

Madhya Bharat Papers Limited

Board of Directors

Shri Jaydeep Chitlangia
Managing Director
Shri Raghuvansh Lal Kapur
Non-Executive Independent Director
Shri Manoj Ranjan
Non-Executive Independent Director
Smt Deepa Maheshwari
Resigned w.e.f. 19th August, 2022
Smt Surabhi Maheshwari
Non-Executive Director w.e.f. 11th November, 2022
Mr Mohammed Kamran
Non-Executive Director

Chief Financial Officer

Shri Jagdish Dua

Company Secretary

Smt Monisha Chakraborty
Appointed w.e.f. 19th December, 2022
Shri Anant Patwari
Resigned w.e.f. 30th November, 2022
Smt Komal Dhruv
Resigned w.e.f. 20th May, 2022

Statutory Auditors

G.P. Agrawal & Co
Chartered Accountants

Regd. Office and Mills

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

Corporate Office

113, Park Street,
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

Corp Office: 113 Park Street, Kolkata- 700 0016

CIN: L21012CT1980PLC001682, Tel: 09203906288 E-mail: info@mbpl.in Website: www.mbpl.in

NOTICE

NOTICE is hereby given that the 43rd Annual General Meeting of the members of **MADHYA BHARAT PAPERS LIMITED** will be held on **Thursday, the 28th September, 2023 at 12.00 NOON** through Video Conferencing or Other Audio-Visual Means 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, 2023 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Mohammed Kamran (DIN: 03333319) who retires by rotation and being eligible, offers himself for re-appointment.

Special Business

3. **Appointment of Ms. Surabhi Maheshwari as a Non-Executive Non-Independent Director of the Company, liable to retire by rotation.**

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

“RESOLVED THAT pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) and the rules made thereunder, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force and the Articles of Association of the Company, Ms. Surabhi Maheshwari (DIN: 09227240) who was appointed as an Additional (Non-Executive Non-Independent) Director of the Company w.e.f. November 11, 2022 and who holds office until the date of the next annual general meeting in terms of Section 161 of the Act and in respect of whom the Company has received notices in writing from members under Section 160 of the Act, signifying their intention to propose Ms. Surabhi Maheshwari as a candidate for the office of a director of the Company, be and is hereby appointed as a Director (Non- Executive Non-Independent) of the Company whose period of office shall be liable to determination by retirement of directors by rotation.



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RESOLVED FURTHER THAT the Board or a Committee thereof be and is hereby authorised to re-designate the said Director as it may deem fit to confer upon him from time to time and to settle any question or difficulty in connection herewith and incidental hereto.”

By Order of the Board

Dated: 14th August, 2023
Place: Kolkata

Monisha Chakraborty
Company Secretary
M No- ACS 66830

NOTES:

1. In view of the extraordinary circumstances due to outbreak of the COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) by Circular No.14/2020 dated 8th April, 2020, Circular No. 17/2020 dated 13th April, 2020 and Circular No. 20/2020 dated 5th May, 2020, Circular No. 2/2022 dated 5th May, 2022 and Circular No. 10/2022 dated 28th December, 2022 read with Securities and Exchange Board of India (SEBI) Circular No. SEBI/HO/CFD/ CMD1/CIR/P/2020/79 dated 12th May, 2020 SEBI/HO/CFD/ CMD2/CIR/P/2021/11 dated 15th January, 2021 SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5th January, 2023 (the said Circulars) had permitted sending of the Notice of AGM along with Annual Report only through electronic mode to those Members whose e-mail addresses were registered with the Company / RTA / Depositories as well as conducting the AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM).

In compliance with applicable provisions of the Companies Act, 2013 and the said Circulars the:

- a) Notice of the AGM along with Annual Report for the Financial Year 2022-23 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / RTA / Depositories.
 - b) 43rd AGM of the Members will be held through VC / OAVM.
2. Members may note that the AGM Notice along with the Annual Report for the Financial Year 2022-23 has been uploaded on the website of the Company at www.mbpl.in. The Notice and the Annual Report can also be accessed from the websites of the Stock Exchange, i.e. Calcutta Stock Exchange Ltd at cseadm@se-india.com The AGM



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Notice is also disseminated on the website of CDSL i.e. www.evotingindia.com.

3. The Explanatory Statement pursuant to Section 102 of the Act and the additional information pursuant to Regulation 36(3) of the Listing Regulations, in respect of Director proposed for appointment /re-appointment at the meeting are annexed hereto.
4. Pursuant to the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (“ICSI”) and Regulation 44 of the Listing Regulations read with MCA and SEBI Circulars, the Company is providing remote e-Voting facility to its Members in respect of the business to be transacted at the 43rd AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting’s agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

The Board of Directors of the Company has appointed Shri Atul Kumar Labh, Practicing Company Secretary, (FCS-4848), as Scrutinizer to scrutinize the Voting process in a fair and transparent manner.

5. In terms of the MCA Circulars since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the 43rd AGM and hence the attendance slip, proxy forms and route map are not attached with the notice. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the Members may be appointed for the purpose of voting through remote e-Voting, for participation in the 43rd AGM through VC/OAVM Facility and e-Voting during the 43rd AGM.
6. The Members can join the AGM in the VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to 1000 members on first come first served basis. This will not include Large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
7. Attendance of the Members participating in the 43rd AGM through VC/OAVM Facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.



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8. Pursuant to section 91 of the Act, read with Rule 10 of the Companies (Management and Administration) Rules, 2014 and Regulation 42 of the Listing Regulations, the Register of Members and Share Transfer Books of the Company will remain closed from September 22, 2023 to September 28, 2023 (both days inclusive) for the purpose of 43rd AGM.
9. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and all the relevant documents pertaining to the resolutions proposed vide this notice of Annual General Meeting will be available electronically for inspection by the members during the AGM. Members seeking to inspect such documents can send an email to info@mbpl.in.
10. Members are requested to intimate change in their addresses, if any, to the Registrar and Share Transfer Agent in respect of equity shares held by them in physical mode and to their Depository Participant(s) in respect of shares held in dematerialized form.
11. Pursuant to Section 72 of the Act, members holding shares in physical form are advised to file nomination with the RTA. In respect of shares held in Electronic/ Demat form, Members may please contact their Respective Depository Participants(s).
12. 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 (DPs) with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to RTA viz. Maheshwari Datamatics Pvt. Ltd. / Company.
13. SEBI vide its Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 & Notification No. SEBI/LAD-NRO/GN/2018/49 dated 30th November, 2018 amended Regulation 40 of Listing Regulations, which provides that from 1st April, 2019 transfer of securities would not be processed unless the securities are held in the dematerialized form with a depository. In view of the same, now the shares cannot be transferred in the physical mode. Hence, Members holding shares in physical form are requested to dematerialize their holdings immediately. However, Members can continue to make request for transmission or transposition of securities held in physical form.
14. Members holding shares in physical or demat form as on the cut-off date i.e. September 21, 2023 shall only be eligible to vote on the resolutions mentioned in the Notice of Annual General Meeting. Those who become Members of the Company after dispatch of AGM Notice but on or before September 21, 2023 (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.



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However, those already registered with CDSL for e-voting can use their existing user Id and password for Login.

15. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES/ MOBILE NOS. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES:

- i. For Physical shareholders- Please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAAR (self attested scanned copy of Aadhaar Card) by email to Company at info@mbpl.in/ RTA at mdpldc@yahoo.com or visit RTA website.
- ii. For Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP).
- iii. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.
- iv. The company/RTA shall co-ordinate with CDSL and provide the login credentials to the above mentioned shareholders.

16. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/ OAVM ARE AS UNDER:

- i. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/ members login by using the remote e-voting credentials. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned below for Remote e-voting.
- ii. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
- iii. Further shareholders will be required to allow camera and use Internet with a good speed to avoid any disturbance during the meeting.
- iv. Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.



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17. INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

- i. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned below for Remote e-voting.
- ii. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- iii. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
- iv. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

18. NOTE FOR NON – INDIVIDUAL SHAREHOLDERS AND CUSTODIANS

- i. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- ii. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- iii. 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.
- iv. The list of accounts linked in the login will be mapped automatically and can be delinked in case of any wrong mapping.
- v. 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.
- vi. 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



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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.

19. INSTRUCTION FOR REMOTE ELECTRONIC VOTING (REMOTE E-VOTING) AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM:

The Instructions for members voting electronically are as under:

- I. The voting period begins on September 25, 2023 at 9:00 a.m. (IST) and ends on September 27, 2023 at 5:00 p.m. (IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date being September 21, 2023 will be eligible to vote electronic means or at the AGM. The e-voting module shall be disabled by CDSL for voting thereafter.
 - II. Those who becomes Members of the Company after dispatch of AGM Notice but on or before September 21, 2023 (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 already registered with CDSL for remote e-voting can use their existing user ID and password for Login.
 - III. To enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register with multiple e-voting service providers (ESPs), for facilitating seamless authentication and also enhancing ease and convenience of participating in e-voting process.
 - IV. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.
- a) Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/ home/login or visit



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with CDSL Depository	<p>www.cdslindia.com and click on Login icon and select New System Myeasi.</p> <ol style="list-style-type: none">2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on http://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in Demat mode with NSDL Depository	<ol style="list-style-type: none">1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at



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	<p>https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>
Individual Shareholders (holding securities in Demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no.: 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30



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b) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders.

1. The shareholders should log on to the e-voting website www.evotingindia.com;
2. Click on “Shareholders” tab to cast your votes;
3. Now, select the Electronic Voting Sequence Number “EVSN” along with Madhya Bharat Papers Limited from the drop-down menu and click on “SUBMIT”;
4. 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.
5. Next enter the Image Verification as displayed and Click on Login.
6. 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.
7. If you are a first-time user follow the steps given below :

For Physical Shareholders and other than individual shareholders holding shares in demat	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none">• Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/ RTA or contact Company/ RTA
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. <ul style="list-style-type: none">• 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.

8. After entering these details appropriately, click on “SUBMIT” tab.
9. Members holding shares in physical form will then directly reach the Company



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- 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.
10. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 11. Click on the EVSN for **"Madhya Bharat Papers Limited"** on which you choose to vote.
 12. 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.
 13. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
 14. 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.
 15. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 16. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
 17. If Demat account holder has forgotten the changed password, then Enter the User ID and the image verification code and click on 'Forgot Password' & enter the details as prompted by the system.
 18. There is an optional provision to upload BR/ POA if any uploaded, which will be made available to the scrutinizer for verification.

In case you have any queries or issues regarding AGM and 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 at 1800 22 55 33.



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All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call at 1800 22 55 33.

