



---

# PROSPERITY PROXY

---

MAGNUM VENTURES LIMITED  
ANNUAL REPORT FY 2023-24

**Forward-looking statement:**

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and make informed investment decisions. This report and other statements - written and oral that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether because of new information, future events or otherwise.

## CONTENTS

04	Corporate snapshot
09	Our management's perspective
14	Governance: The soul of our business
18	Our Chairman's overview
22	Chief Financial Officer's review
27	4 principal drivers of our business
33	Our hospitality business
38	We have capitalised on our being associated with the world-famous Radisson brand
39	Why our 5-star hotel and resort (Country Inn & Suites by Carlson)
40	Cuisine: A robust revenue and brand driver for our company
42	Our restaurants
45	Our banquet services
46	Our banquet spaces portfolio
49	Our paper business
55	How we have made ESG the core of our operations
58	The promoter's family team
60	The Promoters, Board of Directors, and key managerial personnel
62	How we have strengthened our corporate social responsibility
63	Management discussion and analysis
71	Corporate information
72	Directors Report
91	Report on Corporate Governance
107	Financial Statements

# PROSPERITY PROXY



Magnum Ventures Limited is engaged in two businesses capitalising on India's consumption story.

The businesses comprise hospitality and paper manufacturing.

Each business is capitalising on enduring factors to capitalise and grow.

The factors driving the growth of these businesses are only likely to deepen.

These factors are not only expected to translate into improved cash flows; they also provide credible reasons for the Company to deepen investments in each.

These realities concise the Company's prospects and personality in two words.

*'Prosperity proxy.'*







PART I

---

# WHAT WE ARE AND WHAT WE DO



## CORPORATE SNAPSHOT

### Magnum Ventures Limited.

The Company enjoys a respectable presence in the manufacturing of eco-friendly paper and India's hospitality sector.

The Company has been present for nearly 30 years in the manufacture and trading of paper products; these products are sold within India and abroad.

The Company has been operating a prominent five-star hotel with the Radisson Group of Hotels in India's national capital region.

Both these businesses are profitable and positioned at the cusp of their next growth wave.

This has deepened the Company's recall as a prosperity proxy of the most populous country and the world's fastest growing economy.







## OUR LEGACY

Magnum Papers Limited was established on 29<sup>th</sup> May, 1980. The Company's status was changed from a Private Limited Company to a Public Limited Company on 31<sup>st</sup> May, 1995. The Company was renamed Magnum Ventures Limited ('Magnum') on 15<sup>th</sup> November, 2006, the name by which it is known today

## OUR MANAGEMENT AND PROMOTERS

The Company was founded in 1980 and was taken over in 1984 by the late Mr. Salek Chand Jain and his son, the late Mr. Vinod Jain. Currently, the Company's promoters are Mr. Pardeep Kumar Jain, Mr. Parveen Jain and Mr. Pramod Kumar Jain.

## OUR PRESENCE

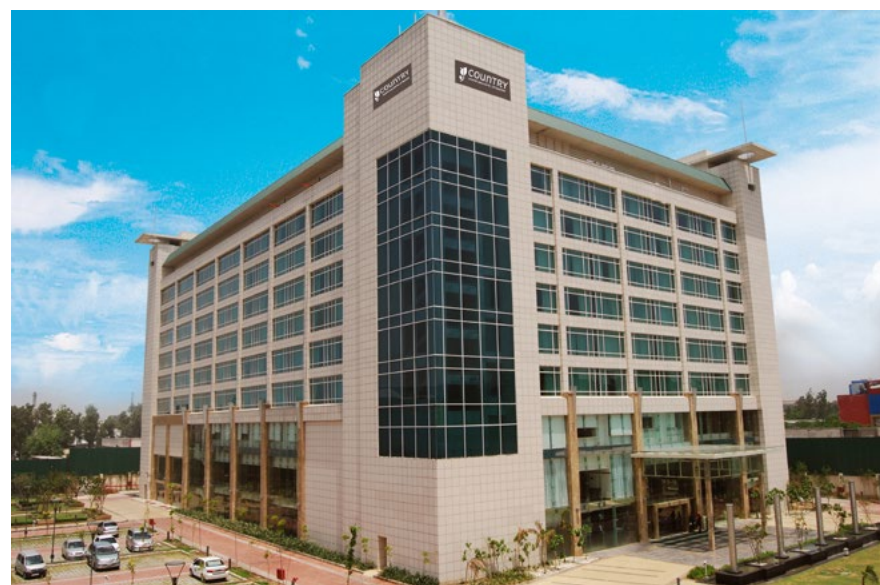
The Company's headquarters are in Sahibabad, Ghaziabad (Uttar Pradesh), a part of the National Capital Region. The Company comprises a building of 5,000 square feet in addition to 65,000 square meters of paper-producing infrastructure. The Sahibabad Industrial Area in Ghaziabad is home to the Company's other location, comprising Country Inn and Suites by Radisson.



## OUR BUSINESSES



**Paper:** For over 25 years, the Company has been involved in the production, distribution, and export of paper. The Company manufactures various types of eco-friendly paper utilised in a variety of downstream applications.



**Hospitality:** The Company owns the Country Inn and Suites by Carlson (now the Radisson Hotel) in Sahibabad. The property was the second largest in the world under the Country Inn and Suites by Carlson brand. This property holds the distinction of being India's first completely vegetarian five-star hotel.

## OUR EXPORTS

The Company exports paper products to neighbouring nations, the Middle East and other developing countries. The Company's copier paper product received favourable feedback from global customers.

## OUR HUMAN RESOURCE

Magnum comprises subject matter experts. The Company employed 1466 workers as of 31<sup>st</sup> March, 2024. The employee's average age was 36 during the year under review.

## OUR LISTING

The Company is listed on the National Stock Exchange of India Limited and BSE Limited, where its equity shares are actively traded. The market capitalisation of the Company was ₹260.75 Cr as of 31<sup>st</sup> March, 2024.

## CREDIT RATING

The Company obtained a credit rating of C for its Non-Convertible Debentures for the year under review, underscoring the robustness of its business model.





## Our milestones

# 1980

Magnum Ventures Ltd., formerly known as Magnum Papers Private Ltd., was incorporated.

# 1984

Taken over under the leadership of the late Mr. Salek Chand Jain along with his sons the late Mr. Vinod Jain, Mr. Parmod Kumar Jain, Mr. Pardeep Kumar Jain and Mr. Parveen Jain.

# 2007

Ventured into the hospitality sector to address the opportunity created by good business due to the Commonwealth Games in Delhi NCR in 2010. Formed a partnership with Radisson Hotel Group.

# 2009

Country Inn and Suites by Radisson, a 5-star hotel, was soft-launched in January 2009.

# 2020-21

Maintenance was carried out in the factory and a hotel. Installed FGD equipment in the thermal power plant and treated at par with other and thermal power plants.

# 2022-23

Installed solar energy panels; received government approval for the use of biodiesel for the paper mill.

# Our growth over the years

## REVENUES (₹ Lakh)



### Why this is measured

It is an index that showcases the Company's ability to maximise revenues, which provides a basis against which the Company's success can be compared with sectoral peers.

### What this means

Revenue is the total income a company earns from its business activities.

### Value impact

The Company reported a 0.68% decline in Total Income ₹315.10 Lakh, as compared to previous year. However, there was a growth of 0.18% (₹82.15 Lakh) in sales as compared to previous year. The reduction in total income was mainly on account of Other Income. The growth in sale was mainly on account of new clients and new markets accessed.

## EBITDA (₹ Lakh)



### Why this is measured

It is an index that showcases the Company's ability to generate a surplus after optimising operating costs, providing a base for comparison with sectoral peers.

### What this means

Helps create a robust surplus, generating a growth engine that enhances reinvestment.

### Value impact

The Company reported an EBITDA growth of 14.24% in FY 2023-24.

## NET PROFIT (₹ Lakh)



### Why this is measured

It highlights the strength of the business model in enhancing value for shareholders.

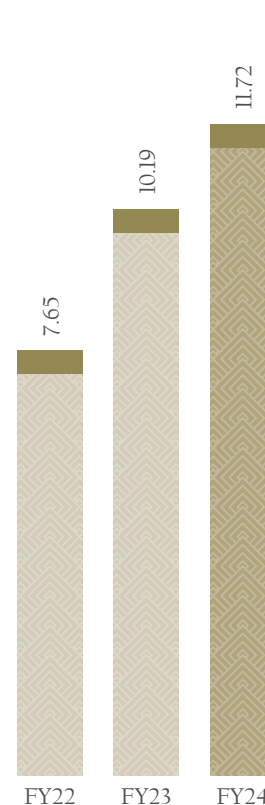
### What this means

This ensures that adequate cash is available for reinvestment, strengthening a virtuous cycle of business sustainability.

### Value impact

The Company reported a decline in profitability from ₹2,819 Lakh in FY 2022-23 to ₹1,883 Lakh in FY 2023-24 on account of increased by depreciation by ₹2,763 Lakh.

## EBITDA MARGIN (%)



### Why this is measured

The EBITDA margin provides an idea of how much a company earns (before accounting for interest and taxes) on each rupee of sales.

### What this means

This measure demonstrates the buffer in the business, which, when multiplied by scale, can potentially enhance the surplus.

### Value impact

The Company reported a 153 bps increase in its EBITDA margin in FY 2023-24



PART 2

---

OUR  
MANAGEMENT'S  
PERSPECTIVE



**WE HAVE OFTEN BEEN ASKED  
WHAT WE ARE ENGAGED IN.**

**OUR CONSISTENT ANSWER:  
BUILDING A PROSPERITY  
PROXY WITH A  
MULTI-DECADE RELEVANCE.**



# What do we mean by ‘prosperity proxy’?

## PROSPERITY

---

Sustained national outperformance

Increased disposable incomes

Increased aspiration for better living

Increased willingness to spend more  
to live better

Increased consumer willingness to  
take moderate debt to spend more

## PROXY

---

Deepen a culture of Board-led  
governance

Presence in businesses riding  
international and national growth

Create a nimble and flexible  
organisational structure

Occupy out a niche within our  
business sectors

Focus on becoming an industry  
benchmark and institution

Build a brand that is loved



## How we intend to enhance institutional endurance

We seek to deepen our respect as a governance-driven organisation

Our business will be headed by professionals with validated experience and competence

Our company will be knowledge-driven

Our business will be run around a framework of ethics and integrity

## How we intend to grow our company

We will generate a large investable supply of funds from within

We will complement inorganic (initial) with organic growth (subsequent)

We will create an enduring moat - capital-assets and knowledge

We will focus on a low break-even point, enhancing business predictability

These businesses will be positioned to throw out more cash than they can consume







## How we intend to create a complement of businesses

We will evolve into a holding company of profitable businesses

We will prospect opportunities in the Indian hospitality sector

We will seek to build a national chain of hospitality properties

We will seek to create a niche within each of our businesses

We will seek to play a disruptive role in capitalising on market inefficiencies

## The desired outcomes of our business

We intend to transform our businesses into cash-accretive constituents

We intend to emerge as a preferred acquirer of properties based on our value-enhancing proposition

We seek to enhance stakeholder value

# Governance: The soul of our business

It is fitting that we start this Annual Report expressing our commitment to governance above all else



## OVERVIEW

Magnum Ventures Limited seeks to endure across economic cycles, policy changes and consumer preferences based on its governance bedrock. At our company, governance is about a commitment to generate respect by doing the right thing (as distinct from doing things the right way). We believe that we will attract like-minded stakeholders and enhance our recall as a company that will stand for ethical uprightness above all else. We believe that this governance framework will deepen a clarity of how we will engage with the world and what the world can expect from us.





## ROADMAP

We have created a transparent roadmap for the benefit of all our stakeholders. This underlines that quantum of value that we seek to create (based on today's understanding of realities), by when and through what businesses. This framework represents our most fundamental approach to value-creation, attracting like-minded stakeholders.

## TRUST

We put a premium on being trusted completely by our stakeholders, bringing into play a commitment to do best for all our stakeholders covering every single aspect of our operations. The result is that no initiative will be too small or insignificant in being able to win or protect stakeholder trust. This will comprise, among other things, a conservative interpretation of accounting policies resulting in credible financials; our operating discipline will be marked by a complete alignment with compliances and the laws of the land.

## CONTROLLED GROWTH

We will address markets growing attractively. To expand aggressively implies that we would need to price below the market average that could disturb market stability or nurse a large unutilised capacity until a time that market growth caught up our installed base. We believe that steady growth is the safest response: the expenditure will be largely addressed through our accruals; we will not disturb market pricing and seek lower prices that could affect our brand and earnings potential.

## DOING THINGS THE RIGHT WAY

We remain committed to do the right things (in addition to doing the right things to enhance efficiency). This combination enhances organisational predictability, taking shocks out of the system. More importantly, this attracts stakeholders who believe in doing business our way.

## PURPOSE

We believe that success is derived from being the best at what we can do. This is of critical relevance in the capital-intensive hospitality business marked by a perception that scale is more important than scope. We believe that the most passionate hospitality companies can deliver high operating efficiencies and capital efficiency. As an extension of this conviction, we believe that a focus on competence will enhance asset utilisation, revenues and profitability, strengthening a reinvestment that enhances scale: passion generating scale and sustainability and not the other way around.

## STAKEHOLDER RELEVANCE

We prioritise the well-being of all stakeholders. Our customers will enjoy efficient and cost-effective product or service solutions; our employees must feel a sense of ownership and purpose; to our investors, we promise superior returns; our community must benefit from our presence; our government must benefit through tax revenues and job creation; our vendors must grow their businesses by providing products and services to us. By this commitment, we exist not for ourselves but for our entire ecosystem wherein every person associated with our company may benefit.

## ETHICAL

We seek to be recognised as a company with its 'heart in the right place.' We commit to uphold all ethical norms, ensuring that our actions reflect the highest conduct standards. This includes a strict adherence to gender equality, zero sexual harassment tolerance, no patience for unethical behaviour, unbiased recruitment, respect for human dignity and a compliance with environmental standards.

## FOCUS

We have chosen to specialise in two businesses rather than generalise. This focus will empower us to deepen our presence in each, enhance our brand, and evolve from just another player into one that can be completely trusted. This relatively narrow field of competence represents our biggest insurance against mortality; the specialisation will strengthen our brand in a progressively commoditising world, reinforcing customer accretion and retention.

## ENDURANCE

We are driven by a commitment to endure into the long-term. We seek to create disproportionate long-term value, a principle that guides all decisions related to space selection, geographies, recruitment, technologies, acquisitions, eco-system compatibility and customer selection. We recognise that we have a historic role to play – not merely to provide services that customers need but to ensure that this graduates into sizable long-term value.

## BALANCED APPROACH

We will balance caution and aggression (strategic aggression and tactical conservatism). As a part of this approach, we will focus on capital investments generating an attractively short-term payback, maximising cash flows over mere paper profits. The measure of our strategic balance will be attractively low gearing and the ability to largely fund our expansions through accruals.

## KNOWLEDGE-DRIVEN

We are a knowledge-driven organisation. We have invested in digitalisation with the forward-looking objective to accelerate processes and generate rich data (consumers, customers, consumption, markets etc.) resulting in an accurate understanding of ground realities and informed decision-making. This approach has helped mature the organisation into one that is driven largely by technology-aided growth. We believe that going ahead, our investment in SAP, data analytics and digitalisation will strengthen our processes and fact-based decision-making.

## BOARD OF DIRECTORS

We believe that the pedigree of our Board will influence the quality of our strategic decision making and the respect that our company evokes. The result is that we have embarked on the process to transform our Board one individual at a time. Our Board members will bring a wealth of their understanding and experience to our business. These individuals will bring to our table a complement of values, bandwidth, business understanding and strategic direction. Out of the 8 members on our Board of Directors, 4 are Independent.





## FRUGALITY

We will conduct ourselves with responsible frugality. We will seek to peg any increase in fixed expenses that is either matched or lower than historical inflation. We will seek to expand our revenues without a sizable net worth infusion.

## CONTROLLED GROWTH

We will grow our business to the extent our Balance Sheet may permit; this controlled approach (where a greater proportion of accruals are being reinvested) is likely to ensure that our liquidity and profitability across market cycles.

## DISCIPLINE

We embody the principle of discipline. We will be audit and compliance focused. Our compliance processes will evolve from paper-based methods to a digital discipline characterised by alerts and systematic escalation of issues.

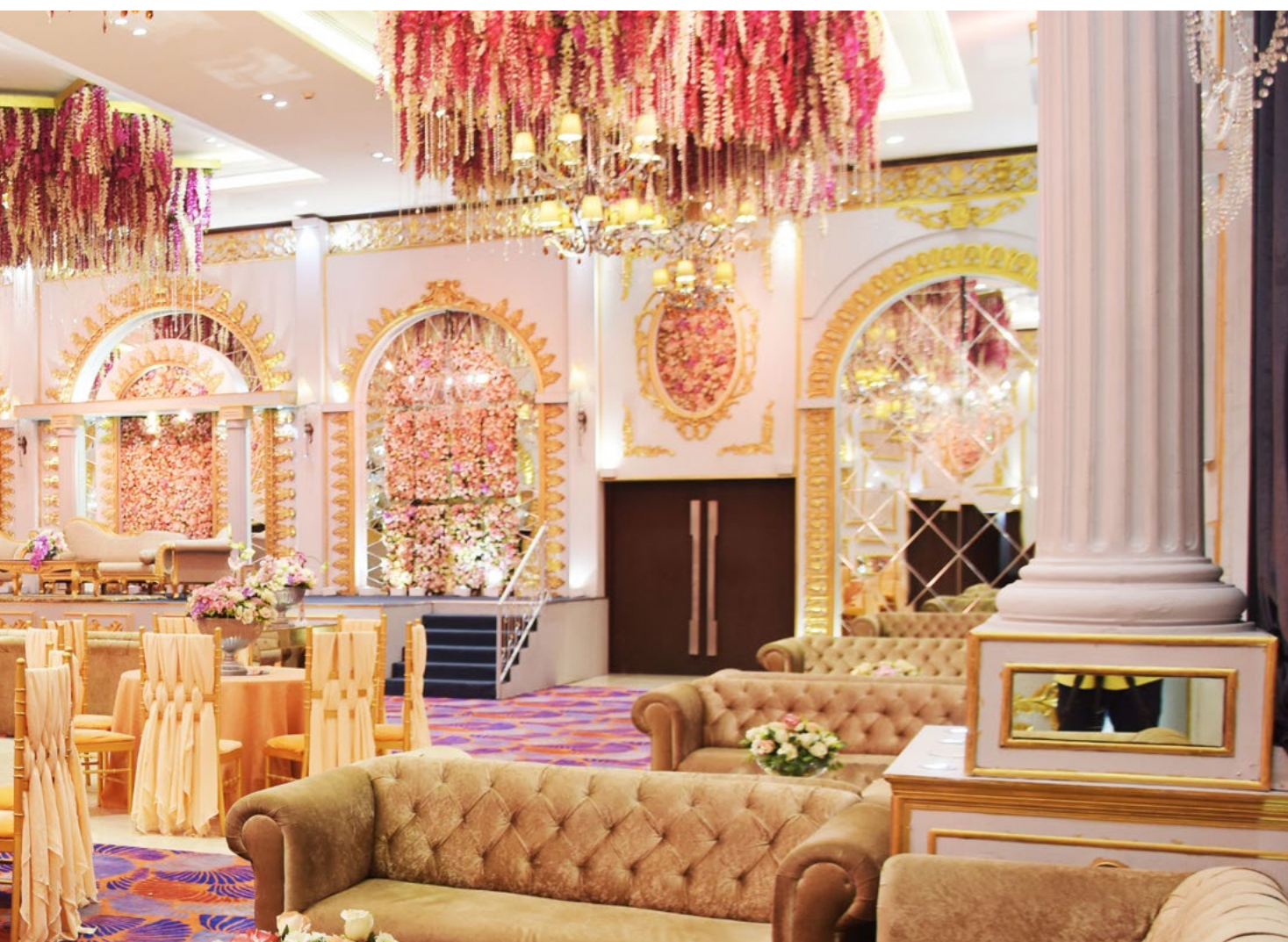
## PROCESS-DRIVEN

We will focus on the 'how' over the 'what'. We represent a balance of promoter engagement and professionalised management. We have created a meritocratic culture comprising professionals possessing competence and qualifications. This approach has been complemented by a framework of processes, audits, IT investment, checks and balances that has translated into systemic predictability and relatively de-risked scalability.

The Company lived this governance ethic during the last financial year when it liquidated a sizable liability, prioritising long-term interests over the short-term. This is expected to strengthen the Company's credit rating that could translate into a lower funds cost and strengthen business sustainability.

## RELATIONSHIPS

We will build our business around the power of relationships. We will build on this based on delivering a perceived value that is considerably higher than a customer would have paid. This will inspire repeat or referral engagement, strengthening offtake.



## STRATEGIC INSIGHT

# OUR BUSINESS PLATFORM WILL BEGIN TO DELIVER SUPERIOR OUTCOMES STARTING FY 26, THEREAFTER EXTENDING INTO THE LONG TERM.

## OVERVIEW

I am pleased to present yet another performance growth year at Magnum Ventures Limited.

The Company reported sales growth of 0.18% and a 14.24% growth in EBITDA during the year under review.

The performance of the Company during the year under review was also the highest in the Company's existence, indicating an attractive positioning for growth in one business (hospitality) and resilience in the other (paper).

## BIG MESSAGE

The big message that one seeks to communicate is that the Company embarked on debt re-arrangement during the year 2023-24 by repaying all the dues of Alchemist Asset Reconstruction Company Limited from the NCD Issue proceeds. In doing so, the Company focused on creating a platform for sustainable growth, the benefits of which will become visible from FY 26 onwards.

The need for arrangement was necessitated by the need to repay ₹136.48 Cr to Alchemist Asset Reconstruction

Company Limited during the FY 2023-24. The Company was faced with two divergent realities: increasing profitability on the one hand and a large repayment liability on the other.

While it would have been comfortably possible for the liability to be liquidated in the normal course of business, the Company took a differentiated view on how it would like to address this reality. This differentiated view was inspired by opportunities arising in a transforming India. The emerging India is increasingly marked by sustained GDP growth, consumption cum infrastructure-driven growth, positive outcomes from long-term economic policies, moderated inflation and political stability.

India has emerged as a striking contrarian in an economically challenged world. Even as global growth declined during the year under review, India's growth increased. The result is that during the year under review, India reported peak foreign exchange reserves, derived largely from rising foreign direct investment. There is a growing visibility of India being perceived as a global investment haven.

The hospitality business of the Company grew 18.75% to ₹105.27 Cr in revenues during the last financial year. The EBITDA generated by this business increased 32.31% to ₹41.93 Cr; EBITDA margin jumped 3231 bps to 36%. The proportion of revenues contributed by this business to the Company increased from 19% to 23% in FY 2023-24.





Parveen Jain  
Chairman



The rising financial interest of the global world in India will not raise the level of water for all. The inflow will gravitate largely to companies present in core sectors, possessing managerial competence, adequate skin in the game and robust Balance Sheets. This puts a priority on companies to be prepared with a complement of these capabilities if they seek to grow disproportionately across the foreseeable future.

At Magnum Ventures, we made a contrarian decision during the last financial year in accelerating the repayment of our net liability of ₹136.47 Cr (following a repayment discount as part of a one-time settlement) during the last financial year. The dues to be paid to Alchemist by September 2025, which the Company repaid in March 2024. This repayment was funded through the issue of 18% non-convertible debentures aggregating ₹150 Cr. The Company began the year with a repayment liability of ₹136.47 Cr, which was settled early using funds from 18% non-convertible debentures totaling ₹150 Cr, resulting in a year-end liability of ₹141.5 Cr.

The big question is why the Company selected to borrow at a high cost when it could have availed of the normal repayment facility at relatively no interest outflow and moderated the liability in the normal course of the business. The rationale for this contrarian decision is that the opportunities available to the Company now widened in a single stroke: the Company is liberated from fund-raising constraints imposed by ARC stipulations. The result is that the Company is growth-ready from an aspirations point of view and is supported by a Balance Sheet that can help mobilise the necessary growth capital.

We are confident that by living the 'time cost of money' ethic – we have taken a bold decision that should play out attractively across the foreseeable future. The higher cost incurred to mobilise growth capital will be more than covered by timely asset investments that graduate our company into the next orbit.

With the ARC-imposed restrictions over, your management moved with speed to infuse additional capital to strengthen its business model. The Company made a ₹48.92 Cr rights issue during the year under review, principally to strengthen its paper business. The business underperformed in FY 2023-24: revenues declined 0.68%. This decline was not limited to our company; this was in line with the general weakness in the paper sector the world over.

At Magnum Ventures, we could have addressed this weakness from a perspective that 'We will wait and watch', absolving ourselves of any responsibility of performance weakness. We took a contrarian position here as well: We recognised that we could have performed better had we invested proactively in quality-enhancing equipment; we recognised that we could have escaped much of the market weakness had we evolved our product mix.

The result is that approximately 75% of our rights issue proceeds will be invested in our paper business. The outlay will address import substitute products that we expect will grow following the ban on single-use plastic and a consumer movement away from plastic packaging. The Company will focus on the manufacture of furniture kraft paper of a high burst factor and crockery paper. The manufacturer will strengthen our brand as a niche boutique player with a growing insulation against commodity market cycles. Besides, the Company expects an improvement in the paper market following the 2024 General Elections. Had the Company not invested at this juncture, there is a possibility that it would have lost its capacity to be at the right place at the right time, affectively competitiveness and market share.

On the other hand, this investment-driven quality enhancement will graduate our paper business towards a superior product mix, corresponding to an increase in average realisations from ₹44 per kg to ₹58 per kg; the enhanced value is also likely to strengthen our EBITDA margin by 600 bps to 9%; this investment

is expected to be recovered in just 30 months, creating a sustainable growth platform.

The hospitality business of the Company grew 18.75% to ₹105.27 Cr in revenues during the last financial year. The EBITDA generated by this business increased 32.31% to ₹41.93 Cr; EBITDA margin jumped 3,231 bps to 36%. The proportion of revenues contributed by this business to the Company increased from 19% to 23% in FY 2023-24.

The Company's hospitality business is at a point when it is generating its growth resources from within in addition to a consistent surplus. During the year under review, the Company increased its average room tariff 2.86% to ₹4,742 per day. The Company made a momentous decision to raise its per day tariff beyond ₹7,000 (now attracting a tax of 18% compared with only 12% for a tariff below ₹7,000. Despite this increase, average occupancy remained at 90% in FY 2023-24 compared with 85% in the previous year.

At Magnum Ventures, we believe that the tariff increase beyond ₹7,000 represents a watershed for the hospitality business. From a 'Keep the tariff below ₹7,000 at all costs and widen market share' approach, the Company is shifting to 'Let us price in line with the brand of our property without losing market share'. During the last financial year, the Company leveraged its locational advantage (equidistant from existing and emerging airports), cuisine differentiation and family weekend packages. Besides, with no new five-star hospitality properties being launched in the National Capital Region, the Company expects its hospitality business to ride prospective demand and tariff growth.

The Company expects to take its hospitality business ahead by bidding for the lease of heritage properties being announced. In FY 2023-24, the Company bid for the multi-decade lease of a heritage property in Uttar Pradesh; the Company was shortlisted on the basis of its strong hospitality credentials.





Besides, India deepened its positioning as a large spiritual tourism centre. The Indian wedding market is expected to become larger. India's visibility in the global tourism market is growing following increased aviation connectivity and superior hospitality sector support. There is a greater focus on catering to the needs of the Indian traveller. The complement of these realities is likely to enhance hospitality tariffs across the foreseeable future.

The management sees in these emerging opportunities a platform for sustainable growth. By the virtue of having exited the erstwhile restrictions placed by the ARC, the Company is attractively placed to widen its hospitality portfolio through relatively asset-light investments. The Company issued 7.5 million warrants at

₹60 each to 21 shareholders who backed the Company's growth direction and commitment, enhancing capital access.

If there is one word that proved to be the bottom line of our performance during the year under review, it was 'governance'. The Company deepened its governance commitment through various ways: it liquidated a sizable liability in one stroke, in doing so, it did not compromise its ability to service stakeholders; it prioritised the Company's long-term interests over the short-term; it exited the ARC and its refinanced debt, it created the groundwork for a superior credit rating that could translate into a lower funds cost across the foreseeable future; it empowered the management to monetise the value of its hospitality brand through prospective funds mobilisation; it sent

out an unmistakable message to the markets that it is committed to long-term stakeholder value creation.

Going ahead, the Company may consider the option to demerge its hotel business that could empower the demerged identity to be valued independently and mobilise resources on the strength of its prospects.

In view of this, it would be reasonable to conclude that the Company created a new growth platform during the last financial year. This platform should begin to deliver superior outcomes starting FY 26, extending sustainability into the long-term.

**Parveen Jain**  
Chairman





## CHIEF FINANCIAL OFFICER'S REVIEW

# A FINANCIAL OVERVIEW OF THE COMPANY

How we built a new base and sustained business  
growth in FY 2023-24



Parv Jain  
Chief Financial Officer



## BIG PICTURE

The Company matched the need to maintain business momentum with the creation of a plan for its next phase of expansion. The Company reported an increase in revenue of as distinct from Total Income of 0.18%, growth in EBITDA of 14%, and growth in adjusted profit after tax (excluding extraordinary items) of 4%, suggesting that it is addressing the needs of stakeholders.

## CREDIT RATING

The Company was assigned an 'Acuite Provisional C' rating from Acuite Ratings and Research during the year under review for its long-term issuance of non-convertible debentures.

## REVENUES

During the reviewed year, the Company's income increased by 0.18% in a challenging market for the paper business, highlighting the effectiveness of the brand, distribution, product quality and marketing.

The paper division registered a 5% reduction in its revenues, while the Company's hospitality business grew by 23% in terms of revenues.

The result was that the Company increased its hospitality revenues from 19.04% of total sales in FY 2022-23 to 23% in FY 2023-24, marked by an emphasis on group reservations, food and beverage revenues, and banquet reservations.

### Revenue mix

% of revenues derived from	FY 22	FY 23	FY 24
Hospitality business	15.43	19.04	23
Paper business	84.57	80.96	77

Year	FY 23	FY 24
Revenue growth (%)	40.38	0.18

## PROFITABLE GROWTH

The Company reported a 14% growth in EBITDA and a 33% decline in profit after tax. While the EBITDA grew as a result of a growth in the hospitality segment, the profit after tax declined on account of an increase in depreciation.

Year	FY 23	FY 24
Revenue growth (%)	40.38	0.18
EBITDA growth (%)	86.99	14.23

## PROFITABILITY

The Company reported a growth its EBITDA margin by 144 bps to 11.75% during the year under review following increase in revenues from the hospitality business and corresponding economies and working capital management.

Year	FY 22	FY 23	FY 24
EBITDA margin (%)	7.65	10.19	11.72

## CAPITAL EFFICIENCY

The Company experienced a decline of its Return on Capital Employed by 700 bps from 8% in FY 2022-23 to 1% in FY 2023-24; the Return on Equity declined from 12% to 4% on account of decreased profitability. The Company generated an average Return on Equity of 3.63%.

Year	FY 22	FY 23	FY 24
Return on Capital Employed (RoCE) (%)	4	8	1
Return on Equity (RoE) (%)	14	12	4

## LIQUIDITY

Working capital as a proportion of the total employed capital stood at 4.48% in FY 2022-23 and 16.61% in FY 2023-24; the proportion of inventory in the working capital outlay was 130.15% in FY 2022-23 and 37.03% in FY 2023-24. The Company's receivables were 41 days of turnover equivalent during FY 2023-24. A highlight of the Company's liquidity management was the decrease in the Company's working capital outlay despite a marginal increase in revenues during the year under review. The inventory turnover ratio stood at 9.34x in FY 2023-24 as against 10.25x in FY 2022-23.

By selecting to moderate inventory and shrink the receivables cycle, the Company increased its working capital turns – from 10.67 in FY 2022-23 to 25 in FY 2023-24. The Company's repaid/

rescheduled debt stood at ₹150 Cr during the last financial year, which was lower than in the previous year. There was an increase in cash on the books during the year under review, validating the improvement in operations.

The Current Ratio of the Company improved from 0.83x in FY 2022-23 to 2.51x in FY 2023-24. This came as a result of an improvement in the Company's current assets and a reduction in current liabilities.

The Company improved its working capital management by reducing the receivables cycle through enhanced trade terms with primary customers, marketing products with faster turnover to boost cash flows, and transitioning to a value-added product mix in the paper business. Over the years, the Company maintained a relatively under-borrowed Balance Sheet, characterised by sufficient cash reserves, increasing interest cover and strong gearing ratios. The Company focused on optimising trade terms, utilising available cash to secure discounts on raw materials, and addressing capital expenditure needs with minimal incremental debt.

Year	FY 22	FY 23	FY 24
Working capital as % of total capital employed	20.06	4.48	10.66
Long-term debt as a % of working capital	-4.59	-4.40	1.32
Cash and Bank balance (₹ Cr)	5.26	4.35	47.46
Days of receivables	64	38	41
Days of inventory	32	35	39

## EXPORT INCOME

The Company services the growing demand of customers, individual and institutional across the countries. There was a decline in exports as a proportion of revenues as the Company marketed its paper output largely within the country. Only 1.01% of the Company's revenue was derived from international dispatches during the year under review.

Year	FY 22	FY 23	FY 24
Total exports as a % of overall revenues	4.59	2.19	1.01

## REALISATIONS

The Company's goal has always been to increase hospitality revenues through higher room occupancy and tariffs and strengthen its paper business through higher realisations. The depreciation of the rupee to the US dollar acted as a catalyst for higher realisations for the Company. There was a decline in the average realisations of the paper business on account of a sharp erosion in paper prices. There was an improvement in the hotel room tariff during the last year that enhanced profitability.

## Average realisation (paper business)

Year	FY 22	FY 23	FY 24
Average realisation per ton (₹)	49,120.50	55,173.61	43,432.40

## Average room tariff (hotel business)

Year	FY 22	FY 23	FY 24
Average room tariff (₹)	3,393	4,610	4,742

## DEBT MANAGEMENT

The Company's total debt (related to existing operations and not counting the expansion) declined from ₹166.12 Cr to ₹157.56 Cr; net worth transformed from ₹37.12 Cr to ₹153.75 Cr; gearing improved from 0.28x in FY 2022-23 to 0.23x in FY 2023-24. The cost of debt on the Company's books was 3.16% during the year under review, which the Company will seek to moderate following improved credit rating. The total debt repaid by the Company stood at ₹8.56 Cr as of 31<sup>st</sup> March, 2024. The net cash on books stood at ₹47.47 Cr as of 31<sup>st</sup> March, 2024 as against ₹4.36 Cr on 31<sup>st</sup> March, 2023.

Long-term debt of the Company accounted for 94.60% of the total debt position as 31<sup>st</sup> March, 2024. Short-term debt accounted for 5.40% of the total debt position as of 31<sup>st</sup> March, 2024. Long-term debt of the Company accounted for 1.32% of the total capital employed as 31<sup>st</sup> March, 2024. Short-term debt of the Company accounted for 0.08% of the total capital employed as of 31<sup>st</sup> March, 2024.

## Gearing

Year	FY 22	FY 23	FY 24
Debt-equity ratio	(5.35)	0.28	0.23

## Debt status

Year	FY 22	FY 23	FY 24
Debt repaid (₹ Cr)	20.87	107.49	8.56*
Total debt (₹ Cr)	273.60	166.11	157.55
Net cash (₹ Cr)	5.26	4.36	47.47
Average debt cost %	0.95	2.00	3.16

\*net repaid

## CAPITAL EXPENDITURE

In FY 2023-24, the Company made a substantial capital expenditure of ₹2,053.94 Lakh. This major investment highlights the Company's dedication to growing its infrastructure and improving its operational efficiency. By committing such a significant amount, the Company aims to strengthen its facilities and resources, which will help in supporting growth and performance.



**Capital expenditure**

Year	FY 22	FY 23	FY 24
Capital expenditure (₹ Lakh)	1,558.62	473.47	2,053.94

**Fixed assets**

Year	FY 22	FY 23	FY 24
Gross block (₹ Lakh)	45,971.42	1,19,497.44	1,21,551.37

**ACCRUALS MANAGEMENT**

Capital discipline is important to the Company's sustainability. The Company generated ₹54.18 Cr in cash profit during the year under review. Magnum Ventures Limited offered rights issues for a total amount of ₹48.92 Cr. The subscription period for this rights issue was from February 7, 2024, to February 27, 2024. Shareholders were entitled to two equity shares for every 11 fully paid-up equity shares held as of the record date, 25<sup>th</sup> January,

2024. The face value of each share was ₹10, with the issue price set at ₹54 per share.

**Cash and bank balance**

Year	FY 22	FY 23	FY 24
Cash & bank balance on books (₹ Cr)	5.26	4.35	47.46

**WAY FORWARD**

By the close of the fiscal year on 31<sup>st</sup> March, 2024, the Company's net worth reached ₹15,374.84 Lakh; total debt was ₹15,756 Lakh. The liquidation of long-term debt coupled with its rights issue is expected to provide the Company with access to growth capital and a robust growth runway across the foreseeable future.

**Parv Jain**  
Chief Financial Officer











# 4 PRINCIPAL DRIVERS OF OUR BUSINESS



## 1

# The Indian wedding market

Hotels have emerged as a preferred wedding location – a one-stop solution provider.

India is the largest wedding destination globally, marked by 8-10 million weddings each year.

In FY 2023-24, the Indian wedding industry grew to USD75 billion.

The average wedding hosted 310 guests in 2023, a 14.8% increase over 2022.

The average current expenditure per wedding in India is approximately ₹1.2 million (around USD14.5k), five times the country's GDP per capita of about USD2.9k and more than three times the average annual household income of roughly ₹0.4 million (around USD4.5k).

(Source: Business Standard, Mint, Financial Express, Jefferies Report)

Countries	Wedding / GDP per capita (x)	Wedding cost (USDk)
India	5.1	15
Spain	0.7	23
Brazil	0.6	7
Italy	0.6	23
Australia	0.6	36
Mexico	0.6	9
Canada	0.4	22
UK	0.4	19
France	0.4	18
USA	0.4	35

(Source: The Knot Worldwide, Company Report, Australian Securities and Investments Commission (ASIC), IMF, Jefferies)

## 2

## The 'NCR' factor

In 40 years, the National Capital Region (New Delhi, Faridabad, Ghaziabad, Noida, and Gurugram) has emerged as the fastest-urbanising urban cluster in the world.

**Population:** The NCR has a population of over 46 million people, making it one of the most populous urban agglomerations globally. This rapid population growth is driven by a migration from rural areas and smaller cities in search of better economic opportunities. By 2031, the total population of the NCR is estimated to reach around 89 million. (Source: Statista)

**Economic hub:** The NCR is a major economic centre in India, contributing significantly to the country's economy. It hosts numerous industries, financial institutions, and multinational corporations, making it a vital commercial and business hub.

**Infrastructure development:** Over the years, the NCR has witnessed extensive infrastructure development, including transportation networks (like metro trains, highways, and airports), educational institutions, and healthcare facilities, which further enhance its urban footprint.

**Regional integration:** The NCR Planning Board oversees the development of the region, which includes parts of multiple states such as Haryana, Uttar Pradesh, and Rajasthan, promoting integrated urban planning that helps manage growth and development.

**Diverse urban landscape:** The NCR comprises a mix of urban and suburban areas, featuring a blend of historical sites, modern skyscrapers, residential complexes, and rural landscapes. This diversity contributes to the region's character and growth.

*Magnum Ventures' businesses – hospitality and paper – are in the National Capital Region, providing logistical, talent and market advantages.*

## 3

## Increasingly vegan world

### OVERVIEW

The vegan market is rapidly growing, driven by health, environmental, and ethical factors. As consumer preferences continue to shift towards plant-based options, the market size and diversity of vegan products are expected to expand significantly.

**Market value:** The global vegan food market is valued at approximately USD30 billion, with projections indicating that it could exceed USD40 billion by 2028. The growth is primarily driven by expanding consumer demand for plant-based products.

**Diverse categories:** The vegan market encompasses a range of products, including vegan meat substitutes, dairy alternatives (e.g., plant-based milks, cheeses, and yogurts), snacks, desserts, and personal care products. Innovations in food technology have led to the development of more appealing and versatile vegan options.

**Consumer demographics:** The vegan consumer base is diverse, ranging from strict vegans to flexitarians (those who primarily eat plant-based but occasionally consume animal products). This broader demographic expands the potential market for vegan products.

**Awareness:** There is a growing awareness of the health benefits associated with a vegan diet, including lower risks of chronic diseases such as heart disease, diabetes, and obesity. Health-conscious consumers are increasingly seeking plant-based options.

**Environmental concerns:** The environmental impact of animal agriculture—such as greenhouse gas emissions, deforestation, and water consumption—

has prompted many to adopt a vegan lifestyle or reduce meat consumption in favor of more sustainable plant-based foods.

**Ethical considerations:** Concerns over animal welfare have become more prominent, leading to an increase in the number of people choosing veganism as a way to minimise harm to animals.

**Product availability:** Supermarkets, restaurants, and food delivery services are expanding their vegan offerings, making plant-based products accessible and acceptable. Major food brands are entering the vegan market, contributing to an abundance of choice for consumers.

**Innovations:** Advances in food science and technology have led to the development of high-quality plant-based alternatives that closely mimic the taste and texture of animal products. This innovation is attracting a wider audience.

