 112.92                    |
| 17      | Vehicles (Industrial)                       | 7.60                       |                           | 7.60                      | 1.46                       | 0.62                             | 2.09                      | 5.51                      | 6.14                      |
| 18      | Cars  | 261.33                     |                           | 261.33                    | 222.88                     | 8.40                             | 231.27                    | 30.06                     | 38.46                     |
| 19      | 2 Wheelers                                  | 4.53                       |                           | 4.53                      | 3.66                       | 0.22                             | 3.87                      | 0.66                      | 0.88                      |
|         | <b>Total Property Plant &amp; Equipment</b> | <b>15,324.60</b>           | <b>144.40</b>             | <b>15,469.00</b>          | <b>8,207.84</b>            | <b>502.66</b>                    | <b>8,710.50</b>           | <b>6,758.49</b>           | <b>7,116.77</b>           |
| c       | Capital Work In Progress                    | -                          | -                         | -                         | -                          | -                                | -                         | -                         | -                         |
|         | <b>Total Capital Work in Progress</b>       | <b>-</b>                   | <b>-</b>                  | <b>-</b>                  | <b>-</b>                   | <b>-</b>                         | <b>-</b>                  | <b>-</b>                  | <b>-</b>                  |

**Note: The title deeds of the immovable properties are held in the name of the Company**

## MALU PAPER MILLS LTD; NAGPUR

| NOTE   | PARTICULARS  | AS ON 31TH MAR' 2024<br>AMOUNT | AS ON 31ST MAR' 2023<br>AMOUNT |
|--|--|--------------------------------|--------------------------------|
|  |  | (Rs. in Lakhs)                 |                                |
| <b>3</b>   | <b><u>INVESTMENTS</u></b>  |                                |                                |
| <b>A</b>   | Investment in Equity instruments (Unquoted)                          |                                |                                |
|  | Ganga Care Hospitals Ltd.<br>(110000 Equity Shares of Rs. 10 each)   | 11.00                          | 11.00                          |
|  | <b>Total :</b>   | <b><u>11.00</u></b>            | <b><u>11.00</u></b>            |
| <p>The Investment valuation policy has been taken at Fair Value, in compliance with Para B.5.2.3 of Ind AS 109. Cost is taken as fair value for want of quote and liquidity.</p> |  |                                |                                |
| <b>4</b>   | <b><u>Other Non Current Financial Assets</u></b>                     |                                |                                |
| <b>A</b>   | Fixed Deposit with Bank<br>(Against Margin Money for Bank Guarantee) | 13.12                          | 12.41                          |
| <b>B</b>   | Accrued Interest on Fixed Deposit with Bank                          | 0.36                           | 0.38                           |
|  | <b>Grand Total :</b>   | <b><u>13.49</u></b>            | <b><u>12.79</u></b>            |
| <p>Fixed Deposits are Lien against the Bank Guarantee Given to Western Coalfields Limited.</p>   |  |                                |                                |
| <b>5</b>   | <b><u>Other Non Current Assets</u></b>                               |                                |                                |
| <b>A</b>   | <b>Security Deposits</b>   |                                |                                |
|  | Unsecured, considered good   | 32.26                          | 31.98                          |
|  | Deposits with Government Authorities                                 | -                              | -                              |
|  | <b>Total :</b>   | <b><u>32.26</u></b>            | <b><u>31.98</u></b>            |
| <b>6</b>   | <b><u>Deffered Tax Assets ( Net )</u></b>                            |                                |                                |
| <b>a</b>   | <b>Deffered Tax Assets</b>   |                                |                                |
|  | Unabsorbed Depreciation and Business Loss                            | 2,443.25                       | 2,417.65                       |
|  | Other Comprehensive Income Items                                     |                                |                                |
| <b>b</b>   | <b>Deffered Tax Liability</b>  |                                |                                |
|  | Depreciation & Amortisation  | 1,383.10                       | 1,298.27                       |
|  | <b>Total :</b>   | <b><u>1,060.15</u></b>         | <b><u>1,119.38</u></b>         |

Income tax expense comprises of current and deferred income tax of current year in the statement of profit and loss. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.



## MALU PAPER MILLS LTD; NAGPUR

| NOTE   | PARTICULARS   | AS ON 31TH MAR' 2024 |                        | AS ON 31ST MAR' 2023 |                        |
|--|---|----------------------|------------------------|----------------------|------------------------|
|  |   | AMOUNT               | (Rs. in Lakhs)         | AMOUNT               |                        |
| <b>7</b>   | <b><u>INVENTORIES</u></b>   |                      |                        |                      |                        |
| <b>a</b>   | Raw Materials and components (Valued at cost or NRV whichever is lower) |                      | 1,996.77               |                      | 2,420.87               |
|  | Waste Paper - Indian Domestic   | 1,369.29             |                        | 1,454.92             |                        |
|  | Waste Paper - Imported  | 377.23               |                        | 690.64               |                        |
|  | Chemicals   | 250.25               |                        | 275.30               |                        |
| <b>b</b>   | Fuel (Valued at cost)   |                      | 279.52                 |                      | 292.02                 |
| <b>c</b>   | Packing Material (Valued at cost or NRV whichever is lower)             |                      | 59.15                  |                      | 57.55                  |
|  | <b>Total (a+b+c) :</b>  |                      | <b><u>2,335.45</u></b> |                      | <b><u>2,770.44</u></b> |
| <b>d</b>   | Finished goods (Valued at cost or NRV whichever is less)                |                      | 1,900.37               |                      | 514.51                 |
|  | Finished Goods  | 1,848.75             |                        | 462.61               |                        |
|  | Stock In Process (Valued at estimated cost)                             | 51.63                |                        | 51.90                |                        |
|  | <b>Total (d) :</b>  |                      | <b><u>1,900.37</u></b> |                      | <b><u>514.51</u></b>   |
| <b>e</b>   | Stores & Spares (Valued at cost)  |                      | 838.90                 |                      | 816.15                 |
|  | <b>Total (e) :</b>  |                      | <b><u>838.90</u></b>   |                      | <b><u>816.15</u></b>   |
|  | <b>Total (a+b+c+d+e) :</b>  |                      | <b><u>5,074.72</u></b> |                      | <b><u>4,101.10</u></b> |
| <b>Note: Inventories have been hypothecated with banks against cash credit facility.</b> |   |                      |                        |                      |                        |
| <b>8</b>   | <b><u>TRADE RECEIVABLES</u></b>   |                      |                        |                      |                        |
|  | Secured, Considered Good  |                      | -                      |                      | -                      |
|  | Unsecured, Considered Good  |                      | 3,070.60               |                      | 2,261.80               |
|  | Considered Doubtful   |                      | 62.96                  |                      | 59.47                  |
| <b>b</b>   | <b>Less: Allowance for bad and doubtful debts</b>                       |                      | (62.96)                |                      | (59.47)                |
|  | <b>Total (a - b) :</b>  |                      | <b><u>3,070.60</u></b> |                      | <b><u>2,261.80</u></b> |

## MALU PAPER MILLS LTD; NAGPUR

**Note:** (A) Trade Receivables have been hypothecated with banks against cash credit facility.  
 (B) Credit risk arising from trade receivables is managed in accordance with the Company's established policy with regard to credit limits, control and approval procedures. The Company provides for expected credit losses on trade receivables based on a simplified approach as per Ind AS 109. Under this approach, expected credit losses are computed basis the probability of defaults over the lifetime of the asset. This allowance is measured taking into account credit profile of the customer, geographical spread, trade channels, past experience of defaults, estimates for future uncertainties etc. Further, management believes that the unimpaired amounts that are past due by more than 180 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

