

40th
Annual Report
2019-20



MADHYA BHARAT PAPERS LTD.

Madhya Bharat Papers Limited

Board of Directors

Shri Raghuvansh Lal Kapur
Smt Deepa Maheshwari
Shri Abhas Sen
Shri Manoj Ranjan
(Independent Director w.e.f. 22.08.2019)
Shri Jaydeep Chitlangia
(Managing Director)
Shri Vinod Kumar Khanna
*(Executive Director & Company Secretary upto
31.01.2020)*

Chief Financial Officer

Shri Jagdish Dua

Company Secretary

Smt Komal Desai
(W.e.f. 10.07.2020)

Statutory Auditors

G.P. Agrawal & Co
Chartered Accountants

Principal Banker

State Bank of India

Regd. Office and Mills

Village Birgahni
Rly & Post Champa- 495 671
Dist. Janjgir-Champa
Chhattisgarh
CIN- L21012CT1980PLC001682

Corporate Office

113, Park Street,
4th Floor, North Block,
Kolkata-700 016

Contact Information

Tel- 033 2265 2274
Email- info@mbpl.in
Website- www.mbpl.in



MADHYA BHARAT PAPERS LIMITED

Regd. Office: Village Birgahni, Rly & Post Champa-495 671, Dist. Janjgir-Champa, Chhattisgarh

CIN: L21012CT1980PLC001682, Tel: 09203906288

E-mail: info@mbpl.in Website: www.mbpl.in

NOTICE

NOTICE is hereby given that the 40th Annual General Meeting of the members of **MADHYA BHARAT PAPERS LIMITED** will be held at the Registered Office of the Company at Village Birgahni, Rly & Post Champa-495 671, Dist. Janjgir-Champa (Chhattisgarh) on **Monday, the 28th December, 2020 at 11.00 A.M.** to transact the following business:

Ordinary Business

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2020 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Jaydeep Chitlangia (DIN: 00094002) who retires by rotation and being eligible, offers himself for re-appointment.

Special Business

3. **Re-appointment of Shri Raghuvansh Lal Kapur (DIN: 00002483) as a Non-Executive Independent Director of the Company**

To consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:
“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17(1A) and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the Members of the Company be and is hereby accorded to the re-appointment of Shri Raghuvansh Lal Kapur (DIN: 00002483), as an Independent Director of the Company, not liable to retire by rotation, whose current period of office as an Independent Director ends at the conclusion of the forthcoming AGM of the Company, to hold office for 3 (three) consecutive years from the conclusion of the 40th AGM upto 43rd AGM of the Company to be held in the calendar year 2023 who has given his consent for re-appointment and has submitted a declaration confirming the criteria of Independence under Section 149 of the Companies Act, 2013 read with the Listing Regulations, as amended from time to time, as well as to continue to hold the position of Non-Executive Independent Director beyond 75 years of age.”

By Order of the Board

Komal Desai

Company Secretary

M No- A41850

Dated: 15th September, 2020

Place: Kolkata

NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 with respect to the Special Business set out in the Notice is annexed hereto.
2. **A Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote in the meeting instead of himself / herself and the proxy need not be a Member of the Company.** A Person can act as Proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the paid up capital of the Company carrying voting rights. A member holding more than ten percent of the paid up capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder. The instrument appointing the proxy, duly completed, must be deposited at the Company's registered office not less than 48 hours before the commencement of the meeting. A proxy form for the AGM is enclosed.
3. Pursuant to the provisions of Section 91 of the Companies Act, 2013, Register of Members and the Share Transfer Books of the Company will remain closed from 22nd December, 2020 to 28th December, 2020.
4. Members who have not registered their email addresses for receiving all communications including Annual Report, Notices, Circulars, etc, over email are requested to register their email address with their Depository Participants, if the shares are held in dematerialized form and with the Registrar and Transfer Agents, if the shares are held in physical form.
5. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat account. Members holding shares in physical form can submit their PAN to the Registrar and Share Transfer Agents.



6. Copies of Annual Report 2019-20 and instruction for e-voting along with attendance slip and proxy form are being sent by electronic mode to all members whose email address is registered with the Company/Depository Participant(s) unless a member has requested for a hard copy of the same. For members who have not registered their email address, physical copies are being sent by the permitted mode.
7. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, will be available for inspection by members at the AGM.
8. Members are requested to intimate change of addresses, if any, to the Registrar and Share Transfer Agents in respect of equity shares held in physical mode and to the Depository Participant(s) in respect of shares held in dematerialized form.
9. Complete particulars of the venue of the Meeting including route map and prominent land mark for easy location is enclosed for the convenience of the members. The same has also been hosted at the website of the Company at www.mbpl.in.
10. Members/Proxies are requested to bring the attendance slips with them duly filled in and hand over the same at the entrance of the meeting hall. Members/Proxies are also requested to carry photo identity card and to produce the same on demand.
11. In terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management & Administration) Rules, 2014, as amended from time to time and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as “SEBI Regulations”) the Company is pleased to provide its Members the facility of ‘remote e-voting’ (e-voting from a place other than venue of the AGM) to exercise their right to vote at the 40th Annual General Meeting by the electronic means and the business may be transacted through e-voting services rendered by Central Depository Services (India) Limited (CDSL). The Board of Directors of the Company has appointed Mr. A.K. Labh, Practising Company Secretary (FCS 4848 / CP-3238) as the Scrutinizer for conducting the remote e-voting and the voting through physical ballot process to be conducted at the Annual General Meeting in a fair and transparent manner.
12. **The instructions for shareholders voting electronically are as under:**
 - I. The voting period begins on 25.12.2020 at 10.00 A.M. and ends on 27.12.2020 at 5.00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21.12.2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - II. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
 - III. Those person who become Members of the Company after dispatch of AGM Notice but on or before 21st December, 2020 (Cut Off Date) may obtain the login ID and password by sending a request to the Registrar & Share Transfer Agent at mdpldc@yahoo.com or to the Company at info@mbpl.in. However, those persons already registered with CDSL for remote e-voting can use their existing user ID & password for login.
 - IV. The shareholders should log on to the e-voting website www.evotingindia.com.
 - V. Click on Shareholders.
 - VI. Now Enter your User ID
 - a) For CDSL: 16 digits beneficiary ID,
 - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - VII. Next enter the Image Verification as displayed and Click on Login.
 - VIII. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - IX. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Deptt. (Applicable for both demat shareholders as well as physical shareholders) * Members who have not updated their PAN with the Company Depository Participant are requested to use the sequence number in the PAN field. * In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (VI).

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- X. After entering these details appropriately, click on “SUBMIT” tab.
- XI. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- XII. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- XIII. Click on the EVSN for the relevant <Madhya Bharat Papers Ltd> on which you choose to vote.
- XIV. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/ NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- XV. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- XVI. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- XVII. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- XVIII. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- XIX. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- XX. Shareholders can also cast their vote using CDSL’s mobile app m-Voting. The m-Voting app can be downloaded from Google Play Store by Android users, from App store by iPhone users and from Windows Phone Store by Windows phone users. Thereafter please follow the instructions as prompted by the mobile app while voting on your mobile.
- XXI. Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz info@mbpl.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- XXII. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or call 1800225533.

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

Item No. 3

Shri Raghuvansh Lal Kapur (DIN: 00002483), was appointed as an Independent Director of the Company for a term of 5 (five) consecutive years at the AGM held on 24th September, 2015 upto the conclusion of 40th AGM to be held in calendar year 2020.

He has done his Post Graduation in HR & Labour Management and LLB. He is a valuable asset to the Company which adds diversity and enriched points of view in Board’s discussions.



Shri Raghuvansh Lal Kapur has attained the age of 87 years. Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 requires the Company to obtain approval of members by way of a Special Resolution for appointing/ continuing the directorship of a person as a Non- Executive Director who has attained seventy five years of age.

The Board of Directors is of the opinion that Shri Raghuvansh Lal Kapur possesses relevant expertise and vast experience and his association as Non-Executive Independent Director will be beneficial and in the best interest of the Company and it is desirable to re-appoint Shri Raghuvansh Lal Kapur as an Independent Director of the Company, for second term of three consecutive years starting from the conclusion of the 40th AGM and upto 43rd AGM of the Company to be held in the calendar year 2023.

The Board recommends the Special Resolution set forth in Item No. 3 for your approval.

None of the Directors, Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in the aforementioned resolution.

By Order of the Board

Dated : 15th September, 2020

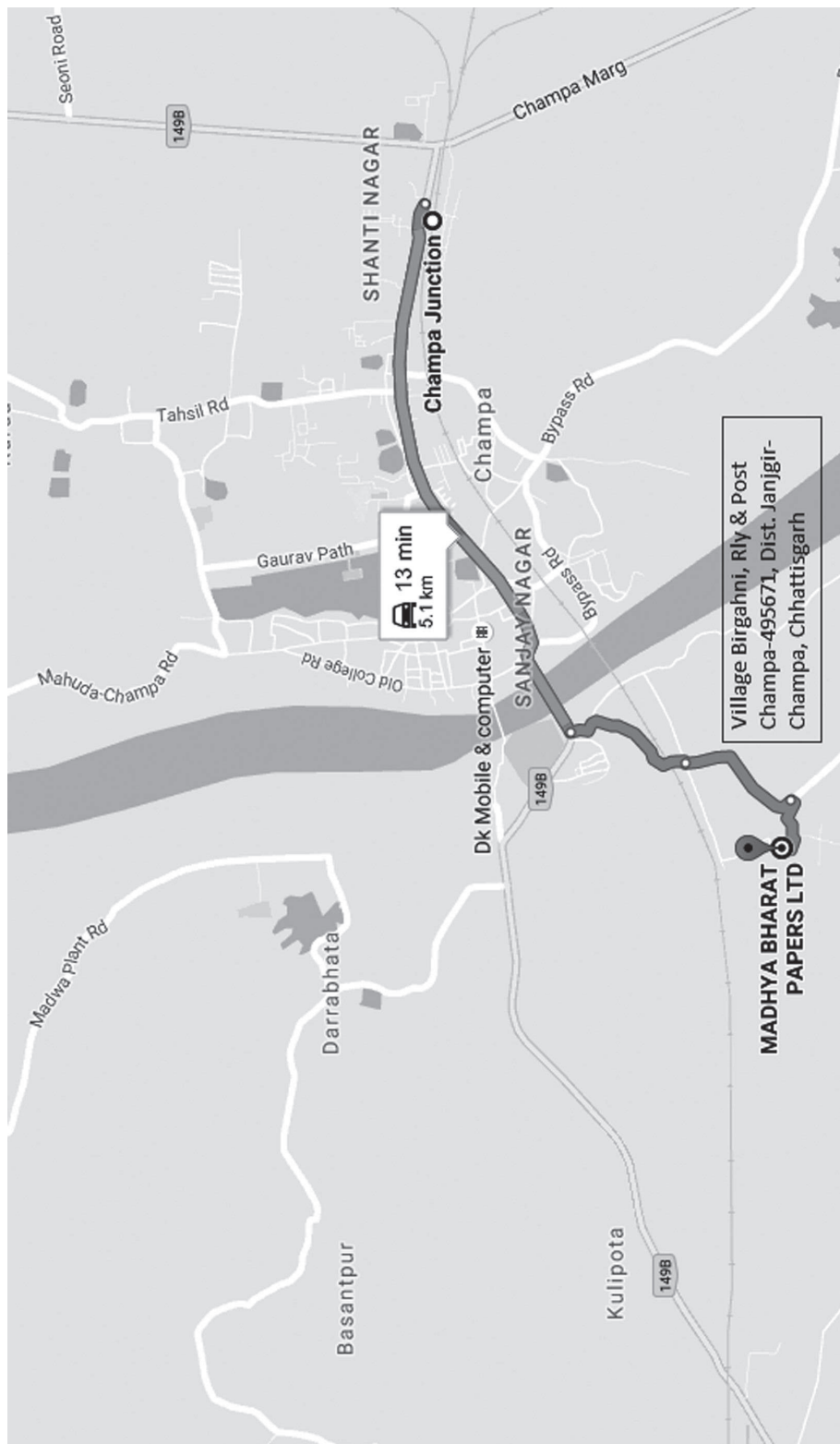
Place: Kolkata

Komal Desai
Company Secretary
M No- A41850

Information pursuant to SEBI Regulations and Secretarial Standards in respect of Appointment/ Re-appointment of Director:

Name of Director	Shri Jaydeep Chitlangia	Shri Raghuvansh Lal Kapur
Age	57 years	87 years
Date of appointment	1st January, 1990	10th August, 2013
Qualification	B.Com	M.A., LLB, Post Graduation in HR & Labour Management,
Experience	Extensive experience in the areas of Corporate Planning, Business Development, Strategy Formulation, Finance, Administration and Overall Management	Corporate Management & specialization in HR & IR
Terms and Conditions of Appointment/ Re-appointment	Managing Director- liable to retire by rotation	Independent Director- not liable to retire by rotation
Number of Board Meetings attended out of four Board Meetings held during the year	Four	Four
Remuneration details	Last drawn remuneration is given in MGT 9	Nil
Other Directorships	Chitlangia Timber Products Ltd. Chitperi Farm Pvt Ltd.	Nil
Committee membership / Chairmanship in other Companies	Nil	Nil
Relationship with other Directors/ Manager/ KMP	None	None
Number of shares held in the Company	430000	Nil

Route Map





DIRECTORS' REPORT

Your Directors present the 40th Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March, 2020.

Financial Results

(₹ in lakhs)

Particulars	As on 31.03.2020	As on 31.03.2019
Revenue from Operations	6203.25	4788.85
Other Income	56.55	42.00
Profit before Interest, Depreciation and Tax	14.36	(1419.49)
Less: Interest	114.73	463.41
Profit before Depreciation and Tax	(100.37)	(1882.90)
Less: Depreciation	102.43	107.65
Profit before Tax	(202.80)	(1990.55)
Less: Tax expense	-	449.24
Profit/ (Loss) after Tax	(202.80)	(2439.79)
Other Comprehensive Income	28.37	19.12
Total Comprehensive Income	(174.43)	(2420.67)

Operations/ State of Company's Affairs & Future Outlook

During the year under review, the Company has achieved a net turnover of Rs 6203.25 lakhs as against Rs 4788.85 lakhs in the preceding financial year. The Company has incurred a net loss of Rs 202.80 lakhs before tax adjustments (previous year loss of Rs 1990.55 lakhs).

The paper manufacturing plant was not operational since July, 2019 and therefore only 1897.72 tonnes of paper was manufactured during the year compared to 8395.56 tonnes manufactured in previous year.

Changes in the Nature of Business, if any

Since August, 2019 Company has carried on the business of trading in foodgrains and has achieved a net turnover of Rs 5001.43 lakhs during the year under review.

Dividend

In view of accumulated losses, no dividend is recommended by the Directors for the financial year ended 31st March, 2020.

Reserves

Due to loss, no amount is transferred to General Reserve for the year ended 31st March, 2020.

Share Capital

The paid up equity share capital as on 31st March, 2020 was ₹ 3.41 crores. During the year under review the Company has not issued any shares or any convertible instruments.

Borrowings

The total borrowings stood at ₹ 4326.31 lakhs as at 31st March, 2020 as against ₹ 4881.67 lakhs as on 31st March, 2019, a decrease of ₹ 555.36 lakhs.

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Deposits

The Company has not accepted any deposits from public, and as such, there are no outstanding deposits in terms of Companies (Acceptance of Deposits) Rules, 2014.

Internal financial control systems and their adequacy

The Company has in place adequate internal financial controls commensurate with the size, scale and complexity of operations. During the year under review, such controls were tested and no reportable material weakness in the design or operation was observed.

Board Meetings

During the year under review, four Board Meetings were convened and held on 30th May, 2019, 14th August, 2019, 12th November, 2019 and 12th February, 2020.

Name of the Director	DIN	Category of Directorship	No. of Board Meetings held	No. of Board Meetings attended
Mr. Jaydeep Chitlangia	00094002	Managing Director-Promoter	4	4
Mr. Abhas Sen	01450642	Non-Executive, Independent	4	4
Mr. Raghuvansh Lal Kapur	00002483	Non-Executive, Independent	4	4
Mrs. Deepa Maheshwari	00550697	Non-Executive	4	4
Mr. Vinod Kumar Khanna*	00123393	Executive	3	2
Mr Manoj Ranjan#	08543492	Non-Executive, Independent	2	2

* Mr Vinod Kumar Khanna resigned w.e.f. 1st February, 2020

Mr. Manoj Ranjan was appointed w.e.f 22nd August, 2019

Audit Committee

The Audit Committee comprises of Mr Abhas Sen, Non-Executive Independent Director and Chairman of Committee, Mr. Raghuvansh Lal Kapur, Non-Executive Independent Director and Mrs Deepa Maheshwari, Non-Executive Woman Director. The Managing Director is permanent invitee in all meetings of the Committee. The Company Secretary acts as the Secretary of the Committee.