**Social media and influencer culture:** Social media plays a crucial role in promoting veganism, with influencers and celebrities endorsing plant-based diets. This visibility has helped normalise veganism and inspire others to make the transition.

**Trend:** The trend of veganism is on the rise in India as the vegan population has grown from 9% in 2021 to 11% in 2023. India's vegan food market size reached USD1,468.3 million in 2023 and is expected to grow to USD3,474.8 million by 2032. The increasing vegan population in the country and the availability cum accessibility of vegan food products are major factors driving the market.

*Magnum Ventures' hospitality property offers a vegan menu in all its restaurants, strengthening its recall and trust. This property is a preferred choice for the Jain community, one of India's most prosperous religious groups (4.5 million people but with a disproportionately higher per capita income compared to the general population). Jains are not only strict vegetarians but also avoid foods that contain potatoes, carrots, garlic, onions, roots, tubers and fruits with many seeds. Jains seek vegetarian restaurants. The hotel's exclusive vegetarian offering is a rare feature among India's five-star hotels, making the hotel a compelling choice for such guests.*



## 4

## Eco-friendly paper

The Company's paper manufacturing business is secure.

The Company's business prospects are bolstered by a global shift away from plastic packaging toward more sustainable alternatives like wastepaper.

The Company does not produce writing and printing paper, a market segment that has suffered due to digitalisation.

The Company manufactures paper for packaging, a sector experiencing robust growth following consumption growth.

The manufacturing process uses recycled materials, transforming waste into a valuable resource and promoting sustainability.

There is a global shift towards sustainability, with an increasing number of products being designed to eliminate plastic and incorporate more wastepaper.

The packaging industry is shifting towards eco-friendly options. The sector was valued at USD 84.37 billion in FY 2024 and is expected to grow to USD 142.56 billion by FY 2029, at a CAGR of 11.60%.

The Company is well-positioned to use its expertise in sustainable paper for growth and environmental benefits. As the need for eco-friendly paper grows, the Company is dedicated to creating solutions that meet both eco-friendly and market demands, solidifying its role in promoting a greener future.

*Magnum Ventures has been producing paper from wastepaper for 30 years, offering Indian customers a preferred and sustainable alternative.*





PART 3

---

# OUR HOSPITALITY BUSINESS



## INTRODUCTION

# Why we seek to grow our presence in the hospitality business



23

% of overall revenues  
derived from this  
business in FY 2023-24

19

% of overall revenues  
derived from this  
business in FY 2022-23

## OVERVIEW

The hospitality sector the world over has turned attractive for various reasons.

**Travel demand:** Following the pandemic, international travel, a growing demand for leisure and business travel, has translated into higher occupancy rates in hotels and resorts.

**Economic recovery:** Economic recovery across several countries is enhancing consumer confidence and disposable incomes, translating into higher travel and hospitality spending.

**Travel connectivity:** The increase in travel connectivity and services being

built around travel (comprising packages and inter-related services) are making individual and group travel more convenient than ever.

**Technological advancements:** There is a greater propensity for online booking, contactless check-ins, and personalised marketing, catalysing travel and growth of the hospitality sector.

**Sustainable tourism:** There is a growing awareness and demand for sustainable and eco-friendly travel options, creating a new niche for environmentally conscious travellers.

**Diversification of services:** Hospitality businesses are diversifying their offerings, such as incorporating wellness programs, remote working facilities, and unique local experiences, to cater to address emerging preferences.

**Government support:** Many governments are supporting the hospitality industry through subsidies, tax incentives, and marketing campaigns to boost tourism and related sectors.

**E-visas:** The hospitality sector has been a direct beneficiary of a growing prevalence of e-visas and visas on arrival, stimulating the growth of the global hospitality sector

## BUSINESS RATIONALE

# What we like about the hospitality business

## OVERVIEW

The hotel business is attractive for several reasons.

**Steady demand:** Hospitality properties generate consistent demand from business and leisure travellers through business cycles, making them relevant across the long-term.

**Margins:** Effective management can help generate multiple revenues through room rentals, food/beverage services, events, and additional amenities (bars, spas, and other facilities).

**Asset appreciation:** Hospitality real estate appreciates over time, making hotel ownership a sound investment where room tariff can be periodically increased.

**Branding opportunities:** Hospitality can leverage strong brand identities to attract loyal customers and charge premium rates, especially true for luxury and boutique hotels.

**Technological integration:** Technology advances enhance operational efficiency, guest experience, and marketing reach, making it easier to book rooms.

**Events and conferences:** Hospitality properties have emerged as prominent venues for events, conferences, and weddings, providing attractive revenues.

## GROWTH PROSPECTS

The hospitality sector in India is poised for significant growth due to several factors:

**Rising domestic tourism:** Increased disposable incomes and a growing middle-class are leading to a domestic travel surge. More Indians are exploring their own country, enhancing the demand for hospitality rooms and services.

**Tourist arrivals:** India's diverse culture, heritage, and natural beauty attract international tourists. Efforts to improve tourism infrastructure and marketing campaigns are enhancing India's appeal as a global travel destination.

**Government initiatives:** The Indian government launched initiatives to promote tourism, such as the Incredible India campaign, e-visa facilities, and investment in infrastructure development.

**Business travel:** India's economic growth and emergence as a global business hub are driving business travel. The rise of conferences, exhibitions, and corporate events has increased the need for hospitality services.

**Development of Tier 2 and Tier 3 Cities:** As infrastructure improves in smaller cities, they are becoming attractive destinations for tourists and business travellers, expanding the hospitality market beyond major metropolitan areas.

**Medical and wellness tourism:** India is becoming a popular destination for medical and wellness tourism due to affordable healthcare, quality medical services, and the growing popularity of traditional practices like Ayurveda and yoga.

**Cultural and heritage tourism:** India's rich cultural heritage and historical landmarks continue to draw tourists. Efforts to preserve and promote heritage sites contribute to tourism growth.

**Wedding market:** India's wedding market has helped create a larger market for hospitality rooms and services.

## OVERVIEW

The hotel owned by the Company commenced operations in 2009, positioned uniquely as India's only five-star vegetarian hotel. The property has created a distinctive recall on account of this positioning, with hospitality business revenues accounting for 23% of overall revenues in FY 2023-24.

## OUR MANAGEMENT PERSPECTIVES

Magnum Ventures' hospitality business is a value driver, benefiting from higher occupancy and tariffs. The hotel business encountered challenges during the last few years, including economic uncertainty from post-pandemic recovery and economic fluctuations that impacted demand.

The Company addressed these challenges through cost control, phased refurbishment, optimised efficiencies, adjusted pricing, flexible marketing and adapted menus. The Company deepened its preference, enhancing occupancy and revenues.

## OUTLOOK

Magnum Ventures intends to grow its hospitality business through the following priorities.

The Company intends to explore locations outside the National Capital Region to diversify risks, target cities marked by lower land costs, and create a first-mover advantage.

The Company intends to leverage the power of its Balance Sheet and ability to mobilise growth capital to acquire hospitality properties and land parcels.

The time has come for Magnum Ventures to leverage its rich experience and extend across India through lease or management engagements.

This expansion will focus on increasing banqueting and room sales in areas proximate to existing locations, enhancing control and cost efficiency.

The Company plans to address the increasing importance of religious tourism by creating a hospitality presence in Gujarat, Uttar Pradesh, Maharashtra and Uttarakhand (capitalising on air and road connectivity).

The Company will continually refurbish its hotel rooms, particularly during the slow season, to be prepared for an anticipated demand increase in the second half of the year (typically at a lower cost than prevailing benchmarks due to hands-on engagement with service providers).



## BIG NUMBERS

# 78,840

Room nights offered, FY 2023-24

# 83

% hotel occupancy, FY 2023-24

# 4,742

₹, average tariff per room night, FY 2023-24

# 78,840

Room nights offered, FY 2022-23

# 90

% hotel occupancy, FY 2022-23

# 4,610

₹, average tariff per room night, FY 2022-23

# 23

% of overall revenues delivered by the hospitality business, FY 2023-24

# 40

% of overall EBITDA delivered by the hospitality business, FY 2023-24

# 19

% of overall revenues delivered by the hospitality business, FY 2022-23

# 36

% of overall EBITDA delivered by the hospitality business, FY 2022-23





216

Number of rooms

4

Categories of  
rooms

64

Number of  
standard rooms

76

Number of  
superior rooms

70

Number of club  
rooms

6

Number of  
executive suites



## OUR ASSOCIATION

We have capitalised on our being associated with the world-famous Radisson brand

### OUR ASSOCIATION

In 2009, Magnum Ventures entered the hospitality sector through a partnership with the Radisson Hotel Group. The fifteen-year partnership has deepened the Company's relevance, visibility, brand, respect and customer traction. The Company has capitalised on the international hospitality giant's reputation for service, professionalism, and best practices.

Radisson Hotel Group is a prominent global hospitality company known for its diverse portfolio of hotel brands. The group operates various brands catering to different market segments, including luxury, upscale, and mid-market travellers

Radisson Hotel Group operates a significant number of hotels across the globe, with a presence in over 120 countries. The Group focuses on delivering exceptional guest experiences, innovative hospitality solutions, and sustainable practices across all its brands.

Radisson has been ranked as the third-best employer globally in the travel and leisure industry.

In 2023, Radisson Hotel Group set a record by adding over 30,000 keys to its international portfolio through openings and signings.

Radisson Hotel is India's second-largest international hotel operator, with a portfolio of 115 hotels under its Radisson, Park Inn, and Suites by Radisson brands.

Country Inn & Suites by Radisson offers a warm, welcoming atmosphere with a focus on comfort and convenience. It caters to both business and leisure travellers, providing a home-like experience.



# WHY OUR 5-STAR HOTEL AND RESORT (COUNTRY INN & SUITES BY CARLSON)\* IS A PROFITABLE LONG-TERM ASSET

**Unique selling point:** The hotel was the first to be officially accredited as a five-star vegetarian hotel by the Indian Ministry of Tourism (and could be the world's first vegetarian hotel as well).

**Service complement:** The hotel comprises a business centre, restaurants, banqueting spaces, swimming pools, bars, and health clubs as a complement to residential rooms.

**Location:** The hotel is situated on Madan Mohan Malviya Marg, linked to NH-24 as well as the Hapur Bypass that leads to NH-24. The hotel is 12 km from Akshardham Temple, 20 km from Connaught Place (Delhi's commercial hub), and 38 km from New Delhi Airport.

**Convenience:** The property is located reasonably proximate to Pragati

Maidan, Delhi's premier location for fairs and exhibitions, attracting a sizable number of tourists.

**Online:** 65% of the hotel's reservations were made online in FY 2023-24 compared to 60% in the preceding year on account of its optimised search engine.

**Occupancy:** The hotel has reported an occupancy of more than 80% in the last five years (except for the pandemic lockdowns).

**Tariff:** The hotel provides an attractive price-value proposition, considered among the more affordable among five-star properties in NCR.

**Destination:** By virtue of being among around 30 five-star properties in NCR, the property has emerged as a prominent wedding destination.

\*Part of the international Radisson brand



# Cuisine: A robust revenue and brand driver for our company



## 34.26

% of revenues derived from this business segment, FY 2023-24

## 31.92

% of revenues derived from this business segment, FY 2022-23

## OVERVIEW

The Company's six vegetarian restaurants have curated menus to provide a variety of options within the hotel complex. Over the decade, the Company increased restaurant covers and upgraded infrastructure to attract customers, increase utilisation and boost revenues.

Magnum Ventures believes that a top-notch hotel experience is derived from a complement of 'hard' and 'soft' elements. The 'hard' factors encompass quality amenities designed to meet or exceed global standards for hotels in the category; the 'soft' factors comprise a unique food and beverage selection.

Instead of vegetarian specialisation as a limitation, the Company turned it into a strategic advantage through the following approaches.

**First**, the Company expanded its vegetarian cuisine offerings to include a wider variety of dishes than what is typically found in a comparable five-star hotel.

**Second**, the Company broadened its culinary repertoire by embracing vegetarian traditions from other cultures, such as Mexican, Thai, Chinese, Italian, and Mediterranean, creating an international array of vegetarian dishes that extends beyond its rich Indian roots.

**Third**, the Company launched food festivals, creating a burst of excitement for a limited time, attracting more visitors than usual, and helping to convert many first-time walk-ins into repeat customers.

**Fourth**, the Company implemented annual restaurant memberships, offering discounts on meals as an incentive, which encouraged customer loyalty and frequent visits.

**Fifth**, the Company expanded its online booking options, adding conveniences and special offers that led to an increase in walk-in customers.

**Sixth**, the Company provided its cuisine through five distinct restaurants, each catering to a unique preference. This approach not only enhanced consumer recall but also allowed each restaurant to establish its standalone brand, contributing to the overall recognition of the property.

**Seventh**, the Company's cuisine is designed to be delicious and health-oriented, with an emphasis on using organic ingredients.

**Eighth**, the Company aims to capitalise on an agreement between Radisson Hotels in India and the Little Italy restaurant brand, leveraging this partnership to promote vegetarianism and vegan cuisine.

## Our USP: The world's only vegetarian five-star hotel

The Company's Country Inn and Suites five-star hotel offers vegetarian food.

This makes it arguably the only vegetarian five-star hotel in the world

Vegetarian customers view the hotel as 'safe', 'humane' and 'hygienic.'

For good reasons, we at Magnum Ventures believe there is a significant long-term opportunity in the hospitality industry.

## Our tailwind: Vegetarianism advantages

**Health:** Vegetarian diets are often lower in saturated fats and cholesterol and higher in vitamins, minerals, and fibre

**Environmental impact:** Meat requires more resources like water, land, and energy compared to plant-based foods.

**Animal welfare:** Many people choose to be vegetarian due to ethical concerns about the treatment of animals raised for food.

**Cost savings:** Plant-based proteins like beans, legumes, and grains are often more affordable than meat, making a vegetarian diet a budget-friendly option for many individuals.

**Variety and creativity:** A vegetarian diet can encourage individuals to explore new foods, flavours, and cooking methods – a diverse culinary experience.

## What guests usually say about their stay at our hotel



Finally, we came across a five-star hotel that was non-veg-free.



We finally realised that vegetarian food can also be tasty!



This proved to be a wonderful escape.



We stayed at the hotel and did not have to worry about whether the food was halal or not.



What a place and what a stay – friendly staff, comfortable place and good food. Excellence value.

## Our multi-cuisine platter

Indian

Japanese

Chinese

Scandinavian

Mediterranean

Italian

Thai

Mexican

Mongolian

## Our restaurants



### 64/6

**Cuisine speciality:** Multi-cuisine buffet with a spread of over 150 items (breakfast, lunch and dinner)

**Number of covers:** 300



### Tatva

**Nature:** Fine dining Indian speciality restaurant

**Cuisine speciality:** Indian

**Number of covers:** 62

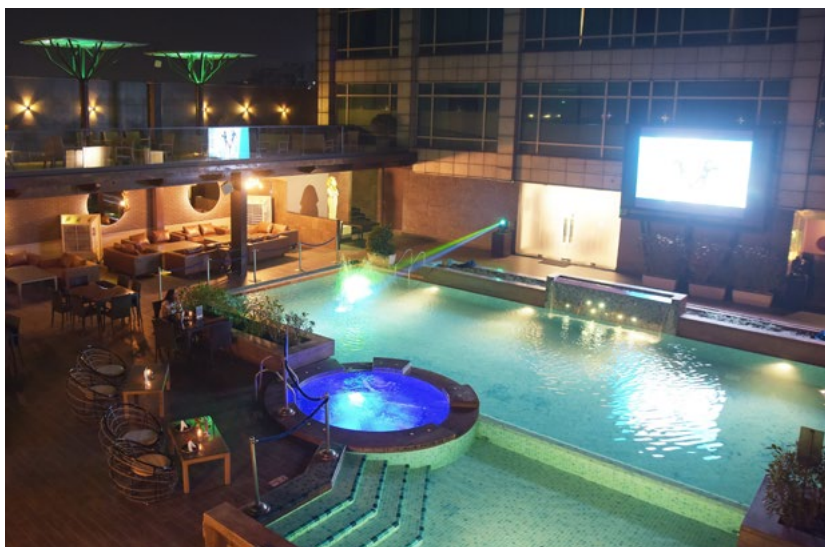


### 3B's

**Nature:** Poolside restaurant cum lounge bar with live DJ and mega LED screen.

**Cuisine speciality:** Sizzlers and flambe

**Number of covers:** 150







## The Country Lounge

Nature: Tea and coffee lobby lounge.

Cuisine speciality: Tea, coffee and light snacks

Number of covers: 40



## Royal Lounge

Nature: A meeting lobby lounge for special occasions.

Cuisine speciality: Tea, coffee and light snacks

Number of covers: 32



## Little Italy

Nature: Speciality restaurant

Cuisine speciality: Authentic Italian and Mexican vegetarian food.

Number of covers: 60









## Our banquet services

### OVERVIEW

Magnum Ventures' hotel property is a popular choice for weddings and conferences. The property is preferred on account of its five-star rating, Radisson brand association, sizable capacity and complementary room availability. The facility comprises event rooms totalling 56325 square feet, the ability to host up to 2120 guests and accommodate 250 cars in its parking area – a convenient one-stop solution.

The property services Indian weddings through an ecosystem of service providers for decorations, *baarat* procession area and service, events advisory, garlanding spot decoration, valet parking and guest management.

# 31

% of hospitality revenues derived from this business segment, FY 2023-24

# 26.16

% of hospitality revenues derived from this business segment, FY 2023-24



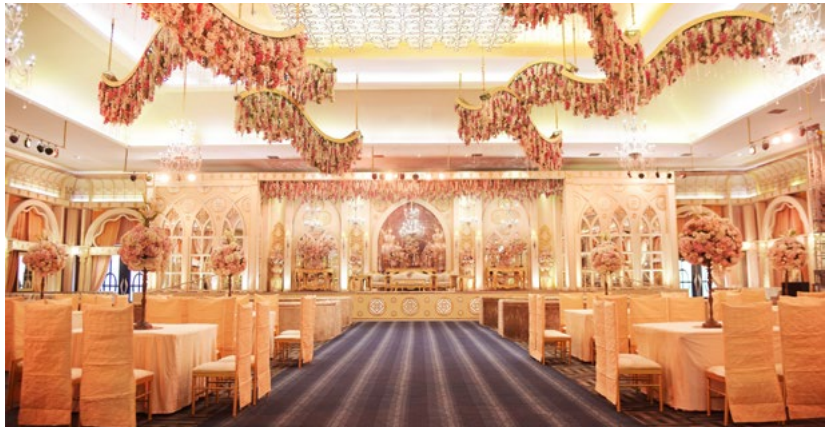
## Our banquet spaces portfolio



### Darbar Hall

Area: 21,000 sq ft

Peak guest occupancy: 800 to 1,000 guests



### Grand ball room and pre-function area

Area: 11,500 sq ft

Peak guest occupancy: 500 guests



### Royal Heritage

Area: 7,250 sq ft

Peak guest occupancy: 400 guests



### Majestic Hall

Area: 4,360 sq ft

Guest rooms: 300







## Imperial Hall

Area: 2,550 sq ft

Guest rooms: 150



## Viceroy Hall

Area: 1,875 sq ft

Guest rooms: 80



## Crystal Hall

Area: 2,700 sq ft

Guest rooms: 100

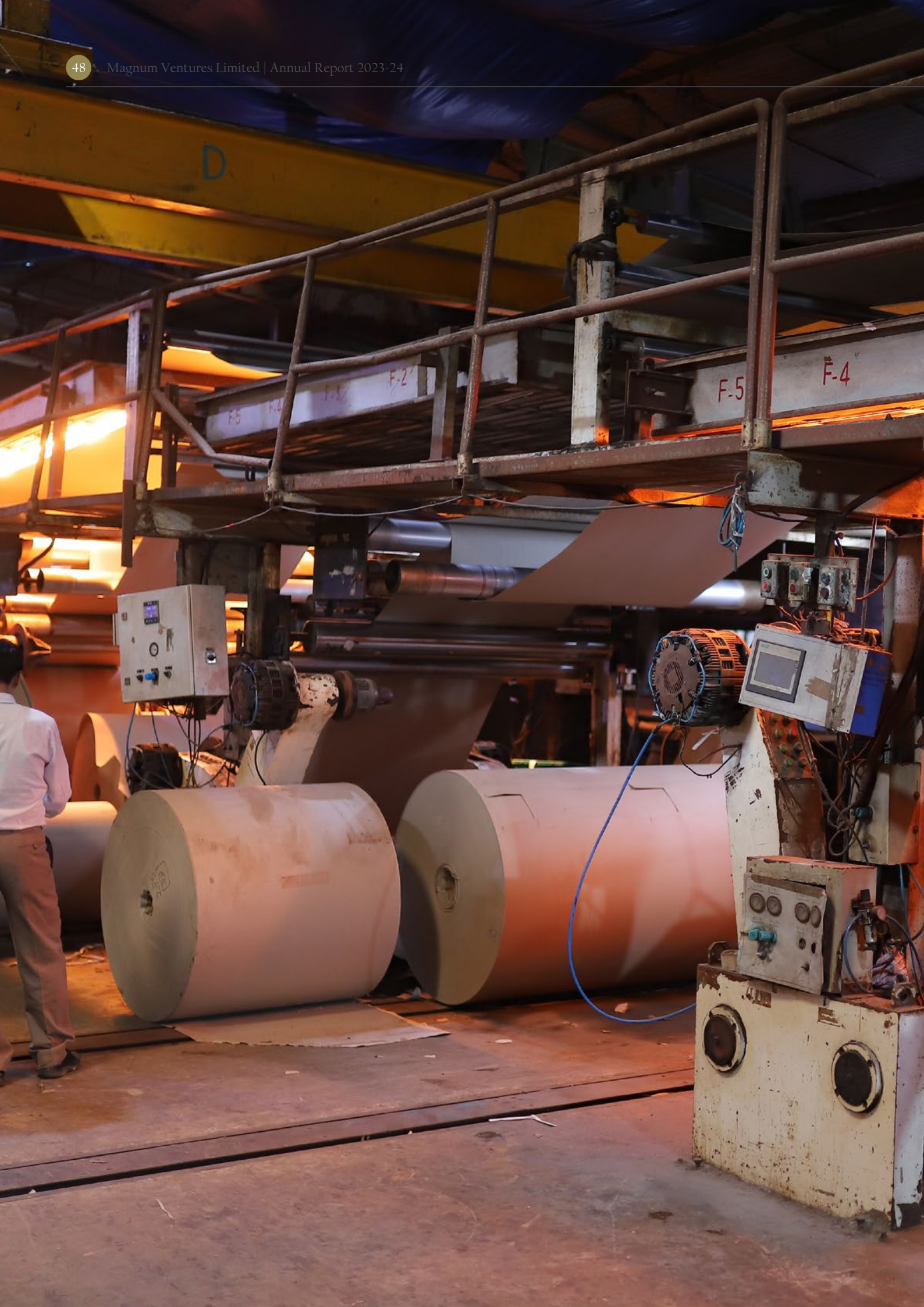


## Utsav Hall

Area: 2,400 sq ft

Guest rooms: 90







PART 4

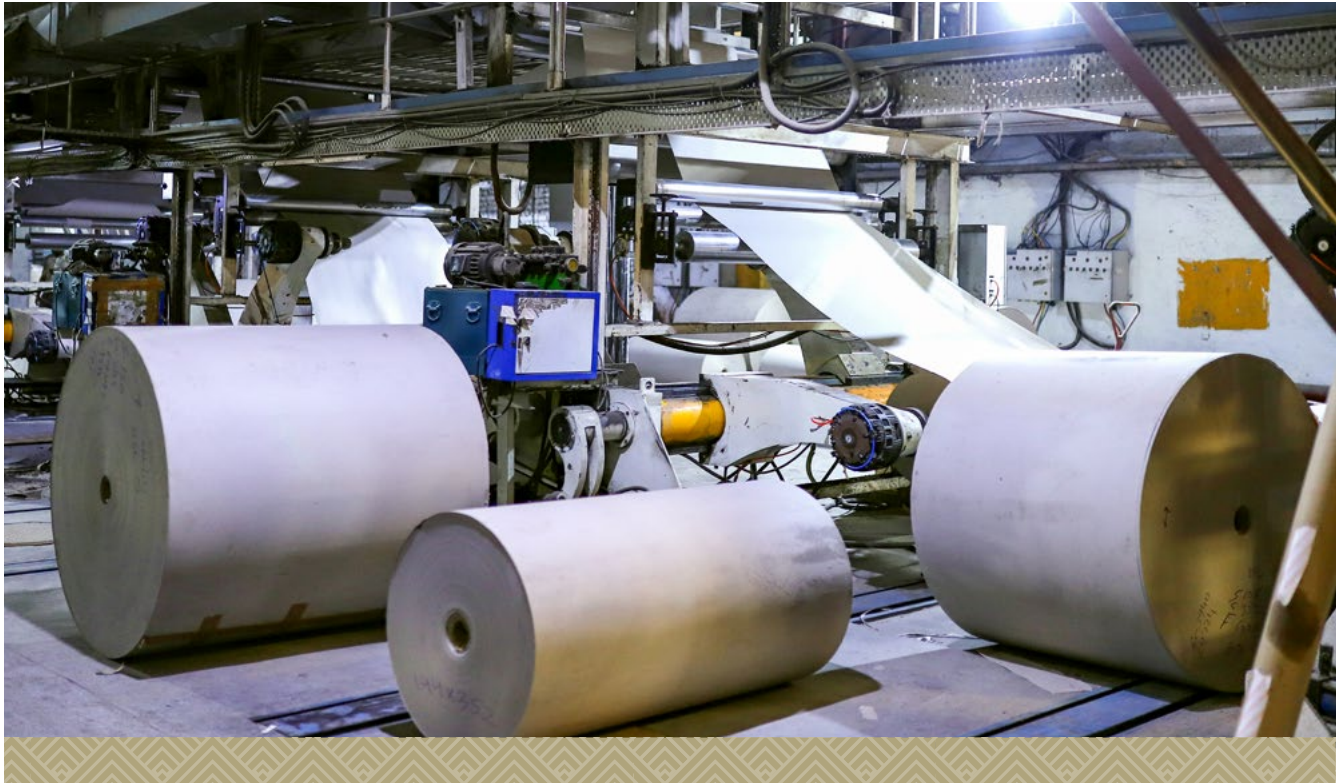
---

# OUR PAPER BUSINESS



# The words ‘Circular economy’ are gaining momentum

The shift to paper packaging is part of a movement toward sustainability and environmental responsibility



## OVERVIEW

**Environmental concerns:** Plastic waste is a pollutant, affecting land and marine life. By transitioning to responsible paper packaging there is a prospect of reducing the environmental footprint, as paper is generally more biodegradable and less harmful to ecosystems.

**Awareness:** There is a greater awareness of how the packaging of all that we consume ends up in oceans, rivers, mountains and drains ('The two ubiquitous things are God and plastic' goes a saying).

**Sustainability:** Paper products are often made from renewable resources, especially when sourced from agriculture. The world needs compostable packaging choices that do not need to be landfilled.

**Consumer demand:** There is growing consumer demand for eco-friendly

products, encouraging companies to opt for paper packaging

**Regulatory pressures:** Many governments and municipalities are implementing stricter regulations on single-use plastics including bans or taxes on certain plastic products, accelerating the shift towards paper.

**Recyclability:** Paper packaging is easier to recycle and can be processed through more widely available recycling systems, promoting a circular economy.

**Brand image:** Companies that adopt paper packaging are enhancing their brand by showcasing their commitment to sustainability, strengthening customer loyalty

**Innovations:** Advances in paper manufacturing and processing have led to the development of paper packaging

that is more durable, moisture-resistant, and suitable for various food and beverage items.

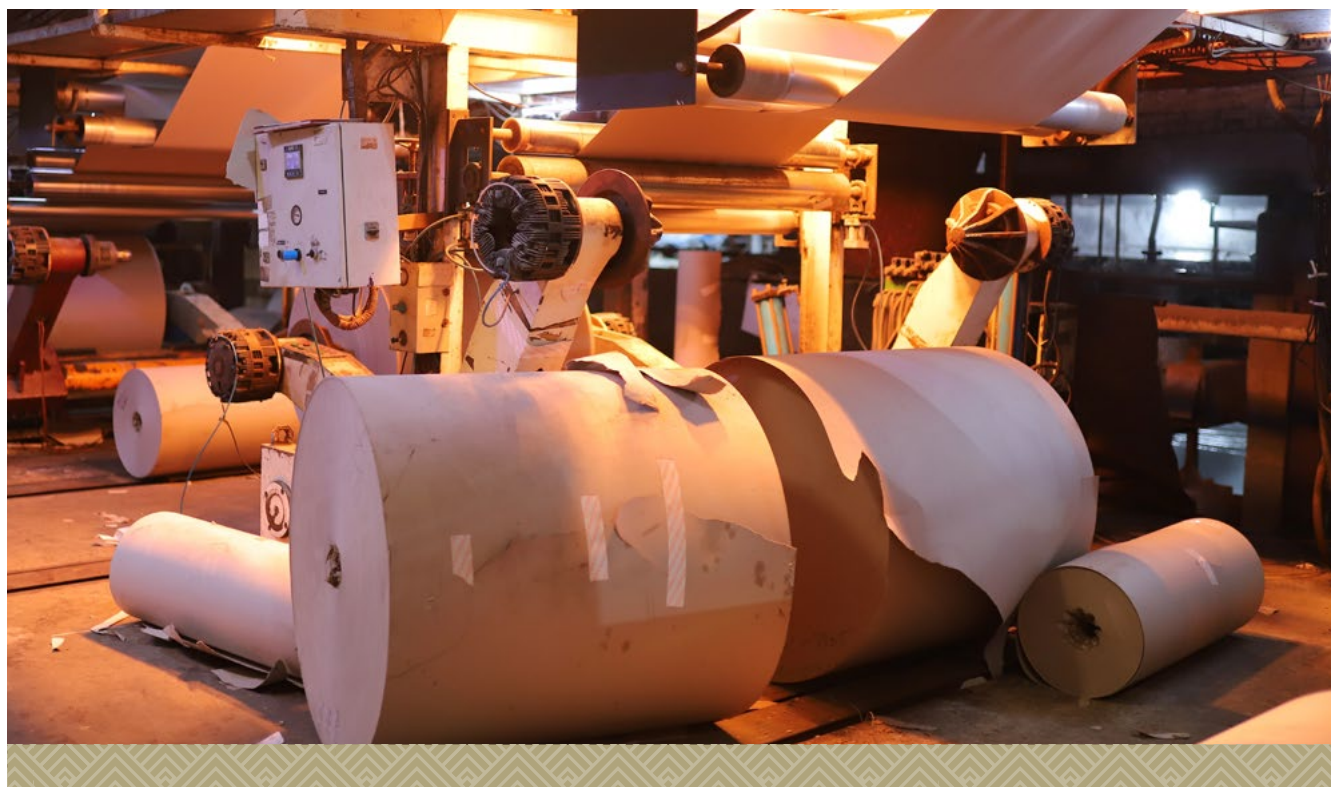
**Health and Safety:** Concerns over chemicals leaching from plastic into food and beverages have led consumers to prefer paper packaging, perceived to be healthier.

**Momentum:** Some of the largest brands in the world have embarked on eliminating the plastic in their packaging and going completely compostable.

**Consumer traction:** There will soon be a time when consumers will buy only those products with environment-friendly packaging; when this transpires, companies that have been engaged in meaningful research in this area will stand to benefit.

# The manufacture of paper from wastepaper is gaining ground

Magnum Ventures is attractive placed to capitalise on this enviromentally responsible option



## OVERVIEW

**Environmental upsides:** Recycling wastepaper reduces the need for virgin materials, helping conserve forests and decrease deforestation. It also lowers energy consumption and greenhouse gas emissions associated with paper production

**Resource efficiency:** The use of wastepaper as a raw material minimises waste and maximises the use of available resources. It promotes a circular economy by ensuring that materials are reused and recycled, rather than ending up in landfills.

**Cost-effectiveness:** Sourcing wastepaper is more cost-effective than extracting and processing virgin materials. As the demand for recycled paper products rises,

manufacturers can reduce material costs and enhance competitiveness.

**Regulatory support:** Many governments are implementing policies and regulations that support recycling and encourage the use of recycled materials in production resulting in financial incentives, mandates for recycled content in products, or support for recycling programs.

**Technological advancements:** Innovations in recycling technologies have improved the efficiency and quality of recycled paper production. Enhanced sorting, cleaning, and processing technologies allow manufacturers to produce quality paper from waste materials, making it a more viable and attractive option.

**Waste management solutions:** The growing challenge of waste management and landfill overcapacity creates a need for effective solutions. The recycling of wastepaper contributes to reducing the volume of waste going to landfills, addressing environmental concerns associated with waste disposal.

**Sustainability:** Many companies are incorporating sustainability goals into their business models, aiming to reduce their carbon footprints and promote responsible sourcing. Utilising recycled paper aligns with these initiatives and enhances corporate social responsibility (CSR) profiles.



# The rationale for our paper business is all around us

Extensive plastic waste across the world's natural eco-system represents an increasing risk to all living beings

## Quantum of plastic in oceans

# 358

Trillion, pieces of plastic (mainly microplastic), 2023

# 2.3

Million tons dumped into oceans till 2022

# 1.6

Million square km of oceans are covered by the 'Great Pacific Garbage Patch', bigger than Texas

## The plastic waste problem

# 3.4

% of global greenhouse gas emissions attributed to plastic

# 30

Million tons, plastic waste in seas and oceans till 2022

# 109

Million tons, plastic waste accumulated in global rivers till 2022

## The reality

# 9

% of plastic waste that is recycled

# 12

% plastic waste incinerated

(Source: phys.org, worldwildlife, oecd.com, earthday.in, statista, marketresearchfuture.com) CNET, United Nation Development Program

## Did you know?

By 2050, more plastic could be in the world's oceans than fish.

1 in 3 fish caught for human consumption now contains plastic

100% of baby sea turtles have plastic in their stomachs.

88% of the sea's surface is polluted by plastic waste.



Piles of plastic waste

# Magnum Ventures made a decisive Investment decision in its paper business in FY 2023-24

The Company upgraded equipment that is expected to enhance business sustainability



## OVERVIEW

The Company is dedicated to producing value-added and high-demand paper varieties imported into India. By providing a domestic source, the Company ensures prompt delivery, allowing customers to maintain lower paper inventory and improve its working capital efficiency.

The Company customises its paper production to meet specific customer requirements, reducing waste and offering a stronger price-value proposition. It accepts orders of any size, eliminating the need for customers to import large quantities.





## PROCESS EFFICIENCY

The Company's production complies with the strict regulations set by the Central Pollution Control Board and other authorities like CAQM, coupled with a complete water recycling system.

The Company is authorised to use coal for energy generation in the National Capital Region, thanks to its installation of a flue gas desulphurisation system, aligning its emissions control with responsible thermal power plants. Additionally, the Company has installed solar panels and uses biodiesel as permitted by government regulations.

## PORTFOLIO

The Company is India's leading manufacturer of rigid paper, widely used in packaging for consumer electronics and food products. The Company is a trusted supplier for major multinational electronics manufacturers in India, especially for smartphone packaging. In addition, the Company produces quality newsprint, which has been consistently utilised by top-tier media brands in India. Over the years, it exported to the Middle East, Sri Lanka, and Europe.

The Company exported key products, specifically grey board (Royal Rhino), a preferred alternative to European board. With the ban on single-use plastic

products, the Company was positioned to offer alternatives to plastic food containers and plates. To further support sustainability, the Company introduced kraft paper as a replacement for plastic bags.

## HIGHLIGHTS FY 2023-24

The Company's paper division saw a decrease in sales from ₹375.64 Cr in FY 2022-23 to ₹355.46 Cr in FY 2023-24. The Company embraced the 'Say No to Plastic' movement, creating new opportunities in the paper industry as the market shifts towards eco-friendly packaging solutions.

## STRENGTHS

<b>Experience:</b> The Company has built positive market respect since 1980.	<b>Relationship:</b> The Company enjoys long-standing relationships with trade partners (domestically and internationally), resulting in consistent resource availability and robust sales.	<b>Human resource:</b> The Company employs a skilled team in addressing technical challenges.	<b>Customer line:</b> The Company is a dependable supplier; 49% of its paper business was derived from clients of 15 years or more.	<b>Research and development:</b> The Company has an in-house laboratory facility to work on product improvements.
--	---	---	---	---

## INVESTMENT

During the last financial year, the Company took its paper business ahead through a decisive investment.

The Company allocated 75% of its rights issue proceeds for the paper business. The outlay will address import substitute products following the ban on single-use plastic and a consumer movement away from plastic packaging.

The Company will focus on the manufacture of furniture kraft paper of a high burst factor and crockery paper. The manufacturer will strengthen our brand as a niche boutique player with growing insulation against commodity market cycles.

This investment will strengthen the Company's capacity to be at the right place at the right time with the right product in the right country.

This investment will strengthen our paper business towards a superior product mix that could potentially increase average realisations and margins, shrinking payback.

The Company intends to upgrade its duplex paper quality to ensure it remains suitable for packaging purposes. Additionally, the Company has developed cup stock paper, which is projected to see significant growth as an eco-friendly alternative to plastic cups.

## Big numbers

<b>31.86</b> % of revenues derived from newsprint, FY 2023-24 (26.46% in the previous year)	<b>21.46</b> % of revenues derived from duplex boards, FY 2023-24 (20.36% in the previous year)	<b>24.15</b> % of revenues derived from rigid boards, FY 2023-24 (28.38% in the previous year)	<b>7.86</b> % of revenues derived from special grade kraft paper, FY 2023-24 (5.78% in the previous year)	<b>14.70</b> % of revenues derived from N.S. Paper, FY 2023-24 (19.03% in the previous year)
--	--	---	--	---

# How we have made ESG the core of our operations

## OVERVIEW

At Magnum Ventures, the ethos of environmental-social-governance (ESG) forms the cornerstone of its operations. The Company's commitment to a 'go green' vision underscores its dedication to enhancing safety, bolstering environmental integrity, and fostering overall responsibility.

Through its diverse ventures, including a vegetarian hotel and a paper manufacturing business utilising recycled paper as raw material, Magnum Ventures is strategically positioned to make significant contributions to ecological balance. By opting for a purely vegetarian

menu and employing recycled paper, the Company actively mitigates the need for deforestation, thereby safeguarding vital plant and tree populations. Recognising the importance of preserving ecological equilibrium, Magnum Ventures prioritises sustainable practices to uphold biodiversity and minimise environmental impact.

**As a part of its environment commitment,** the Company is committed to the use of eco-friendly resources, optimise consumption, recycle waste, reduce fossil fuel usage, enhance climate change resilience, and minimise carbon footprint.

**The social component** focuses on investing in people, fostering organisational culture, nurturing customer relationships, and fulfilling social responsibility.

**The governance component** outlines how businesses will conduct its operations, emphasising strategic clarity, ethical values, adherence to codes, board composition, and alignment with UNSDG principles.

The integration of environmental, social, and governance priorities serves as a foundation for the Company's sustainable long-term growth.

## Our commitment to environmental resilience

At Magnum Ventures, the environmental approach revolves around the principles of Plan-Mitigate-Adapt-Resilience. The Company acknowledges the growing concerns about environmental hazards and strives diligently to conserve ecological balance, both at its manufacturing sites and in society at large. Emphasising a cleaner, pollution-free environment, proper waste management, and raising awareness are integral to Magnum's business ideology. A dedicated team from the Company's research and

development division continuously works toward maintaining its status as a zero-pollution entity.

Magnum believes in ensuring a safe environment for the public, addressing potential noise, air, or water disturbances around its operational facilities without adversely affecting the environment. The Company has invested in flue gas desulphurisation equipment to comply with emission standards set by regulatory bodies such as the Central Pollution Control Board, Uttar Pradesh Pollution Control

Board, and Commission for Air Quality Management. Magnum has also implemented pollution control devices meeting international standards recommended by governing bodies. Resource consumption has been reduced, and energy-saving measures like LED lights with sensors have been installed. Solar energy systems are being implemented across various locations, and tree plantation drives are underway in surrounding areas to enhance green cover.

## Our social pillar

At Magnum Ventures, transformation is driven by a dynamic team that combines energy and experience. The Company fosters a culture of excellence to set benchmarks in product and process quality, alongside

maximising resource productivity. Investments in talent acquisition, retention, and training enhance efficiency, while rigorous safety practices and protocols ensure a secure work environment. Magnum Ventures

also strengthens relationships with vendors and customers, aiming to cultivate long-term partnerships for mutual growth and success.



## At the core of our governance principles lies a steadfast commitment to accuracy and integrity

### OVERVIEW

At Magnum Ventures, governance forms the foundation of the business.

**Discipline:** The Company prioritises discipline, ensuring tasks are consistently executed. This disciplined approach has been instrumental in enabling the Company to maintain a delta (margin reflecting the raw material processing capability or service delivery) throughout different market cycles. A culture of audits and compliance will insulate the Company against statutory penalties.

**Ethical conduct:** The Company believes in ethical uprightness, resulting in long-standing relationships, which enhances visibility of resources and revenue.

**Uniqueness:** The Company acknowledges its role in delivering unique value to customers and consumers—whether through differentiated products, engagements, or experiences.