### c Ageing of Trade Receivables

| Particulars                                     | As on 31st March, 2024                                     |                     |              |               |              |                 |
|---|--|---------------------|--------------|---------------|--------------|-----------------|
|   | Outstanding for following periods from due date of payment |                     |              |               |              |                 |
|   | < 6 Months   | 6 Months to 1 Years | 1 - 2 Years  | 2 - 3 Years   | > 3 years    | Total           |
| Undisputed Trade Receivable                     |  |                     |              |               |              |                 |
| (i) Secured - Consider Good                     | -  | -                   | -            | -             | -            | -               |
| (ii) Unsecured - Consider Good                  | 2,900.22   | 13.90               | 15.56        | 133.91        | 7.01         | 3,070.60        |
| (iii) Unsecured - Consider Doubtful             | -  | -                   | -            | 53.79         | 62.96        | 116.75          |
| <b>Total Debtors</b>                            | <b>2,900.22</b>  | <b>13.90</b>        | <b>15.56</b> | <b>187.69</b> | <b>69.97</b> | <b>3,187.35</b> |
| Less : Allowance for doubtful debts/credit loss | -  | -                   | -            | (53.79)       | (62.96)      | (116.75)        |
| <b>Net Debtors</b>                              | <b>2,900.22</b>  | <b>13.90</b>        | <b>15.56</b> | <b>133.91</b> | <b>7.01</b>  | <b>3,070.60</b> |

| Particulars                                | As on 31st March, 2023                                     |                     |               |              |             |                 |
|--|--|---------------------|---------------|--------------|-------------|-----------------|
|  | Outstanding for following periods from due date of payment |                     |               |              |             |                 |
|  | < 6 Months   | 6 Months to 1 Years | 1 - 2 Years   | 2 - 3 Years  | > 3 years   | Total           |
| Undisputed Trade Receivable                |  |                     |               |              |             |                 |
| (i) Secured - Consider Good                | -  | -                   | -             | -            | -           | -               |
| (ii) Unsecured - Consider Good             | 2,067.17   | 12.47               | 159.39        | 22.77        | -           | 2,261.80        |
| (iii) Unsecured - Consider Doubtful        | -  | -                   | 53.30         | -            | 6.17        | 59.47           |
| <b>Total Debtors</b>                       | <b>2,067.17</b>  | <b>12.47</b>        | <b>212.69</b> | <b>22.77</b> | <b>6.17</b> | <b>2,321.27</b> |
| Less : Allowance for doubtful debts/credit |  |                     | (53.30)       | -            | (6.17)      | (59.47)         |
| <b>Net Debtors</b>                         | <b>2,067.17</b>  | <b>12.47</b>        | <b>159.39</b> | <b>22.77</b> | <b>-</b>    | <b>2,261.80</b> |

## MALU PAPER MILLS LTD; NAGPUR

| NOTE      | PARTICULARS  | AS ON 31TH MAR' 2024<br>AMOUNT | AS ON 31ST MAR' 2023<br>AMOUNT |
|-----------|--|--------------------------------|--------------------------------|
|           |  | (Rs. in Lakhs)                 |                                |
| <b>9</b>  | <b><u>CASH AND CASH EQUIVALENTS</u></b>                            |                                |                                |
| a         | Cash in hand   | 5.28                           | 2.54                           |
|           | <b>Total :</b>   | <b><u>5.28</u></b>             | <b><u>2.54</u></b>             |
| <b>10</b> | <b><u>Bank Balances other than Cash &amp; Cash Equivalents</u></b> |                                |                                |
| a         | Fixed Deposits<br>(Against Margin Money for Letter of Credit)      | 179.14                         | 167.85                         |
| b         | Accrued Interest on FDR  | 13.40                          | 16.25                          |
|           | <b>Total</b>   | <b><u>192.54</u></b>           | <b><u>184.10</u></b>           |
| <b>11</b> | <b><u>Other Current Assets</u></b>                                 |                                |                                |
|           | <b>Unsecured, considered good</b>                                  |                                |                                |
| a         | Advances ( against goods & services )                              | 99.45                          | 502.07                         |
| b         | Advances ( against capital goods )                                 | 5.62                           | -                              |
| c         | Other Advances & Deposits  | 161.56                         | 103.28                         |
|           | <b>Total :</b>   | <b><u>266.62</u></b>           | <b><u>605.35</u></b>           |

## MALU PAPER MILLS LTD; NAGPUR

| NOTE      | PARTICULARS  | AS ON 31TH MAR' 2024         |                     | AS ON 31ST MAR' 2023         |                     |
|-----------|--|------------------------------|---------------------|------------------------------|---------------------|
|           |  | AMOUNT                       | (Rs. in Lakhs)      | AMOUNT                       | AMOUNT              |
| <b>12</b> | <b><u>SHARE CAPITAL</u></b>  |                              |                     |                              |                     |
|           |  | <b>Number</b>                |                     | <b>Number</b>                |                     |
| <b>a</b>  | <b><u>Authorised</u></b>   |                              |                     |                              |                     |
|           | Equity Shares of ` Rs.10 each  | 200.00                       | 2,000.00            | 200.00                       | 2,000.00            |
| <b>b</b>  | <b><u>Issued</u></b>   |                              |                     |                              |                     |
|           | Equity Shares of ` Rs.10 each fully paid   | 170.59                       | 1,705.93            | 170.59                       | 1,705.93            |
| <b>c</b>  | <b><u>Subscribed &amp; fully Paid up</u></b>   |                              |                     |                              |                     |
|           | Equity Shares of ` Rs.10 each fully paid   | 170.59                       | 1,705.93            | 170.59                       | 1,705.93            |
|           | <b>Total :</b>   | <b>170.59</b>                | <b>1,705.93</b>     | <b>170.59</b>                | <b>1,705.93</b>     |
| <b>d</b>  | <b><u>Reconciliation of Number of Shares Outstanding :</u></b>   |                              |                     |                              |                     |
|           | Shares outstanding at the beginning of the year  | 170.59                       | 1,705.93            | 170.59                       | 1,705.93            |
|           | Movement During the Year   | -                            | -                   | -                            | -                   |
|           | Shares outstanding at the end of the year  | 170.59                       | 1,705.93            | 170.59                       | 1,705.93            |
| <b>e</b>  | <b><u>Rights, preference &amp; restriction attached to Equity Shares</u></b>   |                              |                     |                              |                     |
|           | The company has only one class of equity Share. Each Shareholder is eligible for one vote per share. In the event of liquidation of company, the shareholders are entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution shall be in proportion to number of equity shares held by the shareholder. |                              |                     |                              |                     |
| <b>f</b>  | <b><u>Details of Shareholders, holding more than 5% of the Paid up Equity Share Capital of the Company with Voting Rights :</u></b>  |                              |                     |                              |                     |
|           | <b>Name of Shareholder</b>   | <b>Number of Shares held</b> | <b>% of Holding</b> | <b>Number of Shares held</b> | <b>% of Holding</b> |
|           | Kaveridevi Jeetmal Malu  | 10.42                        | 6.110               | 10.42                        | 6.110               |
|           | Frontline Commercial Pvt. Ltd.   | 15.14                        | 8.880               | 15.14                        | 8.880               |
|           | Wistaria Farms Private Ltd   | 10.34                        | 6.060               | 10.34                        | 6.060               |

## MALU PAPER MILLS LTD; NAGPUR

**g Disclosure of aggregate number of equity shares for the period of five years immediately preceding from the Balance Sheet Date**  
(No. in Lakhs)

| Particulars                                     | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|---|---------|---------|---------|---------|---------|
| Shares outstanding at the beginning of the year | 170.59  | 170.59  | 170.59  | 170.59  | 170.59  |
| Movement During the Year                        | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    |
| Shares outstanding at the end of the year       | 170.59  | 170.59  | 170.59  | 170.59  | 170.59  |