By Order of the Board

Dated: 14th August, 2023
Place: Kolkata

Monisha Chakraborty
Company Secretary
M No- ACS 66830



MADHYA BHARAT PAPERS LIMITED

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Corp Office: 113 Park Street, Kolkata- 700 0016

CIN: L21012CT1980PLC001682, Tel: 09203906288 E-mail: info@mbpl.in Website: www.mbpl.in

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

Item No. 3

Pursuant to Section 161 of the Companies Act, 2013 (as amended) (the “Act”), the Board of Directors of the company has appointed, Ms. Surabhi Maheshwari (DIN: 09227240) as an Additional (Non-Executive Non-Independent) Director of the Company w.e.f. November 11, 2022 to hold such office in terms of Section 161 of the Act. Notices under Section 160 of the Act have been received by the Company from members proposing the candidature of Ms. Surabhi Maheshwari as a Director (Non-Executive Non-Independent) of the Company, liable to retire by rotation. Further, since this appointment is recommended by the Nomination and Remuneration Committee, the requirement for deposit of Rs. 1,00,000/- is not applicable.

Based on the recommendation received from the Nomination and Remuneration Committee and consent of Ms. Surabhi Maheshwari to act as a Director of the Company and other statutory disclosures, it is proposed to appoint Ms. Surabhi Maheshwari as a Director of the Company whose period of office shall be liable to determination by retirement of directors by rotation. Further as per the declarations received by the Company, Ms. Surabhi Maheshwari is not disqualified under Section 164 of the Act. The directorships held by Ms. Surabhi Maheshwari are within the limits prescribed under the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).

Brief profile, details under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read together with Secretarial Standards – 2 are disclosed in the Notice.

The Board recommends the Resolution at Item No. 3 for approval of the members.

Except Ms. Surabhi Maheshwari being the concerned director, and his relatives, to the extent of their shareholding, if any, in the Company, no other Director or Key Managerial Personnel of the Company, or their relatives, is concerned or interested financially or otherwise, in Resolution No. 3 as contained in the Notice.



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

Name of Director	Mr Mohd Kamran	Smt Surabhi Maheshwari
DIN	03333319	09227240
Date of Birth/ Age	35 years	30 years
Date of appointment	14 th March, 2022	11 th November, 2022
Qualification	BBA	B.A. & LLB (Hons)
Expertise in specific functional area	Experience in the area of Business Management and Administration, Strategy Formulation and Marketing	Vast experience and knowledge in the field of Corporate Law
Terms and Conditions of Appointment/ Re-appointment	Non-Executive Non-Independent Director- liable to retire by rotation	Non-Executive, Non-Independent Director- liable to retire by rotation
Skills and capabilities required for the role and the manner in which requirements are met	NA	NA
Number of Board Meetings attended out of four Board Meetings held during the year	Two	Two
Remuneration details	NA	NA
Other Directorships	-	-
Resignation from the directorship of the listed companies in the past three years	-	-
Committee membership / Chairmanship in other Companies	-	-
Relationship with other Directors/ Manager/ KMP	None	None
Number of shares held in the Company	Nil	Nil
Shareholding in the Company as a beneficial owner	Nil	Nil
No. of listed entities from which the person has resigned in the past three years	-	-

DIRECTORS' REPORT

Your Directors present the 43rd Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March, 2023.

Financial Results

(₹ in lakhs)

Particulars	As on 31.03.2023	As on 31.03.2022
Revenue from Operations	-	-
Other Income	62.68	137.11
Profit before Interest, Depreciation and Tax	5.87	(220.16)
Less: Interest	5.20	24.13
Profit before Depreciation and Tax	0.67	(244.30)
Less: Depreciation	94.71	96.90
Profit before Tax	(94.04)	(341.20)
Less: Tax expense	-	-
Profit/ (Loss) after Tax	(94.04)	(341.20)
Other Comprehensive Income	-	-
Total Comprehensive Income	(94.04)	(341.20)

Operations/ State of Company's Affairs & Future Outlook

The Company has incurred a net loss of Rs 94.04 lakhs before tax adjustments (previous year loss of Rs 341.20 lakhs). The Company's turnover during the year is nil as Plant is not in operation since July, 2019.

Changes in the Nature of Business, if any

There was no change in the nature of business of the Company during the year.

Dividend

In view of accumulated losses, no dividend is recommended by the Directors for the financial year ended 31st March, 2023.

Reserves

Due to loss, no amount is transferred to General Reserve for the year ended 31st March, 2023.

Share Capital

The paid up equity share capital as on 31st March, 2023 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 ₹ 3298.58 lakhs as at 31st March, 2023 as against ₹ 3451.13 lakhs as on 31st March, 2022, a decrease of ₹ 152.55 lakhs.

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, five Board Meetings were convened and held on 30th May, 2022, 12th August, 2022, 11th November, 2022, 19th December, 2022 and 13th February, 2023.

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	5	5
Mr. Raghuvansh Lal Kapur	00002483	Non-Executive, Independent	5	5
Mrs. Deepa Maheshwari*	00550697	Non-Executive Independent	2	-
Mr. Manoj Ranjan	08543492	Non-Executive, Independent	5	4
Mr Mohammed Kamran	03333319	Non-Executive	5	2
Ms Surabhi Maheshwari**	09227240	Non-Executive	2	2

* Resigned w.e.f. 19th August, 2022

** Appointed w.e.f. 11th November, 2022

Audit Committee

The Audit Committee comprises of Mr. Raghuvansh Lal Kapur, Non-Executive Independent Director and Chairman of Committee, Mr. Manoj Ranjan, Non-Executive Independent Director and Mr Mohammed Kamran, Non-Executive 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, 2022, 12th August, 2022, 11th November, 2022 and 13th February, 2023.

Attendance:

Name of Director	No. of meetings held	No. of meetings attended
Raghuvansh Lal Kapur	4	4
Deepa Maheshwari*	2	-
Manoj Ranjan	4	3
Mohammed Kamran**	2	2

* Resigned w.e.f. 19th August, 2022

** Inducted as a member w.e.f 19th August, 2022

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. Raghuvansh Lal Kapur, Non-Executive Independent Director and Chairman of Committee, Mr. Manoj Ranjan, Non-Executive Independent Director and Mr Mohammed Kamran, Non-Executive Director.

During the year under review, three Nomination & Remuneration Committee Meetings were convened and held on 30th May, 2022, 11th November, 2022 and 19th December, 2022.

Attendance:

Name of Director	No. of meetings held	No. of meetings attended
Raghuvansh Lal Kapur	3	3
Deepa Maheshwari*	1	-
Manoj Ranjan	3	3
Mohammed Kamran**	2	1

* Resigned w.e.f. 19th August, 2022

** Inducted as a member w.e.f 19th August, 2022

Stakeholders Relationship Committee

The Stakeholders Relationship Committee comprises of Mr. Raghuvansh Lal Kapur, Non-Executive Independent Director and Chairman of Committee, Mr. Manoj Ranjan, 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 13th February, 2023 and attended by Mr. Raghuvansh Lal Kapur and Mr. Jaydeep Chitlangia.

Annual Return

Pursuant to the provisions of Section 92(3) read with Section 134(3) (a) of the Companies Act, 2013, the Annual Return as on March 31, 2023 is available at <https://www.mbpl.in/investors.php>.

Energy Conservation, Technology Absorption and Foreign Exchange Earning and Outgo

Since there is no operation in the Company and plant is still not operative Conservation of Energy, Technology Absorption is not applicable to the Company. During the year,

notechnology was acquired by the Company. There was no Foreign Exchange Earnings or Outgo during the year.

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

Directors

In accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Mohammed Kamran (DIN: 03333319) retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

The Board of Directors in their meeting held on 14th March, 2022 have approved appointment of Mr. Mohammed Kamran (DIN 03333319), as as Additional Non-Executive Director of the Company subject to approval The same was approved by the members through Postal Ballot on 22nd May, 2022.

The Board of Directors in their meeting held on 11th November, 2022 noted that Mrs Deepa Maheshwari, Non-Executive Independent Woman Director (DIN: 00550697) has suo moto resigned and filed requisite form for resignation directly with MCA to be effective from 19th August, 2022.

The Board of Directors in their meeting held on 11th November, 2022 approved the appointment of Ms. Surabhi Maheshwari (DIN:09227240), as an Additional Non-Executive and Non-Independent Director of the Company.

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.

Key Managerial Personnel

- Ms Monisha Chakraborty (M No- 66830) has been appointed as Company Secretary and Compliance Officer w.e.f. 19th December, 2022.
- Mr Anant Patwari (M No- 63592) who was appointed as Company Secretary and Compliance Officer w.e.f. 30th May, 2022 had resigned w.e.f. 30th November, 2022.
- Ms Komal Dhruv (M No. 41850) had resigned from the post of Company Secretary and Compliance Officer w.e.f. 20th May, 2022.

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

In view of the Company position and non-operation of Plant during the year under review, no sitting fees was paid to any Directors for attending Board/ Committee meetings and no managerial remuneration being paid.

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 .

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, 2023 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.

Statutory Auditors

M/s G.P. Agrawal & Co. (Firm Registration No.302082E), Chartered Accountants were appointed as Statutory Auditors of the Company at the 42nd AGM held on 30th September, 2022 for a term of five years i.e. till the conclusion of the AGM to be held in year 2027.

The Statutory Auditor has qualified his report in respect of the matters as follows:

- (i) Note 27.13 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, 2023. 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 no production since July, 2019. Accordingly, we are unable to comment on the appropriateness of the going concern basis and their consequential impact on the financial performance and the financial position of the Company as at and for the year ended 31st March, 2023.
- (ii) Note 27.14 regarding non-provision of interest on unsecured loans aggregating to Rs. 269.99 Lakh for the year (previous year Rs.318.22 Lakh) which constitutes a departure from the Indian Accounting Standards prescribed under section 133 of the Act. Accordingly, loss for the year would have increased by Rs. 269.99 Lakh and Other current financial liabilities and equity as on that date would have reduced by Rs. 269.99 Lakh.

- (iii) Note 27.15 regarding non-provision of interest on dealer deposits aggregating to Rs. 45.27 Lakh for the year (previous year Rs. 45.27 Lakh) which constitutes a departure from the Indian Accounting Standards prescribed under section 133 of the Act. Accordingly, loss for the year would have increased by Rs. 45.27 Lakh and Other current financial liabilities and equity as on that date would have reduced by Rs. 45.27 Lakh.
- (iv) Note 27.16 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 as on that date could not be ascertained.
- (v) Note 27.17 regarding non-provision for salary, bonus, gratuity and leave encashment payable to factory employees and workers, and in absence of employees wise working of the accrued liability in these respect, we are unable to comment on the impact on loss for year ended 31st March, 2023 and equity as on that date.
- (vi) Note 27.18 regarding non conduct of the physical verification of Property, plant and equipment and Inventory which constitutes a departure from paragraph 3(i)(b) and (ii) respectively of the Company Auditor's Report Order (CARO), 2020.
- (vii) Note 27.19 regarding non-ascertainment and non-provision for the impairment of assets in accordance with Ind AS-36 on "Impairment of assets", the impact of which is presently not ascertainable.
- (viii) Note 27.20 regarding non-ascertainment of realizable value and valuation of inventories in accordance with Ind AS-2 on "Valuation of Inventories"- quantum of over valuation in this respect is not ascertainable.
- (ix) Note 27.21 regarding balance confirmations in respect of Trade receivable, Loans and Advances, Deposits, Borrowings, Trade Payable and Other Liabilities not obtained and not carrying out consequential reconciliation and adjustments, in the absence of which we are unable to comments on correctness of these balances and it's consequential impact which is presently not ascertainable.
- (x) Note 27.22 regarding non-provision of interest on amount payable to MSME (quantum unascertained) for the year ended 31st March, 2023 which constitute a departure from Micro, Small & Medium Enterprises Development Act, 2006, as amended.