During the year under review, four Audit Committee Meetings were convened and held on 30th May, 2019, 14th August, 2019, 12th November, 2019 and 12th February, 2020.

Attendance:

Name of Director	No. of meetings held	No. of meetings attended
Abhas Sen	4	4
Raghuvansh Lal Kapur	4	4
Deepa Maheshwari	4	4

There have been no instances where the Board has not accepted the recommendations of the Audit Committee.



Nomination & Remuneration Committee

The Nomination and Remuneration Committee comprises of Mr Abhas Sen, Non-Executive Independent Director and Chairman of Committee, Mr. Raghuvansh Lal Kapur, Non-Executive Independent Director and Mrs Deepa Maheshwari, Non-Executive Woman Director.

During the year under review, one Nomination & Remuneration Committee Meeting was convened and held on 14th August, 2019 and attended by all the members.

Stakeholders Relationship Committee

The Stakeholders Relationship Committee comprises of Mr Abhas Sen, Non-Executive Independent Director and Chairman of Committee, Mr. Raghuvansh Lal Kapur, Non-Executive Independent Director and Mr Jaydeep Chitlangia, Managing Director.

During the year under review, one Stakeholders Relationship Committee Meeting was convened and held on 4th July, 2019 and attended by all the members.

Annual Return

Extract of the Annual Return in Form MGT-9 as required under Section 92(3) of the Companies Act, 2013 is enclosed as **Annexure 1** and a copy of the Annual Return shall be placed on the website of the Company and can be accessed at www.mbpl.in.

Energy Conservation, Technology Absorption and Foreign Exchange Earning and Outgo

The prescribed particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is enclosed as **Annexure 2**.

Risk Management

The Company's policy on risk management includes identifying types of risk and its assessment, risk handling as well as risk monitoring and reporting.

The detail of the policy as approved by the Board of Directors is available on the Company's website www.mbpl.in.

Corporate Social Responsibility

The provisions of Section 135 of the Companies Act, 2013 are not attracted to the Company.

Details of Vigil Mechanism / Whistle Blower Policy

In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behavior, the Company has adopted vigil mechanism policy. The policy on Vigil Mechanism is available on the Company's website www.mbpl.in. During the year, no case was reported under this policy.

Directors and Key Managerial Personnel (KMP) details

In accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Shri Jaydeep Chitlangia (DIN: 00094002) retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

At the 39th AGM held on 26th September, 2019, Shri Abhas Sen was re-appointed as an Independent Director and Shri Manoj Ranjan was appointed as an Independent Director, both to hold office for three consecutive years upto the conclusion of the 42nd AGM to be held in calendar year 2022.

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Shri Raghuvansh Lal Kapur who was appointed as an Independent Director to hold office upto conclusion of the 40th AGM to be held in calendar year 2020 is hereby re-appointed as an Independent Director to hold office for three consecutive years from the conclusion of the 40th AGM upto 43rd AGM of the Company to be held in 2023 subject to members approval.

Shri Vinod Kumar Khanna, Executive Director and Company Secretary cum Compliance Officer has resigned from the Company with effect from 1st February, 2020 and Smt Komal Desai has been appointed as Company Secretary cum Compliance Officer of the Company in the Board Meeting held on 30th June, 2020 to hold office with effect from 10th July, 2020.

All Independent Directors have given the declaration that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as “SEBI Regulations”). In the opinion of the Board they fulfill the conditions of independence as specified in the Act and Rules made thereunder and are independent of the management.

The remuneration of KMP are provided in the extract of the Annual Return which forms part of this Directors Report.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and relevant provisions of SEBI Regulations, annual evaluation of the performance of the Board, its committees and of individual directors has been made.

Managerial Remuneration

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of managerial personnel and employees of the company is attached as **Annexure 3**.

Particulars of Contracts or Arrangements made with Related Party

All related party transactions that were entered into during the financial year under review were at arm’s length basis and were in the ordinary course of business. There are no material related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Accordingly there are no transactions to be reported in Form AOC-2.

All related party transactions are placed before the Audit Committee and also the Board for approval. The policy on Related Party Transactions as approved by the Board of Directors is available on the Company’s website www.mbpl.in.

Particulars of Loans, Guarantees or Investments

It is the Company’s policy not to give loans directly, or indirectly, to any person (other than to employees under contractual obligations) or to other body corporate or give any guarantee or provide any security in connection with a loan to any other body corporate or person. The Company does not make any new investment in securities of any other body corporate.

Remuneration Policy

The policy of the Company on director’s appointment and remuneration, including criteria for determining qualifications, independence and other matters as provided under Section 178(3) of the Companies Act, 2013 is annexed to this Report as **Annexure 4**.



The Company's criteria for payment of remuneration to the Non Executive Directors is available on the Company's website www.mbpl.in.

Directors' Responsibility Statement

Pursuant to the provisions of Section 134(3)(c) of the Companies Act, 2013, the directors state that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (ii) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the profit and loss of the Company for the year on that date;
- (iii) 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;
- (iv) the Directors have prepared the annual accounts on a 'going concern' basis.
- (v) the Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and are operating effectively.
- (vi) the Directors devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Corporate Governance

The Company is exempted from reporting on Corporate Governance as per Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Accordingly, Corporate Governance Report is not attached.

The Independent Directors and Non-Executive Director received sitting fees for attending the Board and Committee meetings of the Directors. The sitting fees paid to the directors are within the limits prescribed under the Companies Act, 2013 and Rules thereon.

Statutory Auditors

M/s G.P. Agrawal & Co. (Firm Registration No.302082E), Chartered Accountants were appointed as Statutory Auditors of the Company at the 37th AGM held on 21st September, 2017 for a term of five years i.e. till the conclusion of the AGM to be held in year 2022.

In respect of audit observations on the financial statements, it has been explained in the Notes forming part of the Financial Statements i.e. Note No. 31.23, 31.24, 31.25 and 31.26 which are self-explanatory and therefore do not call for any further comments.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Company had appointed Ms. Rashmi Sharma of M/s Rashmi Sharma & Co., Practicing Company Secretary to undertake the secretarial audit of the Company. The Secretarial Audit Report for the financial year ended 31st March, 2020 is attached as **Annexure 5**.

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In respect of audit observations in the last para of Audit Report, following are the comments of the Board:

- i. With regard to SEBI Circular No SEBI/ HO/CFD/DCR1/CIR/P/2018/85 for the purpose of System Driven Disclosures, CDSL has been appointed as on date as Designated Depository for making disclosures.
- ii. Promoters of the Company had acquired equity shares which were subsequently disposed off too after few days.
- iii. License renewal applications had been filed, however due to outbreak of Novel Coronavirus and consequent lockdown updated records were not available.
- iv. Company is facing acute shortage of working capital, due to which the plant is not operational since July 2019, resulting in heavy losses. However wages have been paid upto October, 2019 and the Company is trying its best to arrange funds and pay legitimate dues.
- v. In respect of dues to MSME entities, there are pending quality disputes and reconciliation issues.
- vi. The net worth of the Company has been completely eroded, but the Company is trying its best to rationalize expenses as well as consider measures to generate revenue.

The Company has appointed Ms. Rashmi Sharma of M/s Rashmi Sharma & Co., Practicing Company Secretary to undertake the Secretarial Audit for the FY 2020-21.

Cost Records

Company is required to maintain Cost Records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and accordingly such accounts and records are made and maintained.

Pursuant to provisions of Companies Act, 2013 and the Rules thereunder, requirement of Cost Audit is not applicable to the Company.

Stock Exchange Listing

The Equity Shares of the Company are listed at the Calcutta Stock Exchange Limited. The Company confirms payment of listing fees to the Calcutta Stock Exchange Limited for the year 2019-20.

Material Changes and Commitments

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year to which the financial statements relate and the date of the report.

Significant and Material Orders Passed by the Regulators or Courts

There are no significant and material orders passed by the Regulators / Courts that would impact the going concern status of the Company and its future operations.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

During the year under review, no complaints were reported to the Board.

Management Discussion and Analysis Report

As required under Regulation 34(2) of the SEBI Regulations, the Management Discussion and Analysis Report is attached as **Annexure 6** and forms an integral part of this Report.



Investor Education & Protection Fund

The provisions of Section 125(2) of the Companies Act, 2013 are not applicable to the Company as there was no dividend declared and paid in the last financial year.

Business Responsibility Reporting

The provisions of SEBI Regulations with respect to Business Responsibility Reporting are not applicable to the Company and therefore the company has not undertaken Business Responsibility Reporting.

Subsidiary, Joint Ventures & Associate Companies

The Company does not have any Subsidiary/ Joint Venture/ Associate Company as on 31st March, 2020.

Compliance with Secretarial Standards on Board and Annual General Meetings

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board meetings and Annual General Meetings.

Acknowledgement

The Board of Directors would like to thank the Company's customers, employees, shareholders, bankers, suppliers and all other associated with the Company for their continued support.

On behalf of the Board

Regd. Office:

Village Birgahni,
Rly & Post Champa- 495 671,
Dist. Janjgir-Champa
Chhattisgarh
CIN: L21012CT1980PLC001682
Dated: 30th June, 2020

R.L. KAPUR
Director
(DIN: 00002483)

JAYDEEP CHITLANGIA
Managing Director
(DIN: 00094002)

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31st March 2020

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i) CIN : L21012CT1980PLC001682
- ii) Registration Date : 14th November, 1980
- iii) Name of the Company : MADHYA BHARAT PAPERS LIMITED
- iv) Category/Sub-Category of the Company : Public Company Limited by Shares
- v) Address of the Registered office and contact details : P.O. Champa, Dist. Janjgir-Champa-495671 Chhattisgarh.
Phone: 09203906288
- vi) Whether listed company : Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : Maheshwari Datamatics Private Limited, 23, R N Mukherjee Road, 5th Floor, Kolkata-700001
Contact No.(033) 2243 5029

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

(Contributing 10% or more of the total turnover of the company)

Sl. No.	Name and Description of main products / services	NIC Code of the product/service	% to total turnover of the company
1.	Trading - Agricultural Products	4620	80.63%
2.	Writing & Printing Paper	1701	19.37%

III. PARTICULARS OF SUBSIDIARY, JOINT VENTURES & ASSOCIATE COMPANIES :-

SL. No.	Name & Address of the Company	CIN/GLN	Subsidiary/ Joint Venture/ Associate	% of Shares held	Applicable Section
1.	Not Applicable				



IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% of Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	1902993	-	1902993	55.8062	1902993	-	1902993	55.8062	-
b) Central Government									
c) State Government									
d) Bodies Corporate	45400	-	45400	1.3314	45400	-	45400	1.3314	-
e) Banks / Financial Institutions									
f) Any Other									
Sub-Total (A) (1)	1948393	-	1948393	57.1376	1948393	-	1948393	57.1376	-
(2) Foreign									
NRIs-Individuals									
Other-Individuals									
Bodies Corporate									
Banks / Financial Institutions									
Any Other (Specify)									
Sub-Total (A) (2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) (A) = (A)(1)+(A)(2)	1948393	-	1948393	57.1376	1948393	-	1948393	57.1376	-
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds									
b) Banks / Financial Institutions	1255856	-	1255856	36.8286	692919	-	692919	20.3202	(16.5084)
c) Central Government(s)									
d) State Government(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) Foreign Institutional Investors									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B) (1)	1255856	-	1255856	36.8286	692919	-	692919	20.3202	(16.5084)
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	61200	17100	78300	2.2962	211200	17100	228300	6.6950	4.3988
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	27299	58952	86251	2.5294	37399	48852	86251	2.5294	-
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	41200	-	41200	1.2082	454137	-	454137	13.3178	12.1096
c) Others (specify)									
1. Non Resident Indians									
2. Clearing Member									
3. OCB									
4. Trust									
5. Foreign Portfolio Investor									
Sub-total(B) (2)	129699	76052	205751	6.0338	702736	65952	768688	22.5422	16.5084
Total Public Shareholding (B) (B) = (B) (1) + (B) (2)	1385555	76052	1461607	42.8624	1395655	65952	1461607	42.8624	-
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	3333948	76052	3410000	100	3344048	65952	3410000	100	-

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ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share-holding during the year
		No. of Shares	% of total Shares of Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of company	% of Shares Pledged/	
1	Sudeep Chitlangia	490000	14.3695	-	490000	14.3695	-	-
2	Jaydeep Chitlangia	430000	12.6100	-	430000	12.6100	-	-
3	Sheela Chitlangia	274737	8.0568	-	274737	8.0568	-	-
4	Archana Chitlangia	250000	7.3314	-	250000	7.3314	-	-
5	Nikhilesh Chitlangia	190000	5.5718	-	190000	5.5718	-	-
6	Shreya Kanoria	85000	2.4927	-	85000	2.4927	-	-
7	Akhilesh Chitlangia	67064	1.9667	-	67064	1.9667	-	-
8	Abhishek Chitlangia	67064	1.9667	-	67064	1.9667	-	-
9	Sunita Chitlangia	49128	1.4407	-	49128	1.4407	-	-
10	Chitlangia Medical Society	45400	1.3314	-	45400	1.3314	-	-
Total		1948393	57.1376	-	1948393	57.1376	-	-

iii) Change in Promoters' Shareholding (please specify, if there is no change)

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
At the beginning of the year	1948393	57.1376	1948393	57.1376
At the end of the year	-	-	1948393	57.1376

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Bank of Baroda				
	At the beginning of the year	29628	0.8689	29628	0.8689
	At the end of the year			29628	0.8689
2	ICICI Bank Ltd.				
	At the beginning of the year	227150	6.6613	227150	6.6613
	At the end of the year			227150	6.6613
3	Punjab National Bank				
	At the beginning of the year	22190	0.6507	22190	0.6507
	At the end of the year			22190	0.6507



Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4	State Bank of India				
	At the beginning of the year	136515	4.0034	136515	4.0034
	At the end of the year			136515	4.0034
5	IFCI Ltd.				
	At the beginning of the year	277436	8.1360	277436	8.1360
	At the end of the year			277436	8.1360
6	IDBI Bank Ltd.				
	At the beginning of the year	562937	16.5084		
	30.09.2019- Transfer	(562937)	(16.5084)		
	At the end of the year			0	0.0000
7	Prachur Merchants Private Limited				
	At the beginning of the year	0	0.0000		
	31.12.2019- Transfer	150000	4.3988		
	At the end of the year			150000	4.3988
8	N. D. Agarwal				
	At the beginning of the year	6800	0.1944	6800	0.1944
	At the end of the year			6800	0.1944
9	Lower Vyapar Pvt.Ltd.				
	At the beginning of the year	48700	1.4282	48700	1.4282
	At the end of the year			48700	1.4282
10	Kiran Damani				
	At the beginning of the year	0	0.0000		
	31.12.2019- Transfer	95736	2.8075	95736	2.8075
	At the end of the year			95736	2.8075
11	Urmila Desai				
	At the beginning of the year	41200	1.2082	41200	1.2082
	At the end of the year			41200	1.2082
12	Narpat Singh Kothari				
	At the beginning of the year	0	0.0000		
	31.12.2019- Transfer	95733	2.8074	95733	2.8074
	At the end of the year			95733	2.8074
13	Jawahar Panchamia				
	At the beginning of the year	0	0.0000		
	31.12.2019- Transfer	90000	2.6393	90000	2.6393
	At the end of the year			90000	2.6393

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Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
14	Shesh Karan Singhi				
	At the beginning of the year	0	0.0000		
	30.09.2019- Transfer	10000	0.2933	10000	0.2933
	At the end of the year			10000	0.2933
15	Piyush Sharma				
	At the beginning of the year	0	0.0000		
	31.12.2019- Transfer	131468	3.8544	131468	3.8544
	At the end of the year			131468	3.8544
16	Gopaldas Bagree				
	At the beginning of the year	10000	0.2933		
	30.09.2019- Transfer	(10000)	(0.2933)	0	0.0000
	At the end of the year			0	0.0000
17	Steadfast Commercial Co.Ltd.				
	At the beginning of the year	15000	0.4399	15000	0.4399
	At the end of the year			15000	0.4399

v) Shareholding of Directors and Key Managerial Personnel :