**Regulated expansion:** The Company has allocated funds towards incremental investments. This approach has facilitated sustainable

growth for Magnum Ventures, ensuring that it expands its business without overextending its Balance Sheet or managerial bandwidth.

**Board of Directors:** The Company prioritises the influence of its Board of Directors in terms of strategic direction. The composition of the Board includes respected professionals and industrialists who bring diverse values, experience, sectorial understanding, and strategic acumen to the table.

**Balanced strategy:** The Company has selected to combine caution with strategic aggression and tactical conservatism, minimising risk and maximising opportunities. Magnum Ventures prioritises capital investments with short-term payback, reflected in the Company's low gearing and ability to fund expansions through accruals.

**No positions:** The Company does not take speculative positions on wastepaper, regardless of market price fluctuations. The Company focuses on competent resource processing to strengthen its business surpluses.

**Data and process-driven:** The Company believes that effective growth is achieved when the promoter sets the strategic direction and delegates day-to-day management to professionals. The Company made significant investments in processes and information technology systems, a scalable foundation for profitable growth without substantial workforce increase. The Company's digitalisation is generating comprehensive data on consumers, customers, markets, and consumption patterns, strengthening informed decision-making.

**Gradual expansion:** The Company pursues steady growth, funded primarily through internal accruals. This strategy avoids disrupting market stability or compromising brand and earnings potential by chasing lower prices.

**Long-term:** The Company has chosen to build its business around patience, influencing investments in assets, technologies, brands, personnel, locations, products, and trade partnerships.







# THE PROMOTER'S FAMILY TEAM





### Ritesh Jain

*General Manager, Technical*

Ritesh is a graduate of Nottingham University in the United Kingdom, specialising in technical operations within the paper manufacturing industry. His role encompasses overseeing various technical production aspects, ensuring the smooth functioning of operations. His key responsibilities include managing technical production processes, implementing periodic technical investments to enhance efficiency, ensuring technological relevance, maintaining environmental integrity, facilitating product customisation, and improving overall systemic productivity.



### Shrenik Jain

*General Manager, Operations*

Shrenik, having successfully completed his Chartered Accountant Foundation examination, has been an integral part of the Company's operations since 2016. Serving as the General Manager, operations, he assumes a pivotal role in managing the paper manufacturing division's day-to-day activities. In collaboration with Mr. Ritesh Jain, Shrenik oversees all aspects of operations, aiming to enhance efficiency and drive growth within the paper business. His responsibilities include devising strategies to elevate the Company to new heights and ensuring its continued success in the market.



### Ujjwal Jain

*General Manager, Operations*

Ujjwal, a North Hampton University graduate with a BBA degree, is tasked with elevating the visibility, brand recognition, and foot traffic of the hospitality business.



### Samaksh Jain

*Executive Operations*

Samaksh, holding a BBA from SIM University, Singapore, and a Masters from Boston University, USA, collaborates with Ujjwal Jain in spearheading strategic initiatives aimed at increasing foot traffic to the hospitality property.



### Rishab Jain

*General Manager, Business Development*

Rishab, a graduate of Brunel University, London, with a BBA degree, is actively involved in overseeing the development of the hospitality business. His role involves enhancing guest experiences by prioritising essential facilities and implementing improvements based on guest feedback. Additionally, Rishab is responsible for managing environmental integrity, safety measures, and governance initiatives, thereby fostering a platform for the long-term sustainability of the business.



### Paras Jain

*Executive Logistics*

Paras is dedicated to managing the logistics requirements of the hospitality business, aiming to reduce carbon footprint, control costs, and optimise inventory. Simultaneously, his efforts are directed towards expanding resource utilisation and improving quality standards.



# The Promoters, Board of Directors, and key managerial personnel



**Mr. Pramod Kumar Jain**

*Promoter*

Mr. Pramod Kumar Jain, aged 66 years, serves as the Promoter and former director of the Company. He has been instrumental in establishing the Company's marketing network and fostering relationships with key customers of paper products.



**Mr. Pradeep Kumar Jain**

*Promoter and Managing Director*

Mr. Pradeep Kumar Jain, aged 64 years, has been serving as the Managing Director of the Company since February 4<sup>th</sup>, 2006. Holding a Bachelor's Degree in Arts, he has been associated with the Company as a Director since its takeover in 1984. With over 42 years of experience in the paper industry, Mr. Jain oversees the production function of the paper division of the Company.



**Mr Abhay Jain**

*Managing Director*

Mr. Abhay Jain, aged 50 years old, serves as the Managing Director of the Company. Holding a Bachelor's Degree in Arts, he boasts over 29 years of experience in the paper industry. Mr. Jain assumed the role of Whole time Director on 10<sup>th</sup> December, 2009, and was subsequently appointed as Managing Director on 10<sup>th</sup> August, 2022. His responsibilities include overseeing the procurement of raw materials and managing the marketing and manufacturing processes of paper.



**Mr Parveen Jain**

*Chairman and Promoter*

Mr. Parveen Jain, aged 62 years, serves as the Promoter Director of the Company. Holding a Bachelor's Degree in Arts, he is a non-resident Indian with over 37 years of experience in the paper industry. Mr. Jain plays a pivotal role in strategic decision-making, particularly in the areas of finance, taxation, and accounting of the Company. He has been instrumental in spearheading the development of the hotel project and overseeing technological upgrades and modernisation initiatives within the paper unit. Additionally, Mr. Jain is responsible for managing the Company's secretarial function.



### Ms. Aanchal Jain

*Independent Director*

Ms. Aanchal Jain, approximately 44 years old, is a member of the Institute of Company Secretaries of India, with extensive expertise in corporate and commercial law. With over 16 years of experience, she brings a wealth of knowledge to the Company. Ms. Jain was appointed as an Independent Director of the Company on 28<sup>th</sup> December, 2021.



### Ms. Shalini Rahul

*Independent Director*

Ms. Shalini Rahul, approximately 51 years old, possesses expertise in Strategic Analysis, Entrepreneurship, Innovation, and various academic fields including Business Strategy, Consulting, General Management, Research, and Training. On 10<sup>th</sup> August, 2022, she was appointed as an Independent Director of the Company, bringing her diverse skill set and extensive experience to the board.



### Ms. Jyoti Bansal

*Independent Director*

Ms. Jyoti Bansal, around 31 years old, is a member of the Institute of Company Secretaries of India. With a professional background in Consulting, Corporate Law, and Management, she brings extensive expertise in legal matters to the Company. Appointed as an Independent Director on 28<sup>th</sup> December, 2021, Ms. Bansal's legal acumen and management skills enhance the Company's governance and strategic decision-making processes.



### Ms. Jyoti

*Independent Director*

Ms. Jyoti, 29 years old, holds a degree in commerce and possesses extensive experience in Human Resources, Administration, and Management. She has previously worked with Technonics Solutions and Imaginators, where she served clients such as AMEX, Converges, Barclays, and Cvent. Appointed as a Non-Executive and Independent Director of the Company on February 14<sup>th</sup>, 2019, Ms. Jyoti's diverse background and experience bring valuable insights to the boardroom, contributing to the Company's strategic direction and governance practices.



### Mr Shiv Pravesh Chaturvedi

*Whole time Director*

Mr. Shiv Pravesh Chaturvedi, aged 48, holds an MBA in Human Resources from the Asian Institute of Management & Technology, Delhi. He has been a part of the Company since 1996. Additionally, he holds a diploma in Personnel Management and Industrial Relations from Bhartiya Siksha Parishad, U.P.



### Ms. Aaina Gupta

*Company Secretary*

Ms. Aaina Gupta, a member of The Institute of Company Secretaries of India, brings over 8 years of post-qualification experience in finance, legal, and secretarial practices. She assumed the role of Company Secretary on 1<sup>st</sup> December, 2021.



# How we have strengthened our corporate social responsibility



## OVERVIEW

The Company is committed to support initiatives that address food insecurity and poverty. It organises social events, cultural activities, and skill-building workshops addressing marginalised communities (orphans, widows, differently abled individuals, and persons from scheduled castes and tribes).

## HIGHLIGHTS, FY 2023-24

- Successful implementation of wellness programs reaching a large number of beneficiaries.
- Distribution of food and nutrition support to vulnerable communities, contributing to the reduction of hunger and poverty.
- Positive impacts on the confidence and well-being of deprived groups through social engagement and empowerment activities.

# Management discussion and analysis



## GLOBAL ECONOMIC OVERVIEW

Global economic growth declined from 3.5% in 2022 to an estimated 3.1% in 2023. A disproportionate share of global growth in FY 2023-24 is expected to come from Asia, despite the weaker-than-expected recovery in China, sustained weakness in USA, higher energy costs in Europe, weak global consumer sentiment on account of the Ukraine-Russia war, and the Red Sea crisis resulting in higher logistics costs. A tightening monetary policy translated into increased policy rates and interest rates for new loans.

Growth in advanced economies is expected to slow from 2.6% in 2022 to 1.5% in 2023 and 1.4% in 2024 as policy tightening takes effect. Emerging market and developing economies are projected

to report a modest growth decline from 4.1% in 2022 to 4.0% in 2023 and 2024. Global inflation is expected to decline steadily from 8.7% in 2022 to 6.9% in 2023 and 5.8% in 2024, due to a tighter monetary policy aided by relatively lower international commodity prices. Core inflation decline is expected to be more gradual; inflation is not expected to return to target until 2025 in most cases. The US Federal Reserve approved a much-anticipated interest rate hike that took the benchmark borrowing costs to the highest in more than 22 years.

Global trade in goods was expected to have declined by nearly USD2 trillion in 2023; trade in services was expected to have expanded by USD500 billion. The

cost of Brent crude oil averaged USD83 per barrel in 2023, down from USD101 per barrel in 2022, with crude oil from Russia finding destinations outside the European Union and global crude oil demand falling short of expectations.

Global equity markets ended 2023 on a high note, with major global equity benchmarks delivering double-digit returns. This outperformance was led by a decline in global inflation, slide in the dollar index, declining crude and higher expectations of rate cuts by the US Fed and other Central banks.

Regional growth (%)	2023	2022
World output	3.1	3.5
Advanced economies	1.69	2.5
Emerging and developing economies	4.1	3.8

(Source: UNCTAD, IMF)

## Performance of major economies, 2023

<b>United States:</b> Reported GDP growth of 2.5% in 2023 compared to 1.9% in 2022	<b>China:</b> GDP growth was 5.2% in 2023 compared to 3% in 2022	<b>United Kingdom:</b> GDP grew by 0.4% in 2023 compared to 4.3% in 2022	<b>Japan:</b> GDP grew 1.9% in 2023 unchanged from a preliminary 1.9% in 2022	<b>Germany:</b> GDP contracted by 0.3% in 2023 compared to 1.8% in 2022
---	--	---	---	---

(Source: PWC report, EY report, IMF data, OECD data, Livemint)

## Outlook

Asia is expected to continue to account for the bulk of global growth in FY 2024-25. Inflation is expected to ease gradually as cost pressures moderate; headline inflation in G20 countries is expected to decline. The global economy has demonstrated resilience amid high inflation and monetary tightening, growth around previous levels for the next two years. (Source: World Bank).





## INDIAN ECONOMIC OVERVIEW

The Indian economy was estimated to grow 7.8% in the FY 2023-24 fiscal against 7.2% in FY 2022-23 mainly on account of the improved performance in the mining and quarrying, manufacturing and certain segments of the services sector. India retained its position as the fifth largest economy. The Indian rupee displayed relative resilience compared to the previous year; the rupee opened at ₹82.66 against the US dollar on the first trading day of 2023 and on 27<sup>th</sup> December

was ₹83.35 versus the greenback, a depreciation of 0.8%.

In the 11 months of FY 2023-24, the CPI inflation averaged 5.4% with rural inflation exceeding urban inflation. Lower production and erratic weather led to a spike in food inflation. In contrast, core inflation averaged at 4.5%, a sharp decline from 6.2% in FY 2022-23. The softening of global commodity prices led to a moderation in core inflation.

The nation's foreign exchange reserves achieved a historic milestone, reaching USD645.6 billion. The credit quality of Indian companies remained strong between October 2023 and March 2024 following deleveraged Balance Sheets, sustained domestic demand and government-led capital expenditure. Rating upgrades continued to surpass rating downgrades in H2 FY 2023-24. UPI transactions in India posted a record 56% rise in volume and 43% rise in value in FY 2023-24.

### Growth of the Indian economy

	FY 21	FY 22	FY 23	FY 24
Real GDP growth (%)	-6.6%	8.7	7.2	8.2

E: Estimated

### Growth of the Indian economy quarter by quarter, FY 2023-24

	Q1 FY 24	Q2 FY 24	Q3 FY 24	Q4 FY 24E
Real GDP growth (%)	8.2	8.1	8.4	7.8

(Source: Budget FY24; Economy Projections, RBI projections, Deccan Herald)

India's monsoon for 2023 hit a five-year low. August was the driest month in a century. From June to September, the country received only 94% of its long-term average rainfall. Despite this reality, wheat production was expected to touch a record 114 million tons in the FY 2023-24 crop year on account of higher coverage. Rice production was expected to decline to reach 106 million metric tons (MMT) compared with 132 million metric tons in the previous year. Total kharif pulses production for FY 2023-24 was estimated at 71.18 Lakh metric tons, lower than the previous year due to climatic conditions.

As per the first advance estimates of national income released by the National Statistical Office (NSO), the manufacturing sector output was estimated to grow 6.5% in FY 2023-24 compared to 1.3% in FY 2022-23. The Indian mining sector growth was estimated at 8.1% in FY 2023-24 compared to 4.1% in FY 2022-23. Financial services, real estate and professional services were estimated to record a growth of 8.9% in FY 2023-24 compared to 7.1% in FY 2022-23.

Real GDP or GDP at constant prices in FY 2023-24 was estimated at ₹171.79 Lakh Cr as against the provisional GDP estimate of FY 2022-23 of ₹160.06 Lakh Cr (released on 31<sup>st</sup> May, 2023). Growth in real GDP during FY 2023-

24 was estimated at 7.3% compared to 7.2% in FY 2022-23. Nominal GDP or GDP at current prices in FY 2023-24 was estimated at ₹296.58 Lakh Cr against the provisional FY 2022-23 GDP estimate of ₹272.41 Lakh Cr. The gross non-performing asset ratio for scheduled commercial banks dropped to 3.2% as of September 2023, following a decline from 3.9% at the end of March 2023.

India's exports of goods and services were expected to touch USD900 billion in FY 2023-24 compared to USD770 billion in the previous year despite global headwinds. Merchandise exports were expected to expand between USD495 billion and USD500 billion, while services exports were expected to touch USD400 billion during the year. India's net direct tax collection increased 19% to ₹14.71 Lakh Cr by January 2024. The gross collection was 24.58% higher than the gross collection for the corresponding period of the previous year. Gross GST collection of ₹20.2 Lakh Cr represented an 11.7% increase; average monthly collection was ₹1,68,000 Cr, surpassing the previous year's average of ₹1,50,000 Cr.

The agriculture sector was expected to see a growth of 1.8% in FY 2023-24, lower than the 4% expansion recorded in FY 2022-23. Trade, hotel, transport, communication and services related to broadcasting segment are estimated to

grow at 6.3% in FY 2023-24, a contraction from 14% in FY 2022-23. The Indian automobile segment was expected to close FY 2023-24 with a growth of 6-9%, despite global supply chain disruptions and rising ownership costs.

The construction sector was expected to grow 10.7% year-on-year from 10% in 2023-23. Public administration, defence and other services were estimated to grow by 7.7% in FY 2023-24 compared to 7.2% in FY 2022-23. The growth in gross value added (GVA) at basic prices was pegged at 6.9%, down from 7% in FY 2022-23.

India reached a pivotal phase in its S-curve, characterised by acceleration in urbanisation, industrialisation, household incomes and energy consumption. India emerged as the fifth largest economy with a GDP of USD3.6 trillion and nominal per capita income of ₹1,23,945 in FY 2023-24.

India's Nifty 50 index grew 30% in FY 2023-24 and India's stock market emerged as the world's fourth largest with a market capitalisation of USD4 trillion. Foreign investment in Indian government bonds jumped in the last three months of 2023. India was ranked 63 among 190 economies in the ease of doing business, according to the latest World Bank annual ratings. India's unemployment declined to a low of 3.2% in 2023 from 6.1% in 2018.

## Outlook

India withstood global headwinds in 2023 and is likely to remain the world's fastest-

growing major economy on the back of growing demand, moderate inflation, stable interest rates and robust foreign exchange reserves. The Indian economy

is anticipated to surpass USD 4 trillion in FY 2024-25.



## UNION BUDGET FY 2024-25

The Interim Union Budget FY 2024-25 retained its focus on capital expenditure spending, comprising investments in infrastructure, solar energy, tourism, medical ecosystem and technology. In FY 2024-25, the top 13 ministries in terms

of allocations accounted for 54% of the estimated total expenditure. Of these, the Ministry of Defence reported the highest allocation at ₹6,21,541 Cr, accounting for 13% of the total budgeted expenditure of the central government. Other ministries

with high allocation included Road transport and highways (5.8%), Railways (5.4%) and Consumer Affairs, food and public distribution (4.5%).

(Source: Times News Network, Economic Times, Business Standard, Times of India)



## GLOBAL PAPER INDUSTRY OVERVIEW

The global paper industry market size was valued at USD302.99 billion in 2023 and it is anticipated to grow to USD440.88 billion by 2031. Numerous factors influence the demand for paper products, including growing populations, changing consumer tastes and environmental concerns. The industry is now heavily focused on sustainability, leading to initiatives aimed at reducing environmental impact through recycling and the use of sustainable raw materials.

The North American paper packaging market was valued at USD 48.14 billion

for 2023. In North America, rising consumer awareness influenced packaging decisions by businesses, particularly in retail, consumers became increasingly concerned about environmental impacts and preferred paper-based packaging for its eco-friendliness. The China paper packaging market size is anticipated at USD87.48 billion in 2024 and is expected to reach USD108.36 billion by 2029, growing at a CAGR of 4.37% during the year 2024-2029. Japan's paper market is expected to be USD16.36 billion in 2024 and to grow at a CAGR of 1.17%

for the year 2024-2028. Numerous factors, including growing populations, consumer tastes, environmental concerns and technical improvements, impact the demand for paper products. The industry focuses on sustainability, which has led to initiatives to lessen environmental effects through recycling and the use of sustainable raw materials.

(Source: Skyquest technology, Statista)



## INDIAN PAPER INDUSTRY OVERVIEW

The Indian paper packaging market size is estimated at USD15.96 billion in 2024 and is expected to reach USD38.87 billion by 2029, growing at a CAGR of 19.48% for the year 2024-2029. The paper packaging business experienced growth over the last decade due to changes in substrate choice, new market expansion, ownership dynamics, and government initiatives to ban plastic. Sustainability and environmental issues continue to be emphasised and various innovations catering to paper packaging are expected to drive market growth in India.

Imports of paper and paperboard in India increased by 34% to reach 19.3 Lakh tons in the FY 2023-24 compared with imports of 14.3 Lakh tons in the previous financial year. In 2023, the corrugated boxes market in India reached USD7.1 billion. Looking ahead, it is anticipated to grow to USD16.9

billion by 2032, with a compound annual growth rate (CAGR) of 10.1% during the period from 2024 to 2032. This growth is driven by increased adoption in the food and beverage industry to enhance safety, a flourishing e-commerce sector, and supportive government initiatives. These factors highlight significant drivers propelling the corrugated boxes market in India forward.

ASEAN now holds the largest share of India's paper imports, accounting for 27% of the total, due to the zero-import duty under the ASEAN-India free trade agreement, paper imports from ASEAN surged to 5.1 Lakh tons in FY 2023-24, up from 2.7 Lakh tons in FY 2022-23. In value terms, paper imports have more than doubled over the past three years, rising from ₹6,140 Cr in FY 2020-21 to a record ₹13,248 Cr in FY 2023-24, reflecting a

compound annual growth rate (CAGR) of 29%.

The per capita paper consumption in India was around 19 kg for 2023, which is likely to grow to over 28 to 30 kg by 2030. The continuous emerging demand from the healthcare and personal care sectors represents one of the primary factors bolstering the paper packaging market growth in India. Moreover, the Government of India is undertaking numerous initiatives to minimise the usage of single-use plastics, which is influencing business firms to adopt sustainable and eco-friendly packaging solutions, thereby strengthening market growth.

(Source: Mordor Intelligence, Invest India, The pulp and papertimes.com, IMARC)





## GLOBAL HOSPITALITY AND TOURISM INDUSTRY OVERVIEW

The hospitality market size stood at USD4,673.63 billion in 2023 and further hospitality market size is expected to grow to USD6,189.59 billion by 2028. The global tourism market size was worth around USD11.39 trillion in 2023 and is expected to grow to around USD18.44 trillion by 2032 with a compound annual growth rate (CAGR) of roughly 5.5% between 2024 and 2032.

The U.S. tourism market size was valued at USD0.73 trillion in 2023 and is expected to reach USD2.44 trillion by 2032, growing at a CAGR of 14.40% from 2023 to 2032. Europe's travel and tourism market revenue is expected at USD288.00 billion by 2024. It is anticipated that this industry will grow at a CAGR of 1.68% from 2024-2028, leading to a market volume of USD307.80 billion by 2028. Followed by Asia-Pacific tourism revenue,

which is expected to be USD326.20 billion by 2024. Global inbound tourism has experienced rapid growth in recent years, leading to increased visitor numbers and heightened demand for travel-related activities. A key driver of this rise in tourist arrivals is the growing number of travellers exploring both domestic and international destinations.

(Source: Research and Markets, Predence Research, Statista)



## INDIAN HOSPITALITY AND TOURISM INDUSTRY OVERVIEW

The hospitality industry in India market size is estimated at USD247.31 billion in 2024 and is expected to reach USD475.37 billion by 2029, growing at a CAGR of 13.96% during the year 2024-2029. India's inbound tourism sector experienced a significant rebound, with foreign tourist arrivals (FTAs) in 2023 surging 64% compared with 2022. India's average room rates (ARRs) stood at ₹7,616 in FY 2023-24 and it is further projected to increase to ₹7,800-8,000 in FY 2024-25. The occupancy rate in the industry stood at 73-74% in FY 2023-24.

The travel and tourism industry in India is anticipated to generate revenue of nearly USD24 billion in 2024 with an estimated annual growth rate of 9.6% between 2024 and 2028, the industry is

also expected to reach a market volume of USD34.25 billion by 2028. The country has been focusing on boosting tourism and has announced 100% foreign direct investment in tourism-related ventures to facilitate the sector's growth. The remarkable growth of the hospitality industry in India in FY 2023-24 can be attributed to many influential factors. At the forefront is the substantial double-digit increase in revenue, fueled by a resurgence in domestic demand and the recovery of foreign tourist arrivals. Additionally, the year was marked by the buoyancy of domestic leisure trips and the thriving landscape of meetings, incentives, conferences, and exhibitions (MICE) events. Hosting major global events, including the G20 Summit and the

ICC World Cup, played a pivotal role in driving the industry's success.

(Source: IBEF, Mordor Intelligence, ICRA, CRISIL, The Hindu, Economic Times)

### Industry Average Room Rate from FY 2019-2020 to FY 2023-2024

(in ₹)

Year	Average Room Rate
FY 2019-2020	6,104
FY 2020-2021	4,630
FY 2021-2022	4,951
FY 2022-2023	6,869
FY 2023-2024	7,616

(Source: Economic Times, Statista)



## COMPANY'S PRESENCE

The Company works in the hotel sector and is mostly engaged in the production of paper. The Company has created a strong presence for its products in the local market through a broad network of dealers across India. The Company expands its reach beyond its domestic operations by exporting its products to the Middle East, neighbouring countries and various third-world nations

The Company's cream wove and maplitho products have marked preference among copy manufacturers, printers and publishers. In the packaging business, coated duplex board has also gained recognition for its adaptability to a wide range of packaging applications.

The hotel unit, known as Country Inn and Suites by Carlson, Sahibabad, Delhi

NCR, is the second largest globally within the Country Inn and Suites by Carlson brand and holds the rank of being the first eco-friendly vegetarian concept five-star hotel. The hotel division, under the renowned brand of Country Inn & Suites, commenced operations in 2009 and boasts a five-star rating with a capacity of 216 rooms.

## OPPORTUNITIES

### Paper industry

For the pulp and paper industries, resource efficiency and the bioeconomy provide substantial opportunities. The paper consumption in India is projected to reach 30 million tons by 2027. Propelled by a synergy of factors, including robust government support, the ban on single-use plastics, and surging global demand. With promising prospects for the future, the industry is poised to play a pivotal role in India's economic growth and sustainability efforts. By contributing to the nation's vibrant manufacturing landscape, India's paper industry is making strides towards a brighter future.

(Source: Indian Paper Manufacturers Association)

### Hotel industry

The Indian hotel market has significant growth opportunities and is poised to contribute USD1,504 billion to the country's overall GDP by 2047. A record number of signings and openings took place in 2023, with 25,176 keys signed and 12,647 keys opened. The remarkable growth of the hospitality industry in India in 2023 can be attributed to many influential factors. At the forefront is the substantial double-digit increase in revenue, fueled by a resurgence in domestic demand and the recovery of foreign tourist arrivals.

(Source: Mint, Economic Times)

## THREATS

### Paper industry

- Cost and quality of obtaining raw materials
- Increased competition from digital media, particularly in the newspaper market
- The presence of a large number of small unorganised players
- Capital-intensive industry
- High technology costs

### Hotel industry

- Excessive employee turnover
- High taxes rates
- Inflexible labor market
- Safety emergencies
- Terrorism and political unrest
- The emergence of epidemics

## FINANCIAL OVERVIEW

### Analysis of the profit and loss statement

**Revenues:** Revenue from operations registered a 0.68% decline from ₹46,549.88 Lakh in FY 2022-23 to ₹46,234.79 Lakh in FY 2023-24.

**Margins:** EBITDA for the year was ₹5,417.88 Lakh as against ₹4,742.73 Lakh in FY 2022-23. EBITDA margin of the Company increased to 11.72% in FY 2023-24 from 10.19% in FY 2022-23. The profit after tax excluding exceptional items of the Company was ₹1,883.39 Lakh in FY 2023-24 compared to ₹2,818.69 Lakh in FY 2022-23.

### Analysis of the balance sheet

**Sources of funds:** The capital employed by the Company increased to ₹1,06,068 Lakh as of 31<sup>st</sup> March, 2024 from ₹90,925 Lakh as of 31<sup>st</sup> March, 2023, owing to internal accruals and upward revaluation of PPE by adopting the revaluation model. The debt-equity ratio of the Company stood at 0.23 in FY 2023-24 compared to 0.28 in FY 2022-23.

**Applications of funds:** Fixed assets (gross) of the Company increased by 1.72% from ₹1,19,497.44 Lakh as of 31<sup>st</sup> March, 2023 to ₹1,21,551 Lakh in FY 2023-24 (including upward revaluation of PPE by adopting revaluation model) on 31<sup>st</sup> March, 2023.

### Working capital management

Total current assets of the Company increased by 69.5% from ₹11,080.71 Lakh as on 31<sup>st</sup> March, 2023 to ₹18,784.58 Lakh as of 31<sup>st</sup> March, 2024. Current assets included current investment and cash and bank balance.

Inventories, including raw materials, work-in-progress and finished goods, among others, decreased to ₹4,187.80 Lakh on 31<sup>st</sup> March, 2024 from ₹5,684.98 Lakh as on 31<sup>st</sup> March, 2023. Trade receivables as of 31<sup>st</sup> March, 2024 were ₹6,490.60 Lakh compared to ₹3,990.17 Lakh as at 31<sup>st</sup> March, 2023.



### Key ratios and numbers

Particulars	FY 2023-24	FY 2022-23	Reasons*
EBITDA turnover	0.12	0.10	-
Debtors turnover	8.79	9.64	-
Inventory turnover	9.34	10.25	-
Interest coverage ratio	5.33	11.85	During the FY 2022-23, the Company has received restricting benefits from the ARC, by virtue of which the net profit margin was more than as compared to current year.
Debt-equity ratio	0.23	0.28	-
Current ratio	2.51	0.83	Due to increase in current assets and increase in Equity
Operating Profit Margin (%)	0.72	4.61	Due to an increase in Depreciation on account of the revaluation of assets, resulting decrease in Net Profit before tax
Net profit margin (%)	5.36	15	During the FY 2022-23, the Company received restricting benefits from the ARC, by virtue of which the net profit margin was higher as compared to the current year.
Book value per share (₹)	115.64	138.70	-
Earnings per share (₹)	5.04	18.78	During the FY 2022-23, the Company has received restricting benefits from the ARC, by virtue of which the earnings available to shareholders were higher as compared to the current year.
Return on net worth (%)	3.63	12.14	Return on net worth was high in FY 2022-23, due to restricting benefits received by Company from ARC in FY 2022-23,

\*for more than 25% change



## RISK MANAGEMENT

The Company emphasised a balanced approach to risk management, considering factors such as growth opportunities, profitability targets, and maintaining adequate liquidity to meet operational needs and financial obligations. Risk management strategies were continuously evaluated and adjusted in response to evolving economic conditions, market dynamics, and industry trends to remain agile and resilient. Management invested in advanced risk assessment tools, insurance coverage, contingency planning, and internal controls to mitigate potential risks effectively. Priority was given to building a competent risk management team comprising professionals with expertise in risk analysis, financial modelling, compliance, and crisis management. The team met regularly to assess risks, monitor developments, and report to senior management or a designated risk oversight committee within the board. Various processes and systems were implemented by the companies to moderate business risks, including internal controls, risk assessment frameworks, scenario planning, and business continuity plans. These systems were often automated to enhance responsiveness and efficiency in identifying and addressing emerging risks.

### Paper industry

**Environment risk:** The Company's business could be hampered due to non-compliance with environmental regulations.

**Mitigation:** The business made investments in a chemical recovery facility and an advanced wastewater treatment plant for recycling the dark black liquor made during the pulping process.

**Competition risk:** The Company's business is exposed to risk and potential pricing strategy implications because of low-cost imports enabled by favourable government policies in other countries.

**Mitigation:** Using economies of scale, the Company acquires a competitive advantage in the worldwide market, implementing into practice state-of-the-art technology and forming strategic alliances with stakeholders, enabling it to provide affordable prices.

**Raw material risk:** The Company uses other commodities and wastepaper as its primary source of paper raw materials. Due to variables like these inputs' limited availability, unavailability, or price volatility, manufacturing may be disrupted.

**Mitigation:** The Company's strong supplier ties, cost-saving measures and proximity to sources of raw materials, effective inventory control, and strong hedging strategies maintain consistent supply and minimise the volatility of raw material prices.

**Policy risk:** The application of new policies or modifications to existing policies can hamper the Company's business causing risk to revenue flow.

**Mitigation:** The Company's experienced management team overviews the policy actions and formulates business strategies accordingly, utilising the government incentives to enhance its market position of Company.

**Human capital risk:** The non-availability of qualified personnel could have an impact on quality.

**Mitigation:** The Company places a high priority on spending money on staff development and training to keep them updated regularly.

### Hotel industry

**Cyber vulnerabilities:** The risks are connected with hacking incidents and the exposure of personal and sensitive guest data.

**Mitigation:** The business conducts thorough assessments of cyber risks, takes corrective action, provides cyber security training, and raises awareness initiatives.

**Abuse of social media and other media by guests/staff/stakeholders:** The hotel sector, with its range of direct guest interactions, is especially vulnerable to social media's impacts.

**Mitigation:** The Company regularly monitors and responds promptly to comments made on social media.

**Employee and customer well-being:** The well-being of staff and clients may be impacted if hotel hygiene and cleanliness standards are not maintained.

**Mitigation:** The Company provided its clients with suggestions, excellent communication, and protective care.

**Data governance:** Inability to guarantee data analytics' accessibility and accuracy.

**Mitigation:** The recorded data to enable efficient data warehousing and analytics.

**Impact of climate change on organisation:** The effects of climate change and the possible risks that follow set the hotel sector at risk.

**Mitigation:** The Company consistently examines the environment while alternative energy sources or incorporating renewables.

**Data privacy:** The inability to protect the privacy of data owners might cause a risk to the business of the Company.

**Mitigation:** Implementing internal audits, ongoing observation, and data processor/controller agreements with relevant vendors and implementing the required adjustments to the procedures and rules.





## HUMAN RESOURCE AND INDUSTRIAL PROCESS

Human resources that are skilled and driven provide the framework for the Company's growth. The Company's core principle of employment focuses on respect, empowerment and role clarity, while the Company's human resources

policy emphasises providing equal opportunity, personal growth, teamwork fairness and trust. The Company invests consistently in skill development and people retention, employee engagement goal setting, a conducive workplace, and

leadership development performance-based appraisal. The Company's human resource strength stood at 1,466 as of 31<sup>st</sup> March, 2024.



## INTERNAL CONTROL SYSTEM

The business has implemented in place a strong internal control framework that helps to protect the shareholders' assets owned by the Company and investment. Effective and efficient operations, dependable internal and external reporting, and adherence to legal requirements have been made possible by a strong internal control system. The Company's audit committee monitors the effectiveness of the internal control system and reports to the Board. Additionally, the business has assigned an

internal auditor to carry out an internal audit of the operations.

and report to the Board on their efforts. The above-mentioned company control methods guarantee the effective use, preservation, and observance of policies, processes, and status.

The Company performs the required improvements to maintain the hotels' quality and provide better value in terms of excellent ambience and comfort while

keeping the needs of the customers at the core of these changes.

The Company continuously improved the Food Safety Management System by training and optimising the capacities of its human resources, processes and technologies as a continuous endeavour. To enhance the rigour for food safety, hygiene audits were carried out by an external audit partner, ensuring the implementation of FSSAI standards and guidelines.



## CAUTIONARY STATEMENT

Management's Discussion and Analysis Report contains forward looking statements based on certain assumptions and expectations of future events and the Company cannot assure that these assumptions and expectations are accurate and cannot derive a particular conclusion. Although the Management has considered future risks as part of the discussions, future uncertainties are not limited to the Management perceptions. The report contains the risks and uncertainties arising to the Company

but it cannot be figured out exactly due to the fluctuations in earnings, ability to manage growth, competition, economic growth in India, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, government policies and actions with respect to investments, fiscal deficits, regulation etc. In accordance with the Code of Corporate Governance approved by the Securities and Exchange Board of India ('SEBI'), the Shareholders and readers are cautioned that in the case

of data and information external to the Company, no representation is made on its accuracy or comprehensiveness though the same are based on sources thought to be reliable. The changing economic and business conditions and rapid technological innovations are creating an increasingly impact on the industry. The Company does not undertake to make any announcement in case any of these forward looking Statements become materially incorrect in future or any update made thereon.

# CORPORATE INFORMATION

## Board of Directors

Parveen Jain, *Chairman & Non-Executive Director*

Pardeep Kumar Jain, *Managing Director*

Abhay Jain, *Managing Director*

Shiv Pravesh Chaturvedi, *Whole-time Director*

Shalini Rahul, *Non-Executive Independent Director*

Jyoti Bansal, *Non-Executive Independent Director*

Jyoti, *Non-Executive Independent Director*

Aanchal Jain, *Non-Executive Independent Director*

## Company Secretary and Compliance Officer

Ms. Aaina Gupta

Email id: cs\_mvl@cissahibabad.in

## Internal Auditor (2023-24)

M/s A S R & Co.,

Chartered Accountants

3011, LGF, Sector-46, Gurugram

Email id: Lalit.anand@asr-india.co.in

## Statutory Auditors (2023-24)

M/s Sahni Bansal & Associates

Chartered Accountants

113/10, I-Floor, Navyug Market,

Ghaziabad (U.P.)

Email id: sahnibansalca@yahoo.co.in

## Cost Auditors (2023-24)

M/s V.K. Dube & Co.

Cost Accountants,

R-8/90, Raj Nagar, Ghaziabad,

Uttar Pradesh 201002

E-mail: vkdubeco@gmail.com

## Secretarial Auditors (2023-24)

M/s. Munish K. Sharma & Associates LLP

Company Secretaries

AAF-14, Shipra Krishna Azure, Near Wave Cinema,

Kaushambi, Ghaziabad, UP-201012

Email id: munish\_171@yahoo.com

## Chief Financial Officer

Mr. Parv Jain

Email id: parv@cissahibabad.in

## Registered Office

HNO-MN01, Hub and Oak, E-14, Lower Ground Floor,  
Defence Colony, New Delhi, South Delhi,  
Delhi 110024

Ph. No. +91-11-42420015

E-Mail : magnumventures@gmail.com

Website : www.magnumventures.in

## Corporate Office

18/41, Site IV, Industrial Area, Sahibabad, Ghaziabad,  
Uttar Pradesh-201010

## Paper Unit

- 18/41, Site-IV, Industrial Area, Sahibabad, Ghaziabad,  
Uttar Pradesh - 201010

## Hotel Unit

- 64/6, Site-IV, Industrial Area, Sahibabad, Ghaziabad,  
Uttar Pradesh-201010

## Debenture Trustee for Secured Non-convertible Debentures (NCDs)

Catalyst Trusteeship Limited

GDA House, Plot No. 85, Bhusari Colony (Right),

Kothrud, Pune – 411038

Tel: +91 98 3363 0277

Website: www.catalysttrustee.com

E-mail: deesha.trivedi@ctltrustee.com

Contact Person: Ms. Deesha Trivedi

## Registrar and Transfer Agent

MAS Services Limited

T-34, IInd Floor, Okhla Industrial Area,

Phase-II, New Delhi 110 020

Tel: +011-2638 7281/82/83

Fax: +011-2638 7384

Website: www.masserv.com

E-Mail: info@masserv.com

Contact Person: Mr. Shrawan Mangla

## CIN:

L21093DL1980PLC010492



# Directors' Report

Dear Members,

Your directors have pleasure in presenting the 44<sup>th</sup> Annual Report on business and operations along with Audited Annual Accounts for the financial year ended March 31, 2024. The financial highlights for the said financial year are given below:

## FINANCIAL HIGHLIGHTS

(Amount in Lakh)

Particulars	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023
Total Income	46,234.80	46,549.88
Total Expenditure	45,753.87	43,882.63
Profit/(Loss) Before Tax	480.94	2,667.25
Effect of Extra Ordinary Item & Exceptional Items	(586.88)	(4,267.41)
Provision for tax	-	-
Current Tax	-	-
Deferred Tax	(1,402.46)	(151.45)
Earlier Year Tax	-	-
Profit/(Loss) After Tax	2,470.26	7,086.10
Paid-up Share Capital		
Equity Shares	5,888.63	4,210.19
Preference Shares	1,277.50	2,050.00
Earnings Per Share - In ₹		
Basis	5.04	18.78
Diluted	5.04	18.78

## REVIEW OF OPERATIONS AND STATE OF COMPANY'S AFFAIR

### Year in Retrospect

During the year under review, total income of the Company was ₹46,234.80/- Lakh as against ₹46,549.88/- Lakh in the previous year reflecting decline of 0.68%. During the current reporting period, the Company's profit after tax is ₹2,470.26 Lakh.

### Segments

#### Paper Division

We are pleased to inform to our stakeholders that, at present, the Company is manufacturing the following Products:

- Grey Board
- Newsprint
- Duplex Board
- N.S. Paper & Board
- Kraft Paper & Board

The Detail of Paper manufacture and sale during the Fiscal year 2022-23 and 2023-24 are as under:

Particular	2023-24	2022-23
Production	81,034 MT	69,194 MT
Sale	81,842 MT	67,129 MT

### Hotel Division

The Company owns a hotel unit in the name of Country Inn & Suites by Radisson, Sahibabad. It is the first eco-friendly concept based five-star vegetarian hotel in Delhi NCR, the second largest in the world under the brand of Country Inn & Suites.

The Hotel Division started its operation w. e. f. 15-02-2009 under the Brand "Country Inn & Suites by Carlson". The brand owner Country Rezidor Hotel Group has globally changed the name of the hotels to Country Inn & Suites by Radisson and accordingly your Company has changed name of its hotel to "Country Inn & Suites by Radisson" with effect from 17<sup>th</sup> January 2018. The change in name is done globally as a strategy to allow the brand and the individual hotels to leverage the global recognition and strength of the Radisson brand.

### Change in the nature of business

There was no change in the nature of the business of the Company during the financial year ended on March 31, 2024.

## DIVIDEND & RESERVES

Your directors do not recommend any dividend for the financial year ended March 31, 2024.

Details of the amount which the Company carries to reserves are provided in Note No. 12 to the Financial Statements.

## DIRECTORS AND KMPs

None of the Directors of your Company is disqualified as per provision of section 164(1) & (2) of Companies Act, 2013 and rules made thereunder. Your directors have made necessary disclosures as required under various provisions of the Companies Act, 2013.

### (i) Retirement By Rotation:

In accordance with the provisions of section 152 (6) of the Companies Act, 2013 and the Company's Articles of Association, Mr. Shiva Pravesh Chaturvedi (DIN: 06834388) Whole-time Director of the Company, who retires by rotation and being eligible, offers himself for re-appointment. Your directors recommend for his appointment/ re-appointment.

### (ii) Appointment/Re-appointment/Resignation of Independent Directors

Ms. Jyoti (DIN: 05348101) has been re-appointed as Independent Director of the Company for the second term of five years by the members in the Annual General Meeting held on September 20, 2023, pursuant to provisions of the Companies Act, 2013.