**h Details of Shares held by Promoters**

| Name of Shareholder                 | Number of Shares as on 31st March, 2024 | % of Holding  | Number of Shares as on 31st March, 2023 | % of Holding  | % Change during the year |
|-------------------------------------|---|---------------|---|---------------|--------------------------|
| Frontline Commercial Pvt. Ltd.      | 15.14                                   | 8.88%         | 15.14                                   | 8.88%         | 0.00%                    |
| Kaveridevi Jeetmal Malu             | 10.42                                   | 6.11%         | 10.42                                   | 6.11%         | 0.00%                    |
| Wistaria Farms Private Ltd          | 10.34                                   | 6.06%         | 10.34                                   | 6.06%         | 0.00%                    |
| Vasudeo Malu                        | 7.26                                    | 4.26%         | 7.26                                    | 4.26%         | 0.00%                    |
| Shashikala Malu                     | 6.69                                    | 3.92%         | 6.69                                    | 3.92%         | 0.00%                    |
| Sunflame Fuels Pvt. Ltd             | 5.27                                    | 3.09%         | 5.27                                    | 3.09%         | 0.00%                    |
| Marigold Farms Pvt. Ltd.            | 4.13                                    | 2.42%         | 4.13                                    | 2.42%         | 0.00%                    |
| Suman Malu                          | 4.04                                    | 2.37%         | 4.04                                    | 2.37%         | 0.00%                    |
| Punamchand R Malu                   | 4.02                                    | 2.36%         | 4.02                                    | 2.36%         | 0.00%                    |
| Banwarilal Malu                     | 3.73                                    | 2.19%         | 3.73                                    | 2.19%         | 0.00%                    |
| Vasudeo Malu (Huf)                  | 3.70                                    | 2.17%         | 3.70                                    | 2.17%         | 0.00%                    |
| Damodarlal Malu                     | 3.46                                    | 2.03%         | 3.46                                    | 2.03%         |                          |
| (Transfer to Legal Heir is pending) |   |               |   |               | 0.00%                    |
| Bharat Shrawankumar Malu            | 3.20                                    | 1.88%         | 3.20                                    | 1.88%         | 0.00%                    |
| Gajendra Jeetmal Malu               | 3.17                                    | 1.86%         | 3.17                                    | 1.86%         | 0.00%                    |
| Narayan Banwarilal Malu             | 3.04                                    | 1.78%         | 3.04                                    | 1.78%         | 0.00%                    |
| Purushottam Malu                    | 3.03                                    | 1.78%         | 3.03                                    | 1.78%         | 0.00%                    |
| Shrawan Kumar Malu                  | 3.00                                    | 1.76%         | 3.00                                    | 1.76%         | 0.00%                    |
| Manisha Banwarilal Malu             | 2.62                                    | 1.54%         | 2.63                                    | 1.54%         | 0.00%                    |
| Radheshyam Purushottam Malu         | 2.21                                    | 1.30%         | 2.21                                    | 1.30%         | 0.00%                    |
| Venugopal Punamchand Malu           | 2.18                                    | 1.28%         | 2.18                                    | 1.28%         | 0.00%                    |
| Ganpati Malu                        | 0.00                                    | 0.00%         | 1.81                                    | 1.06%         | -1.06%                   |
| Anita Malu                          | 2.16                                    | 1.27%         | 1.71                                    | 1.00%         | 0.27%                    |
| Kaushalya Malu                      | 2.16                                    | 1.27%         | 1.71                                    | 1.00%         | 0.27%                    |
| Pushpa Malu                         | 2.16                                    | 1.27%         | 1.71                                    | 1.00%         |                          |
| (Transfer to Legal Heir is pending) |   |               |   |               | 0.27%                    |
| Sushila Malu                        | 2.16                                    | 1.27%         | 1.71                                    | 1.00%         | 0.27%                    |
| Damodarlal Malu (Huf)               | 1.58                                    | 0.93%         | 1.58                                    | 0.93%         | 0.00%                    |
| Punamchand Malu { Huf }             | 1.58                                    | 0.93%         | 1.58                                    | 0.93%         | 0.00%                    |
| Purushottam Malu (Huf)              | 1.58                                    | 0.93%         | 1.58                                    | 0.93%         | 0.00%                    |
| Shrawankumar Malu (Huf)             | 1.58                                    | 0.93%         | 1.58                                    | 0.93%         | 0.00%                    |
| Banwarilal Malu (Huf)               | 1.30                                    | 0.76%         | 1.30                                    | 0.76%         | 0.00%                    |
| Solar Carbons Pvt Ltd               | 0.97                                    | 0.57%         | 0.97                                    | 0.57%         | 0.00%                    |
| Ghasiram Jhumarlal Malu             | 0.50                                    | 0.29%         | 0.50                                    | 0.29%         | 0.00%                    |
| Shalini Venugopal Malu              | 0.50                                    | 0.29%         | 0.50                                    | 0.29%         | 0.00%                    |
| Kantadevi Shreevallabh Malu         | 0.26                                    | 0.15%         | 0.27                                    | 0.16%         | 0.00%                    |
| Omprakash Jhumarlal Malu            | 0.16                                    | 0.09%         | 0.16                                    | 0.09%         | 0.00%                    |
| <b>Total</b>                        | <b>119.32</b>                           | <b>69.95%</b> | <b>119.33</b>                           | <b>69.95%</b> | <b>0.00%</b>             |

\* **Release of Pledge Shares:** During the year Promoters Shareholding to the extent of 51% of paid up shares capital which were pledge against the Loans specied under Note no 14(a) and 16(a) had been released by all the consortium lenders as the company had successfully exited from Corporate Debt Restructuring (CDR) mechanism after making repayment of all dues availed under term loan facilities (under consortium banking arrangement) to the CDR lenders.

## MALU PAPER MILLS LTD; NAGPUR

| NOTE 13 : Other Equity  |                      |                  |  |                   |               | (Rs. in Lakhs)                      |
|---|----------------------|------------------|--|-------------------|---------------|-------------------------------------|
| Particular  | Reserves and Surplus |                  |  |                   |               | Total                               |
|   | General Reserve      | Security Premium | Capital Grant<br>(Deffered Sales tax<br>Incentive Packages -<br>As per Ind AS 20 ) | Retained Earning  | OCI           |                                     |
| <b>As at 31st March 2020</b>  | <b>2,118.80</b>      | <b>1,479.53</b>  | <b>352.92</b>  | <b>(2,578.91)</b> | -             | <b>1,372.34</b>                     |
| Net Profit/Loss for the period<br>Recognised in Statement of Profit and Loss Account  |                      |                  | (84.64)  | (577.07)          | (9.91)        | <b>(586.98)</b><br><b>(84.64)</b>   |
| <b>As at 31st March 2021</b>  | <b>2,118.80</b>      | <b>1,479.53</b>  | <b>268.28</b>  | <b>(3,155.99)</b> | <b>(9.91)</b> | <b>700.71</b>                       |
| Net Profit/Loss for the period<br>Recognised in Statement of Profit and Loss Account  |                      |                  | (65.22)  | (626.22)          | 9.58          | <b>(616.64)</b><br><b>(65.22)</b>   |
| <b>As at 31st March 2022</b>  | <b>2,118.80</b>      | <b>1,479.53</b>  | <b>203.05</b>  | <b>(3,782.21)</b> | <b>(0.33)</b> | <b>18.85</b>                        |
| Net Profit/Loss for the period<br>Recognised in Statement of Profit and Loss Account  |                      |                  | (53.22)  | (1,045.37)        | 9.96          | <b>(1,035.41)</b><br><b>(53.22)</b> |
| <b>As at 31st March 2023</b>  | <b>2,118.80</b>      | <b>1,479.53</b>  | <b>149.84</b>  | <b>(4,827.57)</b> | <b>9.63</b>   | <b>(1,069.78)</b>                   |
| Net Profit/Loss for the period<br>Recognised in Statement of Profit and Loss Account  |                      |                  | (49.07)  | 89.53             | 3.19          | <b>92.71</b><br><b>(49.07)</b>      |
| <b>As at 31st March 2024</b>  | <b>2,118.80</b>      | <b>1,479.53</b>  | <b>100.77</b>  | <b>(4,738.05)</b> | <b>12.81</b>  | <b>(1,026.14)</b>                   |
| <b>Nature and description of reserve</b>  |                      |                  |  |                   |               |                                     |
| <p>(i) General Reserve - General reserve are free reserves of the company which are kept aside out of company's profits to meet the future requirements as and when they arise. The Company had transferred a portion of the profit after tax (PAT) to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.</p> <p>(ii) Retained Earnings - Retained earnings are the accumulated profits earned by the Company till date, less transfer to general reserves, dividend (including dividend distribution tax) and other distributions made to the shareholders.</p> <p>(iii) Security Premium: It is created from amount collected on issue of shares in excess of the face value of such shares.</p> <p>(iv) Capital Grant: It is the value of deferred government grant to be recognised in Profit and Loss account over the period in which the entity recognises the related interest on the value of deferred sales tax liability which the grant is intended to compensate.</p> |                      |                  |  |                   |               |                                     |