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
Details of Directors:					
1	Jaydeep Chitlangia				
	a) At the beginning of the year	430000	12.6100	430000	12.6100
	b) Changes during the year	-	-	-	-
	c) At the end of the year	430000	12.6100	430000	12.6100
2	Deepa Maheshwari				
	a) At the beginning of the year	500	0.0147	500	0.0147
	b) Changes during the year	-	-	-	-
	c) At the end of the year	500	0.0147	500	0.0147
3	Abhas Sen				
	a) At the beginning of the year	-	-	-	-
	b) Changes during the year	-	-	-	-
	c) At the end of the year	-	-	-	-
4	Raghuvansh Lal Kapur				
	a) At the beginning of the year	-	-	-	-
	b) Changes during the year	-	-	-	-
	c) At the end of the year	-	-	-	-



Sl. No.	For each of the Directors and KMP		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
5	Vinod Kumar Khanna (Upto 31.01.2020)					
	a)	At the beginning of the year	850	0.0249	850	0.0249
	b)	Changes during the year	-	-	-	-
	c)	At the end of the year	850	0.0249	850	0.0249
6	Manoj Ranjan (Appointed w.e.f. 22.08.2019)					
	a)	At the beginning of the year	-	-	-	-
	b)	Changes during the year	-	-	-	-
	c)	At the end of the year	-	-	-	-
Details of Key Managerial Personnel (KMP)						
1	Jagdish Dua					
	a)	At the beginning of the year	200	0.0059	200	0.0059
	b)	Changes during the year	-	-	-	-
	c)	At the end of the year	200	0.0059	200	0.0059

V. INDEBTEDNESS

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

(₹ in lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	438.94	3920.63	-	4359.57
ii) Interest due but not paid	-	522.10	-	522.10
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	438.94	4442.73	0.00	4881.67
Change in Indebtedness during the financial year				
- Addition	42.22	-	-	42.22
- Reduction	-	(597.58)	-	(597.58)
Net Change	42.22	(597.58)	0.00	(555.36)
Indebtedness at the end of the financial year				
i) Principal Amount	481.15	3377.22	-	3858.37
ii) Interest due but not paid	-	467.93	-	467.93
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	481.15	3845.15	0.00	4326.31

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VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Jaydeep Chitlangia, Managing Director	Vinod Kumar Khanna, Whole-time Director & Company Secretary**	Total Amount
1	Gross Salary:			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3360000	1945750	5305750
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	32400	-	32400
	(c) Profits in lieu of salary under section 17(3) of the Income- tax Act, 1961	-	-	-
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4	Commission - as % of profit - others, specify	Nil	Nil	Nil
5.	Others, please specify –			
	1. Club membership	14160	-	14160
	2. Company's Contribution to Super Annuation Fund	504000	-	504000
	3. Company's Contribution to Gratuity	161538	-	161538
6.	Total (A)	4072098	1945750	6017848
7.	Ceiling as per the Act	All the above remunerations have been paid as per Schedule V of the Companies Act, 2013		

** Upto 31.01.2020



B. Remuneration to other directors:

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Abhas Sen	Raghuvansh Lal Kapur	Deepa Maheshwari	Manoj Ranjan ^{^^}	
1	Independent Directors Fee for attending board/ committee meetings	78500	78500	-	20000	177000
	Total (1)	78500	78500	-	20000	177000
2	Other Non-Executive Directors Fee for attending board/ committee meetings, commission others, please specify	N.A.	N.A.	76000	N.A.	76000
	Total (2)	-	-	76000	-	76000
	Total (B) – (1+2)	78500	78500	76000	20000	253000

^{^^}Appointed w.e.f 22.08.2019

C. Remuneration to Key Managerial Personnel other than MD/ Manager/ WTD:

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of KMP
		Jagdish Dua, CFO
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	892560
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	478194
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL
2.	Stock Option	NIL
3.	Sweat Equity	NIL
4.	Commission - as % of profit - others, specify..	NIL
5.	Others, please specify –	
	1. Company's contribution to Provident Fund	107112
	2. Company's contribution to Super Annuation Fund	133884
	3. Company's contribution to Gratuity	42912
	Total	1654662

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties/ punishment/ compounding of offences for breach of any section of the Companies Act, 2013 against the Company or its Directors or other Officers in default, if any, during the year.

Information under Section 134(3)(m) of the Companies Act, 2013 read with Rule – 8(3) of the Companies (Accounts) Rules, 2014 and forming part of Directors' Report:**A. CONSERVATION OF ENERGY****a) Energy Conservation measures taken:**

Owing to closure of manufacturing facility of the Company, no step was taken by the Company towards Energy Conservation during the year under review

b) Steps taken for utilizing alternate sources of energy: None**c) Capital Investment on energy conservation equipments: None****B. TECHNOLOGY ABSORPTION:****a) Efforts made towards technology absorption:**

Owing to closure of manufacturing facility of the Company, no step was taken by the Company towards Technology Absorption during the year under review

b) Benefits derived: None**c) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): None****d) Expenditure incurred on Research and Development: Nil****C. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

(a) The Company has not exported any of its products during the year.

(b) Total foreign exchange used and earned during the year (₹ in lakhs)

(i) CIF value of imports	128.15
Expenditure in foreign currency	1.86
(ii) Foreign exchange earned	-

**MANAGERIAL REMUNERATION AND PARTICULARS OF EMPLOYEES****A) Details of every employee of the Company as required under Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended 31st March, 2020:**

Particulars		Details
(i)	The ratio of each Director to the median remuneration of the employees of the Company for the financial year *Only sitting fee paid for attending Board/Committee meeting.	Non Executive Directors* Mr. Abhas Sen : 0.36 Mr. Raghuvansh Lal Kapur : 0.36 Mrs. Deepa Maheshwari : 0.35 Mr Manoj Ranjan^^ : 0.09 Executive Directors Mr. Jaydeep Chitlangia : 17.34 Mr. Vinod Kumar Khanna** : 8.29
(ii)	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Non Executive Directors : Nil Managing Director : Nil Executive Director : Nil Chief Financial Officer : Nil Company Secretary : Nil
(iii)	The percentage increase/ (decrease) in the median remuneration of employees in the financial year	7.63%
(iv)	The number of permanent employees on the rolls of the Company	186 permanent employees as on March 31, 2020
(v)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Average increase/ (decrease) in the salary of Non-ManAGERIAL Personnel- No change Average increase of Managerial Remuneration- No change
(vi)	Affirmation that the remuneration is as per the remuneration policy of the Company	Remuneration paid during the year is as per the Remuneration Policy of the Company.

^^ Appointed w.e.f. 22.08.2019

** Upto 31.01.2020

Madhya Bharat Papers Limited

B) Details of top ten employees of the Company in terms of remuneration drawn as required under Rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended 31st March, 2020:

Sl No.	Employee Name	Designation	Remuneration received (Amount in ₹)	Qualification	Total experience in years	Date of commencement of employment	Age	Previous employment
1.	Jaydeep Chitlangia	Managing Director	4072098	B.Com	30	01.01.1990	57	-
2.	Vinod Kumar Khanna**	Executive Director & Company Secretary	1945750	M.Com, LLB, FCA, FCS, FCMA	43	19.10.1982	65	Neptune Paper Mills Ltd
3.	Jagdish Dua	Chief Financial Officer	1654634	B.Com	37	01.02.1991	53	Shree Kaladhri Agency
4.	C R Pattanayak	Regional Manager	1540993	Civil Engineer	21	01.01.2008	44	Aster Teleservice
5.	Mausum Mukherjee	Senior Systems Manager	1347771	B.Sc	27	01.08.1996	48	Calcutta Fan Ltd
6.	Ramesh Kumar Periwai	Assistant General Manager (Purchase)	1125720	B.Com	32	20.08.1988	51	-
7.	Sarmistha Pal	Secretary to MD	689922	M.A.	21	18.03.2013	49	Maruti Suzuki India Ltd
8.	Ramesh Kumar Maurya	Engineer in Power Plant	459552	Diploma in Mechanical	23	10.09.2012	44	Abhinav Steels Limited
9.	Raju Routh	Assistant- Accounts	355924	B.Com	15	10.05.2010	41	Four Star International
10.	Ramdayal Prasad	Assistant Senior Officer	306942	Higher Secondary	36	24.04.1984	57	-

** Upto 31.01.2020

**Remuneration Policy:****a) Remuneration Policy for Non Executive Directors/ Independent Directors**

Levels of remuneration to directors are determined such that they attract, retain and motivate directors of the quality and ability required to run the company successfully. With changes in the corporate governance norms, the role of the Non-Executive Directors (NEDs) and the degree and quality of their engagement with the Board and the Company has undergone significant changes over a period of time.

Under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “SEBI Regulations”), every company to publish its criteria of making payments to NEDs in its Annual Report. Alternatively, this may be put up on the Company’s website and reference may be drawn thereto in its Annual Report. Section 197 of the Companies Act, 2013 and the SEBI Regulations require the prior approval of the shareholders of a company for making payment to its NEDs.

Further, in order to be consistent with globally accepted governance practices, the company has ushered in flexibility in respect of payment of remuneration to NEDs. It has linked the remuneration paid to NEDs to their attendance at the meetings of the Board or Committees thereof, their contributions at the meetings or otherwise, and on their position in various Committees of the Board, whether as the Chairman or Member.

All board level compensation (including to the NEDs) is approved by the shareholders and disclosed separately in the financial statements. Appropriate disclosures are also made in the Annual Report of the company. The board approves the commission paid to the directors.

In addition, the company also pays a sitting fee on a per meeting basis to the NEDs for attending the meetings of the board and other committees.

b) Remuneration Policy for Executive Directors

The remuneration policy for the executive directors has been formulated, considering the following key principles including but not limited to the basic principle to have long term relationship with the Company:

Key Principles:

- **Linked to strategy:** A substantial portion of the executive director’s remuneration is linked to success in developing and implementing the Company’s strategy.
- **Performance related:** A part of the total remuneration varies with performance, aligning with the shareholder’s interest.
- **Long term:** The structure of remuneration is designed to reflect the long term nature of the Company and significance of the protection of interest of the shareholders.
- **Fair treatment:** Total overall remuneration takes account of both the external market and company’s condition to achieve a balanced “fair outcome”.

Elements of the Remuneration structure of Executive Directors:

The remuneration to key managerial personnel shall include:

- Fixed Salary

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- Perquisites and Allowances
- Other benefits in accordance with the market practice and industry analysis.

Annual remuneration reviews shall be based on individual performance, company performance, market environment and future plans.

The remuneration to any one Managing Director or Whole Time Director or Manager shall not exceed five percent of the net profits of the Company and if there is more than one such director total remuneration shall not exceed ten percent of the net profits of the Company to all such directors and manager together. The total remuneration to its directors, including managing director and whole-time director, and its manager in respect of any financial year shall not exceed eleven percent of the net profits of that financial year.

In case of no profits, or inadequate profits, the Company shall pay remuneration to its managing or whole-time director or manager in accordance with the provisions of Schedule V of the Companies Act 2013.

c) **Remuneration Policy for Key Managerial Personnel (KMP)**

The remuneration to Key Managerial Personnel of the Company i.e. Managing Director/Chief Executive Officer/ Whole Time Director, Company Secretary and Chief Financial Officer as defined under Companies Act, 2013 read with related rules issued thereon, will be fixed after taking into account educational and professional qualification, experience & expertise of the personnel and the competitive market practices.

Key Principles:

- Remuneration should be sufficient to attract, retain and motivate best non-executive talent suits to the requirement of the Company.
- Remuneration practice should be consistent with the recognized best standard practices for Key Managerial Personnel.

Elements of the Remuneration structure of KMP's:

The remuneration to key managerial personnel shall include:

- Fixed salary
- Perquisites and Allowances
- Other benefits in accordance with the market practice

Annual remuneration reviews shall be based on individual performance, company performance, market environment and future plans.

d) **Remuneration Policy for Senior Management Personnel and other Executives:**

The remuneration to Senior Management personnel shall be fixed considering internal, external and individual equity; and also procedural equity.

Remuneration to Senior Management Personnel shall include –

- Fixed Salary
- Perquisites and Allowances
- And other benefits in accordance with the market practice

Annual remuneration reviews shall be based on individual performance, company performance, market environment and future plans.



SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2020

[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,
Madhya Bharat Papers Limited
Vill. – Birgahni, Rly & Post - Champa
Dist. – Janjgir-Champa
Chhattisgarh
Pin- 495671

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Madhya Bharat Papers Limited** having its Registered Office at Vill. – Birgahni, Rly & Post – Champa, Dist. – Janjgir-Champa, Chhattisgarh - 495671 (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 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 31.03.2020 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.

Auditors' Responsibility

Maintenance of Secretarial Records is the responsibility of the management of the Company. My responsibility is to express an opinion on existence of adequate Board process and compliance management system, commensurate to the size of the Company, based on these secretarial records as shown to me during the said audit and also based on the information furnished to me by the officers' and the agents of the Company during the said audit.

I have followed the audit practices and processes as were appropriate to the best of my understanding 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.

I have not verified the correctness, appropriateness and bases of financial records, books of accounts and decisions taken by the Board and by various committees of the Company during the period under scrutiny. I have checked the Board process and compliance management system to understand and to form an opinion as to whether there is an adequate system of seeking approval of respective committees of the Board, of the Board, of the members of the Company and of other authorities as per the provisions of various statutes as mentioned hereinafter.

Wherever required I have obtained the management representation about the compliance of the laws, rules and regulations and happening of events, etc.

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I have relied upon the accuracy of the documents and information as shared by the Company with me through appropriate Information Technology tools to assist us in completing the secretarial audit work during lock down period due to unprecedented situation prevailing in the Country due to CoVID-19 virus pandemic and the same is subject to physical verification by me post normalization of the situation.

The Compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. My examination was limited to the verification of compliance procedures on test basis.

My report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness or accuracy with which the management has conducted the affairs of the Company.

I report that, I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31.03.2020 according to the provisions of (as amended) :

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) Secretarial Standards as issued by The Institute of Company Secretaries of India;
- (iii) The Securities Contracts (Regulation) Act, 1956 and the rules made there under;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (v) Foreign Exchange Management Act, 1999 and the rules and regulation made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has specifically complied with the provisions of the following Act:

1. The Indian Forest Act, 1927;
2. Chemical Accidents (Emergency Planning, Preparedness and Response) Rules, 1996;
3. Indian Boilers Act, 1923;
4. The Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2016;
5. The Petroleum Act, 1934 and The Petroleum Rules, 2002; and
6. Indian Explosives Act, 1884

to the extent of its applicability to the Company during the financial year ended 31.03.2020 and my



examination and reporting is based on the documents, records and files as produced and shown to and the information and explanations as provided to me by the Company and its management and to the best of my judgment and understanding of the applicability of the different enactments upon the Company. Further, to the best of my knowledge and understanding there are adequate systems and processes in the Company commensurate with its size and operation to monitor and ensure compliances with applicable laws including general laws, labour laws, competition law, etc.

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

During the period under review, provisions of the following regulations/guidelines/standards were not applicable to the Company:

- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (ii) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ;
- (iii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (iv) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2018;
- (v) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.

I further report that :

- (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- (b) 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.
- (c) Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.
- (d) 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.

I further report that :

- (a) The Company is in process to appoint Designated Depository pursuant to SEBI Circular No. SEBI/HO/CFD/DCR1/CIR/P/2018/85 dated 28th May, 2018 for the purpose of System Driven Disclosures in Security Market, in relation with SEBI (SAST) Regulations, 2011 and SEBI (PIT) Regulations, 2015.
- (b) The Promoters of the Company have acquired equity shares in excess of 5% of the Company's shareholding during the financial year under review.

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- (c) Certain licences related to operation of the works are still to be renewed.
- (d) Company is not paying wages to its workers at present and is not depositing PF contributions to the concerned authority.
- (e) There are dues beyond the stipulated period to certain MSME entities.
- (f) The net worth of the Company has been completely eroded as on 31.03.2020 due to significant operational losses in earlier years. The manufacturing operation of the Company is also not operational since July, 2019.

(RASHMI SHARMA)

Practicing Company Secretary

FCS –F8660 / CP No.- 8051

UDIN : F008660B000394518

Place : Kolkata

Dated : 30.06.2020

Annexure 6

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Structure & Developments

Paper industry occupies a prestigious position among the various manufacturing enterprises in view of its significant contribution to the society. The world paper industry is currently facing far reaching structural changes due to digitalization of society and businesses, globalization of industries and consequent redistribution of wealth across the globe. India's share in the global paper demand is gradually increasing with rising domestic demand while demand in the western nations is contracting.

Due to the outbreak of Covid-19 pandemic in March 2020, both inward and outward supply chains of the paper industry have been disrupted, and are yet to fully recover. There has also been a severe demand compression due to the lockdown and closing down of educational institutions, commercial establishments and downstream printers, publishers, converters, stationery services among others.

The per capita consumption of paper in India currently stands at about 13 kg which is relatively lower compared to global average which stands at 57 Kg per capita.