### (iii) Appointment/Resignation of Director and Key Managerial Personnel

Mr. Pardeep Kumar Jain has been re-appointed as Managing Director of the Company for another term of five years, in the Annual General Meeting held on September 20, 2023, pursuant to provisions of the Companies Act, 2013.

There is no change in the Key Managerial Personnel of the Company during the financial year 2023-24.

### (iv) Declaration by Independent Directors

The Independent Directors have given their respective declarations to the Board confirming that they meet the criteria of Independence to be appointed as Independent Director under the provisions of the Companies Act, 2013 and as per SEBI (LODR) Regulations, 2015.

### (v) Board Evaluation

The Board of Directors has carried out an annual evaluation of its own performance, Board committees and individual directors which include criteria for performance evaluation of the Non-Executive Directors and Executive Directors pursuant to the provisions of the Act and the Corporate Governance requirements as prescribed by Securities & Exchange Board of India (SEBI) under SEBI (LODR) Regulations, 2015. The Company has devised an evaluation matrix for the performance evaluation and collates the evaluation results internally.

A meeting of Independent Director was held on 5<sup>th</sup> February 2024 without the attendance of other directors (Non-Independent) to review the performance of Non-Independent Directors, the Board as a Whole, Chairman of the Company/ Meetings, to assess the flow of information between Company Management and the Board. It was noted that the Board is broad based, information is timely provided, decisions are

taken after due deliberations, Board members are encouraged by the Chairman to participate and offer their independent advice based on their experience and act in the best interest of the company and its stakeholders.

The Board is of the opinion that the independent directors appointed during the year holds adequate integrity, expertise and experience (including the proficiency).

## MATERIAL CHANGES

During the financial year, the following material changes were reported:

- (i) The Company has issued of 90,59,433 equity shares of face value of ₹10 each ("Rights Equity Shares") for cash at a price of ₹54/- per equity share (Including a share premium of ₹44/- per equity share), aggregating upto ₹4,892.09 lakhs on a rights basis to the existing equity shareholders of the company in the ratio of two (02) rights equity share(s) for every eleven (11) fully paid-up equity share(s) held by the existing equity shareholders on the record date.
- (ii) The Company has issued 15,000 (Fifteen Thousand) listed, secured, rated, redeemable, taxable, non-convertible debentures of face value of ₹1,00,000/- (Rupees One Lakhs Only) each on private placement basis for cash at par, aggregating to ₹150,00,00,000 (Rupees One Hundred Fifty Crore Only).
- (iii) The Company has repaid in full the loan including interest thereon (if any) to Alchemist Assets Reconstruction Company Limited amounting ₹136.48 Crores out of the proceeds of NCD Issuance of ₹150 Crores. This repayment is made in accordance with the objects of the NCD Issue.

After the closure of the financial year but before signing of this Report, the operations of Paper Mill have been shut-down for an estimated period of one month starting from 8<sup>th</sup> June 2024, for the purpose of repair, restoration, upgradation, modification of existing machineries, annual maintenance of Paper Unit to improve the quality and quantity of the product. Thereafter our Paper Unit (Paper Mill) has resumed operations effective from 22<sup>nd</sup> July, 2024.

## PUBLIC DEPOSITS

The Company has not accepted, renewed, and repaid any deposit from the public during the period under review.

Details relating to unpaid or unclaimed deposits or default in repayment of deposit as on 31<sup>st</sup> March 2024 as covered under Chapter V of the Act are as follows:

1.	Accepted during the year	NIL
2.	Remained unpaid or unclaimed as at the end of the year	NIL
3.	Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved-	NIL



4.	At the beginning of the year	NIL
5.	Maximum during the year	NIL
6.	At the end of the year	NIL
7.	Details of deposits which are not in compliance with the requirements of Chapter V of the Act	NIL

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Information required under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, with respect to conservation of energy, technology absorption and foreign exchange earnings/ outgo is included in Annexure I to this Report.

### PARTICULARS OF EMPLOYEES

The table containing the names and other particulars of employees in accordance with the provisions of Section 197(12) of the Companies Act 2013, read with Rule 5(1) and 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended as Annexure II to this Report.

The Company does not have any employees who was:

- employed throughout the financial year and in receipt of annual remuneration of ₹1.02 Crore or more;
- employed for part of the year and in receipt of monthly remuneration of ₹8.5 Lakh or more ;

### HUMAN RESOURCE DEVELOPMENT

The Company has been successful in building a performance-oriented culture with high levels of engagement and empowerment in an environment of teamwork. The focus has been on creating reserves through cross functional and inter-disciplinary exposure at all levels to ensure redundancy and robustness in the organization. The morale of the team is at a high level.

### VIGIL MECHANISM

A vigil mechanism of the Company which also includes a Whistle Blower Policy pursuant to Section 177(9) & 10 of Companies Act, 2013, has been established and can be accessed on the Company website at [www.magnumventures.in](http://www.magnumventures.in).

### AUDIT COMMITTEE

The Audit Committee as on 31<sup>st</sup> March 2024 comprises of the following Directors:

- Ms. Aanchal Jain, Independent Director (Chairman);
- Ms. Jyoti Bansal, Independent Director (Member);
- Mr. Parveen Jain, Non-executive Director (Member)
- Ms. Shalini Rahul, Independent Director (Member)

All the recommendations made by the Audit Committee were accepted by the Board. Further, details such as constitution and meetings, held during the financial year, etc. of audit committee are included in the Corporate Governance Report.

### NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee as on 31<sup>st</sup> March 2024 comprises of the following Directors:

- Ms. Jyoti, Independent Director (Chairman);
- Ms. Jyoti Bansal, Independent Director (Member);
- Ms. Aanchal Jain, Independent Director (Member);
- Mr. Parveen Jain, Non-executive Director (Member)

All the recommendations made by the Nomination and Remuneration Committee were accepted by the Board. Further, details such as constitution and meetings held during the financial year, etc. are included in the Corporate Governance Report.

The Nomination and Remuneration Policy has also been framed by the Nomination and Remuneration Committee including criteria for determining qualifications, positive attributes, independence of a director and can be accessed on the Company website at [www.magnumventures.in](http://www.magnumventures.in).

### STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee as on date comprises of the following Directors:

- Ms. Jyoti Bansal, Independent Director (Chairman);
- Ms. Jyoti, Independent Director (Member);
- Mr. Parveen Jain, Non-executive Director (Member)

All the recommendations made by the Stakeholders Relationship Committee were accepted by the Board. Further, details such as constitution and meetings held during the financial year, etc. are included in the Corporate Governance Report.

### CORPORATE SOCIAL RESPONSIBILITY

The provision of CSR was applicable to the Company for the financial year 2023-24. The CSR Policy can be accessed on the Company website at [www.magnumventures.in](http://www.magnumventures.in) and the annual report on CSR activities for the year 2023-24 in the format as prescribed under the Companies (Corporate Social Responsibility Policy) Rules, 2014, is annexed as Annexure III to this Report.

### MEETINGS OF THE BOARD

The Board of Directors met nine times on 10<sup>th</sup> April, 2023, 29<sup>th</sup> May, 2023, 11<sup>th</sup> August, 2023, 21<sup>st</sup> August, 2023, 13<sup>th</sup> October, 2023, 10<sup>th</sup> November, 2023, 12<sup>th</sup> December, 2023, 18<sup>th</sup> January, 2024 and 5<sup>th</sup> February 2024 during the financial year 2023-24.

Further, the Company had a meeting of Independent Directors dated 5<sup>th</sup> February, 2024.

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

No disclosure or reporting is required in respect of loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 as there was no such transaction during the reporting period.

## RELATED PARTY TRANSACTIONS

All Related Party Transactions entered into during the financial year were on the arm's length and in the ordinary course of business. All Related Party Transactions were placed before the Audit Committee of the Board for their approval.

The Company has formulated a policy on materiality of Related Party Transactions and on dealing with Related Party Transactions. The policy is available on the Company's website [www.magnumventures.in](http://www.magnumventures.in).

The current and the future transactions will be deemed to be 'material' in nature as defined in Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations, 2015"). All related party transactions and subsequent material modifications shall require prior approval of the audit committee as per Regulation 23 of the SEBI (LODR) Regulations, 2015 and all material related party transaction shall require approval of shareholders through resolution and the related party shall abstain from voting on such resolution whether the Company is a related party to the particular transaction or not.

The related party transaction, referred to Section 188(1) of the Companies Act, 2013, entered and continued during the financial year are attached herewith in Form AOC-2 as Annexure IV to this Report.

## RISK MANAGEMENT

Your Company has established the Risk Management System to mitigate the risk faced by the Company in the ordinary course of business. The Company has also formulated a Risk Management Policy which is available on the Company's website [www.magnumventures.in](http://www.magnumventures.in). The factors that affect the Company's profitability and operations are regularly monitored and offers/proposals submitted by the Company to its customers are modified accordingly. In the opinion of the Board, there is no risk which may threaten the existence of the Company.

## INTERNAL FINANCIAL CONTROL

The Company has in place adequate internal financial controls with reference to financial statements. Please refer to the report on Internal Financial control, which forms the part of Auditors' Report in Annexure B.

The Company is taking steps to further strengthen the internal financial controls system in the financial year 2024-25.

## CORPORATE GOVERNANCE

The Company is in compliance of all mandatory requirement of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereto (hereinafter referred to as 'SEBI Listing Regulations'), with the Stock Exchanges. For the year ended March 31, 2024, the compliance status is provided in the Corporate Governance section of the Annual Report. A Certificate issued by CS Vijay Kumar Sharma, Partner of Munish K Sharma & Associates LLP, Company Secretaries confirming compliance of

the conditions of Corporate Governance stipulated in Regulations 17 to 20, 22, 23, 25, 26, 27 and clauses (b) to (g), (i) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations") for the period April 1, 2023 to March 31, 2024 is annexed in Annexure V.

## AUDITORS AND AUDITORS' REPORT

### Statutory Auditors

The term of M/s. Aggarwal & Rampal, Chartered Accountants, (FRN: 003072N) expired in the last Annual General Meeting held on 20<sup>th</sup> September, 2023, and M/s Sahni Bansal & Associates, Chartered Accountants (Firm Registration Number: 514470C), were appointed as the Statutory Auditors of the Company for five years to hold office from the conclusion of the AGM held in the year 2023 till the AGM to be held in the year 2028.

Due to the medical grounds of CA Pardeep Surrinder Sahni & CA Gaurav Ahuja who were looking after statutory audit, they are not in position to conduct audit, hence M/s Sahni Bansal & Associates, Chartered Accountants were resigned vide their Resignation Letter dated 12<sup>th</sup> August 2024, hence to fill up the casual vacancy the Audit Committee and the Board has recommended the appointment of M/s. Manish Pandey and Associates, Chartered Accountants as the Statutory Auditors of the Company for five years to hold office from the conclusion of the ensuing AGM of the year 2024 till the AGM to be held in the year 2029.

The notes on financial statements referred to in the Auditor's report are self-explanatory and do not call for any further comments.

The Key audit matters/ Emphasis of Matters/ qualification/ reservation/ adverse in the Auditor's Report and Directors' response to the same is as follows:

### Key Audit Matter

- a) We refer to the note number 13 of the financial statements, the company has issued listed, secured, redeemable, non-convertible debentures of ₹15000 lacs on private placement basis.

**Directors' Reply:** The key audit matters is self-explanatory and does not required further director's comments.

### Emphasis of Matter:

- a) Balance of Debtors, Creditors & Advances as on March 31, 2024 are subject to confirmation and reconciliation consequential effect (if any) on the financial statement remains unascertained.

**Directors' Reply:** The company regularly reconciling its account with its debtors, creditors & advances and there is no deviation expected in the balances of debtors, creditors & advances.

- b) The inventory has been physically verified by the management and it being a technical matter we are unable to comment upon the quantity, pricing and method being used for valuation of

the Inventory and have relied upon the value and quantity certified by the management.

**Directors' Reply:** The Company do conduct Physical verification of inventory at regular intervals through actual counting, weighing and measuring all items of stock, recording the results and to ensure that the materials are according to the nomenclature, description, specification shown in the stock records and the actual balances of such stocks agree with balances.

- c) We have observed that the company has made deposits amounting to ₹300.00 lakhs with Bank of Baroda, The Company has informed that such payment has been made to cover the expenses to be incurred by Bank of Baroda in order to withdraw the cases filed by them against the company at various forums.

**Directors' Reply:** The Company has done OTS with Bank of Baroda, the Company paid OTS amount of ₹27 Crores to Bank of Baroda, thereafter Bank of Baroda issued the NOC. After that Bank of Baroda has asked for ₹3 Crores for the reconciliation of account and said it will be refunded after reconciliation. Now reconciliation has been done but Bank of Baroda is not returning the additional deposited amount of ₹3 Crores.

That's why the Company has filled the recovery suites for ₹3 Crores with interest in the High Court of Delhi vide case no. CS(COMM) 522/2024 the matter is sub judice.

- d) The Hon'ble Executive Director ('ED') of SEBI has passed an order dated May 31, 2023 (bearing No. QJA/SP/CFID/FID-SEC4/26875/2023-24) in the matter of M/s Magnum Ventures Limited and imposed penalty under section 15H A & 15HB of the SEBI Act, 1992 amounting to ₹12,00,000 on the company and collectively a penalty of ₹54,00,000 on directors and KMPs of the Company and restrained them from accessing the securities market and further prohibited from buying, selling or dealing in securities, either directly or indirectly, in any manner whatsoever, for a period of one year from the date of this Order. The provision of ₹12,00,000 has been made in the books of accounts.

Subsequent to the said order, the Company has appealed before the Hon'ble Securities Appellate Tribunal, Mumbai ('Hon'ble SAT'), however Hon'ble SAT vide its order dated July 13, 2023 did not provide any interim relief to the company and directed the Company to deposit the penalty amount which shall be subject to the result of the appeal.

We observe that the company had duly deposited the penalty amount in compliance to the order of Hon'ble SAT and the matter was listed for May 21, 2024 wherein the matter has further being adjourned to July 19, 2024.

**Directors' Reply:** Pursuant to Order of Securities Appellate Tribunal, the Company has already deposited the penalty amount. Further the Company along with other noticees have

filed Application for Settlement under the SEBI (Settlement Proceedings) Regulation, 2018 before the Settlement Division of the Respondent-SEBI.

- e) Trade Receivables amounts to ₹6490.60 lakhs, out of which trade receivables amounting to ₹46.45 lakhs are outstanding for more than six months, which are under litigation.

**Directors' Reply:** The Company through its management has an efficient recovery policy from its debtors through regular follow up. The total debtors as on March 31<sup>st</sup> 2024 was ₹6490.60 lacs out of which ₹46.45 lacs is outstanding for more than six months, which is only 0.72% of the total debtors outstanding as on March 31<sup>st</sup> 2024. Furthermore, the receivables that are under litigation will be resolved once the court issues its order.

#### Others:

In our opinion and according to the information and explanations given to us, the Company has an internal financial controls system over financial reporting however it is needed to be further strengthened to commensurate with the size of the company and nature of the business.

**Directors' Reply:** The primary purpose of internal controls system is to help safeguard an organization and further its objectives. Internal controls function to minimize risks and protect assets, ensure accuracy of records, promote operational efficiency, and encourage adherence to policies, rules, regulations, and laws. To achieve, the management have efficient internal control system. The company and management keep on strengthen internal control system and procedures on regular basis.

#### COST AUDITORS

Rule 3 and 4 of the Companies (Cost Records and Audit) Amendment Rules, 2014 mandates Paper Industry to get the audit of its cost records after a prescribed turnover of the product and the Company is required to get its cost record audited for the financial year 2023-24.

M/s V.K. Dube & Co., Cost Accountants, were appointed as Cost Auditors of the Company to audit the cost records of the Company for the financial year 2023-24.

#### Particulars of Cost Auditors' are as follows:

Name of the Cost Auditor's Firm	V.K. Dube & Co., Cost Accountants
Membership Number of Cost Auditor	000343
Address:	R-8/90, Raj Nagar, Ghaziabad, Uttar Pradesh 201002
E-mail id	vkdubeco@gmail.com

#### INTERNAL AUDITOR

M/s A S R & Co., Chartered Accountants were appointed as Internal Auditor of the Company for the financial year 2023-24. However, they have resigned vide his letter dated 25<sup>th</sup> June, 2024. They have done the internal audit for the financial year 2023-24



only.

Particulars of Internal Auditors' are as follows

Name of the Internal Auditor	M/s A S R & Co., Chartered Accountants
Address	3011, LGE, Sector-46, Gurugram
E-mail Id	Lalit.anand@asr-india.co.in

After closure of the reporting financial year but before signing this report, the Board has appointed M/s GMB & Associates, (Chartered Accountants) for the period starting from 1<sup>st</sup> April 2024 to 31<sup>st</sup> March 2025, in the board meeting held on 7<sup>th</sup> August, 2024.

Particulars of Internal Auditors are as follows

Name of the Internal Auditor	M/s GMB & Associates, Chartered Accountants
Address	D-25, First Floor, Vikas Marg, Metro Pillar No. 34, Laxmi Nagar, Delhi – 110092
E-mail Id	vijaygauravfca@gmail.com

### SECRETARIAL AUDITOR

The Board has appointed M/s. Munish K Sharma & Associates LLP, Company Secretaries, to conduct the Secretarial Audit of the Company for financial year 2023-24. The Secretarial Audit Report for the financial year ended March 31, 2024 is annexed herewith marked as Annexure VI to this Report.

Particulars of Secretarial Auditors' are as follows:

Name of the Secretarial Auditor's Firm	M/s Munish K Sharma & Associates LLP, Company Secretaries
Name & Membership Number of Secretarial Auditor	Mr. Vijay Kumar Sharma, F-9924
Address:	AAF-14, Shipra Krishna Azure, Kaushambi, Ghaziabad, U.P.- 201010
E-mail id	munish_171@yahoo.com

The Secretarial Auditor's report is self-explanatory and do not call for any further comments except for the following observations:

- Balance of Debtors, Creditors & Advances as on 31 March 2024 are subject to confirmation and reconciliation consequential effect (if any) on the financial statements remains unascertained.

**Directors' Reply:** The company regularly reconciling its account with its debtors, creditors & advances and there is no deviation expected in the balances of debtors, creditors & advances.

- Trade receivables amount to ₹6490.60 lakhs, out of which trade receivables amounting to ₹46.45 lakhs are outstanding for more than six months, which are under litigation.

**Directors' Reply:** The Company through its management has an efficient recovery policy from its debtors through regular follow up. The total debtors as on March 31<sup>st</sup> 2024 was ₹6490.60 lacs out of which ₹46.45 lacs is outstanding

for more than six months, which is only 0.72% of the total debtors outstanding as on March 31<sup>st</sup> 2024. Furthermore, the receivables that are under litigation will be resolved once the court issues its order.

- The Company has an internal financial controls system over financial reporting however it is needed to be further strengthen to commensurate with the size of the Company and nature of its business.

**Directors' Reply:** The primary purpose of internal controls system is to help safeguard an organization and further its objectives. Internal controls function to minimize risks and protect assets, ensure accuracy of records, promote operational efficiency, and encourage adherence to policies, rules, regulations, and laws. To achieve, the management have efficient internal control system. The company and management keep on strengthen internal control system and procedures on regular basis.

- During the period under review, the Company has delayed in filing of e-Form MGT-14 for holding Extra-ordinary General Meetings dated 08 November 2023 and 24 January 2024 through Video Conferencing, and e-Form MGT-7 for the financial year 2022-23, with the Registrar of Companies, NCT of Delhi and Haryana.

However, the management informed and clarified us that e-Form MGT-7 was delayed due to technical issue on MCA portal.

**Directors' Reply:** The company has delayed the same due to some technical glitch on MCA Portal, one the same was resolved the Company has duly filed the said forms with additional fees.

### ANNUAL SECRETARIAL COMPLIANCE REPORT

In compliance with SEBI circular dated February 8, 2019, bearing reference no. CIR/CFD/CMDI/27/2019, the Company has filed the Annual Secretarial Compliance Report for the year 2023-24 with the BSE Ltd. and National Stock Exchange of India Limited. The report was received from CS Vijay Kumar Sharma, Partner at M/s. Munish K Sharma & Associates LLP, Company Secretaries and filed within the stipulated time.

### DIRECTORS' RESPONSIBILITY STATEMENT

In terms of the provisions of section 134(5) of the Companies Act, 2013, and to the best of their knowledge and belief and according to the information and explanations obtained by them and save as mentioned elsewhere in this Report, the attached Annual Accounts and the Auditors' Report thereon, your Directors confirm that:

- in preparation of the annual accounts for the financial year ended March 31, 2024, the applicable Accounting Standards have been followed and there is no material departure from the same;
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates

that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of March 31, 2024 and of the profit and loss of the Company for that period;

- c. the Directors had taken proper and sufficient care for the 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 fraud and other irregularities;
- d. the Directors had prepared the annual accounts on a going concern basis;
- e. the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f. that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **SIGNIFICANT & MATERIAL ORDERS:**

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

However, The Hon'ble Executive Director ('ED') of SEBI has passed an order dated May 31, 2023 (bearing No. QJA/SP/CFID/FID-SEC4/26875/2023-24) in the matter of M/s Magnum Ventures Limited and imposed penalty under section 15H A & 15HB of the SEBI Act, 1992 amounting to ₹12,00,000 on the company and collectively a penalty of ₹54,00,000 on directors and KMPs of the Company and restrained them from accessing the securities market and further prohibited from buying, selling or dealing in securities, either directly or indirectly, in any manner whatsoever, for a period of one year from the date of this Order.

Subsequent to the said order, the Company has appealed before the Hon'ble Securities Appellate Tribunal, Mumbai ('Hon'ble SAT'), however Hon'ble SAT vide its order dated July 13, 2023 directed the Company to deposit the penalty amount which shall be subject to the result of the appeal.

The company had duly deposited the penalty amount in compliance to the order of Hon'ble SAT.

Further, the Company along with other noticees have filed Application for Settlement under the SEBI (Settlement Proceedings) Regulation, 2018 before the Settlement Division of the Respondent-SEBI in this matter.

#### **MAINTENANCE OF COST RECORDS**

Your Company maintains cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013.

#### **PREVENTION OF SEXUAL HARASSMENT POLICY**

The Company has in place a Prevention of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of

Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the policy is available on the Company's website [www.magnumventures.in](http://www.magnumventures.in).

The company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

During the year 2023-24, no complaints were received by the Company related to sexual harassment and no complaints were pending at the end of the reporting period.

#### **ANNUAL RETURN**

Pursuant to the provisions of Section 134 of the Companies Act, 2013, Annual Return in Form MGT-7 shall be made available at the Company's website at [www.magnumventures.in](http://www.magnumventures.in) after filing with Registrar of Companies.

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

Management Discussion and Analysis Report as required in terms of the SEBI Listing Regulations, is annexed to this Report.

#### **STOCK EXCHANGE LISTING**

The shares of the Company are listed on the BSE Limited (BSE Scrip Code: 532896) and National Stock Exchange (NSE Symbol: MAGNUM).

The listing fee for the financial year 2024-25 has already been paid to the BSE and National Stock Exchange.

#### **COMPLIANCE ON SECRETARIAL STANDARDS**

The provisions of the applicable Secretarial Standards have been duly complied with during the financial year 2023-24.

#### **ENVIRONMENTAL PROTECTION, HEALTH AND SAFETY**

During the year, the Company enhanced its efforts to address Health, Safety and Environment matters. The Safety & Health of employees and external stakeholders are embedded in the core organizational values of the Company. The Health & Safety Policy aims to ensure safety of public employees, plant & equipment, ensure compliance with all statutory rules and regulations, imparting training to its employees, carrying out safety audits of its facilities, and promoting eco - friendly activities.

The Company continues to maintain good track record on safety. MVL also has a Committee for the safeguard of its workmen. This Committee meets at regular intervals to take measures for worker's protection in order to make the Company a safe place to work.

#### **DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB- SECTION (12) OF SECTION 143**

As per the explanations given by the Auditors in their report no material fraud on or by the Company or any fraud in the Company

by its officers or employees has been noticed or reported during the year.

#### NAMES OF THE COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES / JOINT VENTURES / ASSOCIATE COMPANIES DURING THE YEAR

No Company has become or ceased to be subsidiary/joint venture/ associate company of the Company during the year under review.

#### CAPITAL STRUCTURE:

During the financial year 2023-24 the following changes took place in the share capital of the Company:

##### (i) Increase in Authorised Share Capital

The Company has increased its Authorised Share Capital from ₹85,50,00,000/- (Rupees Eighty-Five Crores Fifty Lakhs Only) divided into 5,55,00,000 (Five Crores Fifty-Five Lakhs) Equity Shares of ₹10/- (Rupees Ten) each and 30,00,000 (Thirty Lakhs) Preference Shares of ₹100/- (Rupees One Hundred) each to ₹97,82,50,000/- (Rupees Ninety-Seven Crores Eighty -Two Lakhs Fifty Thousand Only) divided into 6,78,25,000 (Six Crores Seventy-Eight Lakhs Twenty-Five Thousand) Equity Shares of ₹10/- (Rupees Ten) each and 30,00,000 (Thirty Lakhs) Preference Shares of ₹100/- (Rupees One Hundred) each in the Annual General Meeting held on 20<sup>th</sup> September, 2023.

Further, Company has increased its Authorised Share Capital from ₹97,82,50,000/- (Rupees Ninety-Seven Crores Eighty -Two Lakhs Fifty Thousand Only) divided into 6,78,25,000 (Six Crores Seventy-Eight Lakhs Twenty-Five Thousand) Equity Shares of ₹10/- (Rupees Ten) each and 30,00,000 (Thirty Lakhs) Preference Shares of ₹100/- (Rupees One Hundred) each to ₹1,07,82,50,000/- (Rupees One-Hundred and Seven Crores Eighty -Two Lakhs Fifty Thousand Only) divided into 7,78,25,000 (Seven Crores Seventy-Eight Lakhs Twenty-Five Thousand) Equity Shares of ₹10/- (Rupees Ten) each and 30,00,000 (Thirty Lakhs) Preference Shares of ₹100/- (Rupees One Hundred) each in the Extra-Ordinary General meeting held on 8<sup>th</sup> November, 2023.

Also, Company has increased its Authorised Share Capital from ₹1,07,82,50,000/- (Rupees One-Hundred and Seven Crores Eighty -Two Lakhs Fifty Thousand Only) divided into

7,78,25,000 (Seven Crores Seventy-Eight Lakhs Twenty-Five Thousand) Equity Shares of ₹10/- (Rupees Ten) each and 30,00,000 (Thirty Lakhs) Preference Shares of ₹100/- (Rupees One Hundred) each to ₹1,12,82,50,000/- (Rupees One-Hundred and Twelve Crores Eighty-Two Lakhs Fifty Thousand Only) divided into 8,28,25,000 (Eight Crores Twenty-Eight Lakhs Twenty-Five Thousand) Equity Shares of ₹10/- (Rupees Ten) each and 30,00,000 (Thirty Lakhs) Preference Shares of ₹100/- (Rupees One Hundred) each in the Extra-Ordinary General meeting held on 24<sup>th</sup> January, 2024.

##### (ii) Issuance of Warrants Convertible into Equity Share on preferential basis

The Company has issued and allotted 1,23,25,000 warrants convertible into equity shares on preferential basis to the promoters/ promoter group/ non-promoter of the Company in the 43<sup>rd</sup> Annual General Meeting held on 20<sup>th</sup> September, 2023.

##### (iii) Issuance of Equity Shares upon conversion of Warrants

The Company issued and allotted 57,25,000 equity shares pursuant to conversion of 57,25,000 warrants in the board meeting held on 10<sup>th</sup> April, 2023. Further, the Company issued and allotted 20,00,000 equity shares pursuant to conversion of 20,00,000 warrants in the board meeting held on 18<sup>th</sup> January, 2024.

##### (iv) Issuance of Equity Shares upon Rights Issue basis

The Company has issued of 90,59,433 equity shares of face value of ₹10 each ("Rights Equity Shares") for cash at a price of ₹54/- per equity share (Including a share premium of ₹44/- per equity share), aggregating upto ₹4,892.09 lakhs on a rights basis to the existing equity shareholders of the company in the ratio of two (02) rights equity share(s) for every eleven (11) fully paid-up equity share(s) held by the existing equity shareholders on the record date. The allotment of the said shares was made on 1<sup>st</sup> March 2024.

##### (v) Redemption of Preference Shares

The Company has redeemed 5,72,500 and 2,00,000 Unlisted Zero Percent Coupon Rate, Non-Convertible, Non-Cumulative Redeemable Preference Share of ₹100/- each on 10<sup>th</sup> April, 2023 and 5<sup>th</sup> February, 2024 respectively pursuant to the terms attached to such shares.

#### CAPITAL STRUCTURE AS ON 31ST MARCH 2024:

S. No.	Particulars	No. of Shares	Face Value per share	Amount
1.	Authorised Share Capital			
	Equity	8,28,25,000	₹10/-	₹82,82,50,000
	Preference	30,00,000	₹100/-	₹30,00,00,000
2.	Issued, paid up and subscribed Share Capital			
	Equity	5,88,86,317	₹10/-	₹58,88,63,170/-
	Preference	12,77,500	₹100/-	₹12,77,50,000/-



**RECEIPT OF AMOUNT FROM DIRECTORS:**

During the financial year 2023-24, the Company has received following amounts from the Directors as referred in sub-clause (viii) of clause (c) of sub-rule (1) of Rule 2 of The Companies (Acceptance of Deposits) Rules, 2014 along with declarations thereof:

S. No.	Name of Director	Amount Received by the Company
1.	Mr. Abhay Jain	INR 3,16,37,577/-
2.	Mr. Pardeep Kumar Jain	INR 21,35,00,000/-

**UTILIZATION OF FUNDS RAISED**

During the financial year 2023-24, the funds raised have been utilized as per the objects of the issue. The details of Funds utilization are as follows:

**FUNDS RAISED AMOUNTING RS. 48,92,09,382 THROUGH RIGHTS ISSUE OF EQUITY SHARES**

S. No.	Funds Utilized during the FY 2023-24	Amount
1.	Funding purchase of new equipment and modification of existing machinery installed in the pulp section to rewinding section manufacturing unit to improve the quality and quantity of newsprint paper, kraft paper and cup stock natural shade paper	₹6,14,71,000
2.	Issue related expenses	₹2,75,39,000
3.	General Corporate Purposes	₹5,95,00,000

**FUNDS RAISED AMOUNTING RS. 12,35,58,125 (BEING 25%) THROUGH ISSUE OF 1,23,25,000 WARRANTS ON PRIVATE PLACEMENT BASIS**

S. No.	Funds Utilized during the FY 2023-24	Amount
1.	Repayment of all or a portion of certain outstanding borrowings including interest thereon availed by Company	₹12,13,67,577
2.	Redemption of Redeemable, Non-Convertible and Non-Cumulative Preference Shares issued by the Company	Nil
3.	Capital expenditure towards tangible and intangible assets	₹17,00,000
4.	Working Capital purposes	Nil
5.	General corporate purposes	₹4,90,548

**FUNDS RAISED AMOUNTING RS. 10,73,43,750 (BEING 75%) THROUGH CONVERSION OF 57,25,000 WARRANTS (ISSUED ON PRIVATE PLACEMENT BASIS) INTO EQUITY SHARES**

S. No.	Funds Utilized during the FY 2023-24	Amount
1.	Repayment of all or a portion of certain outstanding borrowings including interest thereon availed by Company	₹5,00,93,750
2.	Redemption of Redeemable, Non-Convertible and Non-Cumulative Preference Shares issued by the Company	₹5,72,50,000
3.	Capital expenditure towards tangible and intangible assets	Nil
4.	General corporate purposes	Nil

**FUNDS RAISED AMOUNTING RS. 6,01,50,000 (BEING 75%) THROUGH CONVERSION OF 20,00,000 WARRANTS (ISSUED ON PRIVATE PLACEMENT BASIS) INTO EQUITY SHARES**

S. No.	Funds Utilized during the FY 2023-24	Amount
1.	Repayment of all or a portion of certain outstanding borrowings including interest thereon availed by Company	₹4,01,50,000
2.	Redemption of Redeemable, Non-Convertible and Non-Cumulative Preference Shares issued by the Company	₹2,00,00,000
3.	Capital expenditure towards tangible and intangible assets	Nil
4.	Working Capital purposes	Nil
5.	General corporate purposes	Nil

**FUNDS RAISED AMOUNTING RS. 150,00,00,000 THROUGH ISSUANCE OF 15,000 18% LISTED, SECURED, RATED, REDEEMABLE, TAXABLE NON-CONVERTIBLE DEBENTURES ON PRIVATE PLACEMENT BASIS**

S. No.	Funds Utilized during the FY 2023-24	Amount
1.	Repayment of outstanding borrowings including interest thereon due towards Alchemist Assets Reconstruction Company Limited	₹136.48 Crores
2.	Transaction expenses and working capital	₹13.52 Crores

**CREDIT RATING**

Acuité Ratings & Research Limited vide their press release dated 23<sup>rd</sup> January 2024 has assigned its long term rating of 'Provisional ACUITE C' (read as Provisional ACUITE C) on the ₹155.00 Cr. proposed Non-Convertible Debentures of Magnum Ventures Limited.

Later Acuité Ratings & Research Limited vide their press release dated 30<sup>th</sup> May 2024 has converted and assigned its long term rating of 'ACUITE C' (read as ACUITE C) from 'Provisional ACUITE C' (read as Provisional Acuite C) on the ₹150.00 Cr. Non-Convertible Debentures of Magnum Ventures Limited.

**ACKNOWLEDGEMENT**

Your directors take this opportunity to place on record their sincere appreciation for the co-operation and assistance the Company has received from Bankers and various Government Departments. The

Board also places on record its appreciation of the devoted services of the employees, support and co-operation extended by the valued business associates and the continuous patronage of the customers of the Company.

**For and on Behalf of the Board**  
**Magnum Ventures Limited**

Sd/-

**Pardeep Kumar Jain**

*Managing Director*

DIN: 00024879

Add: 113/3-4, Ansari Road,  
Darya Ganj, Delhi-110002

Date: 29<sup>th</sup> August, 2024

Place: Ghaziabad

Sd/-

**Abhay Jain**

*Managing Director*

DIN: 01876385

Add: 113/3-4, Ansari Road,  
Darya Ganj, New Delhi -110002

## ANNEXURE I

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE

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

**(A) Conservation of energy-**

- (i) The steps taken or impact on conservation of energy- No major steps were taken.
- (ii) The steps taken by the company for utilising alternate sources of energy – No alternate source of energy was used.
- (iii) The capital investment on energy conservation equipment- No capital Investment on energy conservation equipment.

**(B) Disclosure of particulars with respect to Technology Absorption**

- (i) the efforts made towards technology absorption; Manufacturing process is continuously monitored to ensure better productivity. The Company is upgrading technology machines for better production and effective utilization of resources.
- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution;
  - Improvement in product quality.
  - Improved productivity and cost reduction
  - Introduction of improved products.
- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- No technology is imported during the year.
  - (a) the details of technology imported; - NA
  - (b) the year of import; - NA
  - (c) whether the technology been fully absorbed; - NA
  - (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof- NA
- (iv) the expenditure incurred on Research and Development. Nil

**(C) Foreign Exchange Earnings and Outgo:**

The detailed information in respect of Foreign Exchange Earnings and Outgo has been given under (iv) of (B) Other Notes in Notes to Accounts annexed with the financial statements for the year ended March 31, 2024.

For and on Behalf of the Board  
Magnum Ventures Limited

Sd/-  
**Pardeep Kumar Jain**  
Managing Director  
DIN: 00024879  
Add: 113/3-4, Ansari Road,  
Darya Ganj, Delhi-110002

Date: 29<sup>th</sup> August, 2024  
Place: Ghaziabad

Sd/-  
**Abhay Jain**  
Managing Director  
DIN: 01876385  
Add: 113/3-4, Ansari Road,  
Darya Ganj, New Delhi -110002



## ANNEXURE II

## SECTION 197(12) OF THE COMPANIES ACT 2013, READ WITH RULE 5(1) AND 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

## PART-A

- (i) The ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year, the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2023-24 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

S. No.	Name of the Director/ KMP for the F Y 2023-24	Remuneration	Ratio	% of increase of remuneration in FY 2023-24
1.	Mr. Pardeep Kumar Jain (MD)	13,80,000	7.5	Nil
2.	Mr. Abhay Jain (MD)	13,80,000	7.5	Nil
3.	Mr. Shiv Pravesh Chaturvedi (WTD)	12,00,000	6.5	45%
4.	Mr. Parv Jain (CFO)	17,40,000	9.4	Nil
5.	Ms. Aaina Gupta (CS)	8,40,000	4.5	23%

\* All the Independent Directors in the Board take only sitting fees for attending meetings.

- (ii) The percentage increase in the median remuneration of employees in the financial year;

The median remuneration of employees has increased 10.2% amounted to ₹1,85,282/- during the FY 2023-24 as compared to ₹1,68,146/- during the FY 2022-23.

- (iii) The number of permanent employees on the rolls of the Company

The total number of employees on the rolls of the Company is as follow:

At the beginning of the year: 545 (Hotel), 830 (Paper)

At the end of the year: 585 (Hotel), 881 (Paper)

- (iv) Average percentile increase already made in salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration

There is 7.2% and NIL, average increase in the remuneration of employees of Hotel Unit and Paper Unit respectively, during the FY 2023-24 and 13.6% average increase in limits of remuneration of managerial personnel. The remuneration of employees is linked to their performance and experience and the managerial remuneration is linked to the Company's performance and growth.

- (v) The remuneration is as per the remuneration policy of the Company.

## PART-B

The details of employees as per the Company (Appointment and Remuneration of Managerial Personnel) Amended Rules:

- I. If employed throughout the financial year, was in receipt of remuneration for that year, in the aggregate, was not less than One Crore Two Lakh rupees: No such employee
- II. If employed for a part of financial year, was in receipt of remuneration for any part for that year, at a rate which, in the aggregate was not less than Eight Lakh Fifty Thousand per month: No such employee

III. The table containing the names and other particulars of employees in accordance with the provisions of Section 197(12) of the Companies Act 2013, read with Rule 5(1) and 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

S. No.	Name	Age	Designation	Date of Joining	Qualification	Total Experience (in Years)	Last Employment	% of Shares held in the Company	Whether related to any Director	Annual Net Earning
1	Sukhpreet Kaur Bedi	47	GM of Business Development (F&B Sales)	08/03/2010	B.A.	29	Imperial Hotel	0	No	24,49,800
2	Naresh Chandra Sharma	70	Director - Human Resources	07/05/2009	PGDBA + Dip. In HRD	47	AHA (Air Hostess Academy Pvt. Ltd.)	0	No	16,34,400
3	Veena Jain	69	Manager Sales & Marketing	01/02/2017	Graduate	13	N.A.	0.65%	Yes	15,90,000
4	Ritesh Jain	42	GM Technical	01/02/2017	Graduate	16	N.A.	0.30%	Yes	15,90,000
5	Rishab Jain	38	GM Business Development	01/02/2017	Graduate	11	N.A.	0.01%	Yes	15,90,000
6	Ravinder Thakur	58	General Manager (Security & Operational Control)	01/07/2009	Graduate	37	Radisson MBD Hotel, Noida	0	No	15,67,140
7	Vikas Rastogi	50	GM production	01/11/2019	PGD - Pulp & Paper Technology	24	Uniglobal Paper Mills Pvt. Ltd.	0	No	15,62,273
8	Sushil Chander Chug	71	General Manager	26/11/2009	Diploma in Hotel Management Catering & Nutrition	45	Jhargram (WB) Pathways School Noida	0	No	15,54,120
9	Parv Jain	36	Chief Financial Officer	13/09/2016	PG Diploma from Les Roches, Switzerland	14	N.A.	4.34%	Yes	15,44,720
10	Neeraj Pal Singh Tomar	51	Director of Rooms	05/12/2008	PG Diploma in Accommodation Operation Management	26	Crowne Plaza Today Gurgaon	0	No	15,01,140

For and on Behalf of the Board  
Magnum Ventures Limited

Sd/-

Pardeep Kumar Jain

Managing Director

DIN: 00024879

Add: 113/3-4, Ansari Road,

Darya Ganj, Delhi-110002

Date: 29<sup>th</sup> August, 2024

Place: Ghaziabad

Sd/-

Abhay Jain

Managing Director

DIN: 01876385

Add: 113/3-4, Ansari Road,

Darya Ganj, New Delhi -110002

## ANNEXURE III

## THE ANNUAL REPORT ON CSR ACTIVITIES

## 1. Brief outline on CSR Policy of the Company:

The Company will manage CSR initiatives which meet the needs of the local communities where we operate. Our commitment to CSR will be manifested by investing resources in any of the following areas:

- Eradicating hunger, poverty and malnutrition, promoting health care including preventive healthcare and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
- Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;
- Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
- Measures for the benefits of armed veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;

- Training to promote rural sports, nationally recognized sports, Paralympics sports and Olympics sports;
- Contribution to the Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Schedule Castes, the Scheduled Tribes, other backward classes, minorities and women;
- Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and
- Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs) Rural Development projects
- Slum area development
- Disaster management, including relief, rehabilitation and reconstruction activities.

