

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**Review Report To
The Board of Directors of
Madhya Bharat Papers Limited**

1. We have reviewed the accompanying statement of unaudited financial results of **Madhya Bharat Papers Limited** ("the Company"), for the quarter and half year ended 30th September, 2020 ("the statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on this Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of person's responsible financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we could become aware of all significant matters that might be identified in an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with applicable Indian accounting standards and other recognized practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.



5. We draw attention to the following notes to the statement:

- (i) 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 hence preparation of the accounts of the Company on going concern basis in view of production is closed since July, 2019. Accordingly, we are unable to comment on the appropriateness of the going concern basis and their consequential impact on the financial results and the financial position of the Company as at and for the quarter ended 30th September, 2020.
- (ii) Note 4 to the Statement regarding non-provision of interest on unsecured loans aggregating to Rs. 64.62 lakh for the quarter ended 30th September, 2020 which constitutes a departure from the Indian Accounting Standards prescribed under section 133 of the Act.
- (iii) Note 5 to the Statement regarding non-provision of interest on dealer deposits aggregating to Rs. 11.37 lakh for the quarter ended 30th September, 2020 which constitutes a departure from the Indian Accounting Standards prescribed under section 133 of the Act.
- (iv) Note 6 to the Statement regarding non-provision for interest, penalty for delay / default in payment of statutory liabilities (quantum unascertained) which constitutes a departure from the Indian Accounting Standards prescribed under section 133 of the Act and the impact of which on loss for the quarter ended 30th September, 2020 could not be ascertained.

Our conclusion is modified in respect of matters mentioned under above para 5(i) to 5(iv).

6. We draw attention to note 7 of the Statement which explains the management's assessment that there is no significant impact of COVID-19 pandemic on the Statement for the quarter ended 30th September, 2020. Further, the Company will continue to closely monitor any material changes arising from future economic conditions and impact on its business.

Our conclusion is not modified in respect of this matter.

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

Rakesh Singh
(CA. Rakesh Kumar Singh)
Partner
Membership No. 066421
UDIN: 20066421AAAAON8365



Place of Signature: Kolkata
Date: The 12th day of November, 2020

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER '2020

Sl. No.	Particulars	Quarter Ended			Half Year Ended		(Rs. in Lakh)
		30.09.2020 (Unaudited)	30.06.2020 (Unaudited)	30.09.2019 (Unaudited)	30.09.2020 (Unaudited)	30.09.2019 (Unaudited)	31.03.2020 (Audited)
I.	Revenue from operations	-	-	3989.37	-	4733.56	6203.25
II.	Other Income	8.86	8.90	12.23	17.76	92.18	56.55
III.	Total Income (I + II)	8.86	8.90	4001.60	17.76	4825.74	6259.80
IV.	Expenses						
	Cost of materials consumed	-	-	221.44	-	649.61	641.55
	Purchase of Stock in Trade	-	-	2923.14	-	2923.14	4168.37
	Changes in inventories of finished goods and work-in-progress	-	0.00	60.81	0.00	148.58	167.26
	Employee benefits expense	51.56	72.50	111.08	124.06	230.02	412.27
	Finance costs	25.77	22.80	110.51	48.57	225.98	114.73
	Depreciation and amortization expense	25.01	25.01	27.13	50.02	54.27	102.43
	Other expenses	40.30	32.87	281.99	73.17	631.54	855.99
	Total Expenses	142.64	153.18	3736.11	295.82	4863.14	6462.60
V.	Profit/(loss) before tax (III - IV)	(133.78)	(144.28)	265.49	(278.06)	(37.40)	(202.80)
VI.	Tax Expenses						
	(a) Current Tax	-	-	-	-	-	-
	(b) Deferred Tax	-	-	-	-	-	-
VII.	Net Profit/(Loss) after tax (V - VI)	(133.78)	(144.28)	265.49	(278.06)	(37.40)	(202.80)
VIII.	Exceptional item	-	-	-	-	-	-
IX.	Net Profit/(Loss) after tax (VII - VIII)	(133.78)	(144.28)	265.49	(278.06)	(37.40)	(202.80)
X.	Other Comprehensive Income (net of tax)						
	i. Items that will not be reclassified to Profit or Loss	7.10	7.09	4.78	14.19	9.56	28.37
	ii. Tax relating to items will not be reclassified to Profit or Loss	-	-	-	-	-	-
XI.	Total Comprehensive income (Net of tax) (IX + X)	(126.68)	(137.19)	270.27	(263.87)	(27.84)	(174.43)
XIV.	Paid-up Equity Share Capital of Rs. 10/- each	341.00	341.00	341.00	341.00	341.00	341.00
	Other equity	NA	NA	NA	NA	NA	(2081.38)
XIII.	Earning per Share (of Rs.10/- each) (not annualised)						
	a) Basic	(3.92)	(4.23)	7.79	(8.15)	(1.10)	(5.95)
	b) Diluted	(3.92)	(4.23)	7.79	(8.15)	(1.10)	(5.95)