## MALU PAPER MILLS LTD; NAGPUR

| NOTE       | PARTICULARS  | AS ON 31TH MAR' 2024     | AS ON 31ST MAR' 2023 |
|------------|--|--------------------------|----------------------|
|            |  | AMOUNT<br>(Rs. in Lakhs) | AMOUNT               |
| <b>14</b>  | <b><u>LONG-TERM BORROWINGS</u></b>   |                          |                      |
| <b>a</b>   | <b><u>SECURED LOANS</u></b>  |                          |                      |
|            | <b><u>(Consortium)</u></b>   |                          |                      |
| <b>i</b>   | Bank of India, Mumbai  | 495.32                   | 509.47               |
| <b>ii</b>  | Jammu & Kashmir Bank, Mumbai   | 89.77                    | 92.33                |
| <b>iii</b> | State Bank of India, Nagpur  | 221.39                   | 228.00               |
|            | <b>Total :</b>   | <b><u>806.47</u></b>     | <b><u>829.80</u></b> |
| <b>1</b>   | (Loans of Sr. No a (i) to (iii) of Note 14 are secured by :  |                          |                      |
|            | 1. Primary : First pari passu charge on the entire Fixed Assets of the Company both present & future.  |                          |                      |
|            | 2. Collateral : Second pari passu charge on entire current assets of the company and First pari passu charge by way of equitable mortgage of Land and Plant & Machinery of Solar Carbon Pvt Ltd. |                          |                      |
|            | 3. Guarantee : Personal guarantee of Directors Shri Punamchand Malu & Shri Banwarilal Malu and corporate guarantee of Solar Carbons Pvt Ltd.)  |                          |                      |
| <b>2</b>   | There is no default in repayment of principal loan or interest thereon.  |                          |                      |
| <b>b</b>   | Deffered Sales Tax (Unsecured Loan)  | 441.30                   | 475.66               |
|            | <b>Total :</b>   | <b><u>441.30</u></b>     | <b><u>475.66</u></b> |

### DETAILS OF RATE OF INTEREST & TERMS OF REPAYMENT OF DEFERRED SALES TAX

| REPAYMENT SCHEDULE | Repayable after 1 year from the date of Balance Sheet | Repayment in FY 24-25 | Terms of Payment- | Rate of interest  |
|--------------------|---|-----------------------|-------------------|---|
| Deffered Sales Tax | 441.30  | 23.72                 | 1st May Annually  | Based on the schedule of Early Repayment option provided by the Government. |

The company had received interest free Sales Tax Deferral of under the Package Schemene of Incentive scheme of the government, which is outstanding to the extent of Rs.15,25,12,990 Under Ind AS, at the date of transition, the company recognised the said financial liability at fair value with the differential to be spread over the tenure of the deferral.

## MALU PAPER MILLS LTD; NAGPUR

| NOTE       | PARTICULARS   | AS ON 31TH MAR' 2024<br>AMOUNT | (Rs. in Lakhs) | AS ON 31ST MAR' 2023<br>AMOUNT |
|------------|---|--------------------------------|----------------|--------------------------------|
| <b>15</b>  | <b><u>Long Term Provisions</u></b>  |                                |                |                                |
|            | <b>Post Employment Employee Benefits</b>  |                                |                |                                |
|            | Provision for Gratuity [refer (a) below]  | 119.40                         |                | 103.72                         |
|            | <b>Total :</b>  | <b>119.40</b>                  |                | <b>103.72</b>                  |
| <b>a</b>   | <b>Employee Benefits -</b>  |                                |                |                                |
|            | <b>Particulars</b>  | <b>As as 31-03-2024</b>        |                | <b>As as 31-03-2023</b>        |
|            | Reconciliation of opening and closing balance of funded obligation, as assessed by an independent actuary   |                                |                |                                |
|            | <b>Opening Defined Benefit Obligation</b>   | 103.72                         |                | 98.31                          |
|            | Current service cost  | 12.63                          |                | 11.92                          |
|            | Interest cost   | 7.54                           |                | 6.95                           |
|            | Actuarial (gain)/losses   | (4.49)                         |                | (13.46)                        |
|            | Benefits paid by company  | -                              |                | -                              |
|            | <b>Closing Defined Benefit Obligation</b>   | <b>119.40</b>                  |                | <b>103.72</b>                  |
| <b>16</b>  | <b><u>SHORT TERM BORROWINGS</u></b>   |                                |                |                                |
|            | <b><u>Secured</u></b>   |                                |                |                                |
| <b>a</b>   | <b>Loans repayable on demand</b>  |                                |                |                                |
|            | <b>Working Capital Limit from</b>   |                                |                |                                |
| <b>i</b>   | Axis Bank Ltd; Nagpur   | 589.44                         |                | 616.83                         |
| <b>ii</b>  | State Bank of India, Nagpur   | 611.12                         |                | 607.38                         |
| <b>iii</b> | Bank of India, Mumbai   | 617.03                         |                | 615.55                         |
| <b>iv</b>  | Jammu & Kashmir Bank, Mumbai  | 306.51                         |                | 306.19                         |
| <b>v</b>   | Bank of Baroda, Mumbai  | 305.08                         |                | 304.42                         |
|            | <b>Sub Total (a) :</b>  | <b>2,429.18</b>                |                | <b>2,450.37</b>                |
|            | (Loans of Sr. No a (i) to (v) of Note 16 are secured by :   |                                |                |                                |
|            | 1. Primary : First pari passu charge on the entire Current Assets of the Company both present & future.   |                                |                |                                |
|            | 2. Collateral : Second pari passu charge on entire Fixed assets of the company and second pari passu charge by way of equitable mortgage of Land and Plant & Machinery of Solar Carbon Pvt Ltd. |                                |                |                                |
|            | 3. Guarantee : Personal guarantee of Directors Shri Punamchand Malu & Shri Banwarilal Malu and corporate guarantee of Solar Carbons Pvt Ltd.)   |                                |                |                                |
|            | 4. Quarterly returns or statements of current assets filed with banks are in agreement with the books of account of the company.  |                                |                |                                |
| <b>b</b>   | <b><u>UNSECURED LOANS</u></b>   |                                |                |                                |
|            | (a) Loans and advances from related parties   | 1,717.00                       |                | 1,401.00                       |
|            | (b) Loans and advances from Inter Corporate   | 7,324.00                       |                | 6,572.00                       |
|            | (c) Others  | 400.00                         |                | 475.00                         |
|            | <b>Sub Total (b) :</b>  | <b>9,441.00</b>                |                | <b>8,448.00</b>                |
|            | <b>Total ( a + b ) :</b>  | <b>11,870.18</b>               |                | <b>10,898.37</b>               |



## MALU PAPER MILLS LTD; NAGPUR

| NOTE      | PARTICULARS   | AS ON 31TH MAR' 2024<br>AMOUNT | (Rs. in Lakhs) | AS ON 31ST MAR' 2023<br>AMOUNT |
|-----------|---|--------------------------------|----------------|--------------------------------|
| <b>17</b> | <b><u>TRADE PAYABLE</u></b>   |                                |                |                                |
| a         | Total Outstanding dues to MSMEs [refer (c) below as per the intimation received from vendors] | 1,013.20                       |                | 471.59                         |
| b         | Total Outstanding dues to Others  | 1,560.02                       |                | 1,490.35                       |
|           | <b>Total :</b>  | <b>2,573.22</b>                |                | <b>1,961.94</b>                |

**c Disclosers relating to Micro, Small and Medium Enterprises (MSME)**

| Particulars  | As at 31-03-2024 | As at 31-03-2023 |
|--|------------------|------------------|
| Principal Amount remaining unpaid to MSMEs   | 1,013.20         | 471.59           |
| Interest due on the above, remaining unpaid  | Nil              | Nil              |
| Interest paid in terms of Section 16 of MSME Development Act [MSMEDA] along with payments made beyond the appointed day during the year  | Nil              | Nil              |
| Interest due and payable for delay in making payment (paid but beyond the appointed day) but but without adding the interest specified under MSMEDA  | Nil              | Nil              |
| Interest accrued and remaining unpaid at the end of each accounting year   | Nil              | Nil              |
| Further interest remaining due and payable in succeeding year (until such date by which the interest dues as above are actually paid to the small enterprises), for the purpose of disallowance as a deductible expenditure under Section 23 of MSMEDA | Nil              | Nil              |

**c Trade Payables Ageing schedule**

| Particulars                 | Trade Payable as on 31 MAR'24 |                 | Trade Payables as on 31 MAR'23 |                 |
|-----------------------------|-------------------------------|-----------------|--------------------------------|-----------------|
|                             | MSME                          | OTHERS          | MSME                           | OTHERS          |
| Upto 1 Year                 | 1,013.20                      | 1,556.64        | 471.59                         | 1,488.14        |
| 1 - 2 Year                  | -                             | 1.16            | -                              | 2.22            |
| 2 - 3 Year                  | -                             | 2.22            | -                              | -               |
| More than 3 Years           | -                             | -               | -                              | -               |
| <b>Net Trade Receivable</b> | <b>1,013.20</b>               | <b>1,560.02</b> | <b>471.59</b>                  | <b>1,490.35</b> |