## 2. Composition of CSR Committee: Not Applicable

S. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
--------	------------------	--------------------------------------	--	--

## 3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company

<https://www.magnumventures.in/assets/pdf/policies/CSRP.pdf>

## 4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: Not Applicable

## 5. (a) Average net profit of the company as per sub-section (5) of section 135: INR 1156.47 Lacs

(b) Two percent of average net profit of the company as per sub-section (5) of section 135: INR 23.13 Lacs



(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: Not Applicable

(d) Amount required to be set-off for the financial year, if any: Not Applicable

(e) Total CSR obligation for the financial year [(b)+(c)-(d)]: INR 23.13 Lacs

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): INR 23.13 Lacs

(b) Amount spent in Administrative Overheads: Nil

(c) Amount spent on Impact Assessment, if applicable: Not Applicable

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: INR 23.13 Lacs

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (In ₹)	Amount Unspent (In ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
INR 23.13 Lacs	-	-	-	-	-

(f) Excess amount for set off, if any: Nil

Sl. No.	Particular	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	-
(ii)	Total amount spent for the Financial Year	-
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	-
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	-

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: Nil

(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)
Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount Remaining to be spent in succeeding Financial Years (in ₹)	Deficiencies if any
					Amount (in ₹)	Date of Transfer		
1	FY-1	-	-	-	-	-	-	
2	FY-2	-	-	-	-	-	-	
3	FY-3	-	-	-	-	-	-	

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

If Yes, enter the number of Capital assets created/ acquired: Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Not Applicable

(1)	(2)	(3)	(4)	(5)	(6)		
Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
-	-	-	-	-	-	-	-

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section(5) of section 135: Not Applicable

For and on Behalf of the Board  
Magnum Ventures Limited

Sd/-

Pardeep Kumar Jain

Managing Director

DIN: 00024879

Add: 113/3-4, Ansari Road,  
Darya Ganj, Delhi-110002

Date: 29<sup>th</sup> August, 2024

Place: Ghaziabad

Sd/-

Abhay Jain

Managing Director

DIN: 01876385

Add: 113/3-4, Ansari Road,  
Darya Ganj, New Delhi -110002

## ANNEXURE IV

## Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/ arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

## 1. Details of contracts or arrangements or transactions not at arm's length basis: NIL

(a)	Name(s) of the related party and nature of relationship	
(b)	Nature of contract/arrangements/transactions	
(c)	Duration of contract/arrangements/transactions	
(d)	Salient terms of contract or Arrangements or transactions including value, if any	
(e)	Justification for entering in to such contract or Arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advance, if any	
(h)	Date on which special resolution was passed in General Meeting as required under first proviso to section 188	

## 2. Details of material contracts or arrangements or transactions at arm's length basis:

Sl. No.	Particular	(1)	(2)	(3)	(4)
(a)	Name of the related party and nature of relationship	Mr. Rishabh Jain (Relative of Director/ KMP)	Mr. Ritesh Jain (Relative of Director/ KMP)	Mr. Parv Jain (KMP)	Mr. Shrenik Jain (Relative of Director/ KMP)
(b)	Nature of contract/ arrangements/ transactions	Related party's appointment to any office or place of profit in the company (Salary)	Related party's appointment to any office or place of profit in the company (Salary)	Related party's appointment to any office or place of profit in the company (Salary)	Related party's appointment to any office or place of profit in the company (Salary)
(c)	Duration of contract/ arrangements/ transactions	NA	NA	NA	NA
(d)	Salient terms of contract or Arrangements or transactions including value, if any	As per Board's approval ₹18,00,000/-	As per Board's approval ₹18,00,000/-	As per Board's approval ₹ 17,40,000/-	As per Board's approval ₹16,20,000/-
(e)	Date(s) of approval by the Board, if any:	28.05.2022	28.05.2022	01.01.2019	01.01.2019
(f)	Amount paid as advance if any:	NIL	NIL	NIL	NIL

Sl. No.	Particular	(5)	(6)	(7)	(8)
(a)	Name of the related party and nature of relationship	Mr. Ujjwal Jain (Relative of Director/ KMP)	Mrs. Rita Jain (Relative of Director/ KMP)	Mrs. Veena Jain (Relative of Director/ KMP)	Mrs. Mehak Jain (Relative of Director/ KMP)
(b)	Nature of contract/ arrangements/ transactions	Related party's appointment to any office or place of profit in the company (Salary)	Related party's appointment to any office or place of profit in the company (Salary)	Related party's appointment to any office or place of profit in the company (Salary)	Related party's appointment to any office or place of profit in the company (Salary)
(c)	Duration of contract/ arrangements/ transactions	NA	NA	NA	NA



Sl. No.	Particular	(5)	(6)	(7)	(8)
(d)	Salient terms of contract or Arrangements or transactions including value, if any	As per Board's approval ₹15,00,000/-	As per Board's approval ₹15,00,000/-	As per Board's approval ₹18,00,000/-	As per Board's approval ₹6,00,000/-
(e)	Date(s) of approval by the Board, if any:	01.01.2019	01.01.2019	01.01.2019	30.08.2018
(f)	Amount paid as advance if any:	NIL	NIL	NIL	NIL

Sl. No.	Particular	(9)	(10)	(11)	(12)
(a)	Name of the related party and nature of relationship	Mrs. Asha Jain (Relative of Director/ KMP)	Mrs. Parul Jain (Relative of Director/ KMP)	Mrs. Parul Jain (Relative of Director/ KMP)	MAGNUM GLOBAL (Firm of Relative of Director/ KMP)
(b)	Nature of contract/ arrangements/ transactions	Related party's appointment to any office or place of profit in the company (Salary)	Related party's appointment to any office or place of profit in the company (Salary)	Related party's appointment to any office or place of profit in the company (Salary)	Purchase of any goods or materials or services
(c)	Duration of contract/ arrangements/ transactions	NA	NA	NA	NA
(d)	Salient terms of contract or Arrangements or transactions including value, if any	As per Board's approval ₹15,00,000/-	As per Board's approval ₹12,00,000/-	As per Board's approval ₹5,07,931/-	As per Board's approval ₹50,98,138/-
(e)	Date(s) of approval by the Board, if any:	01.01.2019	01.01.2019	05.02.2024	10.11.2023
(f)	Amount paid as advance if any:	NIL	NIL	NIL	NIL

Sl. No.	Particular	(13)	(14)	(15)	(16)
(a)	Name of the related party and nature of relationship	Mrs. Meenal Jain (Relative of Director/ KMP)	Mr. Akhil Jain (Relative of Director/ KMP)	Mrs. Saroj Jain (Relative of Director/ KMP)	MAGNUM GLOBAL (Firm of Relative of Director/ KMP)
(b)	Nature of contract/ arrangements/ transactions	Related party's appointment to any office or place of profit in the company (Salary)	Related party's appointment to any office or place of profit in the company (Salary)	Related party's appointment to any office or place of profit in the company (Salary)	Sale of any goods or materials or services
(c)	Duration of contract/ arrangements/ transactions	NA	NA	NA	NA
(d)	Salient terms of contract or Arrangements or transactions including value, if any	As per Board's approval ₹15,00,000/-	As per Board's approval ₹5,55,931/-	As per Board's approval ₹6,37,241/-	As per Board's approval ₹86,98,990/-
(e)	Date(s) of approval by the Board, if any:	01.01.2019	05.02.2024	05.02.2024	10.11.2023
(f)	Amount paid as advance if any:	NIL	NIL	NIL	NIL

Sl. No.	Particular	(17)	(18)	(19)	(20)
(a)	Name of the related party and nature of relationship	Mrs. Priyanka Jain (Relative of Director/ KMP)	Mr. Pramod Kumar Jain (Relative of Director/ KMP)	Mr. Johri Mal Kamal Kishore (Firm of Relative of Director/ KMP)	Ms. Aaina Gupta (KMP)
(b)	Nature of contract/ arrangements/ transactions	Related party's appointment to any office or place of profit in the company (Salary)	Availing or rendering of any services (Professional Consultancy)	Purchase of any goods or materials	Related party's appointment to any office or place of profit in the company (Salary)
(c)	Duration of contract/ arrangements/ transactions	NA	NA	Yearly Basis	NA
(d)	Salient terms of contract or Arrangements or transactions including value, if any	As per Board's approval ₹12,00,000/-	As per agreement ₹12,00,000/-	Not Applicable ₹28,25,809.28/-	As per Service Agreement ₹8,40,000/-
(e)	Date(s) of approval by the Board, if any:	01.01.2019	01.01.2019	12.02.2016	25.11.2023
(f)	Amount paid as advance if any:	NIL	NIL	NIL	NIL

For and on Behalf of the Board  
Magnum Ventures Limited

Sd/-  
Pardeep Kumar Jain  
Managing Director  
DIN: 00024879  
Add: 113/3-4, Ansari Road,  
Darya Ganj, Delhi-110002

Date: 29<sup>th</sup> August, 2024  
Place: Ghaziabad

Sd/-  
Abhay Jain  
Managing Director  
DIN: 01876385  
Add: 113/3-4, Ansari Road,  
Darya Ganj, New Delhi -110002

## ANNEXURE V

## REPORT ON CORPORATE GOVERNANCE

Pursuant to Regulations 17, 17A, 18, 19, 20, 22, 23, 24A, 25, 26, 27 and clauses (b) to (g), (i) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") for the period April 1, 2023 to March 31, 2024 a Report on Corporate Governance is given below:

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

Our Company's philosophy on Corporate Governance envisages attainment of highest levels of accountability, transparency, responsibility and fairness in all aspects of its operations. Our business culture and practices are founded upon a common set of values that govern our relationships with customers, employees, shareholders, suppliers, other stakeholders and the communities in which we operate. The Company believes that all its actions must serve the underlying goal of enhancing overall shareholder value on a sustained basis.

The Company is conscious of its responsibility as a good corporate citizen. The Company greatly values transparency, professionalism and accountability.

The Company strives to follow the best corporate governance practices, develop best policies/ guidelines, communicate and train all its employees in order to foster a culture of compliance and obligation at every level of the organization. The Company is in compliance with the provisions of Corporate Governance specified in the SEBI (LODR) Regulation, 2015. The Company is committed to meet the expectations of stakeholders as a responsible corporate citizen. The Company's Code of Conduct contains the fundamental principles and rules concerning ethical business conduct.

### BOARD OF DIRECTORS

As stipulated under the Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has an optimum combination of Executive and Non-Executive Directors. The Company had total 8 (Eight) directors on the Board as on March 31, 2024. The Company's Board is well balanced and has an optimum combination of skills / competencies.

The composition of the Board of Directors along with their brief resume as on March 31, 2024 is given as under:

#### Mr. Pardeep Kumar Jain

Mr. Pardeep Kumar Jain is the Managing Director of the Company. He holds Bachelor's Degree. He, along with his father, entered into the business of Company. He has more than 42 years of experience in paper industry. He is responsible for production, marketing & administration of the Paper Unit of the Company. He is also responsible for the administration of the Hotel Unit of the Company.

#### Mr. Abhay Jain

Mr. Abhay Jain, Managing Director of the Company, holds Bachelors' Degree. Mr. Jain has an experience of 29 years in the Paper Industry. He is handling the purchase of Raw Materials and looking after the Marketing and manufacturing process of Paper and also new product development.

#### Mr. Parveen Jain

Mr. Parveen Jain, Chairman and Promoter Director of the Company. He holds Bachelors' Degree in Arts from Delhi University. He has an experience of over 37 years in the Paper industry. He is primarily involved in strategic decision-making. He has been instrumental in development of the Hotel project in the Company and structuring technological up gradation and modernization program undertaken in the Paper Units. He is looking after the finance & accounts function of the Company, besides company secretarial function.

#### Mr. Shiv Pravesh Chaturvedi

Mr. Shiv Pravesh Chaturvedi, Whole time director of the Company, is M.B.A. in Human Resources from Asian Institute of Management & Technology, Delhi. He has been associated with the Company since 1996. He has also diploma degree in Personnel Management and Industrial Relation from Bhartiya Siksha Parishad, U.P.

#### Ms. Aanchal Jain

Ms. Aanchal Jain was appointed as Independent Director of the Company on 28th December, 2021. She is the member of Institute of Company Secretaries of India, and having a wide knowledge of Corporate and Commercial laws and experience of more than Fifteen Years.

#### Ms. Jyoti Bansal

Ms. Jyoti Bansal was appointed as Independent Director of the Company on 28th December, 2021. She is the member of Institute of Company Secretaries of India, is having professional expertise in Consulting, Corporate Law, Lawyer, Legal, Management. She was appointed as an Independent Director of the Company w.e.f. 28th December, 2021.

#### Ms. Jyoti

Ms. Jyoti, Independent Director of the Company, is a commerce graduate from Delhi University, having experience in Human Resource, Administration and Management. She was appointed as a Non- Executive and Independent Director of the Company w.e.f. February 14, 2019.

#### Ms. Shalini Rahul

Ms. Shalini Rahul is having a expertise in Strategic Analysis, Entrepreneurship, Innovation and field of academics, Business Strategy, Consulting, General Management, Research and training and experience of more than Eighteen Years. She has done MBA and FPM (PhD). She was appointed as an Independent Director of the Company w.e.f. 10th August, 2022.



Name of the Director & Designation	Category	No. of positions held in other public companies		
		Board	Committee	
			Membership	Chairmanship
Mr. Pardeep Kumar Jain Managing Director	Executive & Promoter	Nil	Nil	Nil
Mr. Abhay Jain Managing Director	Executive & Promoter	Nil	Nil	Nil
Mr. Parveen Jain Director	Non-Executive & Promoter Chairman	Nil	Nil	Nil
Mr. Shiv Pravesh Chaturvedi Whole time Director	Executive	Nil	Nil	Nil
Ms. Jyoti* Independent Director	Non-Executive & Independent	1	1	1
Ms. Aanchal Jain Independent Director	Non-Executive & Independent	Nil	Nil	Nil
Ms. Jyoti Bansal** Independent Director	Non-Executive & Independent	3	8	1
Ms. Shalini Rahul*** Independent Director	Non-Executive & Independent	2	2	Nil

\*Ms. Jyoti is an Independent Director in Bygging India Limited. She is also the Chairperson of Audit Committee & member of Nomination & Remuneration Committee in Bygging India Limited.

\*\*Ms. Jyoti Bansal is an Independent Director in Ajay Industrial Corporation Limited, Bygging India Limited and Marda Commercial & Holdings Ltd. She is also the member of Audit Committee & Nomination & Remuneration Committee in Ajay Industrial Corporation Limited and the member of Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee in Marda Commercial & Holdings Ltd. She is also the chairperson of Nomination & Remuneration Committee and member of Audit Committee, CSR Committee and Stakeholders Relationship Committee in Bygging India Limited.

\*\*\* Ms. Shalini Rahul is an Independent Director in Cranex Limited and Intec Capital Limited. She is also the member of Nomination & Remuneration Committee and Stakeholders Relationship Committee in Intec Capital Limited.

### Directors' Attendance Record

The Board of Directors met nine times on 10<sup>th</sup> April, 2023, 29<sup>th</sup> May, 2023, 11<sup>th</sup> August, 2023, 21<sup>st</sup> August, 2023, 13<sup>th</sup> October, 2023, 10<sup>th</sup> November, 2023, 12<sup>th</sup> December, 2023, 18<sup>th</sup> January, 2024 and 5<sup>th</sup> February 2024 during the financial year 2023-24. The Board was supplied with all relevant information and supporting papers, which were required, to transact the business specified in the agenda of Board Meetings held. The intervening period between the Board Meetings was well within the maximum time gap of 120 days between two meetings as prescribed in the Listing Regulations, 2015. Details of attendance of Directors in the Board meeting during the financial year 2023-24 are as under:

S. No.	Name of the Director	No. of Board Meeting	Attendance at the Board Meeting	Whether attended Last AGM
1	Mr. Abhay Jain	9	6	Yes
2	Mr. Pardeep Kumar Jain	9	8	Yes
3	Mr. Parveen Jain	9	6	Yes
4	Mr. Shiv Pravesh Chaturvedi	9	8	Yes
5	Ms. Jyoti	9	9	Yes
6	Ms. Jyoti Bansal	9	9	Yes
7	Ms. Aanchal Jain	9	7	Yes
8	Ms. Shalini Rahul	9	8	Yes

### Disclosure of relationship between directors inter-se:

S. No.	Name of Directors	Nature of Relation
1.	Pardeep Kumar Jain	Brother of Director
2.	Parveen Kumar Jain	Brother of Director
3.	Abhay Jain	Son of Directors Brother

**Number of Shares and convertible instrument held by Non-Executive Directors:** Mr. Parveen Jain (Non- Executive Director) is holding 1,66,48,510 Equity Shares and 12,77,500 Preference Shares of the Company as on 31st March, 2024.

**Familiarization Programme:** The details of Familiarization Programme imparted in the F.Y. 2023-24 is given at Company's website at [www.magnumventures.in](http://www.magnumventures.in)

#### **Skills, Expertise, Competencies of Directors:**

The Company believes that it is the collective effectiveness of the Board that impacts Company performance and therefore members of the Board amongst themselves should have a balance of skills, experience and diversity of perspectives appropriate to the Company. The expected skills, expertise and competencies from directors and their mapping against individual directors is as follows:

List of core skills/ expertise/competencies	Names of directors who have such skills / expertise / competence
Business Leadership	Mr. Parveen Jain, Mr. Pardeep Jain & Mr. Abhay Jain
Management & Strategic Insight	Mr. Parveen Jain, Mr. Pardeep Jain & Mr. Abhay Jain
Organizational Capacity Building	Mr. Abhay Jain & Mr. Shiv Pravesh Chaturvedi
Policy Evaluation	Mrs. Jyoti, Ms. Aanchal Jain & Ms. Jyoti Bansal
Culture Building	Mrs. Jyoti, Mr. Ms. Aanchal Jain, Ms. Shalini Rahul & Ms. Jyoti Bansal
Risk Management and Compliance	Ms. Aanchal Jain, Ms. Jyoti Bansal & Mr. Parveen Jain
Stakeholders' value creation	Ms. Jyoti, Ms. Aanchal Jain, Ms. Jyoti Bansal & Ms. Shalini Rahul

#### **Statement on Independence of Directors:**

The Board pursuant to evaluation carried out of all the Directors confirms that the independent directors fulfill the conditions specified in these regulations and are independent of the management.

### **3. AUDIT COMMITTEE (Regulation 18) Powers**

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

#### **(a) Terms of Reference**

The Audit Committee has been entrusted with the job of reviewing the reports of the Internal Auditors and the Statutory Auditors periodically and discussing their findings and suggesting corrective measures. The role of the Audit Committee is as follows:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending for the appointment, remuneration and terms of appointment of the auditor.
- Approval of payment to statutory Auditors for any other services rendered by the statutory Auditors.
- Reviewing with the management, the Annual Financial Statements before submission to the Board for approval, with particular reference to :
  - a. Matters required being included in the Directors Responsibility Statements to be included in the Board's report in terms of Clause(c) of sub-section 3 of Section 134 of the Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgement by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. modified opinion(s) in the draft audit report.
- Reviewing, with the management, the quarterly Financial Statements before submission to the Board for approval.
- Reviewing with the management, the statement of uses/ application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Reviewing and monitor the auditor's independence and performance and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the Company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Reviewing with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of Internal Audit.

- Discussing with Internal Auditors any significant findings and follow up thereon.
- Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussing with statutory Auditors before the Audit commences, about the nature and scope of Audit as well as post-audit discussion to ascertain any area of concern.
- Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- Reviewing the functioning of the Whistle Blower mechanism.
- Approval of appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance or discharging that function) after assessing the qualifications experience and background, etc. of the candidate.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- Reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

#### Review of information by Audit Committee

The Audit Committee reviews the following information:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee) submitted by management;
- Management letters/letters of internal control weakness issued by the statutory auditors;
- Internal auditors reports relating to internal control weakness; and
- The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
- Statement of deviations:
  - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI (LODR) Regulations, 2015.
  - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7) of SEBI (LODR) Regulations, 2015.

#### (b) Composition

At the beginning of the financial year, the Audit Committee comprises the following:

1. Ms. Aanchal Jain - Chairperson (Independent Director)
2. Ms. Jyoti Bansal- Member (Independent Director)
3. Mr. Parveen Jain- Member (Non-Executive Director)

Further Ms. Shalini Rahul was added as the Committee member on 10th April, 2023.

Ms. Aaina Gupta, Company Secretary, acts as the Secretary to the Audit Committee from her appointment.

The committee members have expertise in financial and accounting areas.

#### (c) Attendance

The Committee met Six (06) times during the financial year 2023-24 on the following dates: 29.05.2023, 11.08.2023, 21.08.2023, 10.11.2023, 12.12.2023 and 05.02.2024. Details of attendance of Directors in the Audit Committee meetings are as under:

Name of the Director	Category	Attendance at the Audit Committee Meeting
Mr. Parveen Jain	Non-Executive Director	4
Ms. Jyoti Bansal	Non-Executive Independent Director	6
Ms. Aanchal Jain	Non-Executive Independent Director	5
Ms. Shalini Rahul	Non-Executive Independent Director	6

#### 4. NOMINATION & REMUNERATION COMMITTEE (REGULATION 19)

##### (a) Terms of Reference

The role of the committee shall inter alia, include the following:

- Formulation of the criteria for determining qualification, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may: (a) use the services of an external agencies, if required;



(b) consider candidates from a wide range of backgrounds, having due regard to diversity; and (c) consider the time commitments of the candidates.

- Formulation of criteria for evaluation of Independent Director and the Board.
- Devising a policy on Board diversity.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- Whether to extend or continue the term of appointment of independent directors, on the basis of report of performance evaluation of independent directors.
- Recommend to the board, all remuneration, in whatever form, payable to senior management.

### (b) Composition

During the financial year, the Nomination & Remuneration Committee comprises the following:

1. Ms. Jyoti - Chairperson (Independent Director)
2. Ms. Jyoti Bansal- Member (Independent Director)
3. Ms. Aanchal Jain- Member (Independent Director)
4. Mr. Parveen Jain- Member (Non-executive Director)

Ms. Aaina Gupta, Company Secretary, has been acting as the Secretary to the Nomination and Remuneration Committee since her appointment.

### (c) Attendance

The Remuneration Committee was constituted to approve the remuneration payable to Managing Director, Whole time Director or other directors of the Company. Thus, the Committee shall have the meetings as and when so required.

The Committee met One (01) time during the financial year 2023-24 on the following date: 11.08.2023. Details of attendance of Directors in the Nomination & Remuneration Committee meeting are as under:

Name of the Director	Category	Attendance at the Nomination & Remuneration Committee Meeting
Ms. Jyoti	Non-Executive Independent Director	1
Ms. Jyoti Bansal	Non-Executive Independent Director	1
Ms. Aanchal Jain	Non-Executive Independent Director	1
Mr. Parveen Jain	Non-Executive Director	1

### (d) Remuneration Policy of the Company

The Managing Director and Executive Directors of the Company are entitled for payment of Remuneration as decided by the Board and approved by the members as per the provisions of the Companies Act, 2013. Mr. Pardeep Kumar Jain (Managing Director), Mr. Abhay Jain (Managing Director) Mr. Parv Jain (Chief Financial Officer), Mr. Shiv Pravesh Chaturvedi (Whole time Director) and Ms. Aaina Gupta (Company Secretary) of the Company have received remuneration for the financial year 2023-24 as per remuneration policy. Sitting fees were paid to the Non-Executive Directors for attending Board and Committee meetings as approved by the Board.

### (e) Details of the Directors' Remuneration for the financial year ended March 31, 2024

Name of Director	Salaries & Perquisites (in ₹)	Commission, Bonus Ex-gratia (in ₹)	Sitting Fees (in Rupees)	Total Amount (in ₹)	No. of Equity Shares held & %	Service contracts
Mr. Pardeep Kumar Jain, Managing Director	13,80,000	Nil	Nil	13,80,000	27,56,900 (4.68%)	5 Years
Mr. Abhay Jain, Managing Director	13,80,000	Nil	Nil	13,80,000	34,91,440 (5.93%)	5 Years
Mr. Parveen Jain. Director	Nil	Nil	Nil	Nil	166,48,510 (28.27%)	NA
Mr. Shiv Pravesh Chaturvedi, Whole-time Director	12,00,000	Nil	Nil	12,00,000	Nil	5 Years
Ms. Jyoti, Independent Director	Nil	Nil	1,11,000	1,11,000	Nil	5 Years
Ms. Jyoti Bansal, Independent, Director	Nil	Nil	1,50,500	1,50,500	Nil	5 Year
Ms. Aanchal Jain, Independent, Director	Nil	Nil	83,500	83,500	Nil	5 Year
Ms. Shalini Rahul, Independent Director	Nil	Nil	1,33,500	1,33,500	Nil	5 Years

**(f) Particulars of senior management:**

As on March 31, 2024, the following officials including Chief Financial Officer and Company Secretary as detailed below are the senior management of the Company:

1. Mr. Parv Jain- Chief Financial Officer
2. Ms. Aaina Gupta- Company Secretary

Hotel Unit	Paper Unit
Mr. Ujjwal Jain	Mr. Ritesh Jain
Mr. Rishab Jain	Mr. Shrenik Jain
Ms. Sukhpreet Kaur Bedi	Mr. Alok Pushkar Saxena
Mr. Naresh Chandra Sharma	Mr. Devendrasingh Rajput
Mr. Sushil Chander Chug	Mr. Gautam Singh Negi
Mr. Neeraj Pal Singh Tomar	Mr. Nopin Kumar
Mr. Sudesh Kumar Srivastava	Mr. Sanjay Kumar Sharma
Mr. Dibyendra Ghosh	Mr. Vikas Rastog
Mr. Amit Pratap Singh	-
Mr. Rajesh Kumar Sharma	-
Mr. Ajay Sharma	-
Mr. Rajnish Sharma	-

During the reporting period, there is no change in the senior management persons of the Company.

## 5. STAKEHOLDERS RELATIONSHIP COMMITTEE (REGULATION 20)

**(a) Terms of Reference**

The role of the committee shall inter-alia include the following:

- (1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- (2) Review of measures taken for effective exercise of voting rights by shareholders.
- (3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend

warrants/annual reports/statutory notices by the shareholders of the Company.

**(b) Composition**

During the financial year, the Stakeholders Relationship Committee comprised of the following directors:

1. Ms. Jyoti Bansal- Chairperson (Independent Director)
2. Ms. Jyoti - Member (Independent Director)
3. Mr. Parveen Jain- Member (Non-executive Director)

(c) Ms. Aaina Gupta, Company Secretary is the Compliance Officer of the Company for the purpose of the Listing Agreements to look after the compliances under the SEBI (LODR) Regulations, 2015.

(d) Detail of investor/ security holder complaints received and redressed during the year 2023-24 are as follows:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
Nil	Nil	Nil	Nil

**(e) Attendance**

The Committee met One (01) time during the Financial Year 2023-24 on the following date: 10.11.2023. Details of attendance of Directors in the Stakeholders relationship Committee meeting are as under:

Name of the Director	Category	Attendance at the Audit Committee Meeting
Ms. Jyoti	Non-Executive Independent Director	1
Ms. Jyoti Bansal	Non-Executive Independent Director	1
Mr. Parveen Jain	Non-Executive Director	1

The Company put utmost priority to the satisfaction of its shareholders, which is evident from the fact that there was no complaint received by the Company. The Company addresses all complaints, suggestions and grievances expeditiously and replies have been sent/issues have been resolved expeditiously, except in case of dispute over facts.

## 6. GENERAL BODY MEETINGS

Details of the location of the last three Annual General Meetings of the Company are as follows:

Financial Year	Date	Time	Venue	No. of Special Resolution(s) passed
2020-21	24.09.2021	12:30 PM	Through Video Conferencing (VC)	0
2021-22	09.09.2022	01:00 PM	Through Video Conferencing (VC)	8
2022-23	20.09.2023	01:00 PM	Through Video Conferencing (VC)	4

## 7. MEANS OF COMMUNICATION

- (a) The Quarterly / half-yearly / annual Financial Results are published in The Financial Express (English) and Jansatta (Hindi) Newspapers and displayed on Company's website: [www.magnumventures.in](http://www.magnumventures.in)
- (b) The Company keeps on updating its website to provide comprehensive relevant information. The Company believes that all the stakeholders should have access to adequate information about the Company and in today's electronics age website is the best media for such dissemination of information. All information, which could have a material bearing on the share prices, is released at the earliest.
- (c) The Management Discussion and Analysis forms a part of the Annual Report as Annexure -VII
- (d) The Company has made the formal presentations to the institutional investors or to the analysts during the year and that keeps on updating its website to provide comprehensive relevant information.

## 8. GENERAL SHAREHOLDERS INFORMATION

### i) Annual General Meeting

Day & Date	Saturday, 28 <sup>th</sup> September, 2024
Time	02:00 P.M.
Venue	Through Video Conferencing (VC)

- ii) **Financial Year:** The financial year starts from 01 April, 2023 and ends on March 31, 2024.
- iii) **Dates of Book Closure:** 22nd September, 2024 to 28th September, 2024 (Both days inclusive)
- iv) **Dividend Payment Date:** No Dividend is declared.
- v) **Listing on Stock Exchanges:** Equity Shares and Non-Convertible Debentures of the Company are listed on Bombay Stock Exchange and National Stock Exchange
- vi) **Stock Code/ Symbol:** 532896 and 975493 at the Bombay Stock Exchange and MAGNUM at the National Stock Exchange
- vii) **Market Price Data:** High/ low of market price of the Company's equity shares traded on BSE during the last financial year were as follows:

Month	High	Low	Volume
April 2023	32.89	28.06	1,69,137
May 2023	45.84	27.70	17,84,578
June 2023	48.13	30.70	14,31,574
July 2023	41.27	31.50	2,22,686
August 2023	43.82	32.65	7,44,848
September 2023	42.00	36.50	2,78,157
October 2023	56.74	38.00	5,32,177
November 2023	53.10	43.57	3,01,636

Month	High	Low	Volume
December 2023	52.00	44.11	3,12,982
January 2024	81.16	48.49	8,19,074
February 2024	71.05	57.16	8,64,650
March 2024	62.79	42.04	8,66,649

Source: [www.bseindia.com](http://www.bseindia.com)

High/ low of market price of the Company's equity shares traded on NSE during the last financial year were as follows:

Month	High	Low	Volume (In Lacs)
April 2023	32.50	27.75	13.38
May 2023	45.80	28.45	93.03
June 2023	48.05	31.00	50.64
July 2023	40.70	31.50	11.30
August 2023	43.40	32.45	11.11
September 2023	41.80	37.25	13.89
October 2023	56.70	37.75	16.90
November 2023	53.15	43.55	14.83
December 2023	52.05	46.00	16.74
January 2024	81.60	48.10	80.82
February 2024	71.90	58.05	40.44
March 2024	62.25	42.00	49.16

Source: [www.nseindia.com](http://www.nseindia.com)

### viii) Registrar and Share Transfer Agent & Share Transfer System

M/s MAS Services Limited is acting as Registrar & Transfer Agent (RTA) for handling the Shares related matters, both in physical as well as dematerialized mode. All works relating to Equity Shares are being done by RTA. The Shareholders are, therefore, advised to send all their correspondence to the RTA.

However, for the convenience of shareholders, documents relating to Shares received by the Company are forwarded to the RTA for necessary action thereon.

Particulars	M/s MAS Services Limited
Contact Person	Mr. Shrawan Mangla
Address	T-34, 2nd Floor, Okhla Industrial Area Phase - II, New Delhi - 110 020
Telephone No.	011-26387281/81/83
Fax No.	011-26387384
E mail	<a href="mailto:info@masserv.com">info@masserv.com</a>

The Company's equity shares are traded in the Stock Exchanges, Mumbai compulsorily in Demat mode. Physical shares which are lodged with the Registrar & Transfer Agent or/ Company for transfer are processed and returned to the shareholders duly transferred within the time stipulated under the Listing Agreement subject to the documents being in order.



## ix) Distribution of Shareholding as on 31st March 2024:

Shareholding of Nominal Value of		Shareholders		Share Amount	
₹	₹	Number	% to Total	In ₹	% in Total
(1)		(2)	(3)	(4)	(5)
Up to 5,000		13232	76.274	17658580	2.999
5,001	10,000	1688	9.730	14160510	2.405
10,001	20,000	999	5.759	15792350	2.682
20,001	30,000	415	2.392	10785740	1.832
30,001	40,000	178	1.026	6402370	1.087
40,001	50,000	194	1.118	9227730	1.567
50,001	1,00,000	300	1.729	21914010	3.721
1,00,001 and above		342	1.971	492921880	83.707
Total		17348	100	588863170	100

x) **De-materialization of shares and liquidity:** As on March 31, 2024 about 100% of the Company's equity shares had been dematerialized. Trading in equity shares of the Company at the Stock Exchange is permitted compulsorily in de-mat mode.

xi) There are no outstanding GDRs/ ADRs as on the date, however there some Warrants held by promoter/ promoter group, which are not yet converted into equity shares.

xii) There are no Commodity Price Risk or Foreign Exchange Risk and hedging Activity.

xiii) **Plant Locations:** The Company has the following two units located at:

<b>Paper Unit:</b> Plot No. 18/41, Site-IV, Industrial Area, Sahibabad, Ghaziabad 201 010 Uttar Pradesh	<b>Hotel Unit:</b> 64/6 Site-IV, Industrial Area, Sahibabad, Ghaziabad 201 010 Uttar Pradesh
---	--

xiii) **Address for Correspondence:** The shareholders may send their communication, grievances/ queries to the Registrar and Share Transfer Agents at their Address mentioned above or to the Company at:

**Corporate Office:**

Magnum Ventures Limited  
Plot No. 18/41,  
Site-IV, Industrial Area,  
Sahibabad, Ghaziabad 201 010  
Uttar Pradesh  
Phone: 0120- 4199200 (100 lines)  
Fax: 0120- 4199234  
E-mail: magnumventures@gmail.com

xiv) Performance of the share price of the Company in comparison to broad-based indices like BSE and Nifty Sensex are given below:

Month	Closing Price of Equity Shares at BSE (₹)	BSE SENSEX	Closing Price of Equity Shares at NSE (₹)	Nifty
April 2023	29.75	61,112.44	29.80	18065
May 2023	45.84	62,622.24	45.80	18534.4
June 2023	32.92	64,718.56	33.10	19189.05
July 2023	35.28	66,527.67	34.40	19753.8
August 2023	40.01	64,831.41	40.15	19253.8
September 2023	39.70	65,828.41	39.85	19638.3
October 2023	49.81	63,874.93	49.15	19079.6
November 2023	49.86	66,988.44	49.80	20133.15
December 2023	47.51	72,240.26	47.50	21731.4
January 2024	68.46	71,752.11	68.45	21725.7
February 2024	61.57	72,500.30	61.55	21982.8
March 2024	44.28	73,651.35	44.15	22326.9

xv) Debenture Trustee for Secured Non-convertible Debentures (NCDs)

Particulars	Catalyst Trusteeship Limited
Contact Person	Ms. Deesha Trivedi
Address	GDA House, Plot No. 85, Bhusari Colony (Right), Kothrud, Pune – 411038
Telephone No.	+91 98 3363 0277
Fax No.	-
E mail	deesha.trivedi@ctltrustee.com

xvi) Credit Rating

Acuité Ratings & Research Limited vide their press release dated 23rd January 2024 has assigned its long term rating of 'Provisional ACUITE C' (read as Provisional ACUITE C) on the ₹155.00 Cr. proposed Non-Convertible Debentures of Magnum Ventures Limited.

Later Acuité Ratings & Research Limited vide their press release dated 30th May 2024 has converted and assigned its long term rating of 'ACUITE C' (read as ACUITE C) from 'Provisional ACUITE C' (read as Provisional Acuite C) on the ₹150.00 Cr. Non-Convertible Debentures of Magnum Ventures Limited.

## 9. OTHER DISCLOSURES

### (a) Related Party Transactions

There are no materially significant related party transactions with its Promoters, the Directors or the Management or their Relatives etc., which may have potential conflict with the interest of the Company at large. The disclosure pursuant to Para A of Schedule V, of related party transactions, if any, are annexed to Notes on Accounts forming the part of Balance Sheet and Profit and Loss Account of the Company.

### (b) Non-compliance by the Company, Penalties, Strictures

The Hon'ble Executive Director ('ED') of SEBI has passed an order dated May 31, 2023 (bearing No. QJA/SP/CFID/FID-SEC4/26875/2023-24) in the matter of M/s Magnum Ventures Limited and imposed penalty under section 15H A & 15HB of the SEBI Act, 1992 amounting to ₹12,00,000 on the company and collectively a penalty of ₹54,00,000 on directors and KMPs of the Company and restrained them from accessing the securities market and further prohibited from buying, selling or dealing in securities, either directly or indirectly, in any manner whatsoever, for a period of one year from the date of this Order.

Subsequent to the said order, the Company has appealed before the Hon'ble Securities Appellate Tribunal, Mumbai ('Hon'ble SAT'), however Hon'ble SAT vide its order dated July 13, 2023 directed the Company to deposit the penalty amount which shall be subject to the result of the appeal.

The company had duly deposited the penalty amount in compliance to the order of Hon'ble SAT.

Further, the Company along with other noticees have filed Application for Settlement under the SEBI (Settlement Proceedings) Regulation, 2018 before the Settlement Division of the Respondent-SEBI in this matter.

### (c) Details of Whistle Blower Policy

The vigil mechanism has been established and the Whistle Blower Policy can be accessed on the Company website at [www.magnumventures.in](http://www.magnumventures.in). Further no personnel have been denied access to the audit committee.

### (d) The Company has complied with all the mandatory requirements of SEBI (LODR) Regulations, 2015 and following non-mandatory requirements are complied with:

- Company has appointed separate persons as Chairman and Managing Director.
- Internal Auditor may report directly to the Audit Committee.

### (e) The Company does not have any subsidiary.

Shareholders may reach for Company's policies and the Business information at [www.magnumventures.in](http://www.magnumventures.in), which is regularly updated in order to meet the Corporate Governance requirement and for the benefit of shareholders / investors.

### (f) The Company has obtained a Certificate from M/s Munish K Sharma & Associates LLP, Company Secretaries, that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority. This Certificate is enclosed as Annexure-A of this Corporate Governance Report.

### (g) The total fees paid to the statutory auditors of the Company for the financial year 2023-24 is ₹3,75,000/- plus Goods and Services Tax.

## DECLARATION ON COMPLIANCE WITH THE CODE OF CONDUCT

The Board has formulated a code of conduct for the Board members and senior management of the Company. The same has also been posted on the website of the Company i.e. [www.magnumventures.in](http://www.magnumventures.in). All Board members and senior management personnel have affirmed their compliance with the code.

## DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT BY THE MANAGING DIRECTOR:

It is hereby certified that the members of the Board and the Senior Management personnel have confirmed their compliance

with the “Code of Conduct for Members of the Board and Senior Management”.

#### DISCLOSURES IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

No Complaint has been filed during the financial year under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and no complaint is pending at end of the financial year.

#### AGREEMENTS ENTERED UNDER 5A OF PARA A OF PART A OF SCHEDULE III OF SEBI (LODR) REGULATIONS, 2015

Some persons of the Promoter/Promoter Group have pledged their 15,75,000 equity shares vide pledge agreement dated 29th July, 2023 against the loan facility of amount upto ₹6 Crores, availed by the Company. The details of the said agreement are given on the website of the company at [www.magnumventures.in](http://www.magnumventures.in). Before the end of the FY 2023-24, the said loan has been repaid in full and subsequently the pledge over the shares has been released.

#### DISCLOSURE UNDER 10(m) OF PARA C OF SCHEDULE V OF SEBI (LODR) REGULATIONS, 2015

There are no loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount.

#### DETAILS OF UTILIZATION OF FUNDS RAISED

During the financial year 2023-24, the funds raised have been utilized as per the objects of the issue. The details of Funds utilization are given under the Board Report.

For and on Behalf of the Board  
Magnum Ventures Limited

Sd/-  
**Pardeep Kumar Jain**  
*Managing Director*  
DIN: 00024879  
Add: 113/3-4, Ansari Road,  
Darya Ganj, Delhi-110002  
Date: 29<sup>th</sup> August, 2024  
Place: Ghaziabad

Sd/-  
**Abhay Jain**  
*Managing Director*  
DIN: 01876385  
Add: 113/3-4, Ansari Road,  
Darya Ganj, New Delhi -110002



**‘Annexure - A’****CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

*[Pursuant to Regulation 34(3) read with clause (10)(i) of Para C of Schedule V of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015]*

To,  
The Members of  
**Magnum Ventures Limited**  
CIN: L21093DL1980PLC010492  
Regd. Office: H. No. - MN 01, Hub and Oak, E-14,  
Lower Ground Floor, Defence Colony, New Delhi - 110024

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Magnum Ventures Limited (CIN: L21093DL1980PLC010492) having registered office at H. No. - MN 01, Hub and Oak, E-14, Lower Ground Floor, Defence Colony, New Delhi - 110024 (hereinafter referred to as ‘the Company’), produced before us by the Company for the purpose of issuing this certificate in accordance with regulation 34(3) read with Schedule V Para C sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the directors of the Company as stated below for the financial year ending on 31 March 2024 have been debarred or disqualified from being appointed or continuing as director of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authority(s):

S. No.	Name of the Director	DIN	Date of appointment in Company*
1.	Mr. Pardeep Kumar Jain	00024879	17/07/1985
2.	Ms. Aanchal Jain	05348101	28/12/2021
3.	Mr. Parveen Jain	00423833	04/02/2006
4.	Mr. Abhay Jain	01876385	10/12/2009
5.	Mr. Shiv Pravesh Chaturvedi	06834388	01/04/2014
6.	Ms. Jyoti Bansal	08489503	28/12/2021
7.	Ms. Jyoti	08296989	14/02/2019
8.	Ms. Shalini Rahul	09357650	10/08/2022

\*The date of appointment is as per the MCA Portal.

