

**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 nine months ended 31st December, 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



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basis and their consequential impact on the financial results and the financial position of the Company as at and for the quarter ended 31<sup>st</sup> December, 2020.

- (ii) Note 4 to the Statement regarding non-provision of interest on unsecured loans aggregating to Rs. 67.96 lakh for the quarter ended 31<sup>st</sup> December, 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 31<sup>st</sup> December, 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 31<sup>st</sup> December, 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 31<sup>st</sup> December, 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: 21066421AAAACM4742



Place of Signature: Kolkata  
Date: The 10th day of February, 2021



**STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER '2020**

Sl. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2020 (Unaudited)	30.09.2020 (Unaudited)	31.12.2019 (Unaudited)	31.12.2020 (Unaudited)	31.12.2019 (Unaudited)	31.03.2020 (Audited)
I.	Revenue from operations	-	-	1457.07	-	6200.63	6203.25
II.	Other Income	18.90	8.86	24.48	36.66	116.66	56.55
III.	<b>Total Income (I + II)</b>	<b>18.90</b>	<b>8.86</b>	<b>1481.55</b>	<b>36.66</b>	<b>6317.29</b>	<b>6259.80</b>
IV.	<b>Expenses</b>						
	Cost of materials consumed	-	-	1.84	-	651.44	641.55
	Purchase of Stock in Trade	-	-	1245.23	-	4168.37	4168.37
	Changes in inventories of finished goods and work-in-progress	-	0.00	14.54	0.00	163.12	167.26
	Employee benefits expense	1.51	51.56	96.33	125.58	326.36	412.27
	Finance costs	24.42	25.77	113.76	72.99	339.74	114.73
	Depreciation and amortization expense	25.01	25.01	22.72	75.03	76.99	102.43
	Other expenses	34.71	40.30	88.09	107.88	719.63	855.99
	<b>Total Expenses</b>	<b>85.65</b>	<b>142.64</b>	<b>1582.51</b>	<b>381.47</b>	<b>6445.65</b>	<b>6462.60</b>
V.	<b>Profit/(loss) before tax (III - IV)</b>	<b>(66.75)</b>	<b>(133.78)</b>	<b>(90.97)</b>	<b>(344.81)</b>	<b>(128.37)</b>	<b>(202.80)</b>
VI.	<b>Tax Expenses</b>						
	(a) Current Tax	-	-	-	-	-	-
	(b) Deferred Tax	-	-	-	-	-	-
VII.	<b>Net Profit/(Loss) after tax (V - VI)</b>	<b>(66.75)</b>	<b>(133.78)</b>	<b>(90.97)</b>	<b>(344.81)</b>	<b>(128.37)</b>	<b>(202.80)</b>
VIII.	<b>Exceptional item</b>						
IX.	<b>Net Profit/(Loss) after tax (VII - VIII)</b>	<b>(66.75)</b>	<b>(133.78)</b>	<b>(90.97)</b>	<b>(344.81)</b>	<b>(128.37)</b>	<b>(202.80)</b>
X.	<b>Other Comprehensive Income (net of tax)</b>						
	i. Items that will not be reclassified to Profit or Loss	7.09	7.10	4.78	21.28	14.34	28.37
	ii. Tax relating to items will not be reclassified to Profit or Loss	-	-	-	-	-	-
XI.	<b>Total Comprehensive income (Net of tax) (IX + X)</b>	<b>(59.66)</b>	<b>(126.68)</b>	<b>(86.19)</b>	<b>(323.53)</b>	<b>(114.03)</b>	<b>(174.43)</b>
XIV.	<b>Paid-up Equity Share Capital of Rs. 10/- each</b>	<b>341.00</b>	<b>341.00</b>	<b>341.00</b>	<b>341.00</b>	<b>341.00</b>	<b>341.00</b>
	<b>Other equity</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>(2081.38)</b>
XIII.	<b>Earning per Share (of Rs.10/- each) (not annualised):</b>						
	a) Basic	(1.96)	(3.92)	(2.67)	(10.11)	(3.76)	(5.95)
	b) Diluted	(1.96)	(3.92)	(2.67)	(10.11)	(3.76)	(5.95)



*[Handwritten Signature]*



**Segment wise revenue, Results, Segment Assets and Segment Liabilities for the quarter and nine months ended 31st December 2020**

(Rs. in Lakh)

Sl. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2020 (Unaudited)	30.09.2020 (Unaudited)	31.12.2019 (Unaudited)	31.12.2020 (Unaudited)	31.12.2019 (Unaudited)	31.03.2020 (Audited)
1	<b>Segment Revenue</b>						
	(Net sales/Income from each segment)						
	a) Paper	-	-	11.46	-	1199.20	1201.81
	b) Trading-Others	-	-	1455.61	-	5001.43	5001.43
	Total	-	-	1467.07	-	6200.63	6203.25
	Less : Inter Segment Revenue	-	-	-	-	-	-
	Net Sales/Income from Operations	-	-	1467.07	-	6200.63	6203.25
2	<b>Segment Results</b>						
	a) Paper	(42.33)	(108.01)	(187.58)	(271.82)	(621.68)	(920.49)
	b) Trading-Others	-	-	210.38	-	833.06	832.42
	Total	(42.33)	(108.01)	22.80	(271.82)	211.38	(88.07)
	Less : (i) Interest & Finance charges	24.42	25.77	113.76	72.99	339.74	114.73
	(ii) Other Unallocable expenditure net of unallocable income	-	-	-	-	-	-
	Total Profit/(Loss) before Tax	(66.75)	(133.78)	(90.96)	(344.81)	(128.36)	(202.80)
3	<b>Segment Assets</b>						
	a) Paper	6689.80	6733.33	6952.14	6689.80	6952.14	6794.26
	b) Trading-Others	0.78	0.78	2409.67	0.78	2409.67	0.78
		6690.58	6734.12	9361.81	6690.58	9361.81	6795.04
4	<b>Segment Liabilities</b>						
	a) Paper	8754.49	8751.78	9041.01	8754.49	9041.01	8534.64
	b) Trading-Others	0.78	0.78	2000.78	0.78	2000.78	0.78
		8755.27	8752.56	11041.79	8755.27	11041.79	8535.42

**notes :**

- The above Unaudited Standalone financial results for the quarter and nine months ended 31st December 2020 were reviewed by the Audit Committee and thereafter the Board of directors has approved the above results at their respective meetings held on 10th February 2021.
- 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 67.96 lakh for the quarter ended 31st December 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 31st December 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.mbpl.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



Place of Signature : Kolkata  
 Dated : 10th February 2021.

*(Signature)*  
**Jaydeep Chitlangla**  
 Managing Director  
 (DIN : 00094002)