**18 OTHER FINANCIAL LIABILITIES**

|   |                                       |              |          |
|---|---------------------------------------|--------------|----------|
| a | Current Maturities:<br>Long Term Debt | 23.05        | -        |
|   | <b>Total :</b>                        | <b>23.05</b> | <b>-</b> |

**19 OTHER CURRENT LIABILITIES**

|   |  |               |               |
|---|--|---------------|---------------|
| a | Deffered Sales Tax<br>(As per Note 15 above) | 23.72         | 87.99         |
| b | Duties & Taxes                               | 191.26        | 84.35         |
| c | Other Payables                               | 10.53         | 10.54         |
|   |  | <b>225.50</b> | <b>182.88</b> |

## MALU PAPER MILLS LTD; NAGPUR

| NOTE      | PARTICULARS                                  | AS ON 31TH MAR' 2024 |                         | AS ON 31ST MAR' 2023 |                         |
|-----------|--|----------------------|-------------------------|----------------------|-------------------------|
|           |  | AMOUNT               | (Rs. in Lakhs)          | AMOUNT               |                         |
| <b>20</b> | <b><u>REVENUE FROM OPERATION</u></b>         |                      |                         |                      |                         |
| <b>A</b>  | <b>Sale of products; Manufacturing Goods</b> |                      |                         |                      |                         |
| <b>1</b>  | <b>Kraft Paper</b>                           |                      |                         |                      |                         |
|           | Domestic                                     | 11,890.67            |                         | 10,845.11            |                         |
|           | Export                                       | -                    | 11,890.67               | -                    | 10,845.11               |
| <b>2</b>  | <b>Newsprint Paper</b>                       |                      |                         |                      |                         |
|           | Domestic                                     | 14,548.38            |                         | 12,192.87            |                         |
|           | Export                                       | 978.31               | 15,526.69               | 261.56               | 12,454.44               |
|           | <b>Sub-Total :</b>                           |                      | <b><u>27,417.37</u></b> |                      | <b><u>23,299.54</u></b> |
| <b>B</b>  | <b>Other Operating Income</b>                |                      |                         |                      |                         |
| <b>1</b>  | Duty Draw Back - Export                      |                      | 1.05                    |                      | 1.65                    |
| <b>2</b>  | Carbon Credit Sale (Net of Expenses)         |                      | 25.66                   |                      | 87.69                   |
|           | <b>Sub-Total :</b>                           |                      | <b><u>26.71</u></b>     |                      | <b><u>89.34</u></b>     |
|           | <b>TOTAL</b>                                 |                      | <b><u>27,444.08</u></b> |                      | <b><u>23,388.88</u></b> |

**Note: All the sales are made to external parties only.**

**21 OTHER INCOME**

|  |                     |                     |
|--|---------------------|---------------------|
| Interest on FDR  | 12.39               | 10.29               |
| Interest on Security Deposit                             | 0.79                | 0.58                |
| Incentive Income   | 0.10                | -                   |
| Sales Tax Refund   | -                   | 1.77                |
| Deffered Sales tax Incentive Packages (As per Ind AS 20) | 49.07               | 53.22               |
| <b>Total :</b>   | <b><u>62.34</u></b> | <b><u>65.85</u></b> |

## MALU PAPER MILLS LTD; NAGPUR

| NOTE      | PARTICULARS  | AS ON 31TH MAR' 2024<br>AMOUNT | (Rs. in Lakhs)   | AS ON 31ST MAR' 2023<br>AMOUNT |
|-----------|--|--------------------------------|------------------|--------------------------------|
| <b>22</b> | <b><u>COST OF MATERIALS CONSUMED</u></b>                 |                                |                  |                                |
|           | <b><u>Details of Raw Material Consumed</u></b>           |                                |                  |                                |
|           | Raw Material at the beginning of the year                | 2,420.87                       |                  | 2,512.90                       |
|           | Add: Purchases   | 17,485.30                      |                  | 15,840.09                      |
|           | Total :  | 19,906.16                      |                  | 18,352.99                      |
|           | Less: Raw Material at the end of the year                | 1,996.77                       |                  | 2,420.87                       |
|           | Cost of Raw Material consumed                            | <b>17,909.39</b>               |                  | <b>15,932.13</b>               |
|           | <b><u>Item wise details of Raw Material Consumed</u></b> |                                |                  |                                |
|           | Waste Paper - Indian - Kraft                             | 5,744.93                       | 3,523.87         |                                |
|           | Waste Paper - Imported - Kraft                           | 1,459.77                       | 3,443.07         |                                |
|           | Chemical - Kraft   | 940.55                         | 636.60           |                                |
|           | Waste Paper - Indian - Newsprint                         | 5,660.29                       | 5,473.45         |                                |
|           | Waste Paper - Imported - Newsprint                       | 3,113.46                       | 2,204.15         |                                |
|           | Chemical - Newsprint                                     | 990.38                         | 650.99           |                                |
|           | <b>Total</b>   | <b>17,909.39</b>               | <b>15,932.13</b> |                                |
|           | <b><u>Details of Consumable Stores Consumed</u></b>      |                                |                  |                                |
|           | Consumable Stores at the beginning of the year           | 816.15                         |                  | 714.35                         |
|           | Add: Purchases   | 554.25                         |                  | 436.60                         |
|           | Total :  | 1,370.40                       |                  | 1,150.96                       |
|           | Less: Consumable Stores at the end of the year           | 838.90                         |                  | 816.15                         |
|           | Cost of Consumable Stores consumed                       | <b>531.50</b>                  |                  | <b>334.81</b>                  |
|           | <b>Total :</b>   | <b>18,440.89</b>               |                  | <b>16,266.93</b>               |
| <b>23</b> | <b><u>Details of changes in Inventories</u></b>          |                                |                  |                                |
|           | <b>INVENTORIES</b>                                       |                                |                  |                                |
|           | <b>Particulars</b>                                       |                                |                  |                                |
|           | Stock in Process   | 51.63                          |                  | 51.90                          |
|           | Finished Goods   | 1,848.75                       |                  | 462.61                         |
|           | <b>Total :</b>   | <b>1,900.37</b>                |                  | <b>514.51</b>                  |
|           | <b>Inventory at the beginning of the year</b>            |                                |                  |                                |
|           | <b>Particulars</b>                                       |                                |                  |                                |
|           | Stock in Process   | 51.90                          |                  | 66.46                          |
|           | Finished Goods   | 462.61                         |                  | 688.58                         |
|           | <b>Increase/Decrease in Inventory</b>                    |                                |                  |                                |
|           | <b>Particulars</b>                                       |                                |                  |                                |
|           | Stock in Process   | 0.27                           |                  | 14.56                          |
|           | Finished Goods   | (1,386.13)                     |                  | 225.97                         |
|           | <b>Total :</b>   | <b>(1,385.86)</b>              |                  | <b>240.53</b>                  |