[Signature]

MADHYA BHARAT PAPERS LIMITED

Regd. Office : Village Birgahni, Riy & Post Champa-495671, Dist. Janjgir-Champa (C.G.)
CIN:L21012CT1980PLC001682, www.mbpl.in, e-mail:info@mbpl.in, tel:(07819) 245055

Statement of Assets and Liabilities as at 30th September'2020

(Rs. In Lakh)

Sl. No.	Particulars	As at 30th Sep,2020 (UNAUDITED)	As at 31st Mar,2020 (AUDITED)
A	ASSETS		
1	Non-current assets		
	a) Property, plant and equipment	5783.23	5833.25
	b) Non-current Investments	15.99	15.99
	Sub total- Non-current assets	5799.23	5849.24
2	Current assets		
	a) Inventories	475.26	475.26
	b) Financial assets		
	i) Trade and Other Receivables	14.65	14.65
	ii) Cash and cash equivalents	7.81	7.82
	iii) Bank balances other than cash and cash equivalents	17.03	17.03
	iv) Other financial assets	280.72	280.26
	c) Other Current Assets	153.60	150.77
	Sub total- Current assets	949.07	945.79
	TOTAL- ASSETS	6748.30	6795.03
B	EQUITY AND LIABILITIES		
1	Equity		
	a) Equity share capital	341.00	341.00
	b) Other equity	(2345.25)	(2081.38)
	Sub total- Equity	(2004.25)	(1740.38)
2	Liabilities		
	Non-current Liabilities		
	a) Financial liabilities		
	i) Borrowings	2651.68	2616.38
	ii) Other financial liabilities	1603.19	1611.82
	b) Provisions	30.67	30.67
	c) Other non-current liabilities	58.96	67.60
	Sub total- Non-Current liabilities	4344.50	4326.47
	Current liabilities		
	a) Financial liabilities		
	i) Borrowings	500.69	481.15
	ii) Trade and Other Payables	2046.51	2056.93
	iii) Other financial liabilities	437.39	341.17
	b) Other Current Liabilities	1420.62	1326.84
	c) Provisions	2.85	2.85
	TOTAL-EQUITY AND LIABILITIES	4408.05	4208.94
		6748.30	6795.03



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CASH FLOW STATEMENT FOR THE HALF YEAR ENDED 30TH SEPTEMBER '2020

(Rs in Lakh)

Particulars		Half Year ended 30th September, 2020 (UNAUDITED)	Half Year ended 30th September, 2019 (UNAUDITED)
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Loss before exceptional items and extra ordinary items and tax	(278.06)	(37.40)
	Adjustments to reconcile profit before exceptional items and extra ordinary items and tax to net cash flow provided by operating activities :		
	Finance costs	48.57	225.98
	Depreciation and amortisation expense	50.02	54.27
	Fair value loss/(gain) on financial instruments through profit or loss	-	15.35
	Interest income	(17.76)	(24.24)
		80.83	271.36
	Operating profit before working capital changes	(197.23)	233.96
	Adjustments to reconcile operating profit to cash flow provided by changes in working capital :		
	Increase /(decrease) in trade and other payables	(10.42)	1,547.60
	Increase /(decrease) in non current other financial liabilities	(8.63)	66.85
	Increase /(decrease) in other current financial liabilities	96.22	54.82
	Increase /(decrease) in other non current liabilities	(8.64)	(23.59)
	Increase /(decrease) in other current liabilities	93.78	316.53
	Increase /(decrease) in provision for employee benefits	-	9.56
	Decrease/(increase) in inventories	-	100.66
	Decrease/(increase) in trade and other receivables	-	(2007.02)
	Decrease/(increase) in other financial assets	13.73	(97.16)
	Decrease/(increase) in other current assets	(2.83)	241.61
		173.20	209.86
	Cash (used in) / generated from operations	(24.03)	443.82
	Tax expense	-	-
	Cash flow before exceptional and extraordinary items	(24.03)	443.82
	Exceptional item	-	-
	Net cash generated from/(used in) operating activities	(A) (24.03)	443.82
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Addition of fixed assets	-	(2.28)
	Fixed deposits redeemed from bank	-	(1.86)
	Interest received	17.76	24.56
	Net cash used in investing activities	(B) 17.76	20.42
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from long-term borrowings	35.30	163.27
	Proceeds/(repayment) of short-term borrowings (net)	19.53	(399.90)
	Interest expense	(47.30)	(224.72)
	Other borrowing costs	(1.27)	(1.27)
	Net cash (used in)/generated from financing activities	(C) 6.26	(462.62)
	Net decrease in cash and cash equivalents	(A+B+C) (0.01)	1.62
	Opening cash and cash equivalents	7.82	8.44
	Closing cash and cash equivalents for the purpose of Cash Flow Statement	7.81	10.06

Note:

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.