In respect of audit observations on the financial statements, it has been explained in the Notes forming part of the Financial Statements as referred above which are self-explanatory and therefore do not call for any further comments.

Secretarial Auditors

Pursuant to provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Company had appointed Mr. Sumantra Sinha, Practicing Company Secretary (ACS: 11247) as Secretarial Auditor to conduct Secretarial Audit of the Company for the Financial Year 2022-

23. The Secretarial Audit report for the financial year ended March 31, 2023 is attached herewith.

Observations of Secretarial Auditor:

- A) In view of losses incurred by the Company since earlier years, the net worth of the Company stands fully eroded as on 31st March, 2023;
- B) The Factory License pertaining to the Company's manufacturing unit at Village Birgahni, Dist. Janjgir-Champa, Chhattisgarh has not been renewed during the year;
- C) The Company has unpaid liabilities/dues in respect of outstanding salaries/ wages and related payments in respect of Employees' Provident Fund and Employees' State Insurance during the year;
- D) Legal cases filed against the Company before applicable adjudicating authorities, including the NCLT/NCLAT under the Insolvency and Bankruptcy Code, 2016, and with Labour Court(s) under The Industrial Disputes Act, 1947 for recovery of outstanding dues including Statutory dues, amongst others, remain sub-judice as on date;
- E) None of the Key Managerial Personnel (KMP), i.e. Managing Director, Chief Financial Officer and Company Secretary at the Corporate office are drawing any remuneration;
- F) There are unascertained dues beyond the stipulated period(s) to certain MSME entities;
- G) Certain compliances in respect of SEBI (LODR) & (PIT) Regulations 2015, as amended, remains pending along with filing of certain forms, as applicable, under The Companies Act, 2013.

Management's response in respect of above audit observations:

The Net worth of the company has completely eroded as Plant is not operational since July, 2019. Steps are being taken to make arrangements and settle legitimate dues. In respect of dues to MSME entities, there are pending quality disputes and reconciliation issues. Pending compliances shall be done in the due course.

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 that Annual Listing fees for FY 2023-24 has been paid.

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.

Except as disclosed elsewhere in this report, no material changes and commitments have occurred between the end of the financial year of the Company and date of this report which can affect the financial position of the Company.

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 except as detailed elsewhere in this Annual Report.

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 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, 2023.

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.

Applications filed by Creditors to initiate Corporate Insolvency Resolution Process under Insolvency and Bankruptcy Code, 2016

M/s SKS Enterprises and M/s Grasim Industries Ltd, Operational Creditors have filed applications with NCLT, Cuttack Bench to initiate Corporate Insolvency Resolution process under Insolvency and Bankruptcy Code, 2016. Presently applications are pending with NCLT Cuttack Bench.

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: 14th August, 2023

R.L. KAPUR

Director
(DIN: 00002483)

JAYDEEP CHITLANGIA

Managing Director
(DIN: 00094002)

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2023
*[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
Village Birgahni, Rly & P.O. Champa,
Dist Janjgir- Champa, Chhattisgarh- 495 671

I have conducted the secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by **Madhya Bharat Papers Limited** (CIN: L21012CT1980PLC001682) having its Registered Office at Village Birgahni, Rly & P.O. Champa, Dist Janjgir- Champa, Chhattisgarh- 495 671 (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me with a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended **31.03.2023**, 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.

Auditor's 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 with the size of the Company, based on the 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 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.

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 **31.03.2023** according to the provisions of:

- (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) Listing Agreement(s) with the Stock Exchange(s);
- (iv) The Securities Contracts (Regulation) Act, 1956 and the rules made there under;
- (v) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (vi) Foreign Exchange Management Act, 1999 and the rules and regulation made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (vii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act (SEBI), 1992 :
 - (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (d) 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;
 - (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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, 1998;
- (ii) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (iii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (iv) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.

The Company's manufacturing activities has been shut since July 2019 and has not resumed during the year under review. As a result, certain applicable compliance procedures are generally **not** being observed in respect of the following laws, as per the representations made by the Management:

- (i) Factories Act, 1948 and The Industrial Disputes Act, 1947 read with respective applicable rules;
- (ii) Relevant statutes prevalent in the State of Chhattisgarh, where the factory of the Company is situated, amongst others;
- (iii) Water (Prevention & Control of Pollution) Act, 1974 and Rules made thereunder;
- (iv) Air (Prevention & Control of Pollution) Act, 1981 and Rules made thereunder,

During the period under review, based on my examination and verification of the books, papers, Memorandum and Articles of Association, minutes, forms and returns which were required to be examined by me for this report and according to the information and explanations provided to me in the course of my audit by the Company, I report that the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

I further report that:

- A) In view of losses incurred by the Company since earlier years, the net worth of the Company stands fully eroded as on 31st March, 2023;
- B) The Factory License pertaining to the Company's manufacturing unit at Village Birgahni, Dist. Janjgir-Champa, Chhattisgarh has not been renewed during the year;
- C) The Company has unpaid liabilities/dues in respect of outstanding salaries/ wages and related payments in respect of Employees' Provident Fund and Employees' State Insurance during the year;
- D) Legal cases filed against the Company before applicable adjudicating authorities, including the NCLT/NCLAT under the Insolvency and Bankruptcy Code, 2016, and with Labour Court(s) under The Industrial Disputes Act, 1947 for recovery of outstanding dues including Statutory dues, amongst others, remain *sub-judice* as on date;
- E) None of the Key Managerial Personnel (KMP), i.e. Managing Director, Chief Financial Officer and Company Secretary at the Corporate office are drawing any remuneration;
- F) There are unascertained dues beyond the stipulated period(s) to certain MSME entities;

G) Certain compliances in respect of SEBI (LODR) & (PIT) Regulations 2015, as amended, remains pending along with filing of certain forms, as applicable, under The Companies Act, 2013.

I further report that:

- (a) The status of the Company during the financial year has been that of a Listed Public Company.
- (b) During the period under review, the Company has effected activities/events that have been duly recorded as per the minutes which in my opinion do not require special mention in the light of having a major bearing on the Company's affairs.
- (c) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors/CEO, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors and that of KMP (Company Secretary) that took place during the period under review were carried out in compliance with the provisions of the Act.
- (d) As informed to me, 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.
- (e) Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes. There were no such views recorded during the period under review.
- (f) 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.

Place: Kolkata

Date: 14th August, 2023

(CS Sumantra Sinha)

Practising Company Secretary

ACS 11247/CP No.:15245

PR: 1421/2021

UDIN: A011247E000798594

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Overall Review

The Paper manufacturing Plant is not operational since July, 2019. The company's business turnover during the year has been nil.

Industry Structure & Developments

Paper industry, occupies a prestigious position, among the various manufacturing enterprises in view of its significant contribution to the society. Paper industry is projected to remain steady and healthy across the globe. The global economy is expected to decelerate from 6.1% in 2021 to 3.6% in 2022 and 2023. (Source: IMF). Paper consumption in India is approximately 22.05 MT and expected to reach 23.5 MT by 2025 (Source: Ministry of Commerce & Industry, Govt. of India).

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.

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

The financial performance of the Company for the year under review is discussed in detail in the Directors Report.

Human Resource Development/ Industrial Relations

The Company continues to give priority to its human assets. The Company provides a fair and equitable work environment.

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 Financial Statements

Qualified Opinion

We have audited the accompanying Financial Statements of **Madhya Bharat Papers Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2023, 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 financial statements, including summary of the significant accounting policies and other explanatory information (herein after referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects/possible effect of the matter described in basis for qualified opinion paragraph below, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, 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 Financial Statements:

- (xi) Note 27.13 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, 2023. 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 no production since July, 2019. Accordingly, we are unable to comment on the appropriateness of the going concern basis and their consequential impact on the financial performance and the financial position of the Company as at and for the year ended 31st March, 2023.
- (xii) Note 27.14 regarding non-provision of interest on unsecured loans aggregating to Rs. 269.99 Lakh for the year (previous year Rs.318.22 Lakh) which constitutes a departure from the Indian Accounting Standards prescribed under section 133 of the Act. Accordingly, loss for the year would have increased by Rs. 269.99 Lakh and Other current financial liabilities and equity as on that date would have reduced by Rs. 269.99 Lakh.
- (xiii) Note 27.15 regarding non-provision of interest on dealer deposits aggregating to Rs. 45.27 Lakh for the year (previous year Rs. 45.27 Lakh) which constitutes a departure from the Indian Accounting Standards prescribed under section 133 of the Act. Accordingly, loss for the year would have increased by Rs. 45.27 Lakh and Other current financial liabilities and equity as on that date would have reduced by Rs. 45.27 Lakh.

- (xiv) Note 27.16 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 as on that date could not be ascertained.
- (xv) Note 27.17 regarding non-provision for salary, bonus, gratuity and leave encashment payable to factory employees and workers, and in absence of employees wise working of the accrued liability in these respect, we are unable to comment on the impact on loss for year ended 31st March, 2023 and equity as on that date.
- (xvi) Note 27.18 regarding non conduct of the physical verification of Property, plant and equipment and Inventory which constitutes a departure from paragraph 3(i)(b) and (ii) respectively of the Company Auditor's Report Order (CARO), 2020.
- (xvii) Note 27.19 regarding non-ascertainment and non-provision for the impairment of assets in accordance with Ind AS-36 on "Impairment of assets", the impact of which is presently not ascertainable.
- (xviii) Note 27.20 regarding non-ascertainment of realizable value and valuation of inventories in accordance with Ind AS-2 on "Valuation of Inventories"- quantum of over valuation in this respect is not ascertainable.
- (xix) Note 27.21 regarding balance confirmations in respect of Trade receivable, Loans and Advances, Deposits, Borrowings, Trade Payable and Other Liabilities not obtained and not carrying out consequential reconciliation and adjustments, in the absence of which we are unable to comments on correctness of these balances and it's consequential impact which is presently not ascertainable.
- (xx) Note 27.22 regarding non-provision of interest on amount payable to MSME (quantum unascertained) for the year ended 31st March, 2023 which constitute a departure from Micro, Small & Medium Enterprises Development Act, 2006, as amended.