Ensuring the eligibility of the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Munish K. Sharma & Associates LLP  
Company Secretaries

Sd/-

CS Vijay Kumar Sharma  
Partner

M. No.: F9924

C.P. No.: 12387

PR Certificate No.: 4265/2023

UDIN: F009924F000876658

Date: 01 August 2024

Place: Ghaziabad

## CEO & CFO CERTIFICATION

I, Pardeep Kumar Jain, Managing Director and Mr. Parv Jain, Chief Financial Officer, certify that:

1. We have reviewed financial statements and the cash flow statement for the year ended 31st March 2024 and that to the best of our knowledge and belief:
  - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. To the best of our knowledge and belief, no transactions entered into by the company during the year which is fraudulent, illegal or violative of the company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit committee:
  - a) significant changes in internal control over financial reporting during the year;
  - b) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - c) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For and on Behalf of the Board  
Magnum Ventures Limited

Sd/-  
Pardeep Kumar Jain  
Managing Director  
DIN: 00024879

Date: 7<sup>th</sup> August, 2024  
Place: Ghaziabad

Sd/-  
Parv Jain  
Chief Financial Officer  
PAN: AHLPJ7813J

## COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

*(Pursuant to Regulation 34(3) read with Para E of Schedule V of SEBI  
(Listing Obligations and Disclosures Requirements) Regulations, 2015)*

To,  
The Members of  
**Magnum Ventures Limited**  
CIN: L21093DL1980PLC010492  
Regd. Office: H. No. - MN 01, Hub and Oak, E-14,  
Lower Ground Floor, Defence Colony, New Delhi - 110024

We have examined the compliance of conditions of Corporate Governance by **Magnum Ventures Limited** ('the Company') for the year ended on 31 March 2024 as stipulated in Regulations 17, 17A, 18, 19, 20, 22, 23, 24A, 25, 26, 27 and clauses (b) to (g), (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations').

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to review of procedures and implementations thereof, as adopted by the Company for ensuring the compliances of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the directors and the management, we certify that the Company has complied with the various conditions as specified in Corporate Governance as stipulated in the above-mentioned SEBI LODR Regulations.

We have to state that, no investor grievance is pending for a period exceeding one month against the Company as per the information furnished by the Company's Registrar, other than those which are a subject matter of litigation.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Munish K. Sharma & Associates LLP  
*Company Secretaries*

Sd/-  
CS Vijay Kumar Sharma  
*Partner*

M. No.: F9924

C.P. No.: 12387

PR Certificate No.: 4265/2023

UDIN: F009924F000866923

Date: 31 July 2024

Place: Ghaziabad



## ANNEXURE VI

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**  
*[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies*  
*(Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
 The Members of  
**Magnum Ventures Limited**  
 CIN: L21093DL1980PLC010492  
 Regd. Office: H. No. - MN 01, Hub and Oak, E-14,  
 Lower Ground Floor, Defence Colony, New Delhi – 110024

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Magnum Ventures Limited** (hereinafter called 'the Company'/ 'listed entity'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31 March 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms, and returns filed and other records maintained by the Company for the financial year ended on 31 March 2024 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder.
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.
- (iii) The Depositories Act, 1996 and the regulations and byelaws framed thereunder.
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.

- (v) The following regulations and guidelines, to the extent applicable, prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

- a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
- c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
- d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
- e. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
- f. 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.

- (vi) Food Safety and Standards Act 2006 and Food Safety and Standards (Licensing and Registration of Food Businesses) Regulation, 2011.

- (vii) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules and regulations made thereunder.

The Company has informed that there are no laws which are specifically applicable to the Company except mentioned above.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India;

- (ii) The Listing Agreements entered by the Company with BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE').

During the period under review, the Company has complied with the provision of the Act, Rules, Regulation, Guideline, Standards etc. mentioned above subject to the following observations:

1. Balance of Debtors, Creditors & Advances as on 31 March 2024 are subject to confirmation and reconciliation consequential effect (if any) on the financial statements remains unascertained.
2. Trade receivables amount to Rs. 6490.60 lakhs, out of which trade receivables amounting to Rs. 46.45 lakhs are outstanding for more than six months, which are under litigation.
3. The Company has an internal financial controls system over financial reporting however it is needed to be further strengthen to commensurate with the size of the Company and nature of its business.
4. During the period under review, the Company has delayed in filing of e-Form MGT-14 for holding Extra-ordinary General Meetings dated 08 November 2023 and 24 January 2024 through Video Conferencing, and e-Form MGT-7 for the financial year 2022-23, with the Registrar of Companies, NCT of Delhi and Haryana.

However, the management informed and clarified us that e-Form MGT-7 was delayed due to technical issue on MCA portal.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive, and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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 for the meetings other than those held at shorter notice 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that 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.

We further report that during the audit period, the Company has no specific events/ actions having a major bearing on the company's

affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. other than referred above.

We also report that listed entity and its directors had received the show cause notice dated September 02, 2022, U/S. 11(1), 11(4), 11(4A), 11B(1), 11B(2), read with section 15HA and section 15HB of Securities Exchange Board of India Act, 1992 and Rule 4 of Securities Exchange Board of India Rules 1995 subsequent to the investigation conducted by the Securities Exchange Board of India for the year ended March 2017 to March 2020.

However, the listed entity has filed its detailed submission on various dates in response to the said notice and no provision for any penalty or fines (if imposed) has been accounted in the financials.

The Hon'ble Executive Director ('ED') of SEBI has passed an Order No. QJA/SP/CFID/FID-SEC4/26875/2023-24 dated 31 May 2023 in the matter of the listed entity and imposed penalty under section 15HA and 15HB of the SEBI Act, 1992 amounting to Rs. 12,00,000/- on the listed entity and collectively a penalty of Rs. 54,00,000/- on the directors and KMPs of the listed entity and restrained them from accessing the securities market and further prohibited from buying, selling, or dealing in securities, either directly or indirectly, in any manner whatsoever, for a period of one year from the date of aforesaid order.

Subsequent to the aforesaid order, the listed entity has appealed before the Hon'ble Securities Appellate Tribunal, Mumbai ('Hon'ble SAT'), however Hon'ble SAT vide its order dated 13 July 2023 did not provide any interim relief to the listed entity and directed the listed entity to deposit the penalty amount which shall be subject to the result of the appeal. We have observed that the listed entity had duly deposited the penalty amount in compliance to the order of Hon'ble SAT and the matter was listed for 21 May 2024 wherein the matter has adjourned to 19 July 2024 and the same further adjourned to 17 September 2024.

For Munish K. Sharma & Associates LLP  
Company Secretaries

Sd/-  
CS Vijay Kumar Sharma  
Partner

M. No.: F9924  
C.P. No.: 12387

Date: 05 August 2024  
Place: Ghaziabad

PR Certificate No.: 4265/2023  
UDIN: F009924F000879287

#### Note:

- 1). This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

## ‘Annexure - A’

To,  
The Members of  
**Magnum Ventures Limited**  
CIN: L21093DL1980PLC010492  
Regd. Office: H. No. - MN 01, Hub and Oak, E-14,  
Lower Ground Floor, Defence Colony, New Delhi - 110024

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

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

For Munish K. Sharma & Associates LLP  
Company Secretaries

Sd/-  
CS Vijay Kumar Sharma  
Partner  
M. No.: F9924  
C.P. No.: 12387  
PR Certificate No.: 4265/2023  
UDIN: F009924F000879287

Date: 05 August 2024  
Place: Ghaziabad





---

# FINANCIAL STATEMENTS

---

# Independent Auditor's Report

To  
The Members of  
M/s Magnum Ventures Limited

## Opinion

We have audited the financial statements of **MAGNUM VENTURES LIMITED** (the 'Company'), which comprises of the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Cash Flow for the year ended, Statement of Changes in Equity and notes to the financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act, of the state of affairs (financial position) of the company as at March 31, 2024 and profit and its cash flows and statement of changes in equity for the year ended on that date.

## Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Key Audit Matters

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

- (a) We refer to the note number 13 of the financial statements, the company has issued listed, secured, redeemable, non-convertible debentures of ₹15000 lacs on private placement basis.

## Emphasis of Matter

- (a) Balance of Debtors, Creditors & Advances as at March 31, 2024 are subject to confirmation and reconciliation consequential effect (if any) on the financial statement remains unascertained.
- (b) The inventory has been physically verified by the management and it being a technical matter we are unable to comment upon the quantity, pricing and method being used for valuation of the inventory and have relied upon the value and quantity certified by the management.
- (c) we have observed that the company has made deposits amounting to ₹300.00 lakhs with Bank of Baroda. The company has informed that such payment has been made to cover the expenses to be incurred by Bank of Baroda in order to withdraw the cases filed by them against the company at various forums.
- (d) The Hon'ble Executive Director ('ED') of SEBI has passed an order dated May 31, 2023 (bearing No. QJA/SP/CFID/FID-SEC4/26875/2023-24) in the matter of M/s Magnum Ventures Limited and imposed penalty under section 15HA & 15HB of the SEBI Act, 1992 amounting to ₹12,00,000 on the company and collectively a penalty of ₹54,00,000 on directors and KMPs of the Company and restrained them from accessing the securities market and further prohibited from buying, selling or dealing in securities, either directly or indirectly, in any manner whatsoever, for a period of one year from the date of this Order. The provision of ₹12,00,000 has been made in the books of accounts.

Subsequent to the said order, the Company has appealed before the Hon'ble Securities Appellate Tribunal, Mumbai ('Hon'ble SAT'), however Hon'ble SAT vide its order dated July 13, 2023 did not provide any interim relief to the company and directed the Company to deposit the penalty amount which shall be subject to the result of the appeal.

We observe that the company had duly deposited the penalty amount in compliance to the order of Hon'ble SAT and the matter was listed for May 21, 2024 wherein the matter has further being adjourned to July 19, 2024.

- (e) Trade Receivables amounts to ₹6490.60 lakhs, out of which trade receivables amounting to ₹46.45 lakhs are outstanding for more than six months, which are under litigation.

Our opinion is not modified in respect of the above emphasis.

## Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the 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.

## Managements' and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.

The respective Management and Board of Directors of the companies are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the respective Management and Board of Directors are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors are responsible for overseeing the financial reporting process of each company.

## Auditor's Responsibility for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



We communicate with those charged with governance of the Company and such other entity included in the standalone financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in "Annexure-A", a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.

A. Further to our comments in Annexure-A, as required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for purposes of our audit.
- (b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from the examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
- (e) On the basis of the written representation received from the directors as on 31<sup>st</sup> March 2024 and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) We have also audited the internal financial controls over the financial reporting for the Company as on 31<sup>st</sup> March 2024 with respect to the adequacy of the internal financial controls over financial reporting

of the company and the operating effectiveness of such control. Refer to our separate Report in "Annexure-B"

B. 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, in our opinion and to the best of our information and according to the explanations given to us:

- a. The Company, as detailed in Note 31(B) to the Financial Statements, has disclosed the impact of pending litigations on its financial position as at 31<sup>st</sup> March 2024.
- b. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses as at 31<sup>st</sup> March 2024.
- c. There were no amounts required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31<sup>st</sup> March 2024.
- d. (i) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in notes to the accounts, no funds have been advanced or loans or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("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;
- (ii) Whether the management has represented, that to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("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; and
- (iii) Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause(i) and (ii) contain any material mis-statement.

- e. The Company has not declared or paid any dividend during the year in contravention of provisions of Section 123 of Companies Act, 2013.
- f. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from April 1, 2023.

Based on our examination which included test checks, the Company has used accounting software for maintaining its books of accounts, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Account) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirement for record retention is not applicable for the financial year ended March 31, 2024.

- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act;

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For Sahni Bansal and Associates  
Chartered Accountants  
FRN. 0514470C

Sd/-  
CA Pardeep Surrinder Sahni  
Partner  
MRN.: 093866  
UDIN: 24093866BKEFHE1663

Place: Ghaziabad  
Date: 27/05/2024

## Annexure A to the Independent Auditor's Report

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the Financial statements for the year ended 31<sup>st</sup> March 2024, we report that:

### 3 (i) – FIXED ASSETS :-

- (a) The company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment & intangible assets.
- (b) According to the information given to us, the Property, Plant and Equipment are physically verified by the management on annual basis. In our opinion, the frequency of verification is reasonable having regard to the size of the company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information an explanation given to us on the basis of our examination of the records, the title deeds of immovable properties of the company, disclosed in the financial statements of the company and held as Property, Plant and Equipment. However, we express no opinion on the validity of the title of the company to these properties.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the company for holding any benami property under the prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

### 3 (ii) – INVENTORIES :-

- (a) According the information and explanations given to us, the inventory has been physically verified by the management at reasonable intervals. Since it being a technical matter, we are unable to comment upon the quantity, pricing and method being used for valuation of the inventory and have relied upon the value and quantity certified by the management.
- (b) As explained to us, during any point of time of the year, the company has not been sanctioned any working capital limits from banks or financial institutions on the basis of security of current assets.

### 3 (iii) – LOANS OR ADVANCE IN THE NATURE OF LOANS :-

The Company has not made any investment in, provided any guarantee or security or any loans or advance in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or any other parties. Hence, the requirements of this clause do not apply to the company.

### 3 (iv) – COMPLIANCE OF SECTIONS 185 AND 186 :-

In our opinion and according to information & explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.

### 3 (v) – ACCEPTANCE OF PUBLIC DEPOSITS :-

In our opinion and according to the information & explanations provided by management, the company has not accepted any loans or deposits which are 'deposits' within the meaning of section 73 & 76 and Rule 2(b) of the Companies (Acceptance of Deposits) Rules, 2014.

### 3 (vi) – COST RECORDS :-

The company has prepared and maintained cost records as prescribed by Central Government under section 148(1) of the Companies Act, 2013.

### 3 (vii) – STATUTORY DUES:-

- (a) According to the records of the company and information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, employees state insurance (ESI), Income-tax, Tax deducted at source, Tax collected at source, Professional Tax, Sales Tax, value added tax (VAT), Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess, Goods & Service Tax and other material statutory dues to the extent applicable to it, with the appropriate authorities subject to few delay.
- (b) According to the information and explanations given to us, there were no undisputed amounts payable in respect of above statutory dues were outstanding as at 31 March, 2023 for a period of more than six months from the date they became payable.
- (c) According to the records of the company, there are no such statutory dues as mentioned in clause (b) which has not been deposited on account of any dispute except the following;

Name of Statute	Nature of Dues	Assessment Year	Amount Involved (₹)	Forum where dispute is pending
Finance Act, 1994 (Service Tax Law)	SCN for Service Tax from Hotel	2010-11	1,64,00,749/- (Plus interest and penalty)	Order passed in favour of Company, but department filled an appeal in Allahabad High Court.



### 3 (viii) – TRANSACTIONS NOT RECORDED IN BOOKS :-

According to the records of the company, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

### 3 (ix) – DEFAULT IN REPAYMENT OF LOANS/ OTHER BORROWINGS/IN PAYMENT OF INTEREST TO ANY LENDER :-

- Based on our audit procedures and on the information and explanations given by the management, the company has not defaulted in repayment of loans and borrowings from financial institutions and banks.
- According to the information and explanations given to us, the company has not been declared a willful defaulter by bank or financial institution or government or any government authority.
- No term loans have been availed by the company during the year.

(d) According to the information and explanations given to us and on overall examinations of the balance sheet of the company, we report that no funds raised on short term basis have been used for long-term investment by the company

(e) The Company did not have any subsidiary or associate or joint venture during the year and hence reporting under clause 3(ix)(e) of the Order is not applicable.

(f) The Company did not have any subsidiary or associate or joint venture during the year and hence reporting under clause 3(ix)(f) of the Order is not applicable.

### 3 (x) – END USE OF MONIES RAISED BY WAY OF IPO/FPO:-

- The Company has not raised any moneys by way of initial public offer or further public offer (including debt instrument). Accordingly, clause 3(x)(a) of the Order is not applicable.
- According to information and explanations given to us and on the basis of examination of records of the company, the company has made preferential allotment or private placement of shares to the following persons, the details of the same as follows:

S. No	Name of person	Nature of Instrument	Number allotted	Value per instrument including premium(if any)	Total Amount received (In Lacs)
1.	Pramod Kumar Jain	Equity Shares (by way of conversion of warrants)	14,31,250	25/-	357.81/-
2.	Pradeep Kumar Jain	Equity Shares (by way of conversion of warrants)	14,31,250	25/-	357.81/-
3.	Abhay Jain	Equity Shares (by way of conversion of warrants)	14,31,250	25/-	357.81/-
4.	Parv Jain	Equity Shares (by way of conversion of warrants)	14,31,250	25/-	357.81/-
5.	RMJ Securities Pvt Ltd	Equity Shares (by way of conversion of warrants)	20,00,000	40.10/-	802.00/-

The company has complied with the provisions of Section 42 of the Companies Act, 2013 and the funds raised have been used for the purpose for which the funds were raised.

### 3 (xi) – FRAUD NOTICED OR REPORTED:-

- Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.
- According to the records of the company, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistleblower complaints received by the company during the year.

### 3 (xii) – REPORTING OF COMPLIANCES BY NIDHI COMPANY :-

According to the information and explanation given to us, the company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

**3 (xiii) – RELATED PARTY TRANSACTIONS:-**

In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standard.

**3 (xiv) – INTERNAL AUDIT :-**

- (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business;
- (b) The report of the Internal Auditors for the period under audit were considered by us.

**3 (xv) – NON CASH TRANSACTIONS INVOLVING DIRECTORS OR CONNECTED PERSONS:-**

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 him. Accordingly, this clause is not applicable.

**3 (xvi) – REGISTRATION OF NBFC UNDER SECTION 45-IA OF THE RBI ACT, 1934 :-**

The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Also the company is not a Core Investment Company(CIC) as defined in the regulations made by the Reserve Bank of India.

**3 (xvii) – WHETHER COMPANY HAS INCURRED CASH LOSS :-**

The Company has not incurred any Cash Losses in the financial year and in the immediately preceding financial year.

**3 (xviii) – RESIGNATION OF STATUTORY AUDITORS :-**

As per the provisions of Section 139(2) of the Companies Act, 2013 no listed company shall appoint or reappoint an audit firm as auditor for more than two terms of five consecutive years. Accordingly, the previous auditor viz. Aggarwal Rampal & Co, Chartered Accountants were not eligible for reappointment as the Statutory Auditors and have resigned upon completion of their term of appointment as per the requirement of the said Act. There has not been any issues, concerns or objections raised by the outgoing auditors, based on our communication with outgoing auditor as required under ICAI Code of Ethics.

**3 (xix) – MATERIAL GOING CONCERN UNCERTAINTY :-**

According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharges by the company as and when they fall due.

**3 (xx) – TRANSFER OF UNSPENT CSR FUNDS :-**

In our opinion and according to the information and explanation given to us, there is no unspent amount under sub-section(5) of Section 135 of the Act.

**3 (xxi) – CARO REPORT OF OTHER AUDITORS FOR CONSOLIDATION**

The Company does not have any subsidiaries or associates or joint ventures the accounts of which are to be consolidated and as such there are no consolidated financial statements. Accordingly, clause 3(xxii) of the Order not applicable.

For Sahni Bansal and Associates  
Chartered Accountants  
FRN. 0514470C

Sd/-  
CA Pardeep Surrinder Sahni  
Partner  
MRN.: 093866  
UDIN: 24093866BKEFHE1663

Place: Ghaziabad  
Date: 27/05/2024

## Annexure B to the Independent Auditor's Report

Report on the Internal Financial Controls under clause (i) of sub section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial control over financial reporting of Magnum Ventures Limited ("the Company") as of 31<sup>st</sup> March, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over the financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over 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 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

### Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial controls 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 purpose in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes 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 authorization of management and directions of the Company;
- 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 internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion and according to the information and explanations given to us, internal financial controls system over financial reporting. However, it is needed to be further strengthened to commensurate with the size of the Company and nature of business.

For Sahni Bansal and Associates  
Chartered Accountants  
FRN. 0514470C

Sd/-  
CA Pardeep Surrinder Sahni  
Partner

MRN.: 093866  
UDIN: 24093866BKEFHE1663

Place: Ghaziabad  
Date: 27/05/2024



## Balance Sheet as at 31<sup>st</sup> March 2024

Amount (in Lakhs)

Particulars	Note No.	As at 31.03.2024	As at 31.03.2023
<b>ASSETS</b>			
<b>Non Current Assets</b>			
a) Property Plant and Equipment	1(a)	89,014.56	91,022.10
b) Capital Work-in-Progress	1(b)	1,424.68	-
c) Intangible Assets	2	6.37	7.91
d) Right of Use Asset	3	3,713.00	1,982.01
e) Financial Assets			
i. Loans		-	-
ii. Other Financial Assets	4	601.23	179.45
<b>Total Non-Current Asset</b>		<b>94,759.83</b>	<b>93,191.48</b>
<b>Current assets</b>			
a) Inventories	5	4,187.80	5,684.98
b) Financial Assets			
i. Trade receivables	6	6,490.60	3,990.17
ii. Cash and cash equivalents	7	2,000.50	214.82
iii. Bank Balance other than above	7.1	2,746.31	221.09
iv. Loans	8	19.49	15.51
v. Other Financial Asset	9	21.17	8.94
c) Other Current Assets	10	3,318.73	945.20
<b>Total Current Asset</b>		<b>18,784.58</b>	<b>11,080.71</b>
<b>TOTAL ASSETS</b>		<b>1,13,544.41</b>	<b>1,04,272.19</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
a) Equity Share Capital	11	5,888.63	4,210.19
b) Other Equity	12	62,206.12	54,183.74
<b>Total Equity</b>		<b>68,094.75</b>	<b>58,393.92</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
a) Financial Liabilities			
i. Borrowings	13	14,905.77	9,976.83
ii. Lease Liabilities	14	3,754.50	1,866.12
b) Provisions	15	605.06	563.27
c) Deferred Tax Liabilities (Net)	16	18,707.62	20,124.40
<b>Total Non-Current Liabilities</b>		<b>37,972.95</b>	<b>32,530.61</b>
<b>Current Liabilities</b>			
a) Financial Liabilities			
i. Borrowings	17	850.00	6,635.00
ia. Lease Liabilities		350.04	354.86
ii. Trade Payable	18	-	-
Total Outstanding dues of Micro Enterprises and Small Enterprises [Refer Note (a) below]		152.62	126.33
Total Outstanding dues of creditors other than dues to Micro and Small Enterprises		3,726.53	3,077.72
iii. Other Financial Liabilities	19	1,253.82	2,168.00
b) Other Current Liabilities	20	888.07	781.55
c) Provisions	21	255.64	204.20
<b>Total Current Liabilities</b>		<b>7,476.72</b>	<b>13,347.65</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,13,544.41</b>	<b>1,04,272.19</b>
Significant Accounting Policies & Other Notes to Accounts See accompanying notes to financial statements	31		

For Sahni Bansal & Associates  
Chartered Accountants  
F.R.N: 514470C

Sd/-  
Pardeep Surrinder Sahni  
Partner  
Membership No. 093866  
UDIN:24093866BKEFHE1663

Date: May 27, 2024  
Place: Ghaziabad

For and On Behalf of the Board of Directors

Sd/-  
Mr. Pardeep Kumar Jain  
Managing Director  
Din: 00024879

Sd/-  
Mr. Parv Jain  
Chief Financial Officer

Sd/-  
Mr. Abhay Jain  
Managing Director  
Din: 01876385

Sd/-  
Ms Aaina Gupta  
Company Secretary  
M.No. A43233

## Profit and Loss Account for the period ended on 31<sup>st</sup> March 2024

Amount (in Lakhs)

Particulars	Refer Note No.	For the year ended as on 31.03.2024	For the year ended as on 31.03.2023
Revenue from operations	22	46,083.58	46,001.44
Other income	23	151.21	548.44
<b>Total Income</b>		<b>46,234.79</b>	<b>46,549.89</b>
<b>Expenses</b>			
Cost of Material Consumed	24	30,274.81	35,207.91
Change in Inventory of Finished Goods & W.I.P	25	1,405.76	-1,432.48
Employee Benefit Expense	26	4,586.65	4,106.43
Finance Cost	27	498.00	400.31
Depreciation and amortization expense	28	4,438.96	1,675.17
Other Expenses	29	4,549.68	3,925.30
<b>Total Expenses</b>		<b>45,753.87</b>	<b>43,882.64</b>
<b>Profit Before Tax and Exceptional Items and tax</b>		<b>480.93</b>	<b>2,667.25</b>
<b>Exceptional Items</b>	30	-586.88	-4,267.41
<b>Profit Before Tax</b>		<b>1,067.80</b>	<b>6,934.65</b>
Tax expense:			
Current tax		-	-
Deferred tax		-1,402.46	-151.45
Earlier Year Tax		-	-
<b>Profit For the Year</b>	A	<b>2,470.26</b>	<b>7,086.10</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
(i) Remeasurement of gains/ (loss) on the defined benefit plans		40.21	6.38
(ii) Income tax relating to items that will not be reclassified to profit or loss		-10.12	-1.61
(iii) Revaluation surplus		-	73,075.03
(iv) Income tax relating to revaluation surplus		-	-18,392.99
<b>Total Other Comprehensive Income</b>	B	<b>30.09</b>	<b>54,686.82</b>
<b>Total Comprehensive Income</b>	(A+B)	<b>2,500.35</b>	<b>61,772.93</b>
<b>Earnings per equity share:</b>			
(1) Basic		5.04	18.78
(2) Diluted		5.04	18.78
Significant Accounting Policies & Other Notes to Accounts See accompanying notes to financial statements	31		

For Sahni Bansal & Associates  
Chartered Accountants  
F.R.N: 514470C

Sd/-  
Pardeep Surrinder Sahni  
Partner  
Membership No. 093866  
UDIN:24093866BKEFH1663

Date: May 27, 2024  
Place: Ghaziabad

For and On Behalf of the Board of Directors

Sd/-  
Mr. Pardeep Kumar Jain  
Managing Director  
Din: 00024879

Sd/-  
Mr. Parv Jain  
Chief Financial Officer

Sd/-  
Mr. Abhay Jain  
Managing Director  
Din: 01876385

Sd/-  
Ms Aaina Gupta  
Company Secretary  
M.No. A43233

## Cash Flow statement for the year ended 31<sup>st</sup> March 2024

Particulars	Amount (in Lakhs)	
	As at 31-03-2024	As at 31-03-2023
<b>CASH FLOW FROM OPERATIONS</b>		
A) Profit before Taxation	480.93	2,667.25
B) Adjustments for		
i Depreciation on Property, plant and Equipment and intangibles	4,063.02	1,380.85
ii Depreciation on Right to Use assets	375.94	294.32
iii Interest expenses	414.29	286.50
iv Interest income	-27.45	-18.89
vi Profit on Sale of Fixed Asset	-	-0.91
vi Other Non-cash items	41.06	78.00
	4,866.85	2,019.87
Operating profit before working capital changes	5,347.77	4,687.12
C) (Increase)/ Decrease in Current Assets		
i Inventories	1,497.18	-2,393.67
ii Trade Receivables	-2,500.43	1,563.52
iii Loans (Current)	-3.98	9.85
iv Other Current Assets	-2,373.52	-195.89
v Other Financial Assets (Current)	-12.23	25.72
vi Other Financial Assets (Non-Current)	-421.77	-0.34
Increase / (Decrease) in Current Liabilities		
i Trade Payables	675.10	15.46
ii Provisions ( Current )	51.44	58.00
iii Provisions ( Non-Current )	46.82	52.75
vi Other Current Liability	106.52	116.24
vii Other Financial Liability	-914.18	1,706.20
	-3,849.05	957.84
Cash generated from operations	1,498.73	5,644.96
Income tax & FBT	-	-
Effect of Extra Ordinary Item	586.88	4,267.41
<b>NET CASH FROM OPERATIONS</b>	<b>2,085.60</b>	<b>9,912.37</b>
<b>INVESTING ACTIVITIES</b>		
i Additions to Capital work in progress	-	-
ii Additions to fixed assets	-3,478.62	-471.62
iii Sale of fixed assets	-	-
iv Additions to ROU (Net)	-2,092.63	-
v Interest Income	27.45	18.89
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>-5,543.79</b>	<b>-452.73</b>
<b>FINANCING ACTIVITIES</b>		
i Issue of Share including securities premium (Net)	6,889.93	1,125.00
ii Prepayment of Preference	-772.50	-450.00
iii Issue of NCDs (Net)	14,574.28	-
iv Warrant	677.27	828.13
v Borrowings (Net)	-15,069.19	-10,594.33
vi Interest Paid/Payable	-414.29	-286.50
vii Payment of lease liabilities	1,883.56	-172.13
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>7,769.06</b>	<b>-9,549.83</b>
Net Change in cash and cash equivalents (A+ B + C)	4,310.88	-90.19
Cash and cash equivalents at the beginning of the period (See Note-7 & 7.1)	435.93	526.12
Cash and cash equivalents at the end of the period (See Note-7 & 7.1)	4,746.81	435.93

For Sahni Bansal & Associates  
Chartered Accountants  
F.R.N: 514470C

Sd/-  
Pardeep Surrinder Sahni  
Partner  
Membership No. 093866  
UDIN:24093866BKEFHE1663

Date: May 27, 2024  
Place: Ghaziabad

For and On Behalf of the Board of Directors

Sd/-  
Mr. Pardeep Kumar Jain  
Managing Director  
Din: 00024879

Sd/-  
Mr. Parv Jain  
Chief Financial Officer

Sd/-  
Mr. Abhay Jain  
Managing Director  
Din: 01876385

Sd/-  
Ms Aaina Gupta  
Company Secretary  
M.No. A43233



# Statement of Changes in Equity for the period ended 31<sup>st</sup> March, 2024

Amount in Lacs

## Equity Share Capital

Particulars	Equity Share Capital
As on 1 <sup>st</sup> April 2022	3,760.19
Changes in Equity Share Capital	450.00
As on 31 <sup>st</sup> March 2023	4,210.19
Changes in Equity Share Capital During The Year	1,678.44
As on 31 <sup>st</sup> March 2024	5,888.63

## Other Equity

### (1) Current Reporting Period

Amount in Lacs

Particular	Reserve and Surplus				Money received against share warrants	Items of Other Comprehensive Income		Total
	Security Premium	General Reserve	Reserve for Preference Share	Retained Earning		Remeasurement of net defined benefit Plans	Revaluation Surplus	
Balance at 1 <sup>st</sup> April 2023	4,527.54	-	1,270.06	-7,207.15	828.13	83.11	54,682.05	54,183.74
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period,	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	2,470.26	-	-	-	2,470.26
Other Comprehensive Income for the year	-	-	-	-	-	30.09	-	30.09
Transfer in retained earnings	-	-	-	-	-	-	-	-
Issue of Shares under warrants	-	-	-	-	-2,233.25	-	-	-2,233.25
Amount received against issue of share warrant	1,460.75	-	-	-	2,910.52	-	-	4,371.27
Amount received against issue of Equity Shares	3,986.15	-	-	-	-	-	-	3,986.15
Redemption of preference share	-	-	-366.72	-	-	-	-	-366.72
Asset Revaluation (Net of Tax)	-	-	-	-	-	-	-	-
Any other change to be specified (Depreciation on Revalued Assets net of Tax)	-	-	-	1,962.14	-	-	-1,962.14	-
Any other change to be specified (Utilization for Share issue Expenses as per Section 52 of Companies Act, 2013)	-235.42	-	-	-	-	-	-	-235.42
Balance as at March 31, 2024	9,739.02	-	903.34	-2,774.75	1,505.40	113.20	52,719.91	62,206.12

## Statement of Changes in Equity for the period ended 31<sup>st</sup> March, 2024

### (2) Previous Reporting Period

Amount in Lacs

Particular	Reserve and Surplus				Money received against share warrants	Items of Other Comprehensive Income		Total
	Security Premium	General Reserve	Reserve for Preference Share	Retained Earning		Remeasurement of net defined benefit Plans	Revaluation Surplus	
Balance at 1 <sup>st</sup> April 2022	3,852.54	-	1,484.95	-14,293.25	-	78.34	-	-8,877.42
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period,	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	7,086.10	-	-	-	7,086.10
Other Comprehensive Income for the year	-	-	-	-	-	4.77	-	4.77
Transfer in retained earnings	-	-	-	-	-	-	-	-
Issue of Shares under warrants	-	-	-	-	-	-	-	-
Amount received against issue of share warrant	675.00	-	-	-	828.13	-	-	1,503.13
Redemption of preference share	-	-	-214.89	-	-	-	-	-214.89
Asset Revaluation (Net of Tax)	-	-	-	-	-	-	54,682.05	54,682.05
Any other change to be specified( Ind As Adjustment)	-	-	-	-	-	-	-	-
Balance as at March 31,2023	4,527.54	-	1,270.06	-7,207.15	828.13	83.11	54,682.05	54,183.74

For Sahni Bansal & Associates  
Chartered Accountants  
F.R.N: 514470C

For and On Behalf of the Board of Directors

Sd/-  
Pardeep Surrinder Sahni  
Partner  
Membership No. 093866  
UDIN:24093866BKEFHE1663

Sd/-  
Mr. Pardeep Kumar Jain  
Managing Director  
Din: 00024879

Sd/-  
Mr. Abhay Jain  
Managing Director  
Din: 01876385

Date: May 27, 2024  
Place: Ghaziabad

Sd/-  
Mr. Parv Jain  
Chief Financial Officer

Sd/-  
Ms Aaina Gupta  
Company Secretary  
M.No. A43233

# Notes to the Financial Statements

as on 31<sup>st</sup> March 2024

## Note 1 (a) Property, Plant & Equipment

Amount in Lacs

Particulars	Land	Building & Site	Computer	Furniture & Fixture	Plant & Machinery	Vehicles	Electric Installation	Generator	Office Equipment	Fire Fighting Equipment	Deinking Plant	Turbine	Total
Gross carrying value as at April 1, 2023	39,220.42	20,930.80	84.91	7,490.20	31,666.76	514.91	3,552.49	763.98	170.49	34.89	6,368.91	8,698.66	1,19,497.44
Additions	-	0.35	11.83	15.77	1,906.76	32.25	48.62	14.50	15.32	-	-	8.53	2,053.94
Adjustment due to revaluation	-	-	-	-	-	-	-	-	-	-	-	-	-
Deletions	-	-	-	-	-	-	-	-	-	-	-	-	-
Gross carrying value as at March 31, 2024	39,220.42	20,931.15	96.75	7,505.98	33,573.52	547.16	3,601.12	778.48	185.81	34.89	6,368.91	8,707.19	1,21,551.37
Accumulated depreciation as at April 1, 2023	-	4,041.30	44.91	5,480.84	14,113.19	258.91	1,302.49	245.73	85.49	34.89	968.91	1,898.66	28,475.34
Depreciation	-	801.16	16.25	243.31	1,445.71	88.66	578.44	66.05	46.91	-	338.59	436.39	4,061.48
Accumulated depreciation on deletions	-	-	-	-	-	-	-	-	-	-	-	-	-
Elimination due to revaluation	-	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation as at March 31, 2024	-	4,842.46	61.17	5,724.16	15,558.90	347.57	1,880.93	311.79	132.40	34.89	1,307.50	2,335.05	32,536.81
Carrying value as at April 1, 2023	39,220.42	16,889.50	40.00	2,009.36	17,553.57	256.00	2,250.00	518.25	85.00	-0.00	5,400.00	6,800.00	91,022.10
Carrying value as at March 31, 2024	39,220.42	16,088.69	35.58	1,781.82	18,014.62	199.59	1,720.19	466.70	53.41	-0.00	5,061.41	6,372.14	89,014.56

Particulars	Land	Building & Site	Computer	Furniture & Fixture	Plant & Machinery	Vehicles	Electric Installation	Generator	Office Equipment	Fire Fighting Equipment	Deinking Plant	Turbine	Total
Gross carrying value as at April 1, 2022	1,808.66	9,647.44	47.61	5,881.98	23,232.77	313.02	1,459.32	271.95	92.40	71.96	1,019.90	2,124.41	45,971.42
Additions	-	-	17.23	43.82	324.96	4.99	23.13	-	16.47	15.96	-	23.14	469.69
Adjustment due to revaluation	37,411.76	11,283.36	20.07	1,564.40	8,109.04	215.62	2,070.05	492.03	61.63	-53.03	5,349.00	6,551.11	73,075.03
Deletions	-	-	-	-	-	18.72	-	-	-	-	-	-	18.72
Gross carrying value as at March 31, 2023	39,220.42	20,930.80	84.91	7,490.20	31,666.76	514.91	3,552.49	763.98	170.49	34.89	6,368.91	8,698.66	1,19,497.44
Accumulated depreciation as at April 1, 2022	-	3,715.67	39.94	5,442.93	13,203.88	266.41	1,261.14	240.27	71.91	25.50	968.91	1,878.29	27,114.86
Depreciation	-	325.63	4.97	37.91	909.32	10.28	41.35	5.46	13.58	9.39	-	20.37	1,378.26
Accumulated depreciation on deletions	-	-	-	-	-	17.78	-	-	-	-	-	-	17.78
Elimination due to revaluation	-	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation as at March 31, 2023	-	4,041.30	44.91	5,480.84	14,113.19	258.91	1,302.49	245.73	85.49	34.89	968.91	1,898.66	28,475.34
Carrying value as at April 1, 2022	1,808.66	5,931.77	7.67	439.05	10,028.89	46.60	198.18	31.68	20.49	46.46	51.00	246.12	18,856.57
Carrying value as at March 31, 2023	39,220.42	16,889.50	40.00	2,009.36	17,553.57	256.00	2,250.00	518.25	85.00	-0.00	5,400.00	6,800.00	91,022.10



## Notes to the Financial Statements as on 31<sup>st</sup> March 2024

### Note 1: (b) Capital Work-in-Progress

Amount in Lacs

Particulars	For the year ended as on 31.03.2024	For the year ended as on 31.03.2023
Balance at the beginning	-	-
Additions	1,424.68	-
Transferred to cost of Property, plant & equipment	-	-
(Provision)/Reversal for impairment/(write off) (Net)	-	-
Balance at the end	1,424.68	-

### Ageing of tangible assets under development

As at March 31,2024

Particular	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in progress	1,424.68	-	-	-	1,424.68
As at March 31,2024	1,424.68	-	-	-	1,424.68

As at March 31,2023

Particular	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in progress	-	-	-	-	-
As at March 31,2023	-	-	-	-	-

### Note 2:

Intangible Asset	Amount in Lacs
Gross carrying value as at April 1, 2023	59.09
Additions	-
Adjustments/Transfer	-
Deletions	-
Gross carrying value as at March 31, 2024	59.09
Accumulated depreciation as at April 1, 2023	51.18
Depreciation	1.54
Accumulated depreciation on deletions	-
Accumulated depreciation as at March 31, 2024	52.73
Carrying value as at April 1, 2023	7.91
Carrying value as at March 31, 2024	6.37
Gross carrying value as at April 1, 2022	55.66
Additions	3.43
Adjustments/Transfer	-
Deletions	-
Gross carrying value as at March 31, 2023	59.09
Accumulated depreciation as at April 1, 2022	48.64
Depreciation	2.54
Accumulated depreciation on deletions	-
Accumulated depreciation as at March 31, 2023	51.18
Carrying value as at April 1, 2022	7.02
Carrying value as at March 31, 2023	7.91

## Notes to the Financial Statements as on 31<sup>st</sup> March 2024

### Note 3: Right of Use Asset

Particulars	Amount in Lacs
Gross carrying value as at April 1, 2023	2,488.72
Additions	2,092.63
Adjustments/Transfer	14.30
Deletions	164.89
Gross carrying value as at March 31, 2024	4,430.75
Accumulated depreciation as at April 1, 2023	506.70
Depreciation	375.94
Accumulated depreciation on deletions	164.89
Accumulated depreciation as at March 31, 2024	717.75
Carrying value as at April 1, 2023	1,982.01
Carrying value as at March 31, 2024	3,713.00
Gross carrying value as at April 1, 2022	2,488.72
Additions	-
Adjustments/Transfer	-
Deletions	-
Gross carrying value as at March 31, 2023	2,488.72
Accumulated depreciation as at April 1, 2022	212.39
Depreciation	294.32
Accumulated depreciation on deletions	-
Accumulated depreciation as at March 31, 2023	506.70
Carrying value as at April 1, 2022	2,276.33
Carrying value as at March 31, 2023	1,982.01

### Note 4: Other Financial Assets

Amount in Lacs

Particulars	For the year ended as on 31.03.2024	For the year ended as on 31.03.2023
Security Deposits *	601.23	179.45
Total	601.23	179.45

\* Security Deposits includes the amount of ₹3 Cr. Deposit with Bank of Baroda in respect of expenses to be incurred for the purpose of withdrawal of legal cases.