Opportunities & Threats

Management could not tap any opportunity during the year under review.

Performance

The details have already been covered in the Director's Report.

Outlook

Company is facing acute shortage of working capital, due to which the plant is not operational since July 2019, resulting in heavy losses. The net worth of the Company has been completely eroded, but the Company is trying its best to rationalize expenses as well as consider measures to generate revenue.

Risks and Concerns:

The closure of Company's manufacturing unit has posed a challenge for the Company to resume operations.

Internal Financial Control systems and their adequacy

The company has an adequate internal control system. An Audit committee headed by Non-Executive Independent Director periodically reviews the audit observation and the corrective remedial measures are taken.



Financial Performance & Analysis highlights

₹ in lakhs

Particulars	As on 31.03.2020	As on 31.03.2019
Revenue from Operations	6203.25	4788.85
Other Income	-	42.00
Profit before Interest, Depreciation and Tax	14.35	(1419.49)
Less: Interest	114.73	463.41
Profit before Depreciation and Tax	(100.37)	(1882.90)
Less: Depreciation	102.43	107.65
Profit before Tax	(202.80)	(1990.55)
Less: Tax expense	-	449.24
Profit/ (Loss) after Tax	(202.80)	(2439.79)
Other Comprehensive Income	28.37	19.12
Total Comprehensive Income	(174.43)	(2420.67)

Human Resource Development/ Industrial Relations

The Company continues to give priority to its human assets. The Company provides a fair and equitable work environment to all its employees. The total manpower strength as on 31st March, 2020 was 186.

Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios:

Sl. No.	Particulars	FY 2019-20	FY 2018-19	Change (%)	Explanation
1	Debtors Turnover Ratio (times)	423.45	111.24	280.68	Manufacturing Plant is not operational since July 2019, resulting in heavy losses. Net worth of the company is completely eroded which has adversely impacted the results of the Company, its liquidity and growth.
2	Inventory Turnover Ratio (times)	301.86	31.08	871.37	
3	Interest Coverage Ratio (times)	(0.77)	(3.30)	(76.71)	
4	Current Ratio (times)	0.22	0.32	(30.41)	
5	Debt Equity Ratio (times)	(4.90)	(5.69)	(13.81)	
6	Operating Profit Margin (%)	(1.41)	(31.61)	(95.55)	
7	Net Profit Margin (%)	(3.27)	(50.95)	(93.58)	
8	Return on Net Worth (%)	11.65	155.80	(92.52)	

Cautionary Statement

Statement in the “Management’s Discussion and Analysis” section describing the Company’s objectives, projections, estimates, expectations or predictions may be “forward looking statements” within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company’s operations include global and Indian demand supply conditions, finished goods prices, raw material availability and prices, cyclical demand and pricing in the Company’s principal markets, changes in Government regulation, tax regimes, economic developments within India and other factors such as litigation and labour negotiations.

INDEPENDENT AUDITOR'S REPORT

To the Members of
MADHYA BHARAT PAPERS LIMITED

Report on the Standalone Financial Statements

Qualified Opinion

We have audited the accompanying Standalone Financial Statements of **Madhya Bharat Papers Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effect of the matter described in basis for qualified opinion paragraph below, 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 accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020, and its loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

We draw attention to the following notes to the Statement:

- (i) Note 31.23 to the Statement regarding the Company has been incurring significant operational losses since earlier years, whereby net worth of the Company has been completely eroded as on 31st March, 2020. We have not been able to corroborate the Management's contention of the steps taken for improvement in its future operational performance and hence preparation of the accounts of the Company on going concern basis in view of production is closed since July, 2019. Accordingly, we are unable to comment on the appropriateness of the going concern basis and their consequential impact on the financial results and the financial position of the Company as at and for the year ended 31st March, 2020.
- (ii) Note 31.24 to the Statement regarding non-provision of interest on unsecured loans aggregating to Rs.273.02 Lakh for the year which constitutes a departure from the Indian Accounting Standards prescribed under section 133 of the Act. Accordingly, Other current financial liabilities and loss for the year would have been increased by Rs.273.02 Lakh and equity would have been reduced by the like amount.
- (iii) Note 31.25 to the Statement regarding non-provision of interest on dealer deposits aggregating to Rs. 38.60 Lakh for the year which constitutes a departure from the Indian Accounting Standards prescribed under section 133 of the Act. Accordingly, Other current financial liabilities and loss for the year would have been increased by Rs. 38.60 Lakh and equity would have been reduced by the like amount.



(iv) Note 31.26 to the Statement regarding non-provision for interest, penalty for delay / default in payment of statutory liabilities (quantum unascertained) which constitutes a departure from the Indian Accounting Standards prescribed under section 133 of the Act and the impact of which on loss for the year and equity could not be ascertained.

We conducted our audit 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 ethical 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matter

We draw attention to note 31.28 of the Statement which explains the management's assessment that there is no significant impact of COVID-19 pandemic on the Statement for the year ended 31st March, 2020.

Our qualified opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matters described in the Basis for Qualified Opinion paragraph referred to here in above and impact of COVID-19 pandemic on the Statement for the year ended 31st March, 2020 referred to in Emphasis of Matter para, we have determined that there are no key audit matters to communicate in our report.

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

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

Our qualified 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 standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Madhya Bharat Papers Limited

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

That Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 qualified 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 standalone 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 standalone 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine that there are no key audit matters to communicate in our report.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the “Annexure A”, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - a) We have sought and except for the matter described in the Basis for Qualified Opinion, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) Except for the possible effects of the matters described in above para of Basis for Qualified Opinion, 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 Changes in Equity and the Statement of Cash flow dealt with by this Report are in agreement with the relevant books of account.
 - d) Except for the possible effects of the matters described in above para of Basis for Qualified Opinion, in our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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- e) The matter described in the Basis for Qualified Opinion paragraph to this report, in our opinion, may have an adverse effect on the functioning of the Company;
 - f) On the basis of the written representations received from the Directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of section 164(2) of the Act.
 - g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
3. 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 No. 31.1 to the standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There were no amounts, which were required to be transferred to the Investor Education and Protection Fund by the Company.
4. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act

For G.P. Agrawal & Co.
Chartered Accountants
Firm’s Registration No .302082E

(CA. Rakesh Kumar Singh)
Partner

Membership No. 066421
UDIN:20066421AAAAFI5018

Date: 30th day of June, 2020
Place of Signature: Kolkata



“Annexure A” to the Independent Auditor’s Report

Statement referred to in paragraph ‘Report on Other Legal and Regulatory Requirements’ of our report of even date to the members of **Madhya Bharat Papers Limited** the Standalone Financial Statements for the year ended 31st March, 2020.

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and as informed, no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
 - (c) According to the information and explanations given to us and the records examined by us including registered title deeds, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the Balance Sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as property, plant and equipment in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- (ii) According to the information and explanations given to us, the inventory has been physically verified during the year by the management. The year-end verification could not be carried out due to lock-down amidst COVID-19 pandemic. In our opinion, no material discrepancies were noticed on such physical verification during the year.
 - (iii) The Company has not granted any loan, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act. Therefore, clauses (iii) (a), (iii)(b) and (iii) (c) of paragraph 3 of the said order are not applicable to the Company.
 - (iv) According to the information and explanations given to us and as per records examined by us, the company has complied with the provision of section 185 & 186 of the Act, with respect to the loans given and investment made.
 - (v) The Company has not accepted any deposit within the meaning of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. The directives issued by the Reserve Bank of India are not applicable to the Company.
 - (vi) To the best of our knowledge and according to the information given to us, the Central Government has prescribed maintenance of cost records under section 148(1) of the Act for the products of the Company. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained.
 - (vii) (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods and Service Tax, Cess and other statutory dues to the appropriate authorities during the year. There were no undisputed amounts payable in

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respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods and Service Tax, Cess and other statutory dues in arrears as at 31st March, 2020 for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us and the records of the Company examined by us, there are no statutory dues as at 31st March, 2020 which have not been deposited on account of dispute.
- (viii) According to the information and explanations given to us and as per records examined by us, the Company has not defaulted in repayment of loans or borrowings to financial institutions or banks or Government. The Company has not issued any debentures.
- (ix) The Company did not raise any money by way of initial public offer and further public offer (including debt instrument). Based upon the audit procedures performed and the information and explanations given to us, term loans availed by the company were applied for the purpose for which the loans were obtained.
- (x) Based upon the audit procedures performed and the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) Based upon the audit procedures performed and the information and explanations given to us, the company has paid/ provided for managerial remunerations in accordance with the requisite approvals mandated by the provisions of Sec 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3 (xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone Financial Statements as required by the applicable Indian Accounting Standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3 (xv) of the Order is not applicable.
- (xvi) According to information and explanations given to us, the Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3 (xvi) of the Order is not applicable.

For G.P. Agrawal & Co.
Chartered Accountants
Firm's Registration No .302082E
(CA. Rakesh Kumar Singh)
Partner
Membership No. 066421
UDIN:20066421AAAAFI5018

Date: 30th day of June, 2020
Place of Signature: Kolkata



Annexure “B” to the Independent Auditors’ Report

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ Section of our report of even date)

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

We have audited the internal financial controls over financial reporting of Madhya Bharat Papers Limited (“the Company”) as of 31st March, 2020 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 these essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Madhya Bharat Papers Limited

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, 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 controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For G.P. Agrawal & Co.
Chartered Accountants
Firm's Registration No .302082E

(CA. Rakesh Kumar Singh)
Partner

Date: 30th day of June, 2020
Place of Signature: Kolkata

Membership No. 066421
UDIN: 20066421AAAAFI5018



Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results

**Statement on Impact of Audit Qualifications for the Financial
Year ended March 31,2020**

[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

(Rs in lakhs)

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	6259.80	6259.80
	2.	Total Expenditure	6462.60	6774.22
	3.	Net Profit/(Loss)	(202.80)	(514.42)
	4.	Earnings Per Share	(5.95)	(15.08)
	5.	Total Assets	6795.03	6795.03
	6.	Total Liabilities	8535.41	8847.03
	7.	Net Worth	(1740.38)	(2052.00)
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-

II. Audit Qualification (each audit qualification separately):

Qualification 1

a. Details of Audit Qualification:

Note 3 to the Statement regarding the Company has been incurring significant operational losses since earlier years, whereby net worth of the Company has been completely eroded as on 31st March, 2020. We have not been able to corroborate the Management's contention of the steps taken for improvement in its future operational performance and hence preparation of the accounts of the Company on going concern basis in view of production is closed since July, 2019. Accordingly, we are unable to comment on the appropriateness of the going concern basis and their consequential impact on the financial results and the financial position of the Company as at and for the year ended 31st March, 2020.

b. Type of Audit Qualification :

Qualified Opinion

c. Frequency of qualification:

Appeared for the first time

d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:

Impact is not quantified by the Auditor

e. For Audit Qualification(s) where the impact is not quantified by the auditor:

(i) Management's estimation on the impact of audit qualification:

The financial statement indicates that the Company has accumulated losses and its net worth has

Madhya Bharat Papers Limited

been fully eroded. It is felt that the status of the Company will improve in the following years. The Management is in the process of rationalizing the expenses as well as considering the measures to generate revenue. Further, with the improvement in the industrial scenario, the company is able to utilise its production capacities and it is expected that the overall financial health of the Company would improve considerably. Accordingly, the Company continues to prepare its accounts on a “Going Concern” basis.

(ii) **If management is unable to estimate the impact, reasons for the same:** NA

(iii) **Auditors’ Comments on (i) or (ii) above:** Included in the Auditors Report

Qualification 2

a. Details of Audit Qualification:

Note 4 to the Statement regarding non-provision of interest on unsecured loans aggregating to Rs 273.02 lakhs for the year which constitutes a departure from the Indian Accounting Standards prescribed under section 133 of the Act. Accordingly, Other current financial liabilities and loss for the year would have been increased by Rs. 273.02 Lakh and equity would have been reduced by the like amount.

b. Type of Audit Qualification :

Qualified Opinion

c. Frequency of qualification:

Appeared for the first time

d. For Audit Qualification(s) where the impact is quantified by the auditor, Management’s Views:

Interest accrued upto 31st March, 2020 aggregating to Rs. 273.02 lakh on unsecured loan as estimated by the management (without considering additional interest, if any, on non-payment of principal interest) has not been provided for and the same will be accounted for as and when paid/settled.

e. For Audit Qualification(s) where the impact is not quantified by the auditor: NA

(i) Management’s estimation on the impact of audit qualification:

(ii) If management is unable to estimate the impact, reasons for the same:

(iii) Auditors’ Comments on (i) or (ii) above:

Qualification 3

a. Details of Audit Qualification:

Note 5 to the Statement regarding non-provision of interest on dealer deposits aggregating to Rs 38.60 lakh for the year which constitutes a departure from the Indian Accounting Standards prescribed under section 133 of the Act. Accordingly, Other current financial liabilities and loss for the year would have been increased by Rs. 38.60 Lakh and equity would have been reduced by the like amount.

b. Type of Audit Qualification :

Qualified Opinion

c. Frequency of qualification:

Appeared for the first time



d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:

Interest accrued upto 31st March, 2020 aggregating to Rs. 38.60 lakh on deposit from dealer as estimated by the management (without considering additional interest, if any, on non-payment of principal interest) has not been provided for and the same will be accounted for as and when paid/settled.

e. For Audit Qualification(s) where the impact is not quantified by the auditor: NA

- (i) Management's estimation on the impact of audit qualification:
- (ii) If management is unable to estimate the impact, reasons for the same:
- (iii) Auditors' Comments on (i) or (ii) above:

Qualification 4

a. Details of Audit Qualification:

Note 6 to the Statement regarding non-provision for interest, penalty for delay / default in payment of statutory liabilities (quantum unascertained) which constitutes a departure from the Indian Accounting Standards prescribed under section 133 of the Act and the impact of which on loss for the year and equity could not be ascertained.

b. Type of Audit Qualification :

Qualified Opinion

c. Frequency of qualification:

Appeared for the first time

d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:

Impact is not quantified by the Auditor

e. For Audit Qualification(s) where the impact is not quantified by the auditor:

(i) Management's estimation on the impact of audit qualification:

Pending ascertainment of the amounts, no provision has been made in these financial statements for interest, penalty for delay / default in payment of statutory liabilities including in respect of provident fund and TDS. Due to huge losses and non - availability of sufficient cash, the company is in the process of making payment of statutory dues as and when the sufficient funds will be available.

(ii) If management is unable to estimate the impact, reasons for the same: NA

(iii) Auditors' Comments on (i) or (ii) above: Included in the Auditors Report

III. Signatories:

Managing Director
Mr Jaydeep Chitlangia

CFO
Mr Jagdish Dua

Statutory Auditor
Mr Rakesh Singh
Partner

M/s G. P. Agrawal & Co.

Place: Kolkata
Date: 30.06.2020

Madhya Bharat Papers Limited

Balance Sheet as at 31st March, 2020

(₹ in Lakh)

Sl. No.	Particulars	Note No.	As at 31st March, 2020		As at 31st March, 2019	
I. ASSETS						
(1) Non - current assets						
	(a) Property, plant and equipment	4	5833.25		5940.18	
	(b) Capital work-in-progress		-		79.10	
	(c) Financial assets					
	(i) Investments	5	15.99		46.13	
	(d) Deferred tax assets (net)	6	-	5849.24	-	6065.41
(2) Current assets						
	(a) Inventories	7	475.26		612.73	
	(b) Financial assets					
	(i) Trade and other receivables	8	14.65		43.05	
	(ii) Cash and cash equivalents	9	7.82		8.44	
	(iii) Bank balances other than cash and cash equivalents	10	17.03		32.98	
	(iv) Other financial assets	11	280.26		337.83	
	(c) Other current assets	12	150.77	945.79	244.62	1279.65
	Total Assets			6795.03		7345.06
II. EQUITY AND LIABILITIES						
(1) Equity						
	(a) Share capital	13	341.00		341.00	
	(b) Other equity	14	(2081.38)	(1740.38)	(1906.95)	(1565.95)
Liabilities						
2) Non - current liabilities						
	(a) Financial liabilities					
	(i) Borrowings	15(i)	2616.38		3113.46	
	(ii) Other financial liabilities	16(i)	1611.82		1707.32	
	(b) Provisions	17	30.67		25.26	
	(c) Deferred tax liabilities (net)	6	-		-	
	(d) Other non-current liabilities	18	67.60	4326.47	101.95	4947.99
(3) Current liabilities						
	(a) Financial liabilities					
	(i) Borrowings	15(ii)	481.15		880.98	
	(ii) Trade and other payables	19	2056.93		1620.03	
	(iii) Other financial liabilities	16(ii)	341.17		252.78	
	(b) Other current liabilities	20	1326.84		1202.49	
	(c) Provisions	17	2.85	4208.94	6.74	3963.02
	Total Equity and Liabilities			6795.03		7345.06
	Corporate information	1				
	Significant accounting policies and estimates	2-3				
	Other disclosures	31				
	The accompanying notes 1 to 31 are an integral part of the financial statements.					