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 financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and 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 27.23 to the Statement regarding applications filed by 2 Operational Creditors under Insolvency and Bankruptcy Code, 2016 at NCLT. The hearing is in progress and application is yet to be admitted at NCLT.

Our opinion is not modified in respect of above matter.

Key Audit Matters

In addition to the matters described in the Basis for Qualified Opinion paragraph referred to here in above, we have determined that there are no key audit matters to communicate in our report.

Information Other than the 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 financial statements and our auditor's report thereon.

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

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

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management 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 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 financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all

relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine 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, 2020 ("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 flows 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 financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - 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 and on the amounts disclosed in the financial statements of the Company.
 - f) On the basis of the written representations received from the Directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 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 a qualified 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 financial statements –Refer Note 27.1 to the 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.
 - iv. a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. The Company has not declared or paid any dividend during the year.
 - vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from 1st April, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31st March, 2023.

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

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

(CA. Rakesh Kumar Singh)
Partner
Membership No. 066421
UDIN: 23066421BGXCKC8375

Place of Signature: Kolkata
Date: The 26th day of May, 2023

“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 Financial Statements for the year ended 31st March, 2023.

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - (B) The Company does not have any Intangible Asset. Therefore, reporting under clauses (i) (a) (B) of paragraph 3 of the said order are not applicable to the Company.
- (b) As informed to us, the Property, Plant and Equipment have not been physically verified during the year. In the absence of such physical verification, discrepancies, if any, with the book records have not been ascertained.
- (c) Based on our examination of records provided to us, we report that, the title deeds of all immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
- (d) The Company has not revalued any of its Property, Plant and Equipment during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at 31st March, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) According to the information and explanations given to us, the inventories have not been physically verified during the year. In the absence of such physical verification, discrepancy, if any, with the book records have not been ascertained.
 - (b) The Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions. Therefore, reporting under clauses (ii) (b) of paragraph 3 of the order is not applicable to the Company.
- (iii) In our opinion and according to the information and explanations given to us and based on our examination of records, the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the provisions of clause (iii) (a) to (f) of paragraph 3 of the order are not applicable to the Company and hence not commented upon.
- (iv) According to the information and explanations given to us and as per records examined by us, in our opinion and according to the information and explanations given to us, there are

no loans, guarantees and securities granted or investment made in respect of which provisions of Section 185 and 186 of the Act are applicable. Therefore, reporting under clauses (iv) of paragraph 3 of the order are not applicable to the Company.

(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. Therefore, reporting under clauses (v) of paragraph 3 of the order 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 Act and are of the opinion that, prima facie, the prescribed cost records have been made and maintained.

(vii)(a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the company is not regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities though there has been a slight delay in a few cases. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at 31st March, 2023 for a period of more than six months from the date they became payable except as stated below:

Nature of Dues	Amount (Rs. in lakh)	Period of which the amount relates	Date of Payment
Provident Fund	14.54	July'20 to March'22	Not yet paid
Employees' State Insurance	2.84	May'19 to March'22	Not yet paid

(b) According to the information and explanation given to us and on the basis of our examination of the records of the Company, details of dues of Employees' State Insurance which have not been deposited as on 31st March, 2023 on account of disputes is given below:

Name of Statute	Nature of the Dues	Amount (Rs. in lakh)	Forum where dispute is pending
Employees' State Insurance Act, 1948	Employees' State Insurance	9.11 (July, 2013 to Jan, 2020)	Regional ESI Commissioner

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings to any lenders. However, interest has not been paid by the company to lenders due to non-provision of interest on secured and unsecured loans in the books of account:

Nature of borrowing	Name of lender	Outstanding Loan as on 31.03.2023 (Rs. in lakh)	Non-Provision of Interest
Secured and Unsecured loans from entities other than bank	Various parties	3298.58 (Refer note no. 14 to the financial statements)	Rs. 273.02 lakh for FY 2019-20 Rs. 266.20 lakh for FY 2020-21 Rs.318.22 lakh for FY 2021-22 Rs. 299.40 lakh for FY 2022-23

- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, the company has utilized the money obtained by way of term loans during the previous year for the purposes for which they were obtained.
- (d) The Company has not raised any funds on short term basis during the year; therefore, clause (ix) (d) of paragraph 3 of the Order is not applicable to the Company.
- (e) The Company has no subsidiary, associate or joint venture and hence reporting on clause (ix)(e) of paragraph 3 of the Order is not applicable to the Company.
- (f) The Company has not raised any loans during the year and hence reporting under clause (ix)(f) of paragraph 3 of the Order is not applicable to the Company.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of paragraph 3 of the Order is not applicable to the Company.
- (b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence reporting under clause (x)(b) of paragraph 3 of the Order is not applicable to the Company.
- (xi) (a) According to the information and explanations give to us and based on our examination of the records of the Company, no fraud by the Company and on the Company has been noticed or reported during the year.

- (b) No report under sub-section (12) of section 143 of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) According to the information and explanations give to us and based on our examination of the records, the Company have not received any whistleblower complaint during the year.
- (xii) The Company is not a nidhi company. Therefore, clause (xii) of paragraph 3 of the Order is not applicable to the Company.
- (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 Financial Statements as required by the applicable Indian Accounting Standards.
- (xiv) (a) The Company does not have internal audit system though mandated under section 138 of the Act.
(b) The Company did not have an internal audit system for the period under audit.
- (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, provisions of section 192 of the Act are not applicable to the Company.
- (xvi) (a) 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, clause (xvi) (a) to (c) of paragraph 3 of the Order is not applicable to the Company.
(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause (xvi)(d) of paragraph 3 of the Order is not applicable to the Company.
- (xvii) According to the information and explanation given to us and as per records examined by us, the Company has incurred cash losses of Rs. 39.12 lakh during the financial year and Rs. 113.83 lakh in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, in our opinion material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of balance sheet. We further state that our reporting is based on the facts up to the date of the audit report.

- (xx) The Company is not required to spend towards Corporate Social Responsibility (CSR). Therefore the provisions of clause (xx) (a) and (b) of paragraph 3 of the Order are not applicable to the Company.
- (xxi) The Company is not required to prepare consolidated financial statements. Therefore the provisions of clause (xxi) of paragraph 3 of the Order are not applicable to the Company.

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

(CA. Rakesh Kumar Singh)
Partner
Membership No. 066421
UDIN: 23066421BGXCKC8375

Place of Signature: Kolkata
Date: The 26th day of May, 2023

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, 2023 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial controls

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

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 Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 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.

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the Company's internal financial controls over financial reporting as at 31st March, 2023:

- a) The confirmations and reconciliation of balances of Trade receivable, Loans and Advances, Deposits, Borrowings, Trade Payable and Other Liabilities are not being taken and reconciliations and adjustments are pending.
- b) The Company has not made any assessment of impairment of the Property plant and equipment, financial assets and other assets as at the balance sheet date.
- c) The Company has not carried physical verification of Property plant and equipment and inventories during the year.

- d) There are delays in payment of statutory dues. The Company needs to strengthen internal control system in this regard.
- e) The Company has not made any assessment of realisable value of inventories.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis. In our opinion, except for the effects / possible effects of the material weaknesses described above under Qualified Opinion paragraph on the achievement of the objectives of the control criteria, 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, 2023, 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 ICAI.

We have considered material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the 31st March, 2023 financial statements of the Company and these material weaknesses affect our opinion on financial statements of the Company for the year ended 31st March, 2023 [our audit report dated 26th May, 2023, which expressed a qualified opinion on those financial statements of the Company].

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

(CA. Rakesh Kumar Singh)
Partner
Membership No. 066421
UDIN: 23066421BGXCKC8375

Place of Signature: Kolkata
Date: The 26th day of May, 2023

**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 31,2023

[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	62.68	62.68
	2.	Total Expenditure	156.72	471.98
	3.	Net Profit/(Loss)	(94.04)	(409.30)
	4.	Earnings Per Share	(2.76)	(12.00)
	5.	Total Assets	6360.36	6360.36
	6.	Total Liabilities	8884.43	9199.69
	7.	Net Worth	(2524.07)	(2839.33)
	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. We have not been able to corroborate the Management's contention of the steps taken for improvement in its future operational performance and preparation of the accounts of the Company on going concern basis in view of closer of production since July, 2019. Accordingly, we are unable to comment on the appropriateness of the going concern basis and its consequential impact on the financial results and the financial position of the Company as at and for the quarter and year ended 31st March, 2023.

b. Type of Audit Qualification :

Qualified Opinion

c. Frequency of qualification:

Appeared for the fourth 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 statements indicate 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 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 secured and unsecured loans aggregating to Rs. 269.99 lakh for the year ended 31 st March, 2023 which constitutes a departure from the Ind AS prescribed under section 133 of the Act.
b. Type of Audit Qualification : Qualified Opinion
c. Frequency of qualification: Appeared for the fourth time
d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Interest accrued during the year aggregating to Rs. 266.99 lakh (previous year Rs. 318.22 lakh) on secured and 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.
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. 45.27 lakh for the year ended 31 st March, 2023 which constitutes a departure from the Ind AS prescribed under section 133 of the Act.

<p>b. Type of Audit Qualification : Qualified Opinion</p>
<p>c. Frequency of qualification: Appeared for the fourth time</p>
<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Interest accrued during the year aggregating to Rs. 45.27 lakh (previous year Rs. 45.27 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.</p>
<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor: NA</p>
<p>(i) Management's estimation on the impact of audit qualification:</p>
<p>(ii) If management is unable to estimate the impact, reasons for the same:</p>
<p>(iii) Auditors' Comments on (i) or (ii) above:</p>
<p>Qualification 4</p>
<p>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 Ind AS prescribed under section 133 of the Act and the impact of which on loss for the quarter/year ended 31st March, 2023 could not be ascertained.</p>
<p>b. Type of Audit Qualification : Qualified Opinion</p>
<p>c. Frequency of qualification: Appeared for the fourth time</p>
<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Impact is not quantified by the Auditor</p>
<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p>
<p>(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.</p>
<p>(ii) If management is unable to estimate the impact, reasons for the same: NA</p>
<p>(iii) Auditors' Comments on (i) or (ii) above: Included in the Auditors Report</p>
<p>Qualification 5</p>
<p>a. Details of Audit Qualification:</p>