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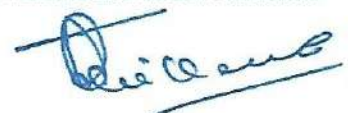
Segment wise revenue, Results, Segment Assets and Segment Liabilities for the quarter and half year ended 30th September 2020.

Sl. No.	Particulars	Quarter Ended			Half Year Ended		(Rs. in Lakh)
		30.09.2020 (Unaudited)	30.06.2020 (Unaudited)	30.09.2019 (Unaudited)	30.09.2020 (Unaudited)	30.09.2019 (Unaudited)	31.03.2020 (Audited)
1	Segment Revenue						
	(Net sales/Income from each segment)						
	a) Paper	-	-	443.55	-	1187.74	1201.81
	b) Trading-Others	-	-	3545.82	-	3545.82	5001.43
	Total	-	-	3989.37	-	4733.56	6203.25
	Less : Inter Segment Revenue	-	-	-	-	-	-
	Net Sales/Income from Operations	-	-	3989.37	-	4733.56	6203.25
2	Segment Results						
	a) Paper	(108.01)	(121.48)	(246.68)	(229.49)	(434.10)	(920.49)
	b) Trading-Others	-	-	622.68	-	622.68	832.42
	Total	(108.01)	(121.48)	376.00	(229.49)	188.58	(86.07)
	Less : (i) Interest & Finance charges	25.77	22.80	110.51	48.57	225.98	114.73
	(ii) Other Unallocable expenditure	-	-	-	-	-	-
	net of unallocable income	-	-	-	-	-	-
	Total Profit/(Loss) before Tax	(133.78)	(144.28)	265.49	(278.06)	(37.40)	(202.80)
3	Segment Assets						
	a) Paper	6733.33	6778.38	7013.77	6747.52	7013.77	6794.26
	b) Trading-Others	0.78	0.78	2029.03	0.78	2029.03	0.78
	Total	6734.12	6779.16	9042.80	6748.31	9042.80	6795.04
4	Segment Liabilities						
	a) Paper	8751.78	8655.95	9038.45	8751.78	9038.45	8534.64
	b) Trading-Others	0.78	0.78	1598.14	0.78	1598.14	0.78
	Total	8752.56	8656.73	10636.59	8752.56	10636.59	8535.42

notes :

- The above Unaudited Standalone financial results for the quarter ended 30th September 2020 were reviewed by the Audit Committee and thereafter the Board of directors has approved the above results at their respective meetings held on 12th November 2020.
- The above unaudited results have been reviewed by the Statutory Auditors as required under regulation 33 of the SEBI (Listing Obligations and Disclosure requirements).
- The financial statement indicates that the Company has accumulated losses and its net worth has been fully eroded. It is felt that the status of the Company will improve in the following years. The Management is in the process of rationalizing the expenses as well as considering the measures to generate revenue. Further, with the improvement in the industrial scenario, the company is able to utilise its production capacities and it is expected that the overall financial health of the Company would improve considerably. Accordingly, the Company continues to prepare its accounts on a "Going Concern" basis.
- Interest accrued aggregating to Rs 64.62 lakh for the quarter ended 30th September 2020 on unsecured loans as estimated by the management (without considering additional interest, if any, on non-payment of principal interest) has not been provided for and the same will be accounted for as and when paid/settled.
- Interest accrued aggregating to Rs. 11.37 lakh for the quarter ended 30th September 2020 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.
- 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. 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.
- The Company, consequent to the outbreak of Covid 19 has considered internal and external information while finalizing various estimates and making assumptions to its financial statements including the carrying value of various current and non-current assets and no material impact on financial results are expected to arise. The actual impact of global health pandemic is dependent upon future development, including policies and measures announced by the Government. The Company will continue to closely monitor the variations in the circumstances, and the same will be taken into consideration when it crystallizes.
- These unaudited standalone financial results will be made available on Company's website viz., www.mbpil.in and on stock exchange website i.e www.cse-india.com.
- The figures of previous periods have been regrouped / reclassified wherever necessary to make them comparable with those of the current period.

For and on behalf of the Board of Directors



Jaydeep Chitlangia
Managing Director
(DIN: 00094002)



Place of Kolkata
Dated : 12th November 2020