As per our report of even date attached.

For G. P. Agrawal & Co.

Chartered Accountants

Firm's Registration No. - 302082E

(CA. Rakesh Kumar Singh)

Partner

Membership No. 066421

Place of Signature: Kolkata

Date: 30th June, 2020

Jagdish Dua

Chief Financial Officer

R. L. Kapur

Director

DIN - 00002483

Jaydeep Chitlangia

Managing Director

DIN - 00094002

For and on behalf of the Board of Directors of
Madhya Bharat Papers Limited



Statement of Profit and Loss for the year ended 31st March, 2020

(₹ in Lakh)

Sl. No.	Particulars	Note No.	Year ended 31st March, 2020	Year ended 31st March, 2019
I.	Revenue from operations	21	6203.25	4788.85
II.	Other income	22	56.55	42.00
III.	Total income (I+II)		6259.80	4830.85
IV.	Expenses:			
	Cost of materials consumed	23	641.55	2782.12
	Purchases of Stock-in-Trade		4168.37	-
	Changes in inventories of finished goods and work-in-progress	24	167.26	418.36
	Employee benefits expense	25	412.27	517.09
	Finance costs	26	114.73	463.41
	Depreciation and amortisation expense	27	102.43	107.65
	Other expenses	28	855.99	2532.77
	Total expense		6462.60	6821.40
V.	Loss before exceptional items and tax (III-IV)		(202.80)	(1990.55)
VI.	Exceptional items		-	-
VII.	Loss before tax (V-VI)		(202.80)	(1990.55)
VIII.	Tax expense	29		
	Current tax		-	-
	Deferred tax		-	449.24
			-	449.24
IX.	Loss for the year (VII-VIII)		(202.80)	(2439.79)
X.	Other comprehensive income	30		
	(i) Items that will not be reclassified to profit or loss		28.37	19.12
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	Total other comprehensive income		28.37	19.12
XI.	Total comprehensive income for the year (IX + X) (Comprising of loss and other comprehensive income for the year)		(174.43)	(2420.67)
XII.	Earnings per equity share (Nominal value per share ₹ 10/-) [Refer Note No. 31(1)]			
	- Basic (₹)		(5.95)	(71.55)
	- Diluted (₹)		(5.95)	(71.55)
	Number of shares used in computing earnings per share			
	- Basic		3410000	3410000
	- Diluted		3410000	3410000
	Corporate information	1		
	Significant accounting policies and estimates	2-3		
	Other disclosures	31		
	The accompanying notes 1 to 31 are an integral part of the financial statements.			

As per our report of even date attached.

For G. P. Agrawal & Co.

Chartered Accountants

Firm's Registration No. - 302082E

(CA. Rakesh Kumar Singh)

Partner

Membership No. 066421

Place of Signature: Kolkata

Date: 30th June, 2020

Jagdish Dua

Chief Financial Officer

R. L. Kapur

Director

DIN - 00002483

Jaydeep Chitlangia

Managing Director

DIN - 00094002

For and on behalf of the Board of Directors of
Madhya Bharat Papers Limited

Madhya Bharat Papers Limited

Cash Flow Statement for the year ended 31st March, 2020

(₹ in Lakh)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
A. CASH FLOW FROM OPERATING ACTIVITIES		
Loss before exceptional items and extra ordinary items and tax	(202.80)	(1990.55)
Adjustments to reconcile profit/(loss) before exceptional items and extra ordinary items and tax to net cash flow provided by operating activities :		
Finance costs	114.73	463.41
Depreciation and amortisation expense	102.43	107.65
Loss on sale/discard of property, plant and equipment	22.09	133.49
Fair value loss/(gain) on financial instruments through profit or loss	30.14	9.64
Liabilities no longer required written back	-	(15.26)
Interest income	(34.79)	(24.38)
	234.61	674.55
Operating profit before working capital changes	31.81	(1316.00)
<i>Adjustments to reconcile operating profit to cash flow provided by changes in working capital :</i>		
Increase /(decrease) in trade and other payables	436.90	398.77
Decrease/(increase) in non current financial assets	0.00	0.01
Increase /(decrease) in non current other financial liabilities	(95.50)	437.22
Increase /(decrease) in other current financial liabilities	82.72	9.00
Increase /(decrease) in other non current liabilities	(34.35)	(86.74)
Increase /(decrease) in other current liabilities	124.35	365.27
Increase /(decrease) in provision for employee benefits	29.90	26.45
Decrease/(increase) in inventories	137.47	463.49
Decrease/(increase) in trade and other receivables	28.36	113.41
Decrease/(increase) in other financial assets	57.57	(149.99)
Decrease/(increase) in other current assets	93.86	(152.34)
	861.28	1424.55
Cash generated from operations	893.09	108.55
Tax expense	-	-
Cash flow before exceptional and extraordinary items	893.09	108.55
Exceptional item	-	-
Net cash generated from operating activities (A)	893.09	108.55
B. CASH FLOW FROM INVESTING ACTIVITIES		
Additions to fixed assets	-	(65.04)
Sale of fixed assets	61.52	-
Fixed deposits redeemed from bank	15.95	(2.73)
Interest received	40.46	24.26
Net cash generated from/(used in) investing activities (B)	117.93	(43.51)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long-term borrowings	-	218.07
Repayment of long-term borrowings	(497.08)	-
Proceeds/(repayment) of short-term borrowings (net)	(399.83)	184.32
Interest expense	(113.20)	(460.81)
Other borrowing costs	(1.53)	(2.60)
Net cash used in financing activities (C)	(1011.64)	(61.01)
Net decrease in cash and cash equivalents (A+B+C)	(0.62)	4.03
Opening cash and cash equivalents	8.44	4.41
Closing cash and cash equivalents for the purpose of Cash Flow Statement	7.82	8.44
[Refer note no. 9]		

**Notes:**

- 1) The above Cash Flow Statement has been prepared under the ‘‘ Indirect Method ‘‘ as set out in the Indian Accounting Standard (IND AS) 7 on Statement of Cash Flows.
- 2) Proceeds/(repayment) of/from Commercial paper and other Short-term borrowings qualify for disclosure on net basis.
- 3) Cash and cash equivalents do not include any amount which is not available to the Company for its use.
- 4) Cash and cash equivalents as at the Balance Sheet date consists of:

	As at 31st March, 2020	As at 31st March, 2019
	(₹ in Lakh)	
a) Balance with banks on current accounts	6.11	7.02
b) Cash on hand	1.71	1.42
Total [Refer note no. 9]	7.82	8.44

- 5) Change in liabilities arising from financing activities

Movement in assets and liabilities arising from financing activities during the year ended 31st March, 2020 are as follows:

	As at 31st March, 2019	Cash flows*	Non- cash flow	As at 31st March, 2020
	(₹ in Lakh)			
a) Non-current borrowings [Refer Note no. 15 (i)]	3,113.45	(497.07)	-	2,616.38
b) Short term borrowings [Refer Note No. 15 (ii)]*	880.98	(399.83)	-	481.15
Total	3,994.43	(896.90)	-	3,097.53

Movement in assets and liabilities arising from financing activities during the year ended 31st March, 2019 are as follows:
(₹ in Lakh)

	As at 31st March, 2019	Cash flows*	Non- cash flow	As at 31st March, 2020
a) Non-current borrowings [Refer Note no. 15 (i)]	2,895.38	218.07	-	3,113.45
b) Short term borrowings [Refer Note No. 15 (ii)]*	696.66	184.32	-	880.98
Total	3,592.04	402.39	-	3,994.43

* Cash flow represents cash flows on net basis.

- 6) Figure in brackets represent cash outflow from respective activities.
- 7) As breakup of Cash and cash equivalents is also available in Note No. 9, reconciliation of items of Cash and cash equivalents as per Cash Flow Statement with the respective items reported in the Balance Sheet is not required and hence not provided.

The accompanying notes 1 to 31 are an integral part of the financial statements.

As per our report of even date attached.

For G. P. Agrawal & Co.

Chartered Accountants

Firm's Registration No. - 302082E

(CA. Rakesh Kumar Singh)

Partner

Membership No. 066421

Place of Signature: Kolkata

Date: 30th June, 2020

For and on behalf of the Board of Directors of
Madhya Bharat Papers Limited

R. L. Kapur

Director

DIN - 00002483

Jaydeep Chitlangia

Managing Director

DIN - 00094002

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2020

(a) Equity share capital

For the year ended 31st March, 2020		For the year ended 31st March, 2019	
Balance as at 1st April, 2019	Changes in equity share capital during the year	Balance as at 1st April, 2018	Changes in equity share capital during the year
341.00	-	341.00	-
			Balance as at 31st March, 2019
			341.00

(b) Other equity

Particulars	Reserves and surplus				Other comprehensive income		Total other equity
	Capital reserves	Capital redemption reserve	General reserve	Retained earnings	Re-measurement of defined benefit plan		
Balance as at 1st April, 2019	0.03	450.00	594.06	(2951.03)	-	-	(1906.94)
Profit for the year	-	-	-	(202.80)	-	-	(202.80)
Other comprehensive income for the year	-	-	-	-	28.37	28.37	28.37
Total Comprehensive Income for the year ended 31st March, 2020	-	-	-	(202.80)	28.37	28.37	(174.43)
Transfer from/to other comprehensive income/retained earnings	-	-	-	28.37	(28.37)	-	-
Balance as at 31st March, 2020	0.03	450.00	594.06	(3125.46)	-	-	(2081.37)
Balance as at 1st April, 2018	0.03	450.00	594.06	(530.36)	-	-	513.73
Profit for the year	-	-	-	(2439.79)	-	-	(2439.79)
Other comprehensive income for the year	-	-	-	-	19.12	19.12	19.12
Total Comprehensive Income for the year ended 31st March, 2019	-	-	-	(2439.79)	19.12	19.12	(2420.67)
Transfer from/to other comprehensive income/retained earnings	-	-	-	19.12	(19.12)	-	-
Balance as at 31st March, 2019	0.03	450.00	594.06	(2951.03)	-	-	(1906.94)

Description of purposes of each reserve has been disclosed in Note No. 14.

The accompanying notes 1 to 31 are an integral part of the standalone financial statements.

As per our report of even date attached.

For G. P. Agrawal & Co.

Chartered Accountants

Firm's Registration No. - 302082E

(CA. Rakesh Kumar Singh)

Partner

Membership No. 066421

Place of Signature: Kolkata

Date: 30th June, 2020

Jagdish Dua

Chief Financial Officer

R. L. Kapur

Director

DIN - 00002483

Jaydeep Chitlangia

Managing Director

DIN - 00094002

For and on behalf of the Board of Directors of
Madhya Bharat Papers Limited



NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

NOTES ON ACCOUNTS:

1. CORPORATE INFORMATION:

Madhya Bharat Papers Limited (“the Company”) an existing Company, under the Companies Act, 2013 having Corporate Identity Number (“CIN”) L21012CT1980PLC001682 is a Public Company Limited by shares incorporated in India and is engaged in the business of manufacturing of Writing and Printing Papers based on Waste Paper as its main raw material.

The Company’s shares are listed on The Calcutta Stock Exchange Ltd.

Its registered office is situated at Village Birgahni, Champa - 495671, Chhattisgarh (India). The financial statements for the year ended 31st March, 2020 were approved for issue by the Board of Directors on 30th June, 2020.

2. SIGNIFICANT ACCOUNTING POLICIES:

2.1 Statement of Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013.

All the Ind ASs issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements approved for issue by the Board of Directors have been considered in preparing these financial statements.

Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

2.2 Basis of preparation

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies. Historical cost is generally based on the fair value of the consideration in exchange for goods and services.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

All amount disclosed in the financial statements including notes thereon have been rounded off to the nearest rupees in lakh as per the requirement of Schedule III to the Act, unless stated otherwise.

2.3 Use of estimates

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions

Madhya Bharat Papers Limited

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; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

2.4 Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements. Based on the for the purpose of current or non-current classification of assets and liabilities. nature of products and their realization in cash and cash equivalents, the company has ascertained operating cycles as 12 months for its manufacturing business.

2.5 Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The revenue from sales is recognised when control over a product or service has been transferred and/or products /services are delivered/ provided to the Customers. Delivery occurs when the product has been shipped or delivered to the specific location as the case may be and the customer has either accepted the product in accordance with the contract or the Company has sufficient evidence that all the criteria for acceptance has been satisfied. Returns, discount and rebates as determined/estimated based on sales volume or otherwise are deducted from sales. Interest income is recognized using the effective interest method.

2.6 Property, plant and equipment (PPE) and Capital work-in-progress (CWIP)

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of PPE recognised as at 1st April, 2016 measured as per the previous GAAP.

Impairment losses, if any, are recognised when carrying amount of asset exceeds its recoverable amount. Reversal of such loss is also accounted whenever situation so warrants, in accordance with the Indian Accounting Standard.

Capital work in Progress be assessed, reviewed and diminished adequately from time to time.

Pre-operative expenses relating to expansion / new projects are capitalised and allocated to building, plant & machinery, etc. on value basis.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Depreciation on items of PPE is provided on a straight line method to allocate their cost, net of their residual value over the estimated useful life of the respective asset as specified in Schedule II to the Companies Act, 2013.

The estimated useful lives of PPE of the Company are as follows:

Building	30-60 years
Plant and equipment	15 years
Furniture and fixtures	10 years
Vehicles	8 years
Office equipment	5 years
Computers & Audio visuals	3 years
Electrical installations	10 years



Depreciation on revaluation of Fixed Assets has been reduced from Revaluation Reserve account.

Each item of PPE individually costing Rs. 5,000/- or less is depreciated over a period of one year from the date the said assets is available for use.

The residual value of an item of PPE is not more than 5% of the original cost of the respective asset. Assets taken on lease other than leasehold land and building are not capitalised. Lease rentals are charged to revenue. Right to use the Resorts is considered as Leasehold building and amount paid is amortised over the tenure of the right. Lease hold building are depreciated over the tenure of the lease hold right. Lease hold land are depreciated over the tenure of the lease hold right.

2.7 Inventories

Inventories are valued at lower of cost and net realisable value. For this purpose cost has been arrived at on the basis of weighted average cost formula. The cost of finished goods, WIP comprise all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Provision for obsolescence is made wherever necessary.

2.8 Foreign currency transactions

Foreign currency transactions in respect of current assets and current/long term liabilities other than those incurred for acquisition of fixed assets, the overall net loss, if any, on conversion at the exchange rates prevailing on the date of the Balance Sheet, is charged to revenue but the overall net gain, if any, is not accounted for. In respect of liabilities incurred for acquisition of fixed assets, the net gain or loss on such conversion, is adjusted in the carrying value of the related assets.

2.9 Employee Benefits

Post retirement employee benefits:

Post retirement benefits like Provident Fund and Defined Contribution Superannuation schemes, in the nature of defined contribution plans, are maintained by the Company. Contributions required are recognised in the Statement of Profit & Loss on an accrual basis and funded with recognised funds set up for the purpose.

Defined Benefit plan like Gratuity is also maintained by the Company. Liabilities under the defined benefit schemes are determined through independent year end actuarial valuation and charge is recognised in the books. For schemes, where recognised funds have been set up, annual contributions determined as payable in the actuarial valuation report are contributed. Actuarial gains and losses are recognised in the Statement of Profit & Loss.

The Company recognises in the Statement of Profit and Loss, gains or losses on curtailment or settlement of a defined benefit plan as and when the curtailment or settlement occurs.

Other Employee Benefits:

Other employee benefits are accounted for on accrual basis. Liabilities for compensated absence are determined based on independent year end actuarial valuation and charge is recognised in the Statement of Profit & Loss. Short term employee benefits are recognised on an undiscounted basis whereas long term employee benefits are recognised on a discounted basis.

2.10 Borrowing Costs

Borrowing Costs, attributable to the acquisition of qualifying assets upto the date it is ready to put to use, are capitalised. Other borrowing costs are charged to statement of profit and loss.

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2.11 Government Grants

Government Grants of the nature of project subsidy are credited to Capital Reserves as it is not specified to particular item / asset. In the case where any grant received in relation to specified Item / asset, such amount is adjusted with the specified item / asset, other government grants which are revenue nature, credited to Statement of Profit & Loss under the the head “Other Income”.

2.12 Taxes

Taxes on income comprises of current taxes and deferred taxes.

Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognized for deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

2.13 Provisions, Contingent Liabilities and Contingent Assets

Provision is recognised in the accounts when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required is settled the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimates required to settle the obligation at the reporting date. This estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Contingent Assets are neither recognised nor disclosed in the financial statements.

2.14 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset even if that right is not explicitly specified in an arrangement.

(a) When the Company is a lessee

A lease is classified at the inception date as a finance lease or an operating lease. Leases under which substantially all the risks and rewards of ownership are transferred to the Company are classified as finance leases.

On initial recognition, the finance leased asset is measured at an amount equal to the lower



of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Payment made under operating leases are recognised as expense in the Statement of Profit and Loss on a straight line basis over the lease term, unless the receipts are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase.

(b) When the Company is a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Payments received are recognised as income in the Statement of Profit and Loss on a straight line basis over the lease term. Where the escalation of lease rentals is in line with the expected general inflation so as to compensate the lessor for expected inflationary cost, the increases in the rentals is not straight lined.

On transition to Ind AS 116, the Company does not have any financial impact as it has only short term leases.

2.15 Financial instruments, Financial assets, Financial liabilities and Equity instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities.

i) Financial Assets

(a) Recognition

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

(b) Classification

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

Financial assets are classified as those measured at:

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

- (3) fair value through profit or loss (FVTPL), where the assets does not meet the criteria for categorization as at amortized cost or as FVTOCI. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, Advances, Security Deposits, Cash and cash equivalents, Bank balances etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

(c) Impairment

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

(d) Reclassification

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

(e) De-recognition

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

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

ii) Financial liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost.

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

iii) Equity instruments

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

iv) Offsetting of financial instruments

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



v) Dividend distribution

Dividends paid (including income tax thereon) is recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

vi) Fair value measurement

Fair value is a market-based measurement, not an entity-specific measurement. Under Ind AS, fair valuation of financial instruments is guided by Ind AS 113 “Fair Value Measurement” (Ind AS – 113).

For some assets and liabilities, observable market transactions or market information might be available. For other assets and liabilities, observable market transactions and market information might not be available. However, the objective of a fair value measurement in both cases is the same—to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions.

In determining the fair value of financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each balance sheet date.

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

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

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

2.16 Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash on hand, cheques on hand, balance with banks on current accounts and short term, highly liquid investments with an original maturity of three months or less and which carry insignificant risk of changes in value.

2.17 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.

3 Use of estimates and judgements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management’s best knowledge of current events and actions, actual results could 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 sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(i) Useful lives of property, plant and equipment:

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

(ii) Estimation of Defined benefit obligations

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each financial year end.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the actuary considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

(iii) Impairment of investments

The Company reviews its carrying value of investments carried at cost/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.

(iv) Fair value measurement

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements 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.

(v) Provisions and contingent liabilities

The Company has ongoing litigations with various regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.

Notes forming part of the Financial Statements for the year ended 31st March, 2020 (Contd.)

Note No. : 4 Property, plant and equipment and Capital work-in-progress

(₹ in Lakhs)

Particulars	Property, Plant and Equipment							Capital work-in-progress @		
	Land (Free hold)	Land (Lease hold)	Buildings	Plant and equipment	Furniture & Fixtures	Vehicles	Office equipment		Computers	Total
Gross block										
Gross carrying amount as at 1st April, 2019	4060.51	3.23	442.47	1724.80	2.05	14.70	5.05	6.00	6258.81	79.10
Additions during the year	-	-	-	-	-	-	-	-	-	-
Disposals/deductions during the year	-	-	-	-	-	7.68	-	-	7.68	79.10
Gross carrying amount as at 31st March, 2020	4060.51	3.23	442.47	1724.80	2.05	7.02	5.05	6.00	6251.13	-
Depreciation /amortisation/ impairment										
Accumulated depreciation / amortisation / impairment as at 1st April, 2019	-	0.12	54.60	257.70	-	2.85	2.49	0.87	318.63	-
Depreciation/ amortisation for the year	-	0.06	17.97	81.39	0.02	2.02	0.53	0.44	102.43	-
Disposals/deductions during the year	-	-	-	-	-	3.18	-	-	3.18	-
Accumulated depreciation / amortisation / impairment as at 31st March, 2020	-	0.18	72.57	339.09	0.02	1.69	3.02	1.31	417.88	-
Net carrying amount as at 31st March, 2020	4060.51	3.05	369.90	1385.71	2.03	5.33	2.03	4.69	5833.25	-
Gross block										
Gross carrying amount as at 1st April, 2018	4060.51	3.23	451.87	1785.07	2.55	14.85	5.17	4.03	6327.28	79.10
Additions during the year	-	-	0.19	62.46	-	-	0.36	2.03	65.04	-
Reclassification made during the year	-	-	-	-	-	-	-	-	-	-
Disposals/deductions during the year	-	-	9.59	122.73	0.50	0.15	0.48	0.06	133.51	-
Gross carrying amount as at 31st March, 2019	4060.51	3.23	442.47	1724.80	2.05	14.70	5.05	6.00	6258.81	79.10
Depreciation /amortisation/impairment										
Accumulated depreciation / amortisation / impairment as at 1st April, 2018	-	0.08	37.35	170.53	-	0.86	1.58	0.58	210.98	-
Depreciation/ amortisation for the year	-	0.04	17.25	87.17	-	1.99	0.91	0.29	107.65	-
Impairment for the year	-	-	-	-	-	-	-	-	-	-
Reclassification made during the year	-	-	-	-	-	-	-	-	-	-
Disposals/deductions during the year	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation / amortisation / impairment as at 31st March, 2019	-	0.12	54.60	257.70	-	2.85	2.49	0.87	318.63	-
Net carrying amount as at 31st March, 2019	4060.51	3.11	387.87	1467.10	2.05	11.85	2.56	5.14	5940.18	79.10

@ Plant and equipment / Civil work - in - progress.

Notes :

The Company has entered into various agreements in respect of land under finance lease arrangements. The lease agreements include renewal and escalation clause and do not provide the Company a right to sub-lease. For most of lease agreements, original lease term is 30 years subject to maximum of 90 years from the date of inception. These leasehold land have been mortgaged in favour of banks and other entities for securing the borrowings.



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Notes forming part of the Financial Statements for the year ended 31st March, 2020 (Contd.)

Note No. : 5 Non - current investments

Particulars	Face value	Number of Shares	As at 31st March, 2020 (₹ in Lakh)	Number of Shares	As at 31st March, 2019 (₹ in Lakh)
(i) Equity instruments					
Designated at fair value through profit or loss					
Fully paid up :					
Quoted					
Duroply Industries Limited	₹10	55,100	15.86	55,100	46.00
(Formerly: Sarda Plywood Industries Ltd.)					
Total (A)			15.86		46.00
(ii) Post Office National Saving Certificates (Measured at amortised cost)					
Unquoted					
(Deposited with government authorities)			0.13		0.13
Total (B)			0.13		0.13
Total C = (A + B)			15.99		46.13
Aggregate amount of quoted investments			23.39		23.39
Aggregate market value of quoted investments			15.86		46.00
Aggregate investment carried at amortized cost			0.13		0.13
Aggregate investment designated at fair value through profit or loss			15.86		46.00



Notes forming part of the Financial Statements for the year ended 31st March, 2020 (Contd.)

Note No. : 6 Deferred tax Assets (net)

As at 31st March, 2020

(₹ in Lakh)

Particulars	Opening Balance	Recognized in profit or loss	Reclassified from equity to profit or loss	Recognized in other comprehensive income	Closing Balance
Tax effect of items constituting deferred tax assets					
Carried forward tax losses / unabsorbed depreciation	-	-	-	-	-
Expenses allowable on payment basis	-	-	-	-	-
Others	-	-	-	-	-
	-	-	-	-	-
Tax effect of items constituting deferred tax liabilities					
Property, plant and equipment	-	-	-	-	-
Others	-	-	-	-	-
	-	-	-	-	-
Net deferred tax liabilities / expense	-	-	-	-	-

As at 31st March, 2019

(₹ in Lakh)

Particulars	Opening Balance	Recognized in profit or loss	Reclassified from equity to profit or loss	Recognized in other comprehensive income	Closing Balance
Tax effect of items constituting deferred tax assets					
Carried forward tax losses / unabsorbed depreciation	1992.09	(1992.09)	-	-	-
Expenses allowable on payment basis	-	-	-	-	-
Others	29.30	(29.30)	-	-	-
	2021.39	(2021.39)	-	-	-
Tax effect of items constituting deferred tax liabilities					
Property, plant and equipment	1568.81	(1568.81)	-	-	-
Others	3.34	(3.34)	-	-	-
	1572.15	(1572.15)	-	-	-
Net deferred tax liabilities / expense	449.24	(449.24)	-	-	-

In assessing the realisability of the deferred tax assets, management considers whether some portion or all of the deferred tax assets will not be realized.

The ultimate realisation of the deferred tax assets, carried forward losses and unused tax credits is dependent upon the generation of future taxable income during the periods in which the temporary difference become deductible. Management considers the scheduled reversals of deferred tax liabilities, projected future taxable income and the planning strategies in making this assessment. Based on the historical taxable income and projection of future taxable income over the periods in which the deferred tax assets are deductible, management believes that the Company will realise the benefits of those recognised deductible differences carried forward losses and portion of unused tax credits.

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Notes forming part of the Financial Statements for the year ended 31st March, 2020 (Contd.)

(₹ in Lakh)

Note No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
7	Inventories (Valued at lower of cost and net realisable value, unless stated otherwise)		
	Raw materials	265.38	159.03
	Add : Goods-in-transit	-	73.15
	Work-in-progress		
	Writing & printing papers	13.76	47.47
	Finished goods		
	Writing & printing papers	20.55	154.10
	Stores and spares	175.57	175.89
	Add : Goods-in-transit	-	3.09
		475.26	612.73
8	Trade and other receivables (carried at amortized cost)		
	Current (Unsecured, considered good)		
	Trade receivables	14.65	43.05
		14.65	43.05
9	Cash and cash equivalents		
	Balances with banks		
	On current accounts	6.11	7.02
	Cash on hand	1.71	1.42
		7.82	8.44
10	Bank balances other than cash and cash equivalents		
	Fixed deposits pledged with excise authorities and Bank		
	Current portion of original maturity period more than 12 months	17.03	32.98
		17.03	32.98



Notes forming part of the Financial Statements for the year ended 31st March, 2020 (Contd.)

(₹ in Lakh)

Note No.	Particulars	As at 31st March, 2020		As at 31st March, 2019	
11	Other financial assets				
	(i) Current (Unsecured, considered good) Carried at amortized cost				
	Advances to employees		1.67		1.21
	Advance to others		245.49		271.69
	Security deposits		32.30		58.45
	Interest accrued but not due on		0.80		6.48
			<u>280.26</u>		<u>337.83</u>
12	Other current assets (Unsecured, considered good)				
	Advances other than capital advances				
	Other advances				
	Advances to suppliers and others	143.06		235.01	
	Cenvat, Vat and other taxes / duties	<u>2.20</u>	<u>145.26</u>	<u>3.31</u>	<u>238.32</u>
	Others				
	Prepaid expenses		5.51		6.30
			<u>150.77</u>		<u>244.62</u>

Note No. : 13 Share capital

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	No. of shares	(₹ in Lakh)	No. of shares	(₹ in Lakh)
(a) Authorised				
Equity shares of par value ₹ 10/- each	25000000	2500.00	25000000	2500.00
Preference shares of par value ₹ 10/- each	5000000	500.00	5000000	500.00
		<u>3000.00</u>		<u>3000.00</u>
(b) Issued, subscribed and fully paid up				
Equity shares of par value ₹ 10/- each	3410000	341.00	3410000	341.00
		<u>341.00</u>		<u>341.00</u>

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Notes forming part of the Financial Statements for the year ended 31st March, 2020 (Contd.)

(c) Reconciliation of number and amount of equity shares outstanding:

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	No. of shares	(₹ in Lakh)	No. of shares	(₹ in Lakh)
At the beginning of the year	3410000	341.00	3410000	341.00
Add:				
Shares issued	-	-	-	-
Less:				
Buyback of shares	-	-	-	-
At the end of the year	3410000	341.00	3410000	341.00

(d) The Company has only one class of equity shares. The Company declares and pays dividend in Indian rupees. The holders of equity shares are entitled to receive dividend as declared from time to time and are entitled to one vote per share.

(e) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential dues. The distribution will be in proportion to the number of equity shares held by the shareholders.

(f) Shareholders holding more than 5 % of the equity shares in the Company :

Name of the shareholder	As at 31st March, 2020		As at 31st March, 2019	
	No. of shares held	% of holding	No. of shares held	% of holding
Sudeep Chitlangia	490000	14.37	490000	14.37
Jaydeep Chitlangia	430000	12.61	430000	12.61
Sheela Chitlangia	274737	8.06	274737	8.06
Archana Chitlangia	250000	7.33	250000	7.33
Nikhilesh Chitlangia	190000	5.57	190000	5.57
IDBI Bank Limited	-	-	562937	16.51
IFCI Limited	277436	8.14	277436	8.14
ICICI Bank Limited	227150	6.66	227150	6.66

**Notes forming part of the Financial Statements for the year ended 31st March, 2020 (Contd.)**

(₹ in Lakh)

Note No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
14	Other equity		
	(a) Capital reserves		
	Balance as per last account	0.03	0.03
	(b) Capital redemption reserve		
	Balance as per last account	450.00	450.00
	(c) General reserve		
	Balance as per last account	594.06	594.06
	(d) Retained earnings		
	Balance as per last account	(2951.04)	(530.37)
	Add: Net loss for the year	(202.80)	(2439.79)
	Add: Other comprehensive income (net of tax) for the year	28.37	19.12
		<u>(3125.47)</u>	<u>(2951.04)</u>
		<u>(2081.38)</u>	<u>(1906.95)</u>

Notes:

- i) General reserve is primarily created to comply with the requirements of section 123(1) of the Companies Act, 2013. This is a free reserve and can be utilised for any general purpose like issue of bonus shares, payment of dividend, buy back of shares etc.
- ii) Retained earnings represents the amount of accumulated loss of the Company.

15 Borrowings**(i) Non-current****Carried at amortized cost****Term loans**

From entities other than banks

Unsecured

2,616.38

3,113.46

2616.383113.46**a) Repayment terms:**

From entities other than bank- Bullet payment as on 1st April, 2023.

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Notes forming part of the Financial Statements for the year ended 31st March, 2020 (Contd.)

(₹ in Lakh)

Note No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
(ii)	Current		
	Carried at amortized cost		
	Loans repayable on demand		
	Working capital loans		
	From banks		
	Secured	481.15	438.94
	Other loans and advances		
	Working capital loans		
	From entities other than banks		
	Unsecured	-	442.04
		<u>481.15</u>	<u>880.98</u>

Nature of securities :

Hypothecation of the Company's present & future stocks of raw material, consumable stores, finished and semi-finished goods & book debts, personal guarantee of managing director of the Company and also second charge on the fixed assets of the company.

16 Other financial liabilities

(i) Non-current

Carried at amortized cost

Security deposit and others	1611.82	1707.32
	<u>1611.82</u>	<u>1707.32</u>

(ii) Current

Carried at amortized cost

Other payables		
Unpaid salaries and other payroll dues	341.17	252.78
	<u>341.17</u>	<u>252.78</u>



Notes forming part of the Financial Statements for the year ended 31st March, 2020 (Contd.)

(₹ in Lakh)

Note No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
17	Provisions		
	(i) Non-current		
	Provision for employee benefits - unavailed leave [Refer Note No. 31(9)]	30.67	25.26
		30.67	25.26
	(ii) Current		
	Provision for employee benefits - unavailed leave [Refer Note No. 31(9)]	2.85	6.74
		2.85	6.74
18	Other Non-current liabilities		
	Deferred gain on changes in fair value of finan- cial liabilities	67.60	101.95
		67.60	101.95
19	Trade and other payables		
	Current		
	Trade payables		
	Total outstanding dues of micro and small enterprises [Refer Note No. 31(7)]	13.80	23.34
	Total outstanding dues of creditors other than micro and small enterprises	2043.13	1596.69
		2056.93	1620.03

Madhya Bharat Papers Limited

Notes forming part of the Financial Statements for the year ended 31st March, 2020 (Contd.)