<p>Note 7 to the Statement regarding non-provision for salary, bonus, gratuity and leave encashment payable to factory employees and workers which constitutes a departure from the Ind AS prescribed under section 133 of the Act and in absence of employees wise working of the accrued liability in these respect, we are unable to comment the impact on loss for the quarter/year ended 31st March, 2023.</p>
<p>b. Type of Audit Qualification : Qualified Opinion</p>
<p>c. Frequency of qualification: Appeared for the third time.</p>
<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Impact is not quantified by the Auditor</p>
<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p>
<p>(i) Management's estimation on the impact of audit qualification: The provision for salary, bonus, gratuity and leave encashment payable to factory employees and workers, could not be done. Necessary adjustment in respect of same will be made after working and ascertaining out the actual liabilities in these respect.</p>
<p>(ii) If management is unable to estimate the impact, reasons for the same: NA</p>
<p>(iii) Auditors' Comments on (i) or (ii) above: Included in the Auditors Report</p>
<p>Qualification 6</p>
<p>a. Details of Audit Qualification: Note 8 to the Statement regarding non conduct of the physical verification of Property, plant and equipment and Inventory which constitutes a departure from para no. (i)(b) and (ii) (a) respectively of the Companies Auditor's Report Order (CARO), 2020.</p>
<p>b. Type of Audit Qualification : Qualified Opinion</p>
<p>c. Frequency of qualification: Appeared for the third time</p>
<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Impact is not quantified by the Auditor</p>
<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p>
<p>(i) Management's estimation on the impact of audit qualification: The management was unable to carry out the physical verification of Property, plant and equipment and Inventory during the year. However, there is no changes of Property, plant and equipment and Inventory during the year.</p>

(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 7
<p>a. Details of Audit Qualification: Note 9 regarding non-ascertainment and non-provision for the impairment of assets in accordance with Ind AS-36 on “Impairment of assets”, the impact of which is presently not ascertainable.</p>
<p>b. Type of Audit Qualification : Qualified Opinion</p>
<p>c. Frequency of qualification: Appeared for the third time</p>
<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Impact is not quantified by the Auditor</p>
<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p>
<p>(i) Management's estimation on the impact of audit qualification: The management could not carry out any exercise with regard to measurement and recognition of loss on impairment of assets. Due to non-ascertainment and non-provision for the impairment of assets , if any, in accordance with Ind AS-36 on “Impairment of assets”, the impact thereof is presently not ascertainable.</p>
(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 8
<p>a. Details of Audit Qualification: Note 10 regarding non-ascertainment of realizable value and valuation of inventory of finished goods “at cost” which is not in accordance with Ind AS-2 on “Valuation of Inventories”- quantum of over valuation, if any, in this respect is not ascertainable</p>
<p>b. Type of Audit Qualification : Qualified Opinion</p>
<p>c. Frequency of qualification: Appeared for the third time</p>
<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Impact is not quantified by the Auditor</p>
<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p>
<p>(i) Management's estimation on the impact of audit qualification: The management could not carry out estimate of realizable value and provision for the shortfall, if any, in the value of inventories in accordance with Ind AS-2 on “Valuation of Inventories.</p>

(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 9
<p>a. Details of Audit Qualification:</p> <p>Note 11 to the Statement regarding not obtaining balance confirmations in respect of trade receivable, Loans and Advances, Deposits, Borrowings, Trade Payable and Other Liabilities and not carrying out consequential reconciliation and adjustments, we are unable to comments on correctness of these balances and it's consequential impact which is presently not ascertainable.</p>
<p>b. Type of Audit Qualification :</p> <p>Qualified Opinion</p>
<p>c. Frequency of qualification:</p> <p>Appeared for the third time</p>
<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</p> <p>Impact is not quantified by the Auditor</p>
<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p>
<p>(i) Management's estimation on the impact of audit qualification:</p> <p>Balances Confirmations in respect of trade receivable, Loans and Advances, Deposits, Borrowings, Trade Payable and Other Liabilities could not be obtained. Necessary adjustments in this respect will be carried out on ascertainment of amount thereof if any.</p>
(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 10
<p>a. Details of Audit Qualification:</p> <p>Note 12 to the statement regarding non-provision of interest on amount payable to MSME (quantum unascertained) for the quarter/year ended 31st March, 2023 which constitutes a departure from the Ind AS prescribed under section 133 of the Act.</p>
<p>b. Type of Audit Qualification :</p> <p>Qualified Opinion</p>
<p>c. Frequency of qualification:</p> <p>Appeared for the third time</p>
<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</p> <p>Impact is not quantified by the Auditor</p>
<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p>
<p>(i) Management's estimation on the impact of audit qualification:</p>

Pending ascertainment of the amounts, no provision has been made in these financial statements for interest on delay in payment to MSME Creditors.
(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
Audit Committee Chairman Mr Raghuvansh Lal Kapur
Statutory Auditor Mr Rakesh Singh Partner M/s G. P. Agrawal & Co.
Place: Kolkata
Date: 26.05.2023

MADHYA BHARAT PAPERS LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2023

(Rs. in Lakh)

	Particulars	Note No.	As at 31st March, 2023	As at 31st March, 2022
I.	ASSETS			
(1)	Non - current assets			
	(a) Property, plant and equipment	4	5541.50	5636.20
	(b) Financial assets			
	(i) Investments	5	0.13	5636.33
(2)	Current assets			
	(a) Inventories	6	325.19	326.68
	(b) Financial assets			
	(i) Trade receivables	7	0.79	10.34
	(ii) Cash and cash equivalents	8	6.63	6.80
	(iii) Bank balances other than cash and cash equivalents	9	36.52	36.52
	(iv) Other financial assets	10	299.89	224.52
	(c) Other current assets	11	149.71	154.16
	Total Assets		6360.36	6395.35
II.	EQUITY AND LIABILITIES			
(1)	Equity			
	(a) Share capital	12	341.00	341.00
	(b) Other equity	13	(2865.07)	(2771.02)
	Liabilities			
(2)	Non - current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	14	3298.58	3451.13
	(ii) Other financial liabilities	15	1521.52	4972.65
(3)	Current liabilities			
	(a) Financial liabilities			
	(i) Trade payables	16		
	(A) Total outstanding dues of micro enterprises and small enterprises		24.37	31.82
	(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,858.42	1890.75
	(ii) Other financial liabilities	17	322.90	316.05
	(b) Other current liabilities	18	1,832.09	1587.55
	(c) Provisions	19	26.55	26.55
	Total Equity and Liabilities		6360.36	6395.35
	Corporate information	1		
	Significant accounting policies and estimates	2-3		
	Other disclosures and Additional regulatory informations	27		
	The accompanying notes 1 to 27 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			For and on behalf of the Board of Directors of Madhya Bharat Papers Limited	
(CA. Rakesh Kumar Singh) Partner Membership No. 066421			R. L. Kapur Director DIN - 000002483	Jaydeep Chitlangia Managing Director DIN - 00094002
Place of Signature: Kolkata Date: 26th May, 2023			Monisha Chakraborty Company Secretary	Jagdish Dua Chief Financial Officer

MADHYA BHARAT PAPERS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2023

(Rs. in Lakh)

	Particulars	Note No.	Year ended 31st March, 2023	Year ended 31st March, 2022
I.	Revenue from operations		-	-
II.	Other income	20	62.68	137.11
III.	Total income (I+II)		62.68	137.11
IV.	Expenses:			
	Cost of materials consumed	21	-	119.42
	Changes in inventories of finished goods and work-in-progress	22	-	6.52
	Employee benefits expense	23	-	167.65
	Finance costs	24	5.20	24.13
	Depreciation and amortisation expense	25	94.71	96.90
	Other expenses	26	56.81	63.69
	Total expense		156.72	478.31
V.	Loss before exceptional items and tax (III-IV)		(94.04)	(341.20)
VI.	Exceptional items		-	-
VII.	Loss before tax (V-VI)		(94.04)	(341.20)
VIII.	Tax expense			
	Current tax		-	-
	Deferred tax		-	-
			-	-
IX.	Loss for the year (VII-VIII)		(94.04)	(341.20)
X.	Other comprehensive income		-	-
XI.	Total comprehensive income for the year (IX + X) (Comprising of loss and other comprehensive income for the year)		(94.04)	(341.20)
XII.	Earnings per equity share (Nominal value per share ₹ 10/-) [Refer Note No. 27(3)]			
	- Basic (₹)		(2.76)	(10.01)
	- Diluted (₹)		(2.76)	(10.01)
	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 and Additional regulatory informations	27		
	The accompanying notes 1 to 27 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

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

R. L. Kapur
Director
DIN - 000002483

Jaydeep Chitlangia
Managing Director
DIN - 00094002

Monisha Chakraborty
Company Secretary

Jagdish Dua
Chief Financial Officer

Place of Signature: Kolkata
Date: 26th May, 2023

MADHYA BHARAT PAPERS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023

(Rs. in Lakh)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
A CASH FLOW FROM OPERATING ACTIVITIES		
Loss before exceptional items and tax	(94.04)	(341.20)
Adjustments to reconcile profit/(loss) before exceptional items and tax to net cash flow provided by operating activities :		
Finance costs	5.20	24.13
Depreciation and amortisation expense	94.71	96.90
Profit on sale/discard of property, plant and equipment	-	(1.38)
Liabilities no longer required written back	(39.79)	(11.89)
Allowance for expected credit loss	-	13.86
Sundry balance written-off	-	2.57
Interest income	(6.83)	(33.47)
	53.29	90.72
Operating profit before working capital changes	(40.75)	(250.48)
<i>Adjustments to reconcile operating profit to cash flow provided by changes in working capital :</i>		
Increase /(decrease) in trade and other payables	(39.79)	(10.73)
Increase /(decrease) in non current other financial liabilities	-	(90.30)
Increase /(decrease) in other current financial liabilities	43.87	(16.96)
Increase /(decrease) in other non current liabilities	-	(33.15)
Increase /(decrease) in other current liabilities	244.55	208.25
Increase /(decrease) in provision for employee benefits	0.03	(6.94)
Decrease/(increase) in inventories	1.50	125.93
Decrease/(increase) in trade and other receivables	9.54	(12.13)
Decrease/(increase) in other financial assets	(71.21)	4.89
Decrease/(increase) in other current assets	4.45	5.71
	192.94	174.56
Cash generated from operations	152.19	(75.92)
Tax expense	-	-
Cash flow before exceptional items	152.19	(75.92)
Exceptional item	-	-
Net cash generated from operating activities (A)	152.19	(75.92)
B CASH FLOW FROM INVESTING ACTIVITIES		
Sale of property, plant and equipment	-	1.49
Interest received	2.67	34.00
Net cash generated from/(used in) investing activities (B)	2.67	35.49
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long-term borrowings	-	47.02
Repayment to long-term borrowings	(149.83)	(37.20)
Interest on other than borrowings	(5.20)	(24.13)
Net cash used in financing activities (C)	(155.03)	(14.32)
Net decrease in cash and cash equivalents (A+B+C)	(0.17)	(54.75)
Opening cash and cash equivalents	6.80	61.55
Closing cash and cash equivalents for the purpose of Cash Flow Statement	6.63	6.80

MADHYA BHARAT PAPERS LIMITED

CASH FLOW STATEMENT (Contd.)