### Note 5: Inventories

Amount in Lacs

Particulars	For the year ended as on 31.03.2024	For the year ended as on 31.03.2023
(As Valued & Certified by the Management)		
Raw Material	2,376.44	1,937.85
Work-In-Progress	37.07	703.50
Finished Goods	1,007.70	1,747.04
Chemicals	214.16	428.16
Stores & Consumables	334.57	402.67
Hotel Stock	76.59	78.41
Fuel	141.26	387.35
Total	4,187.80	5,684.98

## Notes to the Financial Statements as on 31<sup>st</sup> March 2024

### Note 6: Trade Receivables

Amount in Lacs

Particulars	For the year ended as on 31.03.2024	For the year ended as on 31.03.2023
Considered good- Secured	-	-
Considered good- Unsecured	6,490.60	3,990.17
Having Significant increase in credit risk	-	-
Credit Impaired	-	-
	6,490.60	3,990.17
Less: Allowances for expected credit loss	-	-
<b>Total</b>	<b>6,490.60</b>	<b>3,990.17</b>

#### As at 31.03.2024

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 Months	6 Months -1Year	1-2 Years	2-3 Years	More than 3 Years
Undisputed Trade Receivables- Considered Goods	6,444.14	-	-	-	-
Undisputed Trade Receivables- Considered Doubtful	-	-	-	-	-
Disputed Trade Receivables- Considered Goods	-	-	41.15	-	5.30
Disputed Trade Receivables- Considered Doubtful	-	-	-	-	-
Others	-	-	-	-	-
<b>Total</b>					<b>6,490.60</b>

#### As at 31.03.2023

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 Months	6 Months -1Year	1-2 Years	2-3 Years	More than 3 Years
Undisputed Trade Receivables- Considered Goods	6,444.14	-	-	-	-
Undisputed Trade Receivables- Considered Doubtful	-	-	-	-	-
Disputed Trade Receivables- Considered Goods	-	-	41.15	-	5.30
Disputed Trade Receivables- Considered Doubtful	-	-	-	-	-
Others	-	-	-	-	-
<b>Total</b>					<b>6,490.60</b>

### Note 7: Cash & Cash Equivalents

Amount in Lacs

Particulars	For the year ended as on 31.03.2024	For the year ended as on 31.03.2023
Balance with scheduled banks in current accounts *	1,869.73	186.07
Cash in Hand	130.77	28.75
<b>Total</b>	<b>2,000.50</b>	<b>214.82</b>

\* In terms of issue of NCDs, the company is required to open the Escrow Accounts. The company has opened three Escrow Accounts with HDFC Bank as follows:

Account Number	Nature
57500001425321	NCD Subscription Account
57500001423798	Collection Account (Paper Division)
57500001424074	Collection Account (Hotel Division)



# Notes to the Financial Statements as on 31<sup>st</sup> March 2024

## Note 7: Cash & Cash Equivalents (Contd.)

### Note 7.1: Bank balance other than cash & cash equivalent

Particulars	For the year ended as on 31.03.2024	For the year ended as on 31.03.2023
Bank deposit with original maturity of more than 3 month	2,746.31	221.09
<b>Total</b>	<b>2,746.31</b>	<b>221.09</b>

## Note 8: Loan

Amount in Lacs

Particulars	For the year ended as on 31.03.2024	For the year ended as on 31.03.2023
Unsecured, Considered Good		
Labour, Staff Advance & Imprest	19.49	15.51
<b>Total</b>	<b>19.49</b>	<b>15.51</b>

## Note 9: Other Financial Assets

Amount in Lacs

Particulars	For the year ended as on 31.03.2024	For the year ended as on 31.03.2023
Interest Receivable on FDR	21.17	8.94
<b>Total</b>	<b>21.17</b>	<b>8.94</b>

## Note 10: Other Current Assets

Amount in Lacs

Particulars	For the year ended as on 31.03.2024	For the year ended as on 31.03.2023
Prepaid Expense	105.63	27.84
Advance to Supplier for Capital Goods & Others	2,384.95	562.31
Balance with Revenue Authorities and Others		
Goods & Service Tax	599.82	216.75
TCS Receivable	50.56	13.33
TDS Receivable	135.71	99.22
Other Receivable	42.06	25.75
Branch / Divisions	-	-
<b>Total</b>	<b>3,318.73</b>	<b>945.20</b>

## Note 11: Share Capital

Particulars	For the year ended as on 31.03.2024		For the year ended as on 31.03.2023	
	Number	₹ in lacs	Number	₹ in lacs
<b>Authorized</b>				
Equity Shares of ₹10 each	8,28,25,000	8,282.50	5,55,00,000	5,550.00
<b>Issued , Subscribed &amp; Paid up</b>				
Equity Shares of ₹10 each fully Paid-up	5,88,86,317	5,888.63	4,21,01,884	4,210.19
<b>Total</b>	<b>5,88,86,317</b>	<b>5,888.63</b>	<b>4,21,01,884</b>	<b>4,210.19</b>

The Company has one class of equity shares having a par value of ₹10 per share. Each holder of equity share is entitled to one vote per share. The paid-up equity shares of the Company rank pari-passu in all respects including dividend. In the event of liquidation of the Company,

## Notes to the Financial Statements as on 31<sup>st</sup> March 2024

the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

During the year the company has issued 1,23,25,000 warrant under preferential allotment. Further the company has allotted 20,00,000 equity shares of face value of ₹10 each fully paid up on preferential basis.

The company has allotted 1,77,50,000 warrant under preferential basis in previous year. The company had allotted 45,00,000 equity shares of face value of ₹10/- each fully paid up on preferential basis in previous year. Out of remaining 1,32,50,000 warrant, the company has allotted 57,25,000 equity shares of face value of ₹10/- each fully paid up. Further there is a balance of 75,25,000 warrant which required to be convert in fully paid up equity shares.

### Reconciliation of Number of Equity Shares Outstanding

Particulars	As at 31.03.2024		As at 31.03.2023	
	Number	Amount in lacs	Number	Amount in lacs
Shares outstanding at the beginning of the year	4,21,01,884	4,210.19	3,76,01,884	3,760.19
Shares Issued during the year	1,67,84,433	1,678.44	45,00,000	450.00
Shares bought back during the year				
Shares outstanding at the end of the year	5,88,86,317	5,888.63	4,21,01,884	4,210.19

### Details of shareholders holding more than 5% of the total equity shares of the Company

Name of Shareholder	As at 31.03.2024		As at 31.03.2023	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Praveen Kumar Jain	1,66,48,510	28.27	1,66,48,510	39.54
Abhay Jain	34,91,440	5.93	14,27,600	3.39

### Note II: Share Capital (Contd.)

#### Details of shares held by promoter and promoter groups

Name of Shareholder	As at 31.03.2024		As at 31.03.2023		% Change during the year
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	
Praveen Kumar Jain	1,66,48,510	28.27	1,66,48,510	39.54	-11.27
PRADEEP KUMAR JAIN (HUF) .	1,50,100	0.25	1,50,100	0.36	-0.10
PARMOD KUMAR JAIN (HUF) .	4,30,100	0.73	4,30,100	1.02	-0.29
VINOD KUMAR JAIN (HUF) .	4,00,100	0.68	4,00,100	0.95	-0.27
VINOD KUMAR JAIN	-	-	4,56,850	1.09	-1.09
SALEK CHAND JAIN	-	-	1,75,740	0.42	-0.42
ASHA JAIN	-	-	1,76,100	0.42	-0.42
PRADEEP KUMAR JAIN	27,56,900	4.68	13,25,650	3.15	1.53
ABHEY KUMAR JAIN	34,91,440	5.93	14,27,600	3.39	2.54
MONIKA JAIN	-	-	2,56,600	0.61	-0.61
VEENA JAIN	3,85,000	0.65	3,85,000	0.91	-0.26
RITA JAIN	-	-	1,78,200	0.42	-0.42
PARMOD KUMAR JAIN	27,56,400	4.68	13,25,150	3.15	1.53
MEHAK JAIN	27,000	0.05	27,000	0.06	-0.02
AANCHAL GOEL	25,000	0.04	25,000	0.06	-0.02
RISHAB JAIN	4,854	0.01	4,854	0.01	-0.00
PARV JAIN	25,56,250	4.34	11,25,000	2.67	1.67
SHRENIK JAIN	2,56,600	0.44	-	-	0.44
UJJWAL JAIN	1,76,100	0.30	-	-	0.30
RITESH JAIN	1,78,200	0.30	-	-	0.30
Total	3,02,42,554	51.36	2,45,17,554	58.23	

# Notes to the Financial Statements as on 31<sup>st</sup> March 2024

## Note 12: Other Equity

Amount in Lacs

Particulars	For the year ended as on 31.03.2024	For the year ended as on 31.03.2023
A. Securities Premium	9,739.02	4,527.54
B. General Reserve	-	-
C. Reserves for Preference Share	903.34	1,270.06
D. Surplus	-2,774.75	-7,207.15
E. OCI	113.20	83.11
F. Share Warrant	1,505.39	828.13
G. Revaluation Surplus	52,719.91	54,682.05
<b>Total</b>	<b>62,206.12</b>	<b>54,183.74</b>

## Note 13: Borrowings

Amount in Lacs

Particulars	For the year ended as on 31.03.2024	For the year ended as on 31.03.2023
<b>Secured</b>		
- From Alchemist Assets Reconstruction Company Limited	-	8,900.00
- Privately placed Non- Convertible Debentures {Refer Note (b) below}	13,724.28	-
<b>Unsecured</b>		
- From Related Parties & Others	465.81	-
- Debt Component of Preference share [Refer Note (c) below]	715.67	1,076.83
<b>Total</b>	<b>14,905.77</b>	<b>9,976.83</b>

### a. Nature of Security

From Alchemist Assets Reconstruction Company Limited

During the year under consideration, the Company had repaid the entire amount due to Alchemist Assets Reconstruction Company Limited on 12-03-2024 and had obtained No dues certificate from Alchemist Asset Reconstruction Company.

### b. Type, Nature of Security and Repayment Schedule

During the FY 2023-24, the company has issued Listed, Secured 18% Coupon, Redeemable, Non Convertible Debentures of face value of ₹1 lac each on Private placement basis to Neo Special Credit Opportunities Fund under the Trusteeship of Catalyst Trusteeship Limited of ₹15000 lacs.

#### Security

- a first ranking exclusive mortgage by deposit of title deeds over all immovable properties of the Issuer (present and future, as mentioned in executed trust deed), including specifically over the Issuer's leasehold rights and interest in the Identified Immovable Properties;
- a first ranking exclusive charge over all of the Issuers' movable assets (present and future), including but not limited to all tangible and intangible assets, current assets and movable fixed assets, receivables, cashflows (including from the Hotel Division and Paper Division), Permitted Accounts, Escrow Accounts, book debts, insurance policies, plant and machinery, inventory, cash, bank accounts and demat accounts of the Issuer; and
- Personal guarantee of the promoters.
- Pledge of 50% of Shares held by Mr. Parveen Jain of Magnum Ventures Limited.
- Personal guarantee of Mr. Parv Jain, Mr. Abhay Jain and Mr. Pradeep Kumar Jain

(₹ In lacs)

Non- Convertible Debentures (NCDs)	Redeemable on	Principal
18% Non Convertible Debentures	31-Aug-27	15,000
Less Debt Issue Cost		425.72
<b>Total</b>		<b>14,574</b>



## Notes to the Financial Statements as on 31<sup>st</sup> March 2024

### Note 13: Borrowings (Contd.)

(₹ In lacs)

Non- Convertible Debentures (NCDs)	Redeemable on	Principal
18% Non Convertible Debentures	30-Sep-24	250
18% Non Convertible Debentures	31-Dec-24	300
18% Non Convertible Debentures	31-Mar-25	300
18% Non Convertible Debentures	30-Jun-25	380
18% Non Convertible Debentures	30-Sep-25	380
18% Non Convertible Debentures	31-Dec-25	380
18% Non Convertible Debentures	31-Mar-26	380
18% Non Convertible Debentures	30-Jun-26	380
18% Non Convertible Debentures	30-Sep-26	380
18% Non Convertible Debentures	31-Dec-26	380
18% Non Convertible Debentures	31-Mar-27	380
18% Non Convertible Debentures	30-Jun-27	500
18% Non Convertible Debentures	31-Aug-27	10,610
<b>Total</b>		<b>15,000</b>

\* Classified as Current maturities of long-term borrowings (refer note 17) being maturity before March 31, 2024

### c. Preference Share

In accordance to Ind AS 109 read with Ind AS 32, redeemable preference shares are classified as financial liability. Therefore the treatment has been given in the financials in accordance with the aforesaid Ind AS.

#### Reconciliation of the Preference Shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31.03.2024		As at 31.03.2023	
	No of Share	₹ in Lacs	No of Share	₹ in Lacs
At the beginning of the year	20,50,000	2,050	25,00,000	2,500
Add: Share issued during the year	-	-	-	-
Less: Redemption of Preference	7,72,500	772.5	4,50,000	450.0
<b>At the end of the year</b>	<b>12,77,500</b>	<b>1,277.5</b>	<b>20,50,000</b>	<b>2,050</b>

#### Rights, preferences and restrictions attached to Preference shares

These Preference share are Redeemable, Non-Convertible and Non- Cumulative Preference shares of face value of ₹100/- on such terms and conditions including but not limited as to the rate of dividend, period and manner of redemption as the board in its absolute discretion may determine for the purpose of augmenting the long term resource base of the company

#### Details of shareholders holding more than 5% Preference shares in the Company

Particulars	As at 31.03.2024		As at 31.03.2023	
	No of Share	% Holding	No of Share	% Holding
Praveen Jain	12,77,500.00	100%	20,50,000.00	100%
	<b>12,77,500.00</b>	<b>100%</b>	<b>20,50,000.00</b>	<b>100%</b>

### Note 14: Lease Liabilities

Amount in Lacs

Particulars	For the year ended as on 31.03.2024	For the year ended as on 31.03.2023
Lease Liability	3,754.50	1,866.12
<b>Total</b>	<b>3,754.50</b>	<b>1,866.12</b>

Particulars	For the year ended as on 31.03.2024	For the year ended as on 31.03.2023
Lease Liability	350.04	354.86
<b>Total</b>	<b>350.04</b>	<b>354.86</b>

# Notes to the Financial Statements as on 31<sup>st</sup> March 2024

## Note 15: Provisions

Amount in Lacs

Particulars	For the year ended as on 31.03.2024	For the year ended as on 31.03.2023
Provision for Employee benefits		
Provision for Gratuity	467.84	439.66
Provision for Leave Encashment	137.22	123.61
Provision for Bonus	-	-
<b>Total</b>	<b>605.06</b>	<b>563.27</b>

## Note 16: Deferred Tax Liability

Amount in Lacs

Particulars	For the year ended as on 31.03.2024	For the year ended as on 31.03.2023
DTL		
PPE	19,025.49	20,377.72
DTA		
Ind AS adjustment	-98.55	-60.15
Gratuity	-149.71	-132.09
Leave Encashment	-41.91	-35.22
Bonus	-27.70	-25.86
<b>Total</b>	<b>18,707.62</b>	<b>20,124.40</b>

## Note 17: Borrowings

Amount in Lacs

Particulars	For the year ended as on 31.03.2024	For the year ended as on 31.03.2023
Secured		
Current maturities of long-term debt*	850.00	6,635.00
<b>Total</b>	<b>850.00</b>	<b>6,635.00</b>

## Note 18: Trade Payable

Amount in Lacs

Particulars	For the year ended as on 31.03.2024	For the year ended as on 31.03.2023
Total Outstanding dues of Micro Enterprises and Small Enterprises [Refer Note (a) below]		
- Amount due	139.85	122.96
- Interest on delayed payment	12.76	3.36
Total Outstanding dues of creditors other than dues to Micro and Small Enterprises	3,727	3,078
<b>Total</b>	<b>3,879.14</b>	<b>3,204.05</b>

- a. The dues payable to Micro and Small Enterprises is based on the information available with the Company and takes into account only those suppliers who have responded to the enquiries made by the Company for this purpose.

## Notes to the Financial Statements as on 31<sup>st</sup> March 2024

### Note 18: Trade Payable (Contd.)

#### As at 31.03.2024

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
MSME	152.62	-	-	-	152.62
Others	3,726.53	-	-	-	3,726.53
Dispute dues-MSME	-	-	-	-	-
Dispute dues	-	-	-	-	-
Others	-	-	-	-	-
<b>Total</b>					<b>3,879.14</b>

#### As at 31.03.2023

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 Months	6 Months -1Year	1-2 Years	2-3 Years	More than 3 Years
MSME	126.33	-	-	-	126.33
Others	2,964.82	36.02	44.13	32.75	3,077.72
Dispute dues-MSME	-	-	-	-	-
Dispute dues	-	-	-	-	-
Others	-	-	-	-	-
<b>Total</b>					<b>3,204.05</b>

### Note 19: Other Financial Liabilities

Amount in Lacs

Particulars	For the year ended as on 31.03.2024	For the year ended as on 31.03.2023
Cheque issued but not presented to bank(Net)	732.75	1,758.40
Employees Liability	344.71	207.16
Deposits	5.25	2.20
Expense Payable	171.12	200.23
<b>Total</b>	<b>1,253.82</b>	<b>2,168.00</b>

### Note 20: Other Current Liabilities

Amount in Lacs

Particulars	For the year ended as on 31.03.2024	For the year ended as on 31.03.2023
Other Payables	81.68	26.35
Gst payables	371.05	311.67
Advances from Customers	435.34	443.52
<b>Total</b>	<b>888.07</b>	<b>781.55</b>



# Notes to the Financial Statements as on 31<sup>st</sup> March 2024

## Note 21: Provisions

Amount in Lacs

Particulars	For the year ended as on 31.03.2024	For the year ended as on 31.03.2023
Provision		
Provision for Gratuity	116.32	85.13
Provision for Leave Encashment	29.27	16.32
Bonus payable	110.06	102.75
<b>Total</b>	<b>255.64</b>	<b>204.20</b>

## Note 22: Revenue From Operation

Amount in Lacs

Particulars	For the year ended as on 31.03.2024	For the year ended as on 31.03.2023
Gross Revenue		
Sale of Goods- Paper	33,862.42	36,897.15
Sale of Services- Hotel	10,223.03	8,437.70
Other Operating Revenue	1,998.13	666.60
<b>Total</b>	<b>46,083.58</b>	<b>46,001.44</b>

## Note 23: Other Income

Amount in Lacs

Particulars	For the year ended as on 31.03.2024	For the year ended as on 31.03.2023
Interest Income		
- on FDR	23.63	15.06
- accrued on Security Deposit (EEUDD)	3.83	3.83
- Notional Interest Income-Ind AS	3.57	2.62
Other income		
- Misc. Income (Including Short & Excess)	33.28	471.77
- Foreign Exchange Gain (Net)	82.71	55.17
- Amount written off	4.20	-
- Cross Charge	-	-
<b>Total</b>	<b>151.21</b>	<b>548.44</b>

## Note 24: Cost of Material Consumed

Amount in Lacs

Particulars	For the year ended as on 31.03.2024	For the year ended as on 31.03.2023
Raw Material Consumed	19,703.45	24,258.50
Power & Fuel Consumed	5,590.76	5,949.86
Chemicals	2,032.01	2,124.63
Stores & Consumables	2,948.60	2,874.93
<b>Total</b>	<b>30,274.81</b>	<b>35,207.91</b>

## Notes to the Financial Statements as on 31<sup>st</sup> March 2024

### Note 25: Changes in Inventory of Finished Goods & Work In Progress

Amount in Lacs

Particulars	For the year ended as on 31.03.2024	For the year ended as on 31.03.2023
Changes in Inventory of Finished Goods	739.33	-896.04
Changes in Inventory of Work in Progress	666.43	-536.44
<b>Total</b>	<b>1,405.76</b>	<b>-1,432.48</b>

### Note 26: Employee Benefit Expense

Amount in Lacs

Particulars	For the year ended as on 31.03.2024	For the year ended as on 31.03.2023
Director's Remuneration	39.60	36.04
Salary and wages	3,979.01	3,529.32
Bonus	108.69	101.80
Gratuity	98.10	111.80
Leave Encashment	58.06	52.78
Contribution to ESI	65.19	62.12
Contribution to EPF	236.68	211.45
Ex-gratia	-	0.54
Staff Welfare	1.32	0.59
<b>Total</b>	<b>4,586.65</b>	<b>4,106.43</b>

### Note 27: Finance Cost

Amount in Lacs

Particulars	For the year ended as on 31.03.2024	For the year ended as on 31.03.2023
<b>Interest Expense</b>		
- on Bank Loan-	-	88.67
- on NCD	154.92	-
- on Financial Liability (Notional)	44.62	80.62
- Others	36.58	-
- on Lease liability	222.79	197.83
<b>Others</b>		
- Bank Charges	39.09	33.19
<b>Total</b>	<b>498.00</b>	<b>400.31</b>

### Note 28: Depreciation & Amortization Expense

Amount in Lacs

Particulars	For the year ended as on 31.03.2024	For the year ended as on 31.03.2023
Depreciation on Tangible Assets	4,061.48	1,378.26
Amortization of Intangible Assets	1.54	2.59
Depreciation on Right to Use Assets	375.94	294.32
<b>Total</b>	<b>4,438.96</b>	<b>1,675.17</b>

# Notes to the Financial Statements as on 31<sup>st</sup> March 2024

## Note 29: Other Expenses

Amount in Lacs

Particulars	For the year ended as on 31.03.2024	For the year ended as on 31.03.2023
Advertisement Expenses	35.64	29.33
Amount Written Off	2.21	4.74
Auditor Remuneration (Including Expenses)	3.38	3.32
Banquet and Decoration Expense	241.49	215.84
Business Promotion	23.81	1.57
Commission	808.21	714.43
Conveyance Expense	3.00	2.25
CSR Expenses	26.10	-
Director's Sitting Fees	4.79	3.15
Electricity	674.85	701.28
Fees & Subscription (Including Detention/Handling Charges)	108.91	106.42
Fine and Penalty	2.83	1.97
Freight	527.52	572.26
Guest Supplies Expense	190.18	82.04
Insurance Charges	20.97	39.05
Internet, Computer & Telephone	26.22	32.57
Interest on TDS	0.25	0.03
Interest on GST	-	0.44
Interest on delayed payment to MSME	28.04	17.53
Kitchen Equipment & Fuel Expense	37.68	35.16
Labour Supply charges	55.28	56.68
Laundry & Cleaning	184.07	179.50
Legal & Professional	440.19	132.64
License fees	75.68	68.82
Medical expenses	28.36	25.31
Miscellaneous & General (Including Short & Excess)	4.07	1.71
Office expenses	56.19	89.06
Other hotel expenses	22.46	17.87
Upholstery and other expenses	18.35	4.65
Photocopy Expense	0.82	0.61
Postage	4.28	3.32
Printing & Stationery	33.30	37.65
Prior Period expenses	0.60	3.33
Rates & taxes	31.25	9.64
Rebate, Discount & Written off	0.01	5.60
Rent, Hire, Storage Charges	42.83	19.42
Repair & Maintenance Plant & Machinery & Others	421.30	398.34
ROC Expenses	20.21	12.51
Royalty Expenses	78.33	59.43
Listing Fees	19.69	6.46
Travelling Expenses	4.36	4.76
Vehicle Expense	22.45	24.19
Waste Paper unloading expenses	210.69	193.16
Water Expense (Including Cess)	8.83	7.25
<b>Total</b>	<b>4,549.68</b>	<b>3,925.30</b>



## Notes to the Financial Statements as on 31<sup>st</sup> March 2024

### Note 30: Exceptional items

Amount in Lacs

Particulars	For the year ended as on 31.03.2024	For the year ended as on 31.03.2023
Profit (Loss) on Sale of Assets	-	-0.91
Provision for BOB OTS	-	-
Gain arising from restructuring/closure of AARC Loan	-586.88	-4,266.49
<b>Total</b>	<b>-586.88</b>	<b>-4,267.41</b>

Ratio	2023-24	2022-23
<b>1 Current Ratio</b>	2.51	0.83
Current Asset	18,785	11,081
Current Liabilities	7,477	13,348
<b>2 Debt-Equity Ratio</b>	0.23	0.28
Total Debt		
Long term Debt	14,906	9,977
Short Term Debt	850	6,635
	<b>15,756</b>	<b>16,612</b>
Shareholders fund	68,095	58,394
<b>3 Debt Service Coverage Ratio</b>	6.20	0.79
Earning Available for Debt Service		
Net Profit after tax before OCI	2,470	7,086
Depreciation	4,063	1,381
Interest	236	169
Profit on sale	-	-
	<b>6,769</b>	<b>8,636</b>
Debt Service		
Interest	236	169
Principal Repayment's		
Repayment of Debt	856	10,749
	<b>1,092</b>	<b>10,918</b>
<b>4 Return on Equity</b>	0.04	0.12
Net Profit after tax before OCI	2,470	7,086
Average Shareholders equity	68,095	58,394
<b>5 Inventory Turnover Ratio</b>	9.34	10.25
Sale	46,084	46,001
Average Inventory		
Opening Inventory	5,685	3,291
Closing Inventory	4,188	5,685
	<b>4,936</b>	<b>4,488</b>
<b>6 Trade Receivable Turnover Ratio</b>	8.79	9.64
Net Credit Sales	46,084	46,001
Average Trade Receivable		
Opening T.R	3,990	5,554
Closing T.R	6,491	3,990
	<b>5,240</b>	<b>4,772</b>
<b>7 Trade Payable Turnover Ratio</b>	8.12	11.30
Net Credit Purchase	28,757	36,153
Average Trade Payable		
Opening T.P	3,204	3,189
Closing T.P	3,879	3,204
	<b>3,542</b>	<b>3,196</b>
<b>8 Net Capital Turnover Ratio</b>	4.08	-20.29
Net sales	46,084	46,001
Working Capital		
Current Assets	18,785	11,081
Current Liabilities	7,477	13,348
	<b>11,308</b>	<b>-2,267</b>

# Notes to the Financial Statements as on 31<sup>st</sup> March 2024

## Note 30: Exceptional items (Contd.)

Ratio	2023-24	2022-23
<b>9 Net Profit Ratios</b>	5.36	15.40
Net Profit after tax Before OCI	2,470	7,086
Net Sales	46,084	46,001
<b>10 Return on Capital Employed</b>	0.01	0.08
Earning Before Interest and Tax	1,566	7,335
Capital Employed		
Total Asset	1,13,544	1,04,272
Less: Current Liabilities	7,477	13,348
	1,06,068	90,925
<b>11 Return on Investments</b>	-	-
Company does not have any investment		
<b>12 Interest Service Coverage Ratio</b>	5.33	41.49
Earning Before Interest and Tax	1,259	7,023
Interest	236	169
	236	169
<b>13 Long Term Debt to Working Capital</b>	1.32	-4.40
Long Term Debt	14,906	9,977
Working Capital		
Current Assets	18,785	11,081
Current Liability	7,477	13,348
	11,308	-2,267
<b>14 Operating Profit Margin</b>	0.72	4.61
Net Sales	46,084	46,001
Net Profit before tax , Exceptional Item and Other Income		
	330	2,119
	330	2,119
<b>15 Net Profit Margin</b>	1.80	0.24
Net Sales	4,439	1,675
Net Income		
Net Income	2,470	7,086
	2,470	7,086
<b>16 Current Liability Ratio</b>	0.16	0.29
Current Liability	7,477	13,348
Total Liabilities		
Current Liability	7,477	13,348
Non Current Liability	37,973	32,531
	45,450	45,878
<b>17 Outstanding Redeemable Preference Shares (₹ In Lacs)</b>	1,277.50	2,050.00
<b>18 Outstanding Debt Excluding Lease liabilities (₹ In Lacs)</b>	15,755.77	16,611.83
<b>19 Capital Redemption Reserve (₹ In Lacs)</b>	-	-
<b>20 Debenture Redemption Reserve (₹ In Lacs)</b>	-	-
<b>21 Net Worth (₹ In Lacs)</b>	15,374.84	3,711.88
<b>21 Net Profit after tax (₹ In Lacs)</b>	2,470.26	7,086.10
<b>22 Basic and Diluted Earnings per share (₹ Per share)</b>		
Basic EPS	5.04	18.78
Diluted EPS	5.04	18.78
<b>23 Bad Debt to Account Receivable ratio</b>	-	-
<b>24 Total debt to total assets ratio</b>	0.14	0.16
Long term debt	14,906	9,977
Short term debt	850	6,635
	15,756	16,612
	1,13,544	1,04,272
Total Assets	1,13,544	1,04,272

## Significant accounting policies & notes to accounts as on 31<sup>st</sup> March 2024

### CORPORATE INFORMATION

Magnum Ventures Limited is engaged in the business of trading and manufacturing of paper since 1980. The existing manufacturing activities cover Newspaper, printing paper, grey and duplex boards

The Company also owns a Hotel named “Country Inn & Suites by Radisson” with Radisson group. In this regards, Company has entered into Territory License agreement with Country Inn & suites by Radisson Through country development& Management services private limited.

### NOTE- 31

#### (A) SIGNIFICANT ACCOUNTING POLICIES

##### 1. BASIS OF PREPARATION OF FINANCIAL STATEMENT

- a) The financial statements which comprise the Balance sheet, the Statement of Profit and Loss, the Cash flow statement and the Statement of changes in Equity (“Financial Statements”) have been prepared in accordance with Indian Accounting Standards (Ind ASs) notified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. The Company has consistently applied accounting policies to all periods.
- b) The preparation of financial statements requires the management of the company to make estimates and assumptions that affect the reported balances of assets & liabilities and disclosure relating to contingent liabilities as at the date of financial statements and reported amount of income and expenses during the year. The management believes that the estimates used in preparation of financial statements are prudent & reasonable. Future results could differ from these estimates.
- c) The Company follows mercantile system of accounting and recognises significant items of income and expenditure on accrual basis.
- d) The company is complying with the Indian Accounting-Standards (Ind-AS) issued by the ICAI, as per the requirements of the Companies Act, 2013.

##### 2. Property Plant and Equipment

- a) Property, Plant and Equipment are stated at revalued amount less accumulated depreciation and impairment, if any. The Company during the financial year 2022-23 had revalued its Property, Plant and Equipment by adopting the revaluation model in financial year 2022-23. Costs directly attributable to acquisition are capitalized until the Property, Plant and Equipment are available for use, as intended by the management.

When an item of Property, Plant and equipment is revalued, the carrying amount of that asset is adjusted to the revalued amount. At the date of the revaluation, the asset is treated in one of the following ways;

- (a) The gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset.
- (b) The accumulated depreciation is eliminated against the gross carrying amount of the asset.

Revaluation surplus is recorded in other comprehensive income and credited to the asset revaluation surplus in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit or loss. A revaluation deficit is recognised in the statement of profit and loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation reserve.

- b) Expenditure of capital nature are capitalized at cost comprising of purchase price (net of GST, rebates and discounts) and any other cost which is directly attributable to bring the assets to its working condition for the intended use. All Property, plant & Equipment's are carried at cost less depreciation. But when an asset is scrapped or otherwise disposed off, the cost and related depreciation are written off from the books of accounts and resultant profit or loss, if any is reflected in profit and loss account. The Company capitalized Inward Freight of Capital Asset at the end of month.

##### 3. Depreciation

The charge in respect of depreciation is derived after estimating the asset's expected useful life and the expected residual value at the end of its life. The depreciation method, useful lives and residual values of the Company's assets are estimated by the management at the time the asset is acquired and reviewed at financial year end.



## Significant accounting policies & notes to accounts as on 31<sup>st</sup> March 2024

**In Paper Division** Depreciation on fixed assets is provided on the basis of Written down Value method except on plant & machinery, turbine & Deinking Plant on which depreciation is charged on SLM, however software is amortised in 5 years.

**For Hotel Division Assets**, depreciation has been provided on the straight-line method and at the rates in the manner prescribed in schedule II to the Companies Act. 2013,

Freight on Capital Asset installed and put to use has been capitalized at the end of month.

### 4. FOREIGN EXCHANGE TRANSACTIONS

- a) All the Monetary assets and liabilities in foreign currencies are translated in Indian rupees at the exchange rates prevailing at the Balance Sheet date as notified. The resultant gain / loss are accounted for in the Profit & Loss account.
- b) The outstanding foreign exchange transactions are stated at the prevailing exchange rate as on the date of balance sheet.
- c) Items of Income and expenditure relating to foreign exchange transactions are recorded at exchange rates prevailing on the date of the transactions.

### 5. INVENTORY VALUATION

- a) Stock of raw materials, stores & spares are valued at lower of purchase cost or net realizable value.
- b) W.I.P is valued including component of Waste Paper, Chemicals & Stores, Fuel and Other Manufacturing Overheads. Finished goods are valued at cost of production or net realisable value whichever is less. Cost for the purpose of valuation includes raw material consumption, manufacturing expenses and other appropriate overheads there on in accordance with IND AS-2 issued by ICAI.

### 6. REVENUE RECOGNITION

#### a) Sales

In Paper Division, Revenue is recognized upon transfer of promised goods or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is reduced for estimated customer returns, rebates and other similar allowances, taxes or duties collected on behalf of the government. An entity shall recognize revenue when the entity satisfies a performance obligation by transferring a goods or services (i.e. an asset) to a customer. An asset is transferred when the customer obtains control of that asset.

In Hotel Division, Rooms, Food and Beverage & Banquets: Revenue is recognized at the transaction price that is allocated to the performance obligation. Revenue includes room revenue, food and beverage sale and banquet services which is recognized once the rooms are occupied, food and beverages are sold and banquet services have been provided as per the contract with the customer.

#### b) Interest Income

Interest income is recognized as it accrues on a time proportion basis taking in to account the amount of investment and rate applicable.

#### c) Misc. Income

It includes sale of sludge, discarded stores and scrap and revenue is recognized on the basis of dispatches from factory gates and inclusive of GST.

#### d) Exports Benefits

Export benefits are recognized on an accrual basis and when there is a reasonable certainty of realization of such benefits / incentives.

### 7. IMPAIRMENT OF ASSETS

At the end of each year, the company determines whether a provision should be made for impairment loss on fixed assets by considering the indications that impairment loss may have occurred and where the recoverable amount of any fixed asset is lower than the carrying amount, a provision for impairment loss on fixed assets is made for the difference. Recoverable amount is generally measured using discounted estimated cash flows. Post impairment, depreciation is provided on the revised carrying value of asset over its remaining useful life.

Management is of the view that no such assets exists in the Company.

## Significant accounting policies & notes to accounts as on 31<sup>st</sup> March 2024

### 8. TAXATION

#### Current tax

Current tax is determined as the amount of tax payable in respect of the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income-tax Act, 1961. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

#### Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

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

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

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

### 9. EARNING PER SHARE

Basic EPS is calculated by dividing the net profit for the year attributable to Equity Shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding the year is adjusted for events of bonus issue and share split.

For the purpose of calculating Diluted Earnings per Share, the Net Profit for the year attributable to Equity Shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares. The Company does not have any diluted equity shares at the year end.

### 10. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A Provision is recognized when the company has a present legal or constructive obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (including retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. Contingent liabilities are not recognized in profit & loss account but are disclosed in Notes to the Accounts.

### 11. BORROWING COST

Borrowing Cost that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A Qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

### 12. RETIREMENT AND OTHER EMPLOYEE BENEFITS

#### a. Defined Contribution Plan

Employee benefits in the form of provident fund, superannuation, employees' state insurance fund and labour welfare fund are considered as defined contribution plans and the contributions are charged to the profit and loss during the year when the contributions to the respective funds are due and as and when services are rendered by employees

## Significant accounting policies & notes to accounts as on 31<sup>st</sup> March 2024

### b. Defined Benefit Plan

#### Gratuity

In accordance with the Payment of Gratuity Act, 1972, as amended, the Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation at each Balance Sheet date using the projected unit credit method. The Company fully contributes all ascertained liabilities to the gratuity fund maintained with the Insurer.

Defined benefit costs are categorized as follows:

- a. service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- b. net interest expense or income; and
- c. re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

### c. Short-term and other long-term employee benefits

The employees of the Company are entitled to compensate absences. The employees can carry forward a portion of the unutilized accumulating compensated absences and utilize it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Company fully contributes all ascertained liabilities to the fund maintained with the Insurer. The Company recognizes accumulated compensated absences based on actuarial valuation. Non-accumulating compensated absences are recognized in the period in which the absence occur.

### d. Salary and other short-term benefits

The salary and other short-term benefit i.e. Bonus etc. is being paid to the employees when it becomes due.

Actuarial assumptions in respect of provisions for gratuity and leave encashment at balance sheet date are as follows:

### Gratuity (Hotel Division)

#### 2.1 (a): Table Showing Changes in Present Value of Obligations:

Period	From: 01.04.2023 To: 31.03.2024	From: 01.04.2022 To: 31.03.2023
Present value of the obligation at the beginning of the period	2,50,06,269	2,24,63,849
Interest cost	18,75,470	16,28,629
Current service cost	38,53,808	35,34,815
Past Service Cost	0	0
Benefits paid (if any)	(14,69,652)	(29,56,370)
Actuarial (gain)/loss	(6,33,185)	3,35,346
Present value of the obligation at the end of the period	2,86,32,710	2,50,06,269

#### 2.1 (b): Bifurcation of total Actuarial (gain) / loss on liabilities

Period	From: 01.04.2023 To: 31.03.2024
Actuarial gain / losses from changes in Demographics assumptions (mortality)	Not Applicable
Actuarial (gain)/ losses from changes in financial assumptions	9,10,773
Experience Adjustment (gain)/ loss for Plan liabilities	(15,43,958)
Total amount recognized in other comprehensive Income	(6,33,185)



## Significant accounting policies & notes to accounts as on 31<sup>st</sup> March 2024

### 2.2: Key results (The amount to be recognized in the Balance Sheet):

Period	As on: 31.03.2024	As on: 31.03.2023
Present value of the obligation at the end of the period	2,86,32,710	2,50,06,269
Fair value of plan assets at end of period	0	0
Net liability/(asset) recognized in Balance Sheet and related analysis	2,86,32,710	2,50,06,269
Funded Status – Surplus/ (Deficit)	(2,86,32,710)	(2,50,06,269)

### 2.3 (a): Expense recognized in the statement of Profit and Loss:

Period	From: 01.04.2023 To: 31.03.2024	From: 01.04.2022 To: 31.03.2023
Interest cost	18,75,470	16,28,629
Current service cost	38,53,808	35,34,815
Past Service Cost	0	0
Expected return on plan asset	(0)	(0)
Expenses to be recognized in P&L	57,29,278	51,63,444

### 2.3 (b): Other comprehensive (income) / expenses (Re measurement)

Period	From: 01.04.2023 To: 31.03.2024	From: 01.04.2022 To: 31.03.2023
Cumulative unrecognized actuarial (gain)/loss opening. B/F	(31,37,051)	(34,72,397)
Actuarial (gain)/loss - obligation	(6,33,185)	3,35,346
Actuarial (gain)/loss - plan assets	0	0
Total Actuarial (gain)/loss	(6,33,185)	3,35,346
Cumulative total actuarial (gain)/loss. C/F	(37,70,236)	(31,37,051)

### 2.3 (c): Net Interest Cost

Period	From: 01.04.2023 To: 31.03.2024	From: 01.04.2022 To: 31.03.2023
Interest cost on defined benefit obligation	18,75,470	16,28,629
Interest income on plan assets	0	0
Net interest cost (Income)	18,75,470	16,28,629

### 2.4: Experience adjustment:

Period	From: 01.04.2023 To: 31.03.2024	From: 01.04.2022 To: 31.03.2023
Experience Adjustment (Gain) / loss for Plan liabilities	(15,43,958)	8,11,453
Experience Adjustment Gain / (loss) for Plan assets	0	0

### 3.1: Summary of membership data at the date of valuation and statistics based thereon:

Period	As on: 31.03.2024	As on: 31.03.2023
Number of employees	578	546
Total monthly salary	95,81,295	85,47,267
Average Past Service(Years)	4.9	4.8
Average Future Service (yrs)	23.7	23.4
Average Age(Years)	34.3	34.6
Weighted average duration (based on discounted cash flows) in years	16	15
Average monthly salary	16,577	15,654
Expected Future Service taking into account Decrements (Years)	14	14

## Significant accounting policies & notes to accounts as on 31<sup>st</sup> March 2024

### 3.2: Actuarial assumptions provided by the company and employed for the calculations are tabulated:

Discount rate	7.25 % per annum	7.50 % per annum
Salary Growth Rate	6.50 % per annum	6.50 % per annum
Mortality	IALM 2012-14	IALM 2012-14
Withdrawal rate (Per Annum)	10.00% p.a.	5.00% p.a.