(₹ in Lakh)

Note No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
20	Other Current liabilities		
	Other advances		
	Advances from customers and others	1229.57	1127.76
	Deferred gain on changes in fair value of financial liabilities	33.80	33.98
	Others		
	Statutory liabilities	63.47	40.75
		<u>1326.84</u>	<u>1202.49</u>
21	Revenue from operations		
	Sale of goods		
	Manufacturing goods - Writing & printing papers	1,201.82	4,788.85
	Trading goods - Agriculture products	5,001.43	-
	Revenue from operations	<u>6203.25</u>	<u>4788.85</u>
22	Other income		
	Interest income on financial assets carried at amortized cost		
	Deposit with banks and others	34.79	24.38
	Liabilities no longer required written back	-	15.26
	Other non-operating income		
	Miscellaneous	21.76	2.36
		<u>56.55</u>	<u>42.00</u>
23	Cost of materials consumed		
	Waste paper	641.55	2782.12
		<u>641.55</u>	<u>2782.12</u>



Notes forming part of the Financial Statements for the year ended 31st March, 2020 (Contd.)

(₹ in Lakh)

Note No.	Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
24	Changes in inventories of finished goods and work-in-progress		
	Finished goods		
	Opening stock		
	Writing and printing papers	154.10	518.94
	Less : Closing stock		
	Writing and printing papers	20.55	154.10
	Total (A)	133.55	364.84
	Work- in-progress		
	Opening stock		
	Writing and printing papers	47.47	100.99
	Less : Closing stock		
	Writing and printing papers	13.76	47.47
	Total (B)	33.71	53.52
	Total (A+B)	167.26	418.36
25	Employee benefits expense		
	Salaries and wages	346.88	429.62
	Contribution to provident and other funds	51.47	62.38
	Staff welfare expense	13.92	25.09
		412.27	517.09
26	Finance costs		
	Interest expense		
	On long term borrowings	33.70	343.97
	On short term borrowings	79.50	109.64
	Others	-	7.21
	Other borrowing costs	1.53	2.60
		114.73	463.41

Madhya Bharat Papers Limited

Notes forming part of the Financial Statements for the year ended 31st March, 2020 (Contd.)

(₹ in Lakh)

Note No.	Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
27	Depreciation and amortisation expense		
	Depreciation and amortisation of property, plant and equipment [Refer Note No. 4]	102.43	107.65
		<u>102.43</u>	<u>107.65</u>
28	Other expenses		
	Consumption of stores and spare parts	44.26	53.11
	Dyes & chemicals	85.28	350.79
	Power and fuel	286.10	1205.03
	Rent	1.68	2.43
	Repairs		
	Buildings	2.83	7.69
	Machinery	13.61	141.52
	Others	5.96	10.83
	Insurance	8.23	9.51
	Rates and taxes (excluding taxes on income)	143.31	243.79
	Legal and professional expenses	71.26	95.94
	Payments to auditor		
	As auditor for statutory audit	2.00	1.50
	For taxation matters	0.30	0.30
	Travelling expenses	7.93	23.88
	Charity and donation	0.43	1.73
	Vehicle running expenses	12.49	23.78
	Miscellaneous expenses	99.62	112.09
	Loss on sale/discard of property, plant and equipment (net)	22.09	133.49
	Packing expenses	17.74	82.15
	Freight & cartage outward	0.09	0.20
	Sale commission and incentives	0.64	23.36
	Fair value loss on financial instruments at fair value through profit or loss	30.14	9.64
		<u>855.99</u>	<u>2532.77</u>



Notes forming part of the Financial Statements for the year ended 31st March, 2020 (Contd.)

(₹ in Lakh)

Note No.	Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
29	Tax expense		
	Current tax	-	-
	Deferred tax [Refer Note No. 24]	-	449.24
		-	449.24
	Reconciliation of Tax Expense		
	Profit before tax	-	-
	Applicable tax rate	-	-
	Computed tax expense	-	-
	Adjustments for:		
	Utilization of unabsorbed loss and depreciation	-	-1568.81
	Effect of carry forward tax losses/unobserved depreciation	-	1992.09
	Other temporary differences	-	25.96
	Net adjustments	-	449.24
	Tax Expense	-	449.24
30	Other comprehensive income		
	Items that will not be reclassified to profit or loss		
	Re-measurements of defined benefit plans	28.37	19.12
	Less: Income tax relating to items that will not be reclassified to profit or loss	-	-
		28.37	19.12

Note No. : 31 Other disclosures

1. Contingent liabilities and commitments (to the extent not provided for)

A. Contingent liabilities

(₹ in Lakh)

Particulars	As at 31st March, 2020	As at 31st March, 2019
(i) Claims against the Company not acknowledged as debts :		
(a) Demand raised by Government Authorities in respect of Taxes and Duties Procurement of Renewable Energy Certificate	95.97	95.97
(b) Others - under appeal/litigation		
- Recovery Suit filed by suppliers	40.61	71.68
- Arbitration award received by the Company against Insurance Claim and contest by Oriental Insurance Company Ltd.	69.95	69.95
(ii) Guarantee issued by Company's bankers on behalf of the Company (Margin money of Rs 16.58 lacs (previous year Rs.15.52 lacs)	73.33	73.33

The amounts shown in (i) above represent the best possible estimates arrived at on the basis of available information. The uncertainties and timing of the cash flows are dependent on the outcome of different legal processes which have been invoked by the Company or the claimants, as the case may be and, therefore, cannot be estimated accurately. The Company does not expect any reimbursement in respect of above contingent liabilities.

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Notes forming part of the Financial Statements for the year ended 31st March, 2020 (Contd.)

In the opinion of the management, no provision is considered necessary for the disputes mentioned above on the ground that there are fair chances of successful outcome of the appeals.

B. Commitments:

There is no amount of contracts remaining to be executed end of the year.

2. Section 80 IA of Income Tax Act is not applicable under the prevailing circumstances to the Company and in view of the same the Management has decided not to maintain separate records for Power Division.
3. Earning per Share (EPS) -The numerators and denominators used to calculate Basic / Diluted earnings per share:

Particulars		Year ended 31st March, 2019	Year ended 31st March, 2019
a)	Amount used as the numerator (Rs. in lakh) Profit/(loss) after Tax	(202.80)	(2,439.79)
b)	Number of equity shared used as denominator for Calculating Earning per Share	34,10,000	34,10,000
c)	Weighted average number of equity shares used as denominator for calculating EPS.	34,10,000	34,10,000
d)	Nominal Value per share (Rs.)	10	10
e)	Basic Earning per share (Rs.)	(5.95)	(71.55)
f)	Diluted Earning per share (Rs.)	(5.95)	(71.55)

4. Disclosures as required by Indian Accounting Standard (Ind AS) 37 Provisions, Contingent liabilities and Contingent assets :

No provisions for Liabilities was made during the year and no provision was outstanding at the beginning and at the end of the year.

5 Segment information

- (a) The Managing Director has been identified as the Company's chief operating decision-maker (CODM) as defined by Ind AS 108 – Operating Segments. The Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by Business segments. The CODM of the Company evaluates the segments based on their revenue growth, operating income and return on capital employed. No operating segments have been aggregated in arriving at the Business Segment of the Company.

Management has determined the operating segments based on the information reviewed by the CODM for the purposes of allocating resources and assessing performance. The Company has identified three business segments viz. Paper and Trading-Others and presented the same in the financial statements. Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

Segment assets and segment liabilities represent assets and liabilities of respective segment. Investments, tax related assets/ liabilities and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".



Notes forming part of the Financial Statements for the year ended 31st March, 2020 (Contd.)

(b) The following is an analysis of revenue and results from operations by reportable segments:

(₹ in Lakh)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Segment Revenue		
(Net sales/Income from each segment)		
a) Paper	1201.82	4788.85
b) Trading-Others	5,001.43	-
Total	6203.25	4788.85
Less :Inter Segment Revenue	-	-
Net Sales/Income from Operations	6203.25	4788.85
Segment Result		
a) Paper	(920.49)	(1527.14)
b) Trading-Others	832.42	-
Total	(88.07)	(1527.14)
Less : (i) Interest and Finance charges	114.73	463.41
(ii) Other Unallocable expenditure net of unallocable income	-	-
Total loss before Tax	(202.80)	(1990.55)

(c) Other information

(₹ in Lakh)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Segment Assets		
a) Paper	6794.26	7345.03
b) Trading-Others	0.78	-
	6795.04	7345.03
Segment Liabilities		
a) Paper	8534.64	8910.99
b) Trading-Others	0.78	-
	8535.42	8910.99
Capital expenditure		
a) Paper	-	65.04
b) Trading-Others	-	-
	-	65.04
Depreciation and amortisation		
a) Paper	102.43	107.65
b) Trading-Others	-	-
	102.43	107.65
Non cash expenses other than depreciation and amortisation		
a) Paper	52.23	143.14
b) Trading-Others	-	-
	52.23	143.14

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Notes forming part of the Financial Statements for the year ended 31st March, 2020 (Contd.)

(d) Since the Company's activities / operations are primarily within the country, there is only one geographical segment.

(e) Information about major customers:

No single customer contributed 10% or more of the total revenue of the Company for the year ended 31st March, 2020 and 31st March, 2019.

6. Related party disclosure

a) Name of the related parties and description of relationship :

(I) Enterprises over which KMP and his relatives : Chitperi Farm Private Limited
have significant influence Kinship Commercial Private Limited
Limelight Housing Private Limited
Poushali Sales Private Limited
Sanskriti Trade Link Private Limited
Duroply Industries Limited

(ii) Key Management Personnel : Sri Jaydeep Chitlangia (Managing Director)
Sri Vinod Kumar Khanna
(Whole time Director) till 31.01.2020

b) Transactions with Related parties :

(₹ in Lakh)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Rent Received		
Duroply Industries Limited	0.12	0.12
Purchase (raw material)		
Sanskriti Trade Link Private Limited	159.60	59.62
Duroply Industries Limited	112.18	425.89
Purchase (fixed assets)		
Duroply Industries Limited	-	1.18
Rent Paid		
Duroply Industries Limited	0.66	0.66
Interest Paid		
Chitperi Farm Private Limited	-	26.23
Kinship Commercial Private Limited	-	8.97
Limelight Housing Private Limited	-	6.49
Poushali Sales Private Limited	-	87.65
Sanskriti Trade Link Private Limited	-	12.43
Remuneration of KMP		
Sri Jaydeep Chitlangia	40.26	40.26



Notes forming part of the Financial Statements for the year ended 31st March, 2020 (Contd.)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Sri Vinod Kumar Khanna	19.46	23.85
Loans refunded		
Chitperi Farm Private Limited	9.50	2.62
Kinship Commercial Private Limited	-	10.90
Limelight Housing Private Limited	-	0.65
Poushali Sales Private Limited	157.28	47.52
Sanskriti Trade Link Private Limited	-	23.81
Loans taken		
Chitperi Farm Private Limited	24.50	-
Kinship Commercial Private Limited	-	2.05
Limelight Housing Private Limited	7.50	10.99
Poushali Sales Private Limited	161.15	73.50
Sanskriti Trade Link Private Limited	-	3.50

(d) Balance Outstanding at year end : (₹ in Lakh)

Particulars	As at 31st March, 2020	As at 31st March, 2019
(a) Payable		
Chitperi Farm Private Limited	300.88	285.88
Kinship Commercial Private Limited	84.07	84.07
Limelight Housing Private Limited	68.34	60.84
Poushali Sales Private Limited	990.27	986.39
Sanskriti Trade Link Private Limited	105.86	132.70
Duroply Industries Limited	336.00	290.14
Jaydeep Chitlangia	97.22	72.02
Vinod Kumar Khanna	45.80	33.81
(b) Investment in Shares		
Duroply Industries Limited	15.86	46.00

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Notes forming part of the Financial Statements for the year ended 31st March, 2020 (Contd.)

7. Based on the information/documents available with the Company, information as per the requirement of section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 with respect to trade payables is as follows:

(₹ in Lakh)

Particulars	31st March, 2020	31st March, 2019
(a) The principal amount remaining unpaid to suppliers as at the end of accounting year *	13.80	23.34
(b) The interest due thereon remaining unpaid to suppliers as at the end of accounting year	6.62	5.60
(c) The amount of interest paid by the Company in terms of section 16, of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the suppliers beyond the appointed day during the year	-	-
(d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-
(e) The amount of interest accrued during the year and remaining unpaid at the end of the accounting year*	1.02	5.60
(f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

* Included in the line item “Total outstanding dues of micro enterprises and small enterprises” under note no. 19.

8. Details of Loans given, investments made and guarantee given and security provided covered u/s 186(4) of the Companies Act, 2013:

- (i) Details of Loans given:

The Company has not given any loan.

- (ii) Details of Investments made:

Investment made is given under the respective note no. 5.

- (iii) Details of Guarantee given:

The Company has not given any Guarantee.

- (iv) Details of security provided:

The Company has not provided any security.

9. Employee Benefits :

As per Indian Accounting Standard - 19 “Employee Benefits”, the disclosures of Employee Benefits are as follows:



Notes forming part of the Financial Statements for the year ended 31st March, 2020 (Contd.)

Defined Contribution Plan :

Employee benefits in the form of Provident Fund, Superannuation Fund, Employee State Insurance Corporation (ESIC) and Labour Welfare Fund are considered as defined contribution plan.

The contributions to the respective fund are made in accordance with the relevant statute and are recognised as expense when employees have rendered service entitling them to the contribution. The contributions to defined contribution plan, recognised as expense in the Statement of Profit and Loss are as under :

(₹ in Lakh)

Defined Contribution Plan	Year ended 31st March, 2020	Year ended 31st March, 2019
Employer's Contribution to Provident Fund	9.19	11.24
Employer's Contribution to Pension Scheme	14.80	17.20
Employer's Contribution to Superannuation Fund	8.99	11.89
Employer's Contribution to Employees' State Insurance Scheme	7.19	11.36

Gratuity

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the said Act, an employee who has completed five years of service is entitled to specific benefit. The Gratuity plan provides a lumpsum payment to employees at retirement, death, incapacitation or termination of employment. The level of benefits provided depends on the member's length of service and salary at retirement age etc. The fund is in the form of a trust and is governed by the Board of Trustees who are responsible for the administration of the plan assets and for the investment of the plan. The Company contributes all ascertained liabilities towards gratuity to the trust.

The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the Balance Sheet for the said plan:

(a) Details of funded post retirement plans are as follows :

(₹ in Lakh)

Particulars	Gratuity (funded)		Leave Encashment (unfunded)	
	2019-20	2018-19	2019-20	2018-19
I. Expenses recognised in the Statement of Profit and Loss:				
1 Current service cost	9.19	10.09	6.33	5.29
2 Past service cost	-	-	-	-
3 Net interest on the net defined benefit liability/asset	0.28	(1.86)	2.46	2.80
4 Curtailment	-	-	-	-
5 Settlement	-	-	-	-
6 Net actuarial(gain)/Loss recognised in the period	-	-	(4.45)	(8.97)
7 Expense recognised in the Statement of Profit and Loss	9.47	8.22	4.35	(0.88)

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Notes forming part of the Financial Statements for the year ended 31st March, 2020 (Contd.)

Particulars	Gratuity (funded)		Leave Encashment (unfunded)	
	2019-20	2018-19	2019-20	2018-19
II. Other comprehensive income				
1 Actuarial gain / (loss) arising from:				
- change in demographic assumptions	-	-	-	-
- change in financial assumptions	5.64	0.44	-	-
- changes in experience adjustments	(31.37)	(11.32)	-	-
- others	-	-	-	-
2 (Returns)/loss on plan assets excluding amounts included in interest income	1.81	0.73	-	-
3 Components of defined benefit costs recognised in Other comprehensive income	(23.93)	(10.14)	-	-
III. Change in present value of defined benefit obligation :				
1 Present value of defined benefit obligation at the beginning of the year	216.99	230.29	32.01	39.92
2 Acquisition adjustment				
3 Interest expense	16.71	16.61	2.46	2.80
4 Past service cost				
5 Current service cost	9.19	10.09	6.33	5.29
6 Employees' contributions				
7 Benefits paid	(30.29)	(29.12)	(2.83)	(7.03)
8 Actuarial gain / (loss) arising from:			(4.45)	(8.97)
- change in financial assumptions	5.64	0.44	-	-
- changes in experience adjustments	(31.37)	(11.32)	-	-
9 Present value of Defined Benefit Obligation at the end of the year	186.87	216.99	33.52	32.01
IV. Change in fair value of plan assets during the year :				
1 Plan assets at the beginning of the year	228.56	239.94	-	-
2 Interest income	16.43	18.48	-	-
3 Employees' contributions	0.01	-	2.83	7.03
4 Employers' contributions	-	-	-	-
5 Benefits paid	(30.29)	(29.12)	7.03	7.03
6 Settlement	-	-	-	-
7 Re-measurement (Returns on plan assets excluding amounts included in interest income)	(1.81)	(0.73)	-	-
8 Administration expenses	-	-	-	-
9 Fair Value of Plan Assets at the end of the year	212.90	228.56	-	-
V. Net Asset / (Liability) recognised in the Balance Sheet as at the year end:				
1 Present value of Defined Benefit Obligation	186.87	216.99	33.52	32.01
2 Fair value of Plan Assets	212.90	228.56	-	-
3 Funded Status [Surplus/(Deficit)]	26.03	11.56	33.52	(32.01)
4 Net Asset / (Liability) recognised in Balance Sheet	26.03	11.56	(33.52)	(32.01)
Current Liability (Short term)	-	-	2.85	6.75
Non-Current Liability (Long term)	-	-	30.67	25.27



Notes forming part of the Financial Statements for the year ended 31st March, 2020 (Contd.)