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) Cash and cash equivalents do not include any amount which is not available to the Company for its use.				
3) Cash and cash equivalents as at the Balance Sheet date consists of:				
(Rs. in Lakh)				
	<u>As at 31st</u>			<u>As at 31st</u>
	<u>March, 2023</u>			<u>March, 2022</u>
a) Balance with banks on current accounts	4.96			5.00
b) Cash on hand	1.67			1.80
Total [Refer note no. 8]	<u><u>6.63</u></u>			<u><u>6.80</u></u>
4) Change in liabilities arising from financing activities				
Movement in assets and liabilities arising from financing activities during the year ended 31st March, 2023 are as follows:				
(Rs. in Lakh)				
	<u>As at 31st</u>		<u>Non- cash</u>	<u>As at 31st</u>
	<u>March, 2022</u>	<u>Cash flows</u>	<u>flow</u>	<u>March, 2023</u>
a) Non-current borrowings [Refer Note no. 14]	3,451.13	(149.83)	(2.72)	3,298.58
b) Short term borrowings	-	-	-	-
Total	<u><u>3,451.13</u></u>	<u><u>(149.83)</u></u>	<u><u>-</u></u>	<u><u>3,298.58</u></u>
Movement in assets and liabilities arising from financing activities during the year ended 31st March, 2022 are as follows:				
(Rs. in Lakh)				
	<u>As at 31st</u>		<u>Non- cash</u>	<u>As at 31st</u>
	<u>March, 2021</u>	<u>Cash flows</u>	<u>flow</u>	<u>March, 2022</u>
a) Non-current borrowings [Refer Note no. 14]	3,441.31	9.82	-	3,451.13
b) Short term borrowings	-	-	-	-
Total	<u><u>3,441.31</u></u>	<u><u>9.82</u></u>	<u><u>-</u></u>	<u><u>3,451.13</u></u>
5) Figure in brackets represent cash outflow from respective activities.				
6) As breakup of Cash and cash equivalents is also available in Note No. 8, 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 27 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		For and on behalf of the Board of Directors of Madhya Bharat Papers Limited		
(CA. Rakesh Kumar Singh) Partner Membership No. 066421		R. L. Kapur Director DIN - 000002483	Jaydeep Chitlangia Managing Director DIN - 00094002	
Place of Signature: Kolkata Date: 26th May, 2023		Monisha Chakraborty Company Secretary	Jagdish Dua Chief Financial Officer	

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2023

(a) Equity share capital

For the year ended 31st March, 2023

(Rs. in Lakh)

Balance as at 1st April, 2022	Changes in equity share capital during the year	Balance as at 31st March, 2023
341.00	-	341.00

For the year ended 31st March, 2022

(Rs. in Lakh)

Balance as at 1st April, 2021	Changes in equity share capital during the year	Balance as at 31st March, 2022
341.00	-	341.00

(b) Other equity

(Rs. in Lakh)

	Reserves and surplus				Other comprehensive income	Total other equity
	Capital reserves	Capital redemption reserve	General reserve	Retained earnings		
Balance as at 1st April, 2022	0.03	450.00	594.06	(3815.12)	-	(2771.03)
Changes in equity during the year ended 31st March, 2023						
Profit for the year	-	-	-	(94.04)	-	(94.04)
Other comprehensive income/(loss) for the year	-	-	-	-	-	-
Balance as at 31st March, 2023	0.03	450.00	594.06	(3909.16)	-	(2865.07)
Balance as at 1st April, 2021	0.03	450.00	594.06	(3473.92)	-	(2429.82)
Changes in equity during the year ended 31st March, 2022						
Profit for the year	-	-	-	(341.20)	-	(341.20)
Other comprehensive income/(loss) for the year	-	-	-	-	-	-
Balance as at 31st March, 2022	0.03	450.00	594.06	(3815.12)	-	(2771.02)
The accompanying notes 1 to 27 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

For and on behalf of the Board of Directors of

Madhya Bharat Papers Limited

(CA. Rakesh Kumar Singh)

Partner

Membership No. 066421

R. L. Kapur

Director

DIN - 000002483

Jaydeep Chitlangia

Managing Director

DIN - 00094002

Monisha Chakraborty

Company Secretary

Jagdish Dua

Chief Financial Officer

Place of Signature: Kolkata

Date: 26th May, 2023

MADHYA BHARAT PAPERS LIMITED

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, 2023 were approved for issue by the Board of Directors on 26th May, 2023.

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 Schedule III to 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 upto 2 decimals 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 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)

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.

Cost is inclusive of inward freight, non-refundable taxes and duties and directly attributable costs of bringing an asset to the location and condition of its intended use. In addition, interest on borrowings used to finance the construction of qualifying assets is capitalised as part of the asset's cost until such time that the asset is ready for its intended use. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

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 .

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NOTES ON ACCOUNTS:

Depreciation of the 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

Each item of Property, plant and equipment 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 Property, plant and equipment 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.

Depreciation on revaluation of Property, plant and equipment has been reduced from Revaluation Reserve account.

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 and 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

Initial Recognition

Transactions in foreign currencies are accounted at the exchange rate prevailing on the date of the transaction.

Subsequent Recognition

Monetary assets and liabilities denominated in foreign currencies outstanding at the end of the reporting period are translated into the functional currency at the exchange rates prevailing on the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

The net exchange differences on monetary items arising out of forex transactions on settlement or on translation, if any are disclosed under the head "Other Income" or "Other Expenses" as the case may be in the Statement of Profit and Loss.

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 and 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.

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.

NOTES ON ACCOUNTS:

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

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimates of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense. Contingent liability is not recognised. However, a disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

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.

The Company has as a practical expedient applied the exemption of not to recognize Right of use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.

(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.

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.

NOTES ON ACCOUNTS:**(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 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.

NOTES ON ACCOUNTS:

2.18 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 - Income Taxes The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

Note 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) 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.

(iv) 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.

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Notes to accounts (Contd.)

Note No. : 4 Property, plant and equipment

(Rs. in Lakh)

Particulars	Land (Free hold)	Land (Right to use)	Buildings	Plant and equipment	Furniture & Fixtures	Vehicles	Office equipment	Computers	Total
Gross block									
Gross carrying amount as at 1st April, 2022	4060.51	3.23	442.47	1724.69	2.05	7.02	5.05	6.00	6251.02
Additions during the year	-	-	-	-	-	-	-	-	-
Disposals/deductions during the year	-	-	-	-	-	-	-	-	-
Gross carrying amount as at 31st March, 2023	4060.51	3.23	442.47	1724.69	2.05	7.02	5.05	6.00	6251.02
Depreciation/amortisation/impairment									
Accumulated depreciation/amortisation/impairment as at 1st April, 2022	-	0.27	105.93	499.74	0.05	3.10	3.60	2.13	614.82
Depreciation/amortisation for the year	-	0.04	16.64	76.76	0.01	0.71	0.16	0.38	94.70
Disposals/deductions during the year	-	-	-	-	-	-	-	-	-
Accumulated depreciation/amortisation/impairment as at 31st March, 2023	-	0.31	122.57	576.50	0.06	3.81	3.76	2.51	709.52
Net carrying amount as at 31st March, 2023	4060.51	2.92	319.90	1148.19	1.99	3.21	1.29	3.49	5541.50

Previous year

(Rs. in Lakh)

Particulars	Land (Free hold)	Land (Right to use)	Buildings	Plant and equipment	Furniture & Fixtures	Vehicles	Office equipment	Computers	Total
Gross block									
Gross carrying amount as at 1st April, 2021	4060.51	3.23	442.47	1724.80	2.05	7.02	5.05	6.00	6251.13
Additions during the year	-	-	-	-	-	-	-	-	-
Disposals/deductions during the year	-	-	-	0.11	-	-	-	-	0.11
Gross carrying amount as at 31st March, 2022	4060.51	3.23	442.47	1724.69	2.05	7.02	5.05	6.00	6251.02
Depreciation/amortisation/impairment									
Accumulated depreciation/amortisation/impairment as at 1st April, 2021	-	0.23	89.26	420.94	0.03	2.40	3.33	1.73	517.92
Depreciation/amortisation for the year	-	0.04	16.67	78.80	0.01	0.71	0.27	0.40	96.90
Disposals/deductions during the year	-	-	-	-	-	-	-	-	-
Accumulated depreciation/amortisation/impairment as at 31st March, 2022	-	0.27	105.93	499.74	0.05	3.10	3.60	2.13	614.82
Net carrying amount as at 31st March, 2022	4060.51	2.96	336.54	1224.95	2.01	3.92	1.45	3.88	5636.20

Notes :

- (i) The Company has entered into various agreements in respect of land (Right to use) under finance lease arrangements. For most of lease agreements, original lease term is 30 years subject to maximum of 99 years from the date of inception. These leasehold land have been mortgage in favour of entities other than banks for securing the borrowings (Refer Note no. 14).
- (ii) The capital commitments with regards to property, plant and equipment is Nil (previous year nil).
- (iii) The aggregate depreciation expense on Right to use assets is included under depreciation and amortization expense in the Statement of Profit and Loss (refer note 25).

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Notes to accounts (Contd.)

Note No. : 5 Non - current investments

(Rs. in Lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(i) Post Office National Saving Certificates (Measured at amortised cost)		
Unquoted	0.13	0.13
(Deposited with government authorities)		
Total	0.13	0.13
Aggregate amount of unquoted investments carried at amortized cost	0.13	0.13
Aggregate amount of impairment in value of investment	-	-

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Notes to accounts (Contd.)

Note No. : 6 Inventories (Valued at lower of cost and net realisable value, unless stated otherwise)

(Rs. in Lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Raw materials	144.47	145.96
Finished goods		
Writing & printing papers	5.14	5.14
Stores and spares	175.58	175.58
	<u>325.19</u>	<u>326.68</u>

Note No. : 7 Trade receivables (carried at amortized cost)

Current

(Rs. in Lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Trade Receivable considered good - Unsecured	0.79	10.34
Trade Receivable which have significant increase in credit risk	13.86	13.86
Less: Allowance for expected credit loss	13.86	13.86
	<u>0.79</u>	<u>10.34</u>

Trade receivables ageing schedule as at 31st March, 2023:

(Rs. in Lakh)

Particulars	Outstanding for following periods from date of the transaction					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than-3 Years	
(i) Undisputed Trade receivables- considered good	-	-	0.79	-	-	0.79
(ii) Undisputed Trade receivables- which have significant increase in credit risk	-	-	-	-	13.86	13.86
(iii) Undisputed Trade receivables- Credit Impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables	-	-	-	-	-	-
Total	-	-	-	-	13.86	14.65

Trade receivables ageing schedule as at 31st March, 2022:

(Rs. in Lakh)

Particulars	Outstanding for following periods from date of the transaction					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than-3 Years	
(i) Undisputed Trade receivables- considered good	10.34	-	-	-	-	10.34
(ii) Undisputed Trade receivables- which have significant increase in credit risk	-	-	-	-	13.86	13.86
(iii) Undisputed Trade receivables- Credit Impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables	-	-	-	-	-	-
Total	10.34	-	-	-	13.86	24.20

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Notes to accounts (Contd.)