### 3.3: Benefits valued:

Normal Retirement Age	58 Years	58 Years
Salary	Last drawn qualifying salary	Last drawn qualifying salary
Vesting Period	5 Years of service	5 Years of service
Benefits on Normal Retirement	15/26 * Salary * Past Service (yr).	15/26 * Salary * Past Service (yr).
Benefit on early exit due to death and disability	As above except that no vesting conditions apply	As above except that no vesting conditions apply
Limit	2000000.00	2000000.00

### 3.4: Current Liability (\*Expected payout in next year as per schedule III of the Companies Act, 2013):

Period	As on: 31.03.2024	As on: 31.03.2023
Current Liability (Short Term)*	40,37,325	28,71,041
Non-Current Liability (Long Term)	2,41,95,385	2,21,35,228
Total Liability	2,86,32,710	2,50,06,269

### 3.5: Effect of plan on entity's future cash flows

#### 3.5 (a): Funding arrangements and funding policy Not Applicable

#### 3.5 (b): Expected contribution during the next annual reporting period

The Company's best estimate of Contribution during the next year	48,72,014	43,80,074
--	-----------	-----------

#### 3.5 (c): Maturity profile of defined benefit obligation: Weighted Average

Weighted average duration (based on discounted cash flows) in years	16	15
---	----	----

#### 3.5 (d): Maturity Profile of Defined Benefit Obligation: Maturity analysis of benefit obligations.

01 Apr 2024 to 31 Mar 2025	40,37,324
01 Apr 2025 to 31 Mar 2026	12,65,320
01 Apr 2026 to 31 Mar 2027	13,04,391
01 Apr 2027 to 31 Mar 2028	18,78,632
01 Apr 2028 to 31 Mar 2029	13,20,522
01 Apr 2029 Onwards	1,88,26,228

### 3.6: Projection for next period:

Best estimate for contribution during next Period	48,72,014
---	-----------

## Significant accounting policies & notes to accounts as on 31<sup>st</sup> March 2024

3.7: Sensitivity Analysis: Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. The results of sensitivity analysis are given below

Period	As on: 31.03.2024
Defined Benefit Obligation (Base)	2,86,32,710 @ Salary Increase Rate : 6.5%, and discount rate :7.25%
Liability with x% increase in Discount Rate	2,68,50,479; x=1.00% [Change (6)% ]
Liability with x% decrease in Discount Rate	3,06,41,788; x=1.00% [Change 7% ]
Liability with x% increase in Salary Growth Rate	3,06,36,532; x=1.00% [Change 7% ]
Liability with x% decrease in Salary Growth Rate	2,86,22,538; x=1.00% [Change (6)% ]
Liability with x% increase in Withdrawal Rate	2,86,44,286; x=1.00% [Change 0% ]
Liability with x% decrease in Withdrawal Rate	2,86,13,402; x=1.00% [Change 0% ]

### 3.8: Reconciliation of liability in balance sheet

Period	From: 01.04.2023 To: 31.03.2024	From: 01.04.2022 To: 31.03.2023
Opening gross defined benefit liability/ (asset)	2,50,06,269	2,24,63,849
Expenses to be recognized in P&L	57,29,278	51,63,444
OCI- Actuarial (gain)/ loss- Total current period	(6,33,185)	3,35,346
Benefits paid (if any)	(14,69,652)	(29,56,370)
Closing gross defined benefit liability/ (asset)	2,86,32,710	2,50,06,269

## GRATUITY (PAPER DIVISION)

### 2.1 (a):Table Showing Changes in Present Value of Obligations:

Period	From: 01.04.2023 To: 31.03.2024	From: 01.04.2022 To: 31.03.2023
Present value of the obligation at the beginning of the period	2,74,72,234	2,34,61,738
Interest cost	20,60,418	17,00,976
Current service cost	45,20,535	43,15,214
Past Service Cost	0	0
Benefits paid (If any)	(24,02,914)	(11,28,340)
Actuarial(gain)/loss	(18,67,241)	(8,77,354)
Present value of the obligation at the end of the period	2,97,83,032	2,74,72,234

### 2.1 (b):Bifurcation of total Actuarial(gain)/loss on liabilities

Period	From: 01.04.2023 To: 31.03.2024
Actuarial gain / losses from changes in Demographics assumptions (mortality)	Not Applicable
Actuarial (gain)/ losses from changes in financial assumptions	8,41,816
Experience Adjustment (gain)/loss for Plan liabilities	(27,09,057)
Total amount recognized in other comprehensive Income	(18,67,241)



## Significant accounting policies & notes to accounts as on 31<sup>st</sup> March 2024

### 2.2: Key results(The amount to be recognized in the Balance Sheet):

Period	Ason: 31.03.2024	Ason: 31.03.2023
Present value of the obligation at the end of the period	2,97,83,032	2,74,72,234
Fair value of plan assets at end of period	0	0
Net liability/(asset)recognized in Balance Sheet and related analysis	2,97,83,032	2,74,72,234
Funded Status-Surplus/(Deficit)	(2,97,83,032)	(2,74,72,234)

### 2.3 (a):Expense recognized in the statement of Profit and Loss:

Period	From: 01.04.2023 To: 31.03.2024	From: 01.04.2022 To: 31.03.2023
Interest cost	20,60,418	17,00,976
Current service cost	45,20,535	43,15,214
Past Service Cost	0	0
Expected return on plan asset	(0)	(0)
Expenses to be recognized in P&L	65,80,953	60,16,190

### 2.3 (b): Other comprehensive (income) /expenses (Remeasurement)

Period	From: 01.04.2023 To: 31.03.2024	From: 01.04.2022 To: 31.03.2023
Cumulative unrecognized actuarial (gain) /loss opening. B/F	(49,83,649)	(41,06,295)
Actuarial (gain) /loss-obligation	(18,67,241)	(8,77,354)
Actuarial(gain)/loss-plan assets	0	0
Total Actuarial (gain)/loss	(18,67,241)	(8,77,354)
Cumulative total actuarial (gain) /loss. C/F	(68,50,890)	(49,83,649)

### 2.3 (c):Net Interest Cost

Period	From: 01.04.2023 To: 31.03.2024	From: 01.04.2022 To: 31.03.2023
Cumulative unrecognized actuarial (gain) /loss opening. B/F	(49,83,649)	(41,06,295)
Actuarial (gain) /loss-obligation	(18,67,241)	(8,77,354)
Actuarial(gain)/loss-plan assets	0	0
Total Actuarial (gain)/loss	(18,67,241)	(8,77,354)
Cumulative total actuarial (gain) /loss. C/F	(68,50,890)	(49,83,649)

### 2.4: Experience adjustment:

Period	From: 01.04.2023 To: 31.03.2024	From: 01.04.2022 To: 31.03.2023
Experience Adjustment (Gain) /loss for Plan liabilities	(27,09,057)	(5,32,941))
Experience Adjustment Gain /(loss)for Plan assets	0	0

### 3.1: Summary of membership data at the date of valuation and statistics based thereon:

Period	Ason: 31.03.2024	Ason: 31.03.2023
Number of employees	900	870
Total monthly salary	1,27,03,123	1,23,46,073
Average Past Service(Years)	4.2	4.1
Average Future Service(yrs)	20.2	20.8
Average Age(Years)	37.8	37.2
Weighted average duration (based on discounted cash flows) in years	11	11
Average monthly salary	14,115	14,191
Expected Future Service taking in to account Decrements(Years)	13	13

## Significant accounting policies & notes to accounts as on 31<sup>st</sup> March 2024

### 3.2: Actuarial assumptions provided by the company and employed for the calculations are tabulated:

Discount rate	7.25 % per annum	7.25 % per annum
Salary Growth Rate	5.25 % per annum	5.25 % per annum
Mortality	IALM 2012-14	IALM 2012-14
Withdrawal rate (Per Annum)	10.00% p.a.	5.00% p.a.

### 3.3: Benefits valued:

Normal Retirement Age	58 Years	58 Years
Salary	Last drawn qualifying salary	Last drawn qualifying salary
Vesting Period	5 Years of service	5 Years of service
Benefits on Normal Retirement	15/26 * Salary * Past Service (yr).	15/26 * Salary * Past Service (yr).
Benefit on early exit due to death and disability	As above except that no vesting conditions apply	As above except that no vesting conditions apply
Limit	2000000.00	2000000.00

### 3.4: Current Liability (\*Expected pay out in next year as per schedule III of the Companies Act,2013):

Period	Ason: 31.03.2024	Ason: 31.03.2023
Current Liability (Short Term)*	75,94,459	56,41,710
Non-Current Liability (Long Term)	2,21,88,573	2,18,30,524
Total Liability	2,97,83,032	2,74,72,234

### 3.5: Effect of plan on entity's future cash flows

#### 3.5 (a): Funding arrangements and funding policy Not Applicable

#### 3.5 (b): Expected contribution during the next annual reporting period

The Company's best estimate of Contribution during the next year	62,14,066	58,11,559
--	-----------	-----------

#### 3.5 (c): Maturity profile of defined benefit obligation: Weighted Average

Weighted average duration (based on discounted cash flows) in years	11	11
---	----	----

#### 3.5 (d): Maturity Profile of Defined Benefit Obligation: Maturity analysis of benefit obligations.

01 Apr 2024 to 31 Mar 2025	75,94,459
01 Apr 2025 to 31 Mar 2026	22,56,218
01 Apr 2026 to 31 Mar 2027	17,47,682
01 Apr 2027 to 31 Mar 2028	19,13,196
01 Apr 2028 to 31 Mar 2029	22,08,463
01 Apr 2029 Onwards	1,40,63,014

### 3.6: Projection for next period:

Best estimate for contribution during next Period	62,14,066	0
---	-----------	---

## Significant accounting policies & notes to accounts as on 31<sup>st</sup> March 2024

3.7: Sensitivity Analysis: Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. The results of sensitivity analysis are given below

Period	As on: 31.03.2024
Defined Benefit Obligation (Base)	2,97,83,032 @ Salary Increase Rate : 5.25%, and discount rate :7.25%
Liability with x% increase in Discount Rate	2,84,28,012; x=1.00% [Change (5)% ]
Liability with x% decrease in Discount Rate	3,12,83,896; x=1.00% [Change 5% ]
Liability with x% increase in Salary Growth Rate	3,12,98,366; x=1.00% [Change 5% ]
Liability with x% decrease in Salary Growth Rate	2,83,90,774; x=1.00% [Change (5)% ]
Liability with x% increase in Withdrawal Rate	2,97,90,535; x=1.00% [Change 0% ]
Liability with x% decrease in Withdrawal Rate	2,97,61,425; x=1.00% [Change (0)% ]

### 3.8: Reconciliation of liability in balance sheet

Period	From: 01.04.2023 To: 31.03.2024	From: 01.04.2022 To: 31.03.2023
Opening gross defined benefit liability/ (asset)	2,74,72,234	2,34,61,738
Expenses to be recognized in P&L	65,80,953	60,16,190
OCI-Actuarial(gain)/loss-Total current period	(18,67,241)	(8,77,354)
Benefits paid (if any)	(24,02,914)	(11,28,340)
Closing gross defined benefit liability/ (asset)	2,97,83,032	2,74,72,234

- 4.1 In preparing this report we have heavily relied on the completeness and accuracy of the information, data and assumptions provided to us orally and in writing by or on behalf of the Company and its advisors. We have not completed any detailed validation checks/ investigation on the information, data and assumptions provided, however preliminary broad consistency is viewed in respect of data. As compared to previous valuation assumptions, changes, if any, may be due to change in yield to government bonds/change in entity's long term views for future.
- 4.2 This report is based on going concern basis and as per requirements of Accounting Standard mentioned above and its application to the Plan. These results should not be used for any other purpose. In particular, this Report does not constitute a formal funding actuarial valuation of the Plan and does not present any recommendation of contributions or funding levels and hence results will not hold good incase company is closed or mass attrition. This report is provided solely for the company use and for the specific purposes indicated above. Except where I expressly agree in writing, it should not be disclosed or provided to any third party. In the absence of such consent and an express assumption no responsibility what so ever is accepted by me for any consequences arising from any third party relying on this report or any advice relating to its contents. In any case, irrespective of vendor agreement etc. liability of undersigned towards entity or anyone is strictly limited to the billed amount for this report. The Company may provide copy of this Report to its auditors along with rules of the plan, but I make no representation as to the suitability of this report for any purpose other than that for which it was originally provided and accept no responsibility or liability to the company or its auditors in this regard. The company should draw the provisions of this paragraph to the attention of its auditors.
- 5.1 Principal assumptions are discount rate and salary increase. The discount rate is based upon the yield on govt bonds and the salary increase should take account inflation, seniority, promotion and other relevant factors. However, no explicit allowance is used for disability. As per Accounting Standard, selection of appropriate assumption is responsibility of the entity. Though entity has been advised on the suitability wherever applicable, the report is based on assumptions finalized by the entity (after considering long term view entity might have considered these assumptions prudent).



## Significant accounting policies & notes to accounts as on 31<sup>st</sup> March 2024

Risk Factors: Other assumptions would have produced different results e.g. a decrease in discount rate or an increase in salary inflation will lead to an increase in reported liability as per table of sensitivity analysis. Similarly change in attrition rates will also impact the liability. Funded plan carries usual investment risks including asset liability mismatch which will impact net liability/expenses and OCI if any.

- 5.2 Mortality is used as per Published rates under Indian Assured Lives Mortality (2012-2014) table. Rates at specimen ages are tabulated below:

Age (Years)	Rates	Age (Years)	Rates	Age (Years)	Rates
20	0.000924	35	0.001202	50	0.004436
25	0.000931	40	0.001680	55	0.007513
30	0.000977	45	0.002579	60	0.011162

6. Projected Unit Credit (PUC) Method: is used to assess the plan liabilities, including those related to death-in-service and incapacity benefits. Under this method a projected accrued benefit is calculated at the beginning of the year and again at the end of the year for each benefit that will accrue for all active members of the plan. The projected accrued benefit is based on the plans accrual formula and service as of the beginning or end of the year, but using final compensation, projected to the age at which the employee is assumed to exit. The plan liability is actuarial present value of the projected accrued benefit as on date of valuation.

### GLOSSARY:

Actuarial Gain or Loss	From one plan year to the next, if the experience of the plan differs from that anticipated using the actuarial assumptions, an actuarial gain or loss occurs.  For example, an actuarial gain would occur if the plan assets earned 12% for the year while the assumed rate of return in the valuation was 8%. Other causes of actuarial gain or losses would include changes in actuarial assumptions and /or demographic changes in the population profile.
Balance Sheet Asset/ (Liability)	The sponsor's balance sheet asset/ (liability) entry, the net recognized amount, is the sum of the cumulative excess of contributions to the plan over net annual expense and other plan-related charges to income due either to business combination or accelerated recognition pursuant to IAS19. The difference between this account and the funded status is the unrecognized net loss/ (gain) unvested prior service costs [and net transition obligation.]
Funded Status	This is the excess / (shortfall) of the fair value of plan assets over the plan liability.
Plan Liability	This quantity is discounted present value of all benefits attributed by the plan's benefit formula to service rendered prior to the measurement date. It is measured using an assumption as to future pay levels.
Service Cost	This is the discounted present value of benefits attributed by the plan's benefit formula to services rendered by employees during the accounting period. It is measured using an assumption as to future pay levels.
Interest Cost	The increase in the plan liability over the accounting period due to interest (the time value of money).
Expected Return on Assets	The expected return on plan assets over the accounting period, based on an assumed rate of return.
Net Periodic Benefit Cost	This is the profit and loss charge for the accounting period, and comprises the sum of the service and interest costs less the expected return on assets, plus allowance for amortization of any net liabilities not recognized in the balance sheet.

## Significant accounting policies & notes to accounts as on 31<sup>st</sup> March 2024

### LEAVE ENCASHMENT (PAPER DIVISION)

#### 2.1 (a): Table Showing Changes in Present Value of Obligations:

Period	From: 01.04.2023 To: 31.03.2024	From: 01.04.2022 To: 31.03.2023
Present value of the obligation at the beginning of the period	56,52,733	42,24,002
Interest cost	4,23,955	3,06,240
Current service cost	21,18,832	19,28,302
Benefits paid (if any)	(6,07,852)	(3,38,587)
Actuarial (gain)/loss	(11,65,787)	(4,67,224)
Present value of the obligation at the end of the period	64,21,881	56,52,733

#### 2.1 (b): Bifurcation of total Actuarial (gain)/loss on liabilities

Period	From: 01.04.2023 To: 31.03.2024
Actuarial gain/ losses from changes in Demographics assumptions (mortality)	Not Applicable
Actuarial (gain)/ losses from changes in financial assumptions	2,40,280
Experience Adjustment (gain)/Loss for Plan liabilities	(14,06,067)
Total amount recognized in other comprehensive Income	(11,65,787)

#### 2.2: Key results (The amount to be recognized in the Balance Sheet):

Period	As on: 31.03.2024	As on: 31.03.2024
Present value of the obligation at the end of the period	64,21,881	56,52,733
Fair value of plan assets at end of period	0	0
Net liability/ (asset) recognized in Balance Sheet and related analysis	64,21,881	56,52,733
Funded Status Surplus/(Deficit)	(64,21,881)	(56,52,733)

#### 2.3 (a): Expense recognized in the statement of Profit and Loss:

Period	From: 01.04.2023 To: 31.03.2024	From: 01.04.2022 To: 31.03.2023
Interest cost	4,23,955	3,06,240
Current service cost	21,18,832	19,28,302
Expected return on plan asset	(0)	(0)
Expenses to be recognized in P&L	25,42,787	22,34,542

#### 2.3 (b): Other comprehensive (income)/expenses (Remeasurement)

Period	From: 01.04.2023 To: 31.03.2024	From: 01.04.2022 To: 31.03.2023
Cumulative unrecognized actuarial (gain)/loss opening. B/F	(9,01,007)	(4,33,783)
Actuarial (gain)/loss obligation	(11,65,787)	(4,67,224)
Actuarial (gain)/loss plan assets	0	0
Total Actuarial (gain)/loss	(11,65,787)	(4,67,224)
Cumulative total actuarial (gain)/ loss. C/F	(20,66,794)	(9,01,007)

#### 2.4 : Experience adjustment:

Period	From: 01.04.2023 To: 31.03.2024	From: 01.04.2022 To: 31.03.2023
Experience Adjustment (Gain)/loss for Plan liabilities	(14,06,067)	(4,01,936)
Experience Adjustment Gain/ (loss) for Plan assets	0	0

## Significant accounting policies & notes to accounts as on 31<sup>st</sup> March 2024

### 3.1: Summary of member ship data at the date of valuation and statistics based thereon:

Period	As on: 31.03.2024	As on: 31.03.2024
Number of employees	900	870
Total monthly salary	1,27,03,123	1,23,46,073
Average Past Service(Years)	4.2	4.1
Average Future Service (yrs)	20.2	20.8
Average Age(Years)	37.8	37.2
Total Leave With Cap/Without Cap	10,954/10,954	10,458/10,530
Total CTC/ Availment Rate	2,54,06,246 / 3%	2,46,92,146 / 3%
Weighted average duration (based on discounted cash flows) in years	14	14
Average monthly salary	14,115	14,191
Expected Future Service taking in to account Decrements (Years)	13	13

### 3.2: Actuarial assumptions provided by the company and employed for the calculations are tabulated:

Discount rate	7.25 % per annum	7.50 % per annum
Salary Growth Rate	5.25 % per annum	5.25 % per annum
Mortality	IALM 2012-14	IALM 2012-14
Withdrawal rate(Per Annum)	10.00% p.a.	5.00% p.a.

### 3.3: Benefits valued:

Normal Retirement Age	58 Years	58 Years
Salary	As per rules of the company	As per rules of the company
Benefits on Normal Retirement	1/26 * Salary * Number of leaves.	1/26 * Salary * Number of leaves.
Benefit on early exit	As above, subject to rules of the company.	As above, subject to rules of the company.
Benefit on death	As above, subject to rules of the company.	As above, subject to rules of the company.

### 3.4: Current Liability (\*Expected pay out in next year as per schedule III of the Companies Act,2013):

Period	As on: 31.03.2024	As on: 31.03.2024
Current Liability(Short Term)*	12,58,543	7,81,109
Non-Current Liability(Long Term)	51,63,338	48,71,624
Total Liability	64,21,881	56,52,733

3.5: Sensitivity Analysis: Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. The results of sensitivity analysis are given below:

Period	As on: 31.03.2024
Defined Benefit Obligation(Base)	64,21,881
Liability with x% increase in Discount Rate	60,74,146; x=1.00% [Change (5)% ]
Liability with x% decrease in Discount Rate	68,10,613; x=1.00% [Change 6% ]
Liability with x% increase in Salary Growth Rate	68,14,410; x=1.00% [Change 6% ]
Liability with x% decrease in Salary Growth Rate	60,64,631; x=1.00% [Change (6)% ]
Liability with x% increase in Withdrawal Rate	64,65,102; x=1.00% [Change 1% ]
Liability with x% decrease in Withdrawal Rate	63,74,124; x=1.00% [Change (1)% ]

## Significant accounting policies & notes to accounts as on 31<sup>st</sup> March 2024

### 3.6: Reconciliation of liability in balance sheet

Period	From: 01.04.2023 To: 31.03.2024	From: 01.04.2022 To: 31.03.2023
Opening gross defined benefit liability/ (asset)	56,52,733	42,24,002
Expenses to be recognized in P&L	25,42,787	22,34,542
OCI-Actuarial(gain)/loss- Total current period	(11,65,787)	(4,67,224)
Benefits paid (if any)	(6,07,852)	(3,38,587)
Closing gross defined benefit liability/ (asset)	64,21,881	56,52,733

4.1 In preparing this report we have heavily relied on the completeness and accuracy of the information, data and assumptions provided to us orally and in writing by or on behalf of the Company and its advisors. We have not completed any detailed validation checks/ investigation on the information, data and assumptions provided, however preliminary broad consistency is viewed in respect of data. As compared to previous valuation assumptions, changes, if any, may be due to change in yield to government bonds/change in entity's long term views for future.

4.2 This report is based on going concern basis and as per requirements of Accounting Standard mentioned above and its application to the Plan. These results should not be used for any other purpose. In particular, this Report does not constitute a formal funding actuarial valuation of the Plan and does not present any recommendation of contributions or funding levels and hence results will not hold good incase company is closed or mass attrition. This report is provided solely for the company use and for the specific purposes indicated above. Except where I expressly agree in writing, it should not be disclosed or provided to any third party. In the absence of such consent and an express assumption of responsibility, no responsibility whatsoever is accepted by me for any consequences arising from any third party relying on this report or any advice relating to its contents. In any case, irrespective of vendor agreement etc. liability of under signed towards entity or anyone is strictly limited to the billed amount for this report. The Company may provide copy of this Report to its auditors along with rules of the plan, but I make no representation as to the suitability of this report for any purpose other than that for which it was originally provided and accept no responsibility or liability to the company or its auditors in this regard. The company should draw the provisions of this paragraph to the attention of its auditors.

5.1 Principal assumptions are discount rate and salary increase. The discount rate is based upon the yield on govt bonds and the salary increase should take account inflation, seniority, promotion and other relevant factors. However no explicit allowance is used for disability. As per Accounting Standard, selection of appropriate assumption is responsibility of the entity. Though entity has been advised on the suitability wherever applicable, the report is based on assumptions finalized by the entity (after considering long term view entity might have considered these assumptions prudent).

Risk Factors: Other assumptions would have produced different results e.g. a decrease in discount rate or an increase in salary inflation will lead to an increase in reported liability as per table of sensitivity analysis. Similarly change in attrition rates will also impact the liability. Funded plan carries usual investment risks including asset liability mismatch which will impact net liability/expenses and OCI if any.

5.2 Mortality is used as per Published rates under Indian Assured Lives Mortality (2012-2014) table. Rate sat specimen ages are tabulated below:

Age (Years)	Rates	Age (Years)	Rates	Age (Years)	Rates
20	0.000924	35	0.001202	50	0.004436
25	0.000931	40	0.001680	55	0.007513
30	0.000977	45	0.002579	60	0.011162

6. Projected Unit Credit (PUC) Method: is used to assess the plan liabilities, including those related to death-in-service and incapacity benefits. Under this method a projected accrued benefit is calculated at the beginning of the year and again at the end of the year for each benefit that will accrue for all active members of the plan. The projected accrued benefit is based on the plans accrual formula and service as of the beginning or end of the year, but using final compensation, projected to the age at which the employee is assumed to exit. The plan liability is actuarial present value of the projected accrued benefits as on date of valuation.



## Significant accounting policies & notes to accounts as on 31<sup>st</sup> March 2024

### GLOSSARY:

Actuarial Gain or Loss	From one plan year to the next, if the experience of the plan differs from that anticipated using the actuarial assumptions, an actuarial gain or loss occurs.  For example, an actuarial gain would occur if the plan assets earned 12% for the year while the assumed rate of return used in the valuation was 8%. Other causes of actuarial gains or losses would include changes in actuarial assumptions and/ or demographic changes in the population profile.
Balance Sheet Asset/(Liability)	The sponsor's balance sheet asset/ (liability) entry, the net recognized amount, is the sum of the cumulative excess of contributions to the plan over net annual expense and other plan-related charges to in come due either to business combination or accelerated recognition pursuant to IAS19. The difference between this account and the funded status is the unrecognized net loss/ (gain) unvested prior service costs [and net transition obligation.]
Funded Status	This is the excess/(shortfall)of the fair value of plan assets over the plan liability.
Plan Liability	This quantity is discounted present value of all benefits attributed by the plan's benefit formula to service rendered prior to the measurement date. It is measured using an assumption as to future pay levels.
Service Cost	This is the discounted present value of benefits attributed by the plan's benefit formula to services rendered by employees during the accounting period. It is measured using an assumption as to future pay levels.
Interest Cost	The increase in the plan liability over the accounting period due to interest (the time value of money).
Expected Return on Assets	The expected return on plan assets over the accounting period, based on an assumed rate of return.
Net Periodic Benefit Cost	This is the profit and loss charge for the accounting period, and comprises the sum of the service and interest costs less the expected return on assets, plus allowance for amortization of any net liabilities not recognized in the balance sheet.

### Leave Encashment (Hotel Division)

#### 2.1 (a): Table Showing Changes in Present Value of Obligations:

Period	From: 01.04.2023 To: 31.03.2024	From: 01.04.2022 To: 31.03.2023
Present value of the obligation at the beginning of the period	83,40,554	80,25,853
Interest cost	6,25,542	5,81,874
Current service cost	30,66,004	24,61,258
Benefits paid (if any)	(14,80,216)	(30,09,763)
Actuarial (gain)/loss	(3,24,620)	3,71,332
Present value of the obligation at the end of the period	1,02,27,264	83,40,554

#### 2.1 (b): Bifurcation of total Actuarial (gain) / loss on liabilities

Period	From: 01.04.2023 To :31.03.2024
Actuarial gain / losses from changes in Demographics assumptions (mortality)	Not Applicable
Actuarial (gain)/ losses from changes in financial assumptions	3,20,362
Experience Adjustment (gain)/ loss for Plan liabilities	(6,44,982)
Total amount recognized in other comprehensive Income	(3,24,620)

## Significant accounting policies & notes to accounts as on 31<sup>st</sup> March 2024

### 2.2: Key results (The amount to be recognized in the Balance Sheet):

Period	As on: 31.03.2024	As on: 31.03.2024
Present value of the obligation at the end of the period	1,02,27,264	83,40,554
Fair value of plan assets at end of period	0	0
Net liability/(asset) recognized in Balance Sheet and related analysis	1,02,27,264	83,40,554
Funded Status - Surplus/ (Deficit)	(1,02,27,264)	(83,40,554)

### 2.3 (a): Expense recognized in the statement of Profit and Loss:

Period	From: 01.04.2023 To: 31.03.2024	From: 01.04.2022 To: 31.03.2023
Interest cost	6,25,542	5,81,874
Current service cost	30,66,004	24,61,258
Expected return on plan asset	(0)	(0)
Expenses to be recognized in P&L	36,91,546	30,43,132

### 2.3 (b): Other comprehensive (income) / expenses (Remeasurement)

Period	From: 01.04.2023 To: 31.03.2024	From: 01.04.2022 To: 31.03.2023
Cumulative unrecognized actuarial (gain) /loss opening. B/F	0	0

### 2.4: Experience adjustment:

Period	From: 01.04.2023 To: 31.03.2024	From: 01.04.2022 To: 31.03.2023
Experience Adjustment (Gain) / loss for Plan liabilities	(6,44,982)	5,13,061
Experience Adjustment Gain / (loss ) for Plan assets	0	0

### 3.1: Summary of membership data at the date of valuation and statistics based thereon:

Period	As on: 31.03.2024	As on: 31.03.2024
Number of employees	585	546
Total monthly salary	98,31,901	85,47,267
Average Past Service(Years)	5.0	4.8
Average Future Service (yrs)	23.4	23.4
Average Age(Years)	34.6	34.6
Total Leave With Cap/ Without Cap	17,463/17,463	16,128/16,128
Total CTC / Availment Rate	1,96,63,802/ 3%	1,70,94,534/ 3%
Weighted average duration (based on discounted cash flows) in years	19	19
Average monthly salary	16,807	15,654
Expected Future Service taking into account Decrements (Years)	14	14

## Significant accounting policies & notes to accounts as on 31<sup>st</sup> March 2024

### 3.2: Actuarial assumptions provided by the company and employed for the calculations are tabulated:

Discount rate	7.25 % per annum	7.50 % per annum
Salary Growth Rate	6.50 % per annum	6.50 % per annum
Mortality	IALM 2012-14	IALM 2012-14
Withdrawal rate (Per Annum)	10.00% p.a.	5.00% p.a.

### 3.3: Benefits valued:

Normal Retirement Age	58 Years	58 Years
Salary	As per rules of the company	As per rules of the company
Benefits on Normal Retirement	1/30 * Salary * Number of leaves.	1/30 * Salary * Number of leaves.
Benefit on early exit	As above, subject to rules of the company.	As above, subject to rules of the company.
Benefit on death	As above, subject to rules of the company.	As above, subject to rules of the company.

### 3.4: Current Liability (\*Expected payout in next year as per schedule III of the Companies Act, 2013):

Period	As on: 31.03.2024	As on: 31.03.2024
Current Liability (Short Term)*	16,68,185	8,50,691
Non-Current Liability (Long Term)	85,59,079	74,89,863
<b>Total Liability</b>	<b>1,02,27,264</b>	<b>83,40,554</b>

3.5: Sensitivity Analysis: Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. The results of sensitivity analysis are given below:

Period	As on: 31.03.2024
Defined Benefit Obligation (Base)	1,02,27,264
Liability with x% increase in Discount Rate	95,64,762; x=1.00% [Change (6)% ]
Liability with x% decrease in Discount Rate	1,09,82,060; x=1.00% [Change 7% ]
Liability with x% increase in Salary Growth Rate	1,09,80,112; x=1.00% [Change 7% ]
Liability with x% decrease in Salary Growth Rate	95,54,432; x=1.00% [Change (7)% ]
Liability with x% increase in Withdrawal Rate	1,02,62,145; x=1.00% [Change 0% ]
Liability with x% decrease in Withdrawal Rate	1,01,88,252; x=1.00% [Change 0% ]

### 3.6: Reconciliation of liability in balance sheet

Period	From: 01.04.2023 To: 31.03.2024	From: 01.04.2022 To: 31.03.2023
Opening gross defined benefit liability/ (asset)	83,40,554	80,25,853
Expenses to be recognized in P&L	36,91,546	30,43,132
OCI- Actuarial (gain)/ loss- Total current period	(3,24,620)	3,71,332
Benefits paid (if any)	(14,80,216)	(30,99,763)
<b>Closing gross defined benefit liability/ (asset)</b>	<b>1,02,27,264</b>	<b>83,40,554</b>

## Significant accounting policies & notes to accounts as on 31<sup>st</sup> March 2024

### 13. Cash flow statement

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

### (B) OTHER NOTES

#### 1. CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF THE FOLLOWING:

Name of the Statute	Name of the Dues	Amount Involved (₹)	Assessment Year	Status/Forum where Dispute is Pending
Service Tax Law	SCN for Service Tax from Hotel	1,64,00,749/-+(Interest & penalty)	2010-2011	Order passed in company favour, but department filled appeal in Allahabad High Court

#### 2. Remuneration paid to Auditors:

Particular	Current Year	Last Year
As Statutory Auditors	3,37,500 GST 60,750	2,50,000 GST 45,000
Tax Audit Fees	25,000 GST 4,500	50,000 GST 9,000

#### 3. In the opinion of the management, current assets, loans and advances are of the value stated if realised in the ordinary course of business except otherwise stated. The provision for all the known liabilities is adequate and not in excess of the amount considered reasonable.

#### 4. Remuneration paid to Auditors:

Particular	Current Year	Last Year
Mr. Pradeep Kumar Jain	13,80,000	13,80,000
Mr. Abhey Jain	13,80,000	13,80,000
Mr. S. P. Chaturvedi	12,00,000	12,00,000

#### 5. Increase in Authorised Capital

During the year there is increase of ₹27,32,50,000 in authorized capital of the company as per the note no. 11 of the financial statements.

#### 6. Trade Receivables

Trade Receivables amounts to ₹6490.60 lakhs, out of which trade receivables amounting to ₹46.45 lakhs are outstanding for more than six months, which are under litigation. No provision has been made by the company in respect of debtors under litigation, as the company is of view that it will recover the entire amount.

#### 7. Inventory

Additional information (Being technical matter and valued and certified by the management and auditors have relied upon the same

#### Paper Division

##### 1) Quantitative information with regard to the licensed & installed capacity, production & sales of Paper manufactured by the company:

S. No.	Particular	Current Year Qty. in MT	Last Year Qty in MT.
(a)	Licensed Capacity	85,000	85,000
(b)	Installed Capacity	NA	N.A
(c)	Production	81034	69194



## Significant accounting policies & notes to accounts as on 31<sup>st</sup> March 2024

### II) Turnover, Closing & Opening Stock of Finished Goods

#### Paper Division

S. No	Particular	Qty (Kgs)		Amount In ₹	
		Current Year	Last Year	Current Year	Last Year
(a)	Opening Stock	34,25,972	13,61,985	17,47,03,881	8,50,99,651
(b)	Closing Stock	25,44,038	34,25,972	10,07,70,387	17,47,03,881
(c)	Sale (Including Captive use)	81,84,1599	6,71,29,859	338,62,42,021	368,97,14,556

Sale qty includes 981786 kg captive use and 196683 kg sold from D-3. Production qty includes 198305 kg goods return and purchase

### III) Information in regard to raw material, Stores & Chemical Consumed:

#### Paper Division

S. No	Particular	Qty (Kgs)		Amount In ₹	
		Current Year	Last Year	Current Year	Last Year
(a)	Raw Material	10,62,72,527	8,70,33,174	1,97,03,45,262	242,58,49,556
(b)	Chemical	-	-	20,32,00,814	21,24,54,039
(c)	Stores	-	-	12,20,93,739	11,89,23,670
(d)	Power & Fuel	-	-	55,90,75,516	59,49,86,046

Value & percentage of imported & indigenous raw material and stores & chemicals consumed:

Particular	Value (₹)		In %	
	Current Year	Last Year	Current Year	Last Year
Imported Raw Material	101,86,64,474	110,57,77,437	51.70	45.58
Indigenous Raw Material	95,16,80,788	132,00,72,119	48.30	54.42
Imported Stores & Chemical	2,35,47,831	2,26,39,152	7.24	6.83
Indigenous Stores & Chemical	30,17,46,722	30,87,38,557	92.76	93.17

### IV) Information in regard to Foreign Currency Transactions

#### a) C.I.F. VALUE OF IMPORTS:

##### Paper Division

Particular	Current Year (₹)	Last Year (₹)
Raw Material	88,77,85,361.50	-
Chemical & Consumable Spare Parts & Machines	1,40,65,856	-

#### b) EXPENSES INCURRED IN FOREIGN CURRENCY

Particular	Current Year (₹)		Last Year (₹)	
	₹	FC	₹	FC
Paper Division	18,82,453	22,388.17 USD	31,69,015	USD 41251.05
Hotel Division	34,20,338	USD 37463 EURO 3508	48,65,207	USD 49427 EURO 3039

#### c) EARNING IN FOREIGN EXCHANGE CURRENCY:

Particular	Current Year (₹)		Last Year (₹)	
	₹	FC	₹	FC
Paper Division	4,09,45,058	USD 494847.28	9,52,54,052	USD 12,14,009
Hotel Division	12,18,148	USD 13905 EURO 440 CANADIAN DOLLAR 100 JAPANI YEN 20000 AUSTRALIAN DOLLAR 100 POUND 115	69,07,282	USD 83340 EURO 290 AUSTRALIAN DOLLAR 260 CANADIAN DOLLAR 200

## Significant accounting policies & notes to accounts as on 31<sup>st</sup> March 2024

### 8. Related party transaction disclosure:

The related parties, as defined by Ind-AS 24 'Related Party Disclosure' issued by the Institute of Chartered Accountants of India, in respect of which disclosure have been made, have been identified on the basis of disclosure made by the managerial persons and taken on record by the board.

We have identified all the related parties and transactions with all such information provided to you as under complete in all respects:

Disclosure of Related Party transactions for the year Ended March 31,2024 (Pursuant to Regulation 23(9) of SEBI(LODR) Regulations,2015

Sl. No.	Particulars	Key Management personnel	Relative of key management personnel
1	Loan Outstanding as on 31.03.24	4,65,81,000	-
2	Unsecured loan from Directors(Outstanding as on 31.03.24)		
	Mr. Abhey Jain	-	-
	Mr. Praveen Kumar Jain	-	-
	Mr. Pradeep Kumar Jain	4,65,81,000	-
	Unsecured loan taken from Directors(During the Period)		
	Mr. Praveen Kumar Jain		
	Mr. Abhey Jain	3,16,37,577	
	Mr. Pradeep Kumar Jain	21,35,00,000	
	Unsecured loan Repayment to Directors(During the Period)		
	Mr. Abhey Jain	3,16,37,577	
	Mr. Pradeep Kumar Jain	16,69,19,000	
3	Remuneration of Directors		
	Mr. Pradeep Kumar Jain	13,80,000	-
	Mr. Abhey Jain	13,80,000	
	Mr. S. P. Chaturvedi	12,00,000	
4	Remuneration of Company Secretary		
	Aaina Gupta	8,40,000	
5	Sitting fees to Independent Director		
	Jyoti	1,11,000	
	Jyoti Bansal	1,50,500	
	Aanchal Jain	83,500	
	Shalini Rahul	1,33,500	
6	Salary to Other Key Management Personnel& Relatives		
	Mr. Rishabh Jain	-	18,00,000
	Mr. Ritesh Jain	-	18,00,000
	Mr. Parv Jain	17,40,000	
	Mr. Shrenik Jain	-	16,20,000
	Mr. Ujjwal Jain	-	15,00,000
	Mrs. Rita Jain	-	15,00,000
	Mrs. Veena Jain	-	18,00,000
	Mrs. Mehak Jain	-	6,00,000
	Mrs. Asha Jain	-	15,00,000
	Mrs. Parul Jain	-	12,00,000
	Mrs. Parul Jain	-	5,07,931
	Mrs. Meenal Jain	-	15,00,000
	Mr. Akhil Jain	-	5,55,931
	Mrs. Saroj Jain	-	6,37,241
	Mrs. Priyanka Jain	-	12,00,000
7	Professional Consultancy		

## Significant accounting policies & notes to accounts as on 31<sup>st</sup> March 2024

Sl. No.	Particulars	Key Management personnel	Relative of key management personnel
	Mr. Pramod Kumar Jain		12,00,000
8	Purchase from Johri Mal Kamal Kishore		28,25,809.28
9	Purchase from-Magnum Global		50,98,138
10	Sale to Magnum Global		86,98,990

**Note:** Directors of the company has given Interest Free Unsecured Loan to the Company.

### Names of the related parties and descriptions of relationships

Sl. No.	Relation	Name of the Person
1	Key Management Personnel	Mr. Pardeep Kumar Jain Mr. Parveen Jain Mr. Abhay Jain Mr. S. P. Chaturvedi Mrs. Aaina Gupta Company Secretary Mr. Parv Jain Ms. Jyoti Ms. Jyoti Bansal Ms. Aanchal Jain Ms. Shalini Rahul
2	Relatives of Key Management Personnel	<b>Brother of Director</b> Mr. Parmod Kumar Jain  <b>Wife of Director</b> Mrs. Rita Jain Mrs. Asha Jain  <b>Son of Director</b> Mr. Rishabh Jain Mr. Ritesh Jain Mr. Ujjwal Jain Mr. Shrenik Jain  <b>Sister in law of Director</b> Mrs. Veena Jain  <b>Daughter in law of Director</b> Mrs. Meenal Jain Mrs. Mahek Jain Mrs. Parul Jain  <b>Sister of Director</b> Mrs. Saroj Jain  <b>Nephew of Director</b> Akhil Jain  <b>Niece of Director</b> Priyanka Jain  <b>Relatives</b> Mrs. Parul Jain (Wife of Akhil Jain) Firm of Brother in Law of Director Johri Mal Kamal Kishore Firm of Son of Director Magnum Global

## Significant accounting policies & notes to accounts as on 31<sup>st</sup> March 2024

### 9. Sundry Creditors:

The dues payable to Micro and Small Enterprises is based on the information available with the Company and takes into account only those suppliers who have responded to the enquiries made by the Company for this purpose.

#### MSME

The Management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of amounts payable to such enterprises as at 31 March 2024 has been made based on the information available with the Company and interest amounting to ₹28,04,416/- is computed in regards to the delayed payment.

### 10. Lease

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the Risks and rewards of ownership to the lessee. All other leases are classified as operating leases. In respect of assets taken on operating lease, lease rentals are recognized as an expense in the Statement of Profit and Loss on straight line basis over the lease term unless another systematic basis is more representative of the time pattern in which the benefit is derived from the leased asset; or the payments to the lessor are structured to increase in the line with expected general inflation to compensate for the lessor's expected inflationary cost increases

### 11. Preference Shares

In accordance to Ind AS 109 read with Ind AS 32, redeemable preference shares are classified as financial liability. Therefore, the treatment has been given in the financials in accordance with the aforesaid Ind AS.

Financial liabilities: Classification, subsequent measurement and gains and losses financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the