## MALU PAPER MILLS LTD; NAGPUR

| NOTE      | PARTICULARS                              | AS ON 31TH MAR' 2024 | AS ON 31ST MAR' 2023 |
|-----------|--|----------------------|----------------------|
|           |  | AMOUNT               | AMOUNT               |
|           |  | (Rs. in Lakhs)       |                      |
| <b>24</b> | <b><u>EMPLOYEE BENEFITS</u></b>          |                      |                      |
|           | Salary & Allowances                      | 773.14               | 781.47               |
|           | Provident Fund                           | 35.92                | 33.13                |
|           | ESIC                                     | 13.40                | 11.51                |
|           | Staff Welfare Expenses                   | 17.44                | 12.62                |
|           | Expenses on Gratuity                     | 20.17                | 18.87                |
|           | Current Service Cost                     | 12.63                | 11.92                |
|           | Finance Cost on Gratuity Fund            | 7.54                 | 6.95                 |
|           | <b>Total :</b>                           | <b>860.07</b>        | <b>857.62</b>        |
| <b>25</b> | <b><u>FINANCE COSTS</u></b>              |                      |                      |
|           | Bank Charges                             | 44.79                | 28.41                |
|           | Interest to Bank                         | 390.51               | 269.95               |
|           | Interest on Unsecured Loan               | 604.69               | 512.11               |
|           | Interest on Defered Sales Tax Liability  | 49.07                | 53.22                |
|           | <b>Total :</b>                           | <b>1,089.06</b>      | <b>863.69</b>        |
| <b>26</b> | <b><u>OTHER EXPENSES</u></b>             |                      |                      |
|           | Power & Fuel                             | 4,194.19             | 2,868.67             |
|           | Packing Material                         | 278.04               | 246.83               |
|           | Freight Inward                           | 1,555.02             | 1,489.08             |
|           | Contractor Payment                       | 558.50               | 388.09               |
|           | Custom Duty                              | 119.05               | 203.51               |
|           | Water Charges                            | 43.40                | 33.80                |
|           | <b>Repairs &amp; Maintenance</b>         |                      |                      |
|           | Building                                 | -                    | 0.83                 |
|           | Plant & Machinery                        | 374.35               | 219.69               |
|           | Advertisement                            | 2.82                 | 3.19                 |
|           | Annual Listing Fees                      | 6.82                 | 6.66                 |
|           | Payment to Auditors (Refer Note no 28)   | 11.22                | 11.22                |
|           | Consultancy Charges                      | 30.31                | 34.82                |
|           | Conveyance Charges & Vehicle Maintenance | 12.22                | 13.69                |
|           | Computer Maintenance                     | 6.77                 | 3.54                 |
|           | Donation                                 | 0.07                 | 0.61                 |
|           | Insurance Charges                        | 29.56                | 28.65                |
|           | Labour Welfare Fund                      | 0.22                 | 0.24                 |
|           | Office & Misc. Expenses                  | 8.21                 | 8.57                 |
|           | Professional Tax                         | 0.03                 | 0.03                 |
|           | Periodicals & Subscription               | 0.40                 | 0.56                 |
|           | Postage                                  | 1.38                 | 1.12                 |
|           | Printing & Stationery                    | 3.95                 | 4.35                 |
|           | Provision for doubtful debts/credit loss | 3.49                 | 48.30                |
|           | Rates & Taxes                            | 17.15                | 15.97                |
|           | ROC Fees Expenses                        | 0.17                 | 0.07                 |
|           | Security Expenses                        | 18.36                | 18.51                |
|           | Selling & Distribution Expenses          | 123.72               | 109.79               |
|           | Carriage Outward                         | 447.76               | 351.44               |
|           | Sitting Fess Expenses                    | 0.85                 | 0.95                 |
|           | Sales Tax Expenses                       | -                    | 1.53                 |
|           | Interest, Penalty and Late Fees          | 0.54                 | 2.99                 |
|           | Telephone Expenses                       | 3.14                 | 2.22                 |
|           | Travelling Expenses                      | 2.30                 | 2.77                 |
|           | <b>Total :</b>                           | <b>7,854.02</b>      | <b>6,122.27</b>      |

## MALU PAPER MILLS LTD; NAGPUR

| NOTE      | PARTICULARS   | AS ON 31TH MAR' 2024    | AS ON 31ST MAR' 2023    |
|-----------|---|-------------------------|-------------------------|
|           |   | AMOUNT                  | AMOUNT                  |
|           |   | (Rs. in Lakhs)          |                         |
| <b>27</b> | <b>DISCLOSURE OF RELATED PARTY TRANSACTIONS :</b>                               |                         |                         |
|           | List of related parties with whom transactions have taken place during the year |                         |                         |
| <b>a</b>  | <b>Associate Concerns</b>   |                         |                         |
|           | Malu Electrodes Private Limited   |                         |                         |
|           | Malu Rice Mills Private Limited   |                         |                         |
|           | Shree Sales Corporation Private Limited   |                         |                         |
|           | Solar Carbons Private Limited   |                         |                         |
|           | Wistaria Farms Private Limited  |                         |                         |
| <b>b</b>  | <b>Key Management Persons</b>   |                         |                         |
|           | Poonamchand Malu  |                         |                         |
|           | Banwarilal Malu   |                         |                         |
| <b>c</b>  | <b>Transactions with Related Party</b>  |                         |                         |
|           | <b>Associate Company</b>  |                         |                         |
|           | <b>Malu Electrodes Private Limited</b>  |                         |                         |
|           | Purchases during the year   | 3.21                    | 1.89                    |
|           | Sale during the year  | -                       | 10.12                   |
|           | Finance Taken   | 150.00                  | 1,075.91                |
|           | Finance Repaid  | 50.80                   | 42.50                   |
|           | Interest on Loan  | 412.00                  | 343.44                  |
|           | <b>Malu Rice Mills Private Limited</b>  |                         |                         |
|           | Purchases during the year   | 25.11                   | -                       |
|           | Finance Taken   | 550.00                  |                         |
|           | Finance Repaid  | 290.17                  | -                       |
|           | Interest on Loan  | 6.86                    | -                       |
|           | <b>Shree Sales Corporation Private Limited</b>                                  |                         |                         |
|           | Purchases during the year   | 656.75                  | -                       |
|           | <b>Solar Carbons Private Limited</b>  |                         |                         |
|           | Finance Repaid  | 0.03                    | 0.85                    |
|           | Interest on Loan  | 18.79                   | 16.50                   |
|           | <b>Wistaria Farms Private Limited</b>   |                         |                         |
|           | Finance Repaid  | 0.20                    | 0.19                    |
|           | Interest on Loan  | 1.50                    | 1.32                    |
|           | <b>Relatives of Key Management Persons</b>                                      | <b>Salary</b>           | <b>Salary</b>           |
|           | Poonamchand Malu  | -                       | 24.00                   |
|           | Banwarilal Malu   | -                       | 24.00                   |
|           | Narayan Malu  | -                       | 24.00                   |
|           | Nimish Malu   | -                       | 12.00                   |
|           |   | <b>Interest on Loan</b> | <b>Interest on Loan</b> |
|           | Banwarilal Malu (HUF)   | 1.50                    | 1.32                    |
|           | Banwarilal Malu   | 43.88                   | 25.89                   |
|           | Kaveri Malu   | 12.16                   | 10.50                   |
|           | Manisha Verma   | 2.86                    | 2.52                    |
|           | Shashi Malu   | 11.77                   | 10.32                   |
|           | Vasudeo Malu  | 26.94                   | 22.64                   |
|           | <b>Amount Payable as on reporting Date</b>                                      |                         |                         |
|           | Banwarilal Malu (HUF)   | 24.00                   | 23.00                   |
|           | Banwarilal Malu   | 815.00                  | 566.00                  |
|           | Kaveri Malu   | 197.00                  | 187.00                  |
|           | Malu Electrodes Private Limited   | 6,730.00                | 6,260.00                |
|           | Manisha Verma   | 46.00                   | 44.00                   |
|           | Malu Rice Mills Private Limited   | 266.00                  | -                       |
|           | Shashi Malu   | 191.00                  | 181.00                  |
|           | Solar Carbons Private Limited   | 304.00                  | 289.00                  |
|           | Vasudeo Malu  | 444.00                  | 400.00                  |
|           | Wistaria Farms Private Limited  | 24.00                   | 23.00                   |