Note No. : 8 Cash and cash equivalents

(Rs. in Lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balances with banks		
On current accounts	4.96	5.00
Cash on hand	1.67	1.80
	<u>6.63</u>	<u>6.80</u>

Note No. : 9 Bank balances other than cash and cash equivalents

(Rs. in Lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Fixed deposits pledged with excise authorities and bank		
Current portion of original maturity period more than 12 months	36.52	36.52
	<u>36.52</u>	<u>36.52</u>

Note No. : 10 Other financial assets

(i) Current (Unsecured, considered good)

(Rs. in Lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Carried at amortized cost		
Security deposits	29.75	29.73
Others		
Advances to employees	1.50	1.50
Advance to others	263.65	192.46
Interest accrued but not due on deposits	4.99	0.83
	<u>299.89</u>	<u>224.52</u>

Note No. : 11 Other current assets (Unsecured, considered good)

(Rs. in Lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Advances other than capital advances		
Other advances		
Advances to suppliers and others	143.06	143.06
Sales tax, GST and other tax deposit	<u>6.18</u>	<u>10.84</u>
	149.24	153.90
Others		
Prepaid expenses	0.47	0.26
	<u>149.71</u>	<u>154.16</u>

MADHYA BHARAT PAPERS LIMITED

Notes to accounts (Contd.)

Note No. : 12 Share capital

Particulars	As at 31st March, 2023		As at 31st March, 2022		
	No. of shares	(Rs. in Lakh)	No. of shares	(Rs. 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>	
(c) Reconciliation of number and amount of equity shares outstanding:					
	As at 31st March, 2023		As at 31st March, 2022		
Particulars	No. of shares	(Rs. in Lakh)	No. of shares	(Rs. 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 :				
	As at 31st March, 2023		As at 31st March, 2022		
Name of the shareholder	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	
IFCI Limited	277436	8.14	277436	8.14	
ICICI Bank Limited	227150	6.66	227150	6.66	
(g) Disclosure of Shareholding of promoters:					
	As at 31st March, 2023		As at 31st March, 2022		% Change during the year
Promoter name	No. of Shares	% of total shares	No. of Shares	% of total shares	
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%	-
Shreya Kanoria	85000	2.49%	85000	2.49%	-
Abhishek Chitlangia	67064	1.97%	67064	1.97%	-
Akhilesh Chitlangia	67064	1.97%	67064	1.97%	-
Sunita Chitlangia	49128	1.44%	49128	1.44%	-
Chitlangia Medical Society	45400	1.33%	45400	1.33%	-

MADHYA BHARAT PAPERS LIMITED

Notes to accounts (Contd.)

As at 31st March, 2022					
Promoter name	As at 31st March, 2022		As at 31st March, 2021		% Change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Sudeep Chitlangia	490000	14.37%	490000	14.37%	-
Jaydeep Chitlangia	430000	12.61%	430000	12.61%	-
Shila Chitlangia	274737	8.06%	274737	8.06%	-
Archana Chitlangia	250000	7.33%	250000	7.33%	-
Nikhilesh Chitlangia	190000	5.57%	190000	5.57%	-
Shreya Kanoria	85000	2.49%	85000	2.49%	-
Abhishek Chitlangia	67064	1.97%	67064	1.97%	-
Akhilesh Chitlangia	67064	1.97%	67064	1.97%	-
Sunita Chitlangia	49128	1.44%	49128	1.44%	-
Chitlangia Medical Society	45400	1.33%	45400	1.33%	-

Note No. : 13 Other equity

(Rs. in Lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(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	(3815.12)	(3473.92)
Add: Net loss for the year	(94.04)	(341.20)
Add: Other comprehensive income (net of tax) for the year	-	-
	<u>(3909.16)</u>	<u>(3815.12)</u>
	<u>(2865.07)</u>	<u>(2771.02)</u>

Notes:

- i) In accordance with section 69 of the Indian Companies Act, 2013, the Company creates capital redemption reserve equal to the nominal value of the shares bought back as an appropriation from general reserve.
- ii) 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.
- iii) Retained earnings represent the amount of accumulated earnings of the Company.

MADHYA BHARAT PAPERS LIMITED

Notes to accounts (Contd.)

Note No. : 14 Borrowings

Non-current

(Rs. in Lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Carried at amortized cost		
Term loans		
From entities other than banks		
Secured [Refer Note no. 27.24 (i)]	933.84	-
Unsecured	1,106.26	2042.84
Loans from related parties		
Unsecured [Refer Note No. 27(6)]	1,258.48	1408.29
	3,298.58	3451.13
Repayment terms:		
From entities other than bank and related parties- Bullet payment as on 1st April, 2026.		
Nature of security:		
The Company has executed Deed of Mortgage in favour of the Mortgagee companies in respect of its leasehold land for securing the borrowings.		

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Notes to accounts (Contd.)

Note No. : 15 Other financial liabilities

Non-current

(Rs. in Lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Carried at amortized cost		
Security deposit and others*	1521.52	1521.52
	1521.52	1521.52
* Includes disputed dues	10.00	10.00

Note No. : 16 Trade payables

Current

(Rs. in Lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Trade payables		
Total outstanding dues of micro and small enterpr [Refer Note No. 27(7)]	24.37	31.82
Total outstanding dues of creditors other than micro and small enterprises	1858.42	1890.75
	1882.79	1922.57

Trade payables ageing schedule as at 31st March, 2023

(Rs. in Lakh)

Particulars	Outstanding for following periods from the date of transactions				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Outstanding dues to MSME	-	-	-	6.69	6.69
(ii) Others	-	-	4.40	929.39	933.79
(iii) Disputed dues- MSME	-	-	-	17.68	17.68
(iv) Disputed dues- Others	-	-	-	924.63	924.63
(v) Unbilled	-	-	-	-	-
(vi) Not Due	-	-	-	-	-
Total	-	-	4.40	1,878.38	1,882.79

MADHYA BHARAT PAPERS LIMITED

Notes to accounts (Contd.)

Trade payables ageing schedule as at 31st March, 2022

(Rs. in Lakh)

Particulars	Outstanding for following periods from the date of transactions				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Outstanding dues to MSME	-	-	-	9.99	9.99
(ii) Others	-	4.40	9.97	272.75	287.12
(iii) Disputed dues- MSME	-	-	-	21.83	21.83
(iv) Disputed dues- Others	-	-	-	1,603.63	1,603.63
(v) Unbilled	-	-	-	-	-
(vi) Not Due	-	-	-	-	-
Total	-	4.40	9.97	1,908.20	1,922.57

Note No. : 17 Other financial liabilities

Current

(Rs. in Lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Carried at amortized cost		
Other payables		
Unpaid salaries and other payroll dues	322.90	316.05
	<u>322.90</u>	<u>316.05</u>

Note No. : 18 Other Current liabilities

(Rs. in Lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Other advances		
Advances from customers and others payable*	1778.80	1531.75
Deferred gain on changes in fair value of financial asse	35.57	33.15
Others		
Statutory liabilities	17.72	22.65
	<u>1832.09</u>	<u>1587.55</u>
* Includes disputed amount	526.47	525.48

Note No. : 19 Provisions

Current

(Rs. in Lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Provision for employee benefits - unavailed leave [Refer Note No. 27(9)]	26.55	26.55
	<u>26.55</u>	<u>26.55</u>

MADHYA BHARAT PAPERS LIMITED

Notes to accounts (Contd.)

Note No. : 20 Other income

(Rs. in Lakh)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Interest income on financial assets carried at amortized cost		
Deposit with banks and others	6.83	33.47
Compensation received from government	15.79	-
Profit on sale/discard of Property, plant and equipment	-	1.38
Liabilities no longer required/excess provisions written back	39.79	11.89
Sale of Scrap	-	90.23
Other non-operating income		
Miscellaneous	0.27	0.14
	<u>62.68</u>	<u>137.11</u>

Note No. : 21 Cost of materials consumed

(Rs. in Lakh)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Waste paper*	-	119.42
	<u>-</u>	<u>119.42</u>

* Includes writedown of inventory of raw material Nil (previous year 119.42 lakh).

Note No. : 22 Changes in inventories of finished goods and work-in-progress

(Rs. in Lakh)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Finished goods		
Opening stock		
Writing & printing papers	5.14	10.27
Less : Closing stock		
Writing & printing papers*	5.14	5.14
Total (A)	<u>-</u>	<u>5.14</u>
Work- in-progress		
Opening stock		
Writing & printing papers	-	1.38
Less : Closing stock		
Writing & printing papers**	-	-
Total (B)	<u>-</u>	<u>1.38</u>
Total (A+B)	<u>-</u>	<u>6.52</u>

* Includes writedown of inventory of finished goods Nil (previous year Rs.5.12 lakh).
** Includes writedown of inventory of Work- in-progress Nil (previous year Rs.1.38 lakh).

MADHYA BHARAT PAPERS LIMITED

Notes to accounts (Contd.)

Note No. : 23 Employee benefits expense

(Rs. in Lakh)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Salaries and wages <i>[Refer Note No. 27(7)]</i>	-	151.85
Contribution to provident and other funds	-	15.80
	<u>-</u>	<u>167.65</u>

Note No. : 24 Finance costs

(Rs. in Lakh)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Interest expense On other than borrowings*	5.20	24.13
	<u>5.20</u>	<u>24.13</u>
* Includes interest on delay payment of contributions in provident funds	2.65	-

Note No. : 25 Depreciation and amortisation expense

(Rs. in Lakh)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Depreciation and amortisation of property, plant and equipment <i>[Refer Note No. 4]</i>	94.71	96.90
	<u>94.71</u>	<u>96.90</u>

Note No. : 26 Other expenses

(Rs. in Lakh)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Rent	0.12	0.12
Repairs Others	-	0.25
Insurance	-	2.58
Rates and taxes (excluding taxes on income)	0.36	6.00
Legal and professional expenses	13.70	8.88
Payments to auditor As auditor for statutory audit	1.50	1.50
Travelling expenses	0.05	0.21
Vehicle running expenses	0.04	-
Sundry balance written-off	-	2.57
Allowance for expected credit loss	-	13.86
Penalty	2.82	-
Miscellaneous expenses	38.22	27.72
	<u>56.81</u>	<u>63.69</u>

MADHYA BHARAT PAPERS LIMITED

Notes to accounts (Contd.)

Note No.: 27 Other disclosures and Additional regulatory informations

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

A. Contingent liabilities

Particulars	(Rs. in Lakh)	
	As at 31st March, 2023	As at 31st March, 2022
(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
Employees Provident Fund	-	5.25
Employees' State Insurance	9.11	-
(b) Others - under appeal/litigation		
- Recovery Suit filed by suppliers (refer note 23 here in below)	367.88	351.92
- Claims made by suppliers and others	905.40	-
- 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	36.06	36.06

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.