Particulars	Gratuity (funded)		Leave Encashment (unfunded)	
	2019-20	2018-19	2019-20	2018-19
VI. Actuarial Assumptions :				
1 Discount Rate (per annum) %	7.00%	7.70%	7.00%	7.70%
2 Expected return on Plan Assets (per annum) %	7.00%	7.70%	-	-
3 Expected Rate of Salary increase %	6.00%	6.00%	6.00%	6.00%
4 Retirement/Superannuation Age (Year)	58	58	58	58
5 Mortality Rates	IALM 2012-14 Ultimate	IALM 2006- 2008 Ultimate	IALM 2012-14 Ultimate	IALM 2006- 2008 Ultimate
VII. Major Category of Plan Assets as a % of the Total Plan Assets as at the year end :				
1 Administered by Insurance Companies	100.00%	100.00%	-	-
2 Public Financial Institutions / Public Sector Companies bonds	-	-	-	-
3 Central / State Government Securities	-	-	-	-
4 Private sector bonds	-	-	-	-
5 Others (Cash and cash equivalents)	-	-	-	-
VIII. Maturity Profile of Defined Benefit Obligation				
Expected cash flows (valued on undiscounted basis):				
Year 1	37.64	49.07	2.85	6.75
Year 2	34.49	62.13	14.99	6.97
Year 3	21.56	53.75	2.08	11.47
Year 4	19.16	21.65	2.12	1.81
Year 5	10.97	19.16	0.94	1.86
Year 6	28.77	11.03	5.91	0.87
Year 7	15.38	28.66	0.81	5.03
Year 8	19.35	13.19	4.08	0.83
Year 9	10.56	21.68	0.75	3.34
Year 10	20.92	9.53	5.90	0.73
Total expected payments	218.80	289.85	40.42	39.65
The average duration of the defined benefit plan obligation at the end of the balance sheet date (in years)	4.76	4.07	4.74	3.94
IX. Sensitivity analysis on Present value of Defined Benefit Obligations:				
<p>The sensitivity analyses has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring as at the balance sheet date.</p> <p>All sensitivities are calculated using the same actuarial method as for the disclosed present value of the defined benefits obligation at year end.</p>				

Madhya Bharat Papers Limited

Notes forming part of the Financial Statements for the year ended 31st March, 2020 (Contd.)

(₹ in Lakh)

X. The history of experience adjustments for funded post retirement plans are as follows :			
Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
Gratuity:			
Present value of Defined Benefit Obligation	230.29	188.76	207.33
Fair value of Plan Assets	239.94	242.80	269.81
(Deficit)/Surplus	(9.64)	(54.04)	(62.48)
Effects of Asset Ceiling, if any	-	-	-
Net Asset / (Liability)	(9.64)	(54.04)	(62.48)
Leave Encashment			
Present value of Defined Benefit Obligation	39.92	31.44	34.93
Fair value of Plan Assets	-	-	-
(Deficit)/Surplus	(39.92)	(31.44)	(34.93)
Effects of Asset Ceiling, if any	-	-	-
Net Asset / (Liability)	(39.92)	(31.44)	(34.93)

(b) Risks related to defined benefit plans:

The main risks to which the Company is exposed in relation to operating defined benefit plans are :

- (i) Mortality risk: The assumptions adopted by the Company make allowances for future improvements in life expectancy. However, if life expectancy improves at a faster rate than assumed, this would result in greater payments from the plans and consequently increases in the plan's liabilities. In order to minimise this risk, mortality assumptions are reviewed on a regular basis.
- (ii) Market and liquidity risks: These are the risks that the investments do not meet the expected returns over the medium to long term. This also encompasses the mismatch between assets and liabilities. In order to minimise the risks, the structure of the portfolios is reviewed and asset-liability matching analysis are performed on a regular basis.

(c) Asset - liability management and funding arrangements

The trustees are responsible for determining the investment strategy of plan assets. The overall investment policy and strategy for Company's funded defined benefit plan is guided by the objective of achieving an investment return which, together with the contribution paid is sufficient to maintain reasonable control over various funding risks of the plan.

(d) The following are the assumptions used to determine the benefit obligation:

- (i) Discount rate: The yield of government bonds are considered as the discount rate. The tenure has been considered taking into account the past long term trend of employees' average remaining service life which reflects the average estimated term of the post - employment benefit obligations.
- (ii) Rate of escalation in salary : The estimates of rate of escalation in salary, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.



Notes forming part of the Financial Statements for the year ended 31st March, 2020 (Contd.)

- (iii) Rate of return on plan assets: Rate of return for the year was the average yield of the portfolio in which Company's plan assets are invested over a tenure equivalent to the entire life of the related obligation.
- (iv) Attrition rate : Attrition rate considered is the management's estimate based on the past long-term trend of employee turnover in the Company.
- (e) **The Gratuity and Provident Fund expenses have been recognised under “ Contribution to Provident and Other Funds” and Leave Encashment under “ Salaries and Wages” under Note No. 25.**

20. Financial instruments - Accounting, Classification and Fair value measurements

A. Financial instruments by category

As at 31st March, 2020

(₹ in Lakh)

Sl. No.	Particulars	Total Fair Value	Carrying value					Total
			Cost	Deemed cost	Amortized cost	FVTOCI	FVTPL	
(1)	Financial assets							
	(a) Investments	15.99	-	-	-	-	15.99	15.99
	(b) Trade and other receivables	14.65	-	-	14.65	-	-	14.65
	(c) Cash and cash equivalents	7.82	-	-	7.82	-	-	7.82
	(d) Bank balances other than cash and cash equivalents	17.03	-	-	17.03	-	-	17.03
	(e) Other financial assets	280.26	-	-	280.26	-	-	280.26
	Total	335.75	-	-	319.76	-	15.99	335.75
(2)	Financial liabilities							
	(a) Borrowings	3097.53	-	-	3097.53	-	-	3097.53
	(b) Trade and other payables	2056.93	-	-	2056.93	-	-	2056.93
	(c) Other financial liabilities	1953.00	-	-	1953.00	-	-	1953.00
	Total	7107.46	-	-	7107.46	-	-	7107.46

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Notes forming part of the Financial Statements for the year ended 31st March, 2020 (Contd.)

As at 31st March, 2019

(₹ in Lakh)

Sl. No.	Particulars	Total Fair Value	Carrying value					Total
			Cost	Deemed cost	Amortized cost	FVTOCI	FVTPL	
(1)	Financial assets							
	(a) Investments	46.13	-	-	-	-	46.13	46.13
	(b) Trade and other receivables	43.05	-	-	43.05	-	-	43.05
	(c) Cash and cash equivalents	8.44	-	-	8.44	-	-	8.44
	(d) Bank balances other than cash and cash equivalents	32.98	-	-	32.98	-	-	32.98
	(e) Other financial assets	337.83	-	-	337.83	-	-	337.83
	Total	468.43	-	-	422.30	-	46.13	468.43
(2)	Financial liabilities							
	(a) Borrowings	3994.44	-	-	3994.44	-	-	3994.44
	(b) Trade and other payables	1620.03	-	-	1620.03	-	-	1620.03
	(c) Other financial liabilities	1960.09	-	-	1960.09	-	-	1960.09
	Total	7574.57	-	-	7574.57	-	-	7574.57

B. Fair value hierarchy

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

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

- (i) Fair value of cash and cash equivalents, bank balances other than cash and cash equivalents, trade and other receivables, loans and other current financial assets, short term borrowings from banks and financial institutions, trade and other payables and other current financial liabilities approximate their carrying amounts due to the short-term maturities of these instruments.

The Company uses the following fair value hierarchy for determining and disclosing the fair value of financial instruments:

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

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).



Notes forming part of the Financial Statements for the year ended 31st March, 2020 (Contd.)

The following tables provide the fair value hierarchy of the Company's assets and liabilities measured at fair value on a recurring basis:

- (i) Financial assets and financial liabilities measured at fair value on a recurring basis as at 31st March, 2020:

(₹ in Lakh)

Sl. No.	Particulars	Level	Level 2	Level 3	Total
A.	Financial assets At FVTPL				
	Investments in equity instruments	-	-	15.86	15.86
	Total financial assets	-	-	15.86	15.86

- (ii) Financial assets and financial liabilities measured at fair value on a recurring basis as at 31st March, 2019:

(₹ in Lakh)

Sl. No.	Particulars	Level	Level 2	Level 3	Total
A.	Financial assets At FVTPL				
	Investments in equity instruments	-	-	46.00	46.00
	Total financial assets	-	-	46.00	46.00

There have been no transfers between Level 1 and Level 2 either during the year ended 31st March, 2020 or during the year ended 31st March, 2019.

Reconciliation of opening and closing balances for Level 3 fair value:

(₹ in Lakh)

Particulars	Investments in equity shares
Balance as at 1st April, 2018	55.65
Net re-measurement gain recognised during the year	(9.65)
Sold during the year	-
Balance as at 31st March, 2019	46.00
Net re-measurement loss recognised during the year	(30.13)
Sold during the year	-
Balance as at 31st March, 2020	15.86

Madhya Bharat Papers Limited

Notes forming part of the Financial Statements for the year ended 31st March, 2020 (Contd.)

21. Financial risk management objectives and policies

The Company's principal financial liabilities includes Borrowings, Trade payable and Other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include Trade receivables, Cash and cash equivalents and Other financial assets that derive directly from its operations.

The Company is exposed to credit risk, liquidity risk and market risk. The Company's senior management oversees the management of these risks and the appropriate financial risk governance framework for the Company. The senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

The Board of Directors reviewed policies for managing each of these risks, which are summarized below :

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other risks, such as regulatory risk and commodity price risk.

(i) 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's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings obligations with floating interest rates.

(ii) Regulatory risk

Paper industry is regulated both by central government as well as state government. Central and state governments policies and regulations affects the Paper industry and the Company's operations and profitability.

(b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

The impairment for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each balance sheet date.

Financial assets are written off when there is no reasonable expectation of recovery, however, the Company continues to attempt to recover the receivables. Where recoveries are made, these are recognised in the Statement of Profit and Loss.



Notes forming part of the Financial Statements for the year ended 31st March, 2020 (Contd.)

(i) Trade receivables

Trade receivables are non-interest bearing and are generally on credit terms of 30 to 60 days.

An impairment analysis is performed at each balance sheet date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively.

The ageing analysis of the receivables has been considered from the date the invoice falls due:

(₹ in Lakh)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Upto 6 months	0.61	37.91
More than 180 Days	14.04	5.14
	14.65	43.05

- (ii) The change in the loss allowances measured using life time expected credit loss model is nil. Also, no significant changes in estimation were made during the reported period.

(iii) Balances with banks

Credit risk from balances with banks is managed in accordance with the Company's policy.

The Company's maximum exposure to credit risk for the components of the balance sheet as at 31st March, 2020 and 31st March, 2019 is the carrying amounts as stated under note no. 9 and 10.

(c) Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of cash credit facilities, short term loans and commercial papers.

(d) Lien

- (i) The fair values of the fixed deposits under lien aggregated to Rs. 16.58 lakh (Previous year Rs.32.52 lakh) which was held as Margin Money against Bank Guarantee/Letter of credit.
- (ii) The fair values of the fixed deposits under lien aggregated to Rs. 0.45 lakh (previous year Rs. 0.45 lakh) which was pledged with Sales Tax Authorities.

22. Capital Management

(a) Risk management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity shareholders of the Company. The Company's objective when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns to shareholders and other stake holders.

Madhya Bharat Papers Limited

Notes forming part of the Financial Statements for the year ended 31st March, 2020 (Contd.)

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. The Company has complied with these covenants and there have been no breaches in the financial covenants of any interest-bearing loans and borrowings.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March, 2020 and 31st March, 2019.

23. The financial statement indicates that the Company has accumulated losses and its net worth has been fully eroded.

It is felt that the status of the Company will improve in the following years. The Management is in the process of rationalizing the expenses as well as considering the measures to generate revenue. Further, with the improvement in the industrial scenario, the company is able to utilise its production capacities and it is expected that the overall financial health of the Company would improve considerably. Accordingly, the Company continues to prepare its accounts on a "Going Concern" basis.

24. Interest accrued upto 31st March, 2020 aggregating to Rs. 273.02 lakh on unsecured loans as estimated by the management (without considering additional interest, if any, on non-payment of principal interest) has not been provided for and the same will be accounted for as and when paid/settled.
25. Interest accrued upto 31st March, 2020 aggregating to Rs. 38.60 lakh on deposit from dealer as estimated by the management (without considering additional interest, if any, on non-payment of principal interest) has not been provided for and the same will be accounted for as and when paid/settled.
26. Pending ascertainment of the amounts, no provision has been made in these financial statements for interest, penalty for delay / default in payment of statutory liabilities including in respect of provident fund and TDS. Due to huge losses and non - availability of sufficient cash, the company is in the process of making payment of statutory dues as and when the sufficient funds will be available.
27. The company has adopted Ins AS 116 "Leases" wef 01.04.2019, accordingly recognized right-of-use assets and corresponding lease liabilities.

There is no material impact on the loss for year and equity as on 31st March, 2020 on adoption of Ind AS 116.



Notes forming part of the Financial Statements for the year ended 31st March, 2020 (Contd.)

28. The outbreak of Coronavirus (COVID-19) is causing significant disturbance and slowdown of economic activity in India and across the globe. The Company has evaluated the impact of this pandemic in its business operations.

Based on its review, nature of business and current indicators of economic conditions, there is no significant impact on its financial results for the year ended 31-03-2020. The Company will continue to closely monitor any material changes arising from future economic conditions and impact on its business.

29. The previous year's including figures as on the date of transition have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year including figures as at the date of transition are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

The accompanying notes 1 to 31 are an integral part of the financial statements.

As per our report of even date attached.

For G. P. Agrawal & Co.
Chartered Accountants
Firm's Registration No. - 302082E

(CA. Rakesh Kumar Singh)
Partner
Membership No. 066421

Place of Signature: Kolkata
Date: 30th June, 2020

Jagdish Dua
Chief Financial Officer

For and on behalf of the Board of Directors of
Madhya Bharat Papers Limited

R. L. Kapur
Director
DIN - 00002483

Jaydeep Chitlangia
Managing Director
DIN - 00094002

NOTES :

PROXY FORM

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

**MADHYA BHARAT PAPERS LIMITED**

Regd. Office: Village Birgahni, Rly & Post Champa-495 671, Dist. Janjgir-Champa, Chhattisgarh
CIN: L21012CT1980PLC001682, Tel: 09203906288
E-mail: info@mbpl.in, Website: www.mbpl.in

Name of the member(s)		E-mail Id:
Registered Address:		Folio No./*Client Id:
		*DP Id :

I/We, being the member(s) holding _____ shares of **Madhya Bharat Papers Limited**, hereby appoint:

- 1) _____ of _____
_____ having e-mail id _____ or failing him
- 2) _____ of _____
_____ having e-mail id _____ or failing him
- 3) _____ of _____
_____ having e-mail id _____

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 40th Annual General Meeting of the Company, to be held on Monday, 28th December, 2020 at 11 a.m. at the Registered Office of the Company at Champa, Dist. Janjgir-Champa, Chhattisgarh and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl No.	Resolution	For	Against
Ordinary Business			
1	Consider and adopt Audited Financial Statements, Reports of the Board of Directors and Auditors.		
2	Appoint a Director in place of Shri Jaydeep Chitlangia who retires by rotation and being eligible offers himself for reappointment.		
Special Business			
3	To re-appoint Shri Raghuvansh Lal Kapur as an Independent Director of the Company		

*Applicable for investors holding shares in electronic form.

Affix Revenue
Stamp of
₹1/-

Signed this _____ day of _____ 2020

Signature of shareholder

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

Note: This form of proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before commencement of the AGM i.e. by 11 a.m. on 26th December, 2020.



MADHYA BHARAT PAPERS LTD.

Regd. Office & Mill : Village - Birgahni, Rly. & Post : Champa 495 671
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