## MALU PAPER MILLS LTD; NAGPUR

| NOTE           | PARTICULARS  | AS ON 31TH MAR' 2024<br>AMOUNT<br>(Rs. in Lakhs) | AS ON 31ST MAR' 2023<br>AMOUNT |
|----------------|--|--|--------------------------------|
| <b>28</b>      | <b><u>PAYMENT TO AUDITORS IN OTHER EXPENSES (NOTE 25) CONSISTS OF:</u></b>   |  |                                |
|                | Statutory Audit Fees   | 3.00   | 3.00                           |
|                | Tax Audit Fees   | 4.50   | 4.50                           |
|                | GST Audit Fees   | 0.72   | 0.72                           |
|                | Internal Audit Fees  | 3.00   | 3.00                           |
|                | <b>Total</b>   | <b>11.22</b>                                     | <b>11.22</b>                   |
| <b>29</b>      | <b><u>SEGMENT INFORMATION :</u></b>  |  |                                |
|                | The Company operates in only one main segment i.e. manufacturing of paper. Since the company has only one reportable business segment and geographical segment, no further disclosure is required as per the Indian Accounting Standard 108-Operating Segment.                               |  |                                |
| <b>30</b>      | <b><u>EARNING PER SHARE (EPS)</u></b>  |  |                                |
|                | EPS is calculated by dividing the earning available for equity shareholders or loss attributable to equity shareholders by the weighted average number of equity shares outstanding the year. Numbers used for calculating basic and diluted earnings per equity share are as stated below : |  |                                |
|                | Profit (Loss) after tax  | 92.71  | (1,035.41)                     |
|                | Weighted Number of Shares - Basic  | 170.59   | 170.59                         |
|                | EPS  | 0.54   | (6.07)                         |
|                | Basic/Diluted Earning Per Share  | 0.54   | (6.07)                         |
|                | Face value per share   | 10.00  | 10.00                          |
| <b>31</b>      | <b><u>ADDITIONAL INFORMATION</u></b>   |  |                                |
| <b>a</b>       | Value of imports calculated on C.I.F basis by the company during the financial year in respect of -  |  |                                |
| <b>I</b>       | i. Raw materials;  | 4,259.83   | 5,780.01                       |
|                | ii. Components & Spare Parts   | 2.35   | 9.74                           |
|                | iii. Capital Goods   | 27.12  | -                              |
|                | iv. Purchase of Trading Goods  | -  | -                              |
| <b>b (i)</b>   | Total value of all imported raw materials, spare parts and components consumed during the financial year.  | 4262.17 (23%)                                    | 5656.96 (35%)                  |
| <b>b (ii)</b>  | Total value of all indigenous raw materials, spare parts and components similarly consumed   | 14178.72 (77%)                                   | 10609.97 (65%)                 |
| <b>b (iii)</b> | Total consumption  | 18440.89 (100%)                                  | 16266.93 (100%)                |
| <b>c</b>       | Earnings in foreign exchange classified under the following  |  |                                |
|                | I. Export of goods calculated on C.I.F. basis;   | 110.78   | 138.15                         |
| <b>32</b>      | <b><u>CONTINGENT LIABILITIES :</u></b>   |  |                                |
| <b>(i)</b>     | Bank Guarantee Outstanding   | 203.93   | 203.93                         |
| <b>(ii)</b>    | Buyers Credit  | 366.36   | 366.36                         |
| <b>(iii)</b>   | Bonds Executed in Favour of Government Authorities in respect of EPCG Licence towards duty saved against which Export obligation has to be made. Against which company has given counter guarantee to Bankers  | 614.01   | 614.01                         |
| <b>(iv)</b>    | Impact of pending litigation on financial position   | 6.00   | 40.09                          |
| <b>33</b>      | <b><u>Key Assumptions in Calculating Provision for Defined Benefit Obligation:</u></b>   |  |                                |
|                | Discount Rates (%)   | 7.20%  | 7.45%                          |
|                | Effective Rate of Salary Escalation (%)  | 3.00%  | 3.00%                          |
|                | Retirement Age (Years)   | 60   | 60                             |
|                | Days Of Salary for Gratuity:   | 15   | 15                             |

## MALU PAPER MILLS LTD; NAGPUR

| NOTE | PARTICULARS | AS ON 31TH MAR' 2024 | AS ON 31ST MAR' 2023 |
|------|-------------|----------------------|----------------------|
|      |             | AMOUNT               | AMOUNT               |
|      |             | (Rs. in Lakhs)       |                      |

### 34 Financial Instrument-Accounting Classifications and fair value Measurements

The fair value of the assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in forced or liquidation sale.

**The following methods and assumptions were used to estimate the fair values:**

- 1 Fair Value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial instruments approximate their carrying amounts largely due to the short term maturities of these instruments.
- 2 Financial instruments with fixed and variable interest rates are evaluated by the company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to the account for the expected losses of these receivables.

The company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

**Level 1:** Quoted (unadjusted) prices in active markets for identical assets or liabilities.

**Level 2:** Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

**Level 3:** Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

| Particulars   | Fair Value       |                  |
|---|------------------|------------------|
|   | 31-03-2024       | 31-03-2023       |
| <b>Financial Assets</b>   |                  |                  |
| <b>Financial Assets ( Level 1 )</b>   |                  |                  |
| <b>Financial Assets at amorticed cost :- (Level 2)</b>                                |                  |                  |
| Bank Deposits   | 206.03           | 196.89           |
| Trade Receivables   | 3,070.60         | 2,261.80         |
| Cash and Bank Balances  | 5.28             | 2.54             |
| <b>TOTAL</b>  | <b>3,281.91</b>  | <b>2,461.22</b>  |
| <b>Financial Assets at Fair Value through Other Comprehensive Income :- (Level 3)</b> |                  |                  |
| Investment in Equity shares of Ganga Care Hospital Ltd                                | 11.00            | 11.00            |
| <b>TOTAL</b>  | <b>11.00</b>     | <b>11.00</b>     |
| <b>Financial Liabilities</b>  |                  |                  |
| <b>Financial Liabilities ( Level 1 )</b>  | -                | -                |
| <b>Financial Liabilities at amorticed cost :- (Level 2)</b>                           |                  |                  |
| Term Loans  | 806.47           | 829.80           |
| Unsecured Loans   | 441.30           | 475.66           |
| Long term borrowings  | 1,247.77         | 1,305.46         |
| Trade Payable   | 2,573.22         | 1,961.94         |
| Other Financial Liabilities   | 23.05            | -                |
| <b>TOTAL</b>  | <b>5,091.81</b>  | <b>4,572.87</b>  |
| <b>Financial Liabilities at amorticed cost :- (Level 3)</b>                           |                  |                  |
| Short Term Borrowings   | 11,870.18        | 10,898.37        |
| <b>TOTAL</b>  | <b>11,870.18</b> | <b>10,898.37</b> |

## MALU PAPER MILLS LTD; NAGPUR

| NOTE | PARTICULARS | AS ON 31TH MAR' 2024     | AS ON 31ST MAR' 2023 |
|------|-------------|--------------------------|----------------------|
|      |             | AMOUNT<br>(Rs. in Lakhs) | AMOUNT               |

### 35 Financial Risk Management Objectives and Policies :-

The Company's financial risk management is an integral part of how to plan and execute its business strategies :-

#### a) Market Risk :-

Market risk is the risk of loss of future earnings, or future cash flows arising out of changes in Market Conditions of Paper Industry, which include changes in prices of Raw Material (indigenously procured as well as import) .

The company manages market risk through evaluation and identification of risk factors with the object of governing/mitigating them according to Company's objectives and declared policies in specific context of impact thereof on operating performance of the company. The Board provides oversight and reviews the Risk management policy on regular basis.

#### b) Interest Rate Risk :-

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The company is not exposed to significant interest rate risk as at the respective reporting dates.

#### c) Foreign currency risk :-

The Company operates internationally with transactions entered into several currencies. Still the Company is not exposed to foreign exchange risk as there are no financial instruments to be settled in foreign currency.

#### d) Credit Risk :-

Credit risk arising from trade receivables is managed in accordance with the Company's established policy with regard to credit limits, control and approval procedures. The Company provides for expected credit losses on trade receivables based on a simplified approach as per Ind AS 109. Under this approach, expected credit losses are computed basis the probability of defaults over the lifetime of the asset. This allowance is measured taking into account credit profile of the customer, geographical spread, trade channels, past experience of defaults, estimates for future uncertainties etc.

| Particulars                          | 31-03-2024 | 31-03-2023 |
|--------------------------------------|------------|------------|
| Balance at the beginning of the year | 59.47      | 11.17      |
| Additional Provided                  | 3.49       | 48.30      |
| Reversed                             | -          | -          |
| Written Off                          | -          | -          |
| Balance at the end of the year       | 62.96      | 59.47      |

#### e) Liquidity Risk:-

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at a reasonable price. As per regular reviews by management. The company is not facing any liquidity risk.