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 : Nil

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, 2023	Year ended 31st March, 2022
a) Amount used as the numerator (Rs. in lakh)		
Profit/(loss) after Tax	(94.04)	(341.20)
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.)	(2.76)	(10.01)
f) Diluted Earning per share (Rs.)	(2.76)	(10.01)

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 as per Ind AS 108 - Operating Segments:

(a) The Board of Directors 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. The Company has identified a single reportable business segment i.e. manufacturing of Writing and Printing Papers.

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

(c) Information about major customers:

No single customer contributed 10% or more of the total revenue of the Company for the year ended 31st March, 2023 and 31st March, 2022.

6 Related party disclosure

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

(i) Key Management Personnel (KMP) : Sri Jaydeep Chitlangia (Managing Director)

(ii) Enterprises over which KMP and his relatives : Chitperi Farm Private Limited
have significant influence Poushali Sales Private Limited
Duroply Industries Limited

MADHYA BHARAT PAPERS LIMITED

Notes to accounts (Contd.)

b) Transactions with Related parties :

Particulars	(Rs. in Lakh)	
	Year ended 31st March, 2023	Year ended 31st March, 2022
Loans taken		
Chitperi Farm Private Limited	-	35.00
Poushali Sales Private Limited	-	152.02
Loans repayment		
Chitperi Farm Private Limited	-	35.00
Poushali Sales Private Limited	149.82	2.20
Advance received		
Poushali Sales Private Limited	344.32	-

(d) Balance Outstanding at year end :

Particulars	(Rs. in Lakh)	
	As at 31st March, 2023	As at 31st March, 2022
Payable		
Chitperi Farm Private Limited	227.63	227.63
Poushali Sales Private Limited	1,375.16	1180.66
Duroply Industries Limited	205.36	205.64
Jaydeep Chitlangia	97.22	97.22

- 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:

Particulars	(Rs. in Lakh)	
	As at 31st March, 2023	As at 31st March, 2022
(a) The principal amount remaining unpaid to suppliers as at the end of accounting year *	24.37	31.82
(b) The interest due thereon remaining unpaid to suppliers as at the end of accounting year	-	-
(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*	-	-
(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. 16.

- 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:

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 :

Defined Contribution Plan	(Rs. in Lakh)	
	Year ended 31st March, 2023	Year ended 31st March, 2022
Employer's Contribution to Provident Fund	-	4.45
Employer's Contribution to Pension Scheme	-	10.09
Employer's Contribution to Employees' State Insurance Scheme	-	0.64

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.

Actuarial valuation has not been carried out in respect of employees existing as on 31st March, 2023 and 31st March, 2022. In absence of actuarial valuation as per Ind AS - 19, Employees Benefits which could not be obtained and liability in respect of gratuity and leave encashment has not been ascertained and necessary provision and disclosures has not been made in these respect.

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Notes to accounts (Contd.)

Note No. : 27 Other disclosures and Additional regulatory informations (Contd.)

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

A. Financial instruments by category

As at 31st March, 2023

(Rs. in Lakh)

Sl. No.	Particulars	Refer Note No.	Total Fair Value	Carrying value					Total
				Cost	Deemed cost	Amortized cost	FVTOCI	FVTPL	
(1) Financial assets									
(a)	Investments	5	0.13	-	-	0.13	-	-	0.13
(b)	Trade receivables	7	0.79	-	-	0.79	-	-	0.79
(c)	Cash and cash equivalents	8	6.63	-	-	6.63	-	-	6.63
(d)	Bank balances other than cash and cash equivalents	9	36.52	-	-	36.52	-	-	36.52
(e)	Other financial assets	10	299.89	-	-	299.89	-	-	299.89
	Total		343.96	-	-	343.96	-	-	343.96
(2) Financial liabilities									
(a)	Borrowings	14	3298.58	-	-	3298.58	-	-	3298.58
(b)	Trade payables	16	1858.42	-	-	1858.42	-	-	1858.42
(c)	Other financial liabilities	15 & 17	1844.43	-	-	1844.43	-	-	1844.43
	Total		7001.43	-	-	7001.43	-	-	7001.43

As at 31st March, 2022

(Rs. in Lakh)

Sl. No.	Particulars	Refer Note No.	Total Fair Value	Carrying value					Total
				Cost	Deemed cost	Amortized cost	FVTOCI	FVTPL	
(1) Financial assets									
(a)	Investments	5	0.13	-	-	0.13	-	-	0.13
(b)	Trade receivables	7	10.34	-	-	10.34	-	-	10.34
(c)	Cash and cash equivalents	8	6.80	-	-	6.80	-	-	6.80
(d)	Bank balances other than cash and cash equivalents	9	36.52	-	-	36.52	-	-	36.52
(e)	Other financial assets	10	224.52	-	-	224.52	-	-	224.52
	Total		278.31	-	-	278.31	-	0.00	278.31
(2) Financial liabilities									
(a)	Borrowings	14	3451.13	-	-	3451.13	-	-	3451.13
(b)	Trade payables	16	1922.57	-	-	1922.57	-	-	1922.57
(c)	Other financial liabilities	15 & 17	1837.58	-	-	1837.58	-	-	1837.58
	Total		7211.28	-	-	7211.28	-	-	7211.28

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:

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).

The company have no equity instruments so, disclosure of fair value hierarchy of the Company's assets and liabilities measured at fair value on a recurring basis are not required.

11. 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.

Notes to accounts (Contd.)

Note No. : 27 Other disclosures and Additional regulatory informations (Contd.)

(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.

(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:

Particulars	(Rs. in Lakh)	
	As at 31st March, 2023	As at 31st March, 2022
Upto 6 months	-	10.34
More than 180 Days	0.79	-
	0.79	10.34

(ii) Movement 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.

	(Rs. in Lakh)	
	As at 31st March, 2023	As at 31st March, 2022
Balance at the beginning of the year	13.86	13.86
Add: Further additions during the year	-	-
Less: Written back during the year	-	-
Balance at the end of the year	13.86	13.86

(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, 2023 and 31st March, 2022 is the carrying amounts as stated under note no. 8 and 9.

(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. 0.45 lakh (previous year Rs. 0.45 lakh) which was pledged with Sales Tax Authorities.

(ii) The fair values of the fixed deposits aggregated to Rs. 36.06 lakh (Previous year 36.06), which was 100% deposits against Bank Guarantee.

12. 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.

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, 2023 and 31st March, 2022.

13 The financial statements 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 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.

14 Interest accrued during the year aggregating to Rs. 269.99 lakh (previous year Rs. 318.22 lakh) on secured and 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.

15 Interest accrued during the year aggregating to Rs. 45.27 lakh (previous year Rs. 45.27 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.

MADHYA BHARAT PAPERS LIMITED

Notes to accounts (Contd.)

Note No. : 27 Other disclosures and Additional regulatory informations (Contd.)

- 16 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.
- 17 Provision for salary, bonus, gratuity and leave encashment payable to factory employees and workers, could not be done. Necessary adjustment in respect of the same will be made after working and ascertaining out the actual liabilities in these respect.
- 18 The management was unable to carry out the physical verification of Property, plant and equipment and Inventory during the year. However, there is no changes of Property, plant and equipment and Inventory during the year.
- 19 The management could not carry out any exercise with regard to measurement and recognition of loss on impairment of assets in accordance with Ind AS-36 on "Impairment of assets", the impact thereof is presently not ascertainable.
- 20 The management could not carry out estimate of realizable value and provision for the shortfall, if any, in the value of inventory of finished goods in accordance with Ind AS-2 on "Valuation of Inventories.
- 21 Balances Confirmations in respect of trade receivable, loans and advances, deposits, borrowings, trade payable and other liabilities could not be obtained. Necessary adjustments in this respect will be carried out on ascertainment of amount thereof, if any.
- 22 Pending ascertainment of the amounts, no provision has been made in these financial statements for interest on delay in payment to MSME Creditors.
- 23 M/s SKS Enterprises and M/s Grasim Industries Ltd., Operational Creditors have filed applications with NCLT, Cuttack Bench to initiate Corporate Insolvency Resolution process under the Insolvency and Bankruptcy Code, 2016. Presently, applications are pending with NCLT, Cuttack Bench. The Company has disputed the claim of M/s SKS Enterprises and has represented before NCLT that no amount is due and payable by the Company to the said Operational Creditor.

24 Additional Regulatory Information:

(i) Registration of charges with Registrar of Companies (ROC):

The Company has obtained Secured Loans from the companies duly executed the agreements/ documents as mortgaged of its leasehold land. However, registration of charges has not been done with Registrar of Companies pending registration of excuted agreements / documents under The Registration Act, 1908.

(ii) The following are analytical Ratios for the year ended 31st March, 2023 and 31st March, 2022:

Sl. No.	Ratio	Numerator	Denominator	As at 31st March, 2023	As at 31st March, 2022	Variance (in %)
1	Current Ratio (in times)	Current Assets	Current Liabilities	0.20	0.20	0.72%
2	Debt-Equity Ratio (in times)	Total debt	Shareholder's equity	(1.31)	(1.42)	-7.97%
3	Debt Service Coverage Ratio (in times)	Earnings available for debt service	Debt service = Interest + Principal repayments	1.13	(8.55)	-113.21%
4	Return on Equity Ratio (%)	Net profit/(loss) after tax	Average shareholder's equity	-3.80%	-15.10%	11.30%
5	Inventory Turnover Ratio	Revenue from operations	Average Inventory	NA	NA	NA
6	Trade Receivables Turnover Ratio	Revenue from operations	Average Accounts Receivable	NA	NA	NA
7	Trade Payables Turnover Ratio	Total Purchases	Average Accounts Payable	NA	NA	NA
8	Net Capital Turnover Ratio	Revenue from operations	Working Capital	NA	NA	NA
9	Net Profit Ratio (%)	Profit /(loss) for the year	Revenue from operations	NA	NA	NA
10	Return on Capital Employed (%)	Profit before interest and taxes	Capital employed*	8.86%	-12.47%	21.33%
11	Return on Investment (%)	Income from investment	Average investment	NA	NA	NA

#Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest

* Capital employed = Net worth + other non current financial liabilities

Reason for variance in ratio: No production since July, 2019 and some fixed cost incurred.

(iii) Disclosures required under Additional regulatory information as prescribed under paragraph 6L to general instructions for preparation of Balance Sheet under Schedule III to the Companies Act, 2013 are not applicable to the Company except as disclosed in Para 24(i) and 24(ii) above.

- 25 Amounts and other disclosures for the preceding year 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 27 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 Number - 302082E

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

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

R. L. Kapur
Director
DIN - 000002483

Jaydeep Chitlangia
Managing Director
DIN - 00094002

Place of Signature: Kolkata
Date: 26th May, 2023

Monisha Chakraborty
Company Secretary

Jagdish Dua
Chief Financial Officer