### 36 Components of Income Tax Expense

| (a) Amounts recognised in profit and loss                                  | (Amounts in Rs.)                     | (Amounts in Rs.)                     |
|--|--------------------------------------|--------------------------------------|
|  | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| A. Current income tax  | -                                    | -                                    |
| B. Opening Balance Deferred income tax liability / (asset), net            | (1,122.76)                           | (769.16)                             |
| C. Origination and reversal of temporary differences                       | 198.90                               | (1,360.02)                           |
| D. Deferred tax expense  | 57.92                                | (353.60)                             |
| <b>E. Closing Balance Deferred income tax liability/(asset), net (B+D)</b> | <b>(1,064.84)</b>                    | <b>(1,122.76)</b>                    |
| <b>F. Tax expense/(income) for the year (A+D)</b>                          | <b>57.92</b>                         | <b>(353.60)</b>                      |

#### (b) Reconciliation of effective tax rate

| Particular  | For the year ended<br>31/03/2024 | For the year ended<br>31/03/2023 |
|---|----------------------------------|----------------------------------|
| <b>Accounting Profit/(Loss) before Income Tax</b> | <b>147</b>                       | <b>(1,399)</b>                   |
| <b>Tax using Company's Domestic Tax Rate</b>      | <b>37</b>                        | <b>-</b>                         |
| <b>Less: Set off Brought Forward Loss</b>         | <b>(37)</b>                      | <b>-</b>                         |
| <b>Net Effective Current Income Tax</b>           | <b>-</b>                         | <b>-</b>                         |



## MALU PAPER MILLS LTD; NAGPUR

### 37 Analytical Ratios

| Particulars                     | Numerator                         | Denominator                 | FY 2023-24 | FY 2022-23 | % Variance | Reason of Variance   |
|---------------------------------|-----------------------------------|-----------------------------|------------|------------|------------|--|
| Current Ratio                   | Current Assets                    | Current Liabilities         | 1.64       | 1.56       | 5.31%      | Slight improvement in ratio due to improved working capital cycle.   |
| Debt Equity Ratio               | Total Debt                        | Shareholders Equity         | 4.76       | 5.16       | -7.69%     | Though the company has availed additional debt during the year however due to improvement in the performance of the company the ratio has improved |
| Debt Service Coverage Ratio     | PAT + Depreciation + Finance Cost | Finance Cost                | 1.54       | 0.37       | 314.93%    | Due to the improved performance the company the ratio has improved   |
| Return On Equity (ROE)          | PAT                               | Average Shareholders Equity | 3.52%      | -21.93%    | -116.06%   | Due to the improved performance the company the ratio has turned positive  |
| Inventory Turnover Ratio        | Sale of Products                  | Average Inventory           | 5.98       | 5.64       | 6.06%      | Due to improvement in inventory cycle  |
| Trade Receivable Turnover Ratio | Sale of Products                  | Average Trade Receivables   | 10.29      | 8.98       | 14.63%     | Due to effective and efficient collection in receivables   |
| Trade Payables Turnover Ratio   | COMS                              | Average Trade Payables      | 7.52       | 6.33       | 18.82%     | Due to effective and efficient management of working capital   |
| Net Capital Turnover Ratio      | Sale of Products                  | Working Capital             | 11.30      | 9.55       | 18.30%     | Due to effective and efficient management of working capital   |
| Net Profit Ratio                | PAT                               | Sale of Products            | 0.33%      | -4.47%     | -107.30%   | Due to the improved performance the company the ratio has turned positive  |
| Return On Capital Employed      | EBIT                              | Capital Employed            | 9.85%      | -4.63%     | -312.80%   | Due to the improved performance the company the ratio has turned positive  |

Note : During the current and perious financial year, the company has not held any investment. Accordingly, ratio for return on investment has not been presented.

### 38 Other Statutory Information

- a The Company do not have any Benami Property, Where any proceeding has been initiated or pending against the Company for holding any Benami Property
- b The Company do not have any transactions with strike off companies.
- c The Company do not have any satisfaction of charge which is yet to be register with Registrar of Companies beyond the statutory period.
- d The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- e Ther Company have not advance or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the intermediary shall:
  - i. 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
  - ii. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

## MALU PAPER MILLS LTD; NAGPUR

| NOTE  | PARTICULARS  | AS ON 31TH MAR' 2024  | AS ON 31ST MAR' 2023  |
|---|--|---|---|
|   |  | AMOUNT  | AMOUNT  |
|   |  | (Rs. in Lakhs)  |   |
| <p><b>f</b> The company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recored in writing or otherwise) that the company shall:</p> <p>i. 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</p> <p>ii. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.</p> <p><b>g</b> The company have not any such transaction which is not recored in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.</p>                |  |   |   |
| <b>38 OTHERS :</b>  |  |   |   |
| <p><b>a</b> Balances of in various personal accounts remain unvarified since confirmation from parties avaited.</p> <p><b>b</b> Balances of Loans, advances debtors ,Creditors are as per books and subject to confirmation and reconciliation.</p> <p><b>c</b> The current assets, loans and advances are approximately of the values stated if realized in the ordinary course of business. The provision for</p> <p><b>d</b> The Company has only one lease hold asset against which one time full premium has been paid Upfront. As there is no future payment is</p> <p><b>e</b> As the average profit for past 3 years is negative, company is not liable for CSR Expenditure.</p> <p><b>f</b> Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.</p> |  |   |   |
| <p><b>For Malu Paper Mills Limited.</b></p>   |  |   | <p><b>As per our Report of even date,<br/>For Demble Ramani &amp; Co.<br/>Chartered Accountants</b></p>                                 |
| <p style="text-align: center;">Sd/-</p> <p>Punamchand Malu<br/>(Managing Director)<br/>(Din 00301030)</p>   | <p style="text-align: center;">Sd/-</p> <p>Banwarilal Malu<br/>(Jt.Managing Director)<br/>(Din 00301297)</p> | <p style="text-align: center;">Sd/-</p> <p>Prakash Modi<br/>(CFO)</p> | <p style="text-align: center;">Sd/-</p> <p>Mayuri Asawa<br/>(Company Secretary)</p>   |
| <p>Date : 18-05-2024<br/>Place : Nagpur</p>   |  |   | <p style="text-align: center;">Sd/-</p> <p>Ashok Ramani<br/>Partner<br/>M.No. 030537<br/>FRN : 102259W<br/>UDIN: 24030537BKFPUI5231</p> |



CIN:L15142MH1994PLC076009

Heera Plaza, 4<sup>th</sup> floor, Near Telephone Exchange, Nagpur –400008  
 Tel: 91-712-2760308 Fax:91-7122760310

E-mail: [info@malupaper.com](mailto:info@malupaper.com)

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

|  |  |
|--|--|
| Registered Folio No./DP ID No. / Client ID No. |  |
| Name and address of the Member(s)              |  |
| Joint Holder 1<br>Joint Holder 2               |  |
| Number of Shares held:                         |  |

I certify that I am a member / proxy for the member of the Company.

I hereby record my presence at the Thirty first (31<sup>st</sup>) Annual General Meeting of the Company at ‘Heera Plaza, 4<sup>th</sup> Floor, Near Telephone Exchange Square, Central Avenue, Nagpur on Tuesday, the 24<sup>th</sup> day of September 2024 at 3.00 P.M

\_\_\_\_\_  
 Name of the member / proxy

\_\_\_\_\_  
 Signature of member / proxy

*Note:*

1. Please fill up the attendance slip and hand it over at the entrance of the meeting hall.
2. Members are requested to bring their copies of the Annual Report to the AGM.

PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING HALL.

|  |                     |
|--|---------------------|
| <b>EVEN (Electronic Voting Event Number)</b> | <b>*Default PAN</b> |
|  |                     |

\*Only Member who have not updated their PAN with Company / Depository Participant shall use default PAN in the Pan field.

Note: Please read the instructions printed in the Notice of 31<sup>st</sup> Annual General Meeting dated 24<sup>th</sup> day of September 2024. The E-voting period starts from Friday, September 20, 2024 (9:00 A.M) and ends on Monday, September 23, 2024 (5:00 P.M) The voting module shall be disabled by NSDL for voting thereafter.



**MALU PAPER MILLS LIMITED**

Regd. Office:- Heera Plaza, 4<sup>th</sup> Floor, Near Telephone Exchange,  
Central Avenue, Nagpur – 440 008.  
CIN:L15142MH1994PLC076009

**PROXY FORM**

ANNUAL GENERAL MEETING 2023-24

Folio No. \_\_\_\_\_ DPID: \_\_\_\_\_ Client ID: \_\_\_\_\_

I/ We \_\_\_\_\_ of \_\_\_\_\_ in the District of \_\_\_\_\_ being a member / members of the above named company, hereby appoint Mr./Mrs/Kum \_\_\_\_\_ as my /our proxy to attend and vote for me/us on my/our behalf at the 31<sup>st</sup> Annual General Meeting of the Company to be held at **Heera Plaza, 4<sup>th</sup> Floor, Near Telephone Exchange, Central Avenue, Nagpur – 440 008** on Tuesday, the 24<sup>th</sup> day of September 2024 at 3.00 PM and at any adjournment thereof.

Date: \_\_\_\_\_

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

\_\_\_\_\_

\_\_\_\_\_

Signature: \_\_\_\_\_

Affix Re.1  
Revenue  
Stamp

**Note:** The proxy form duly completed must be deposited at Registered Office not less than 48 hours before the time for commencement of the meeting. A proxy need not be a member.

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# Road Map of Venue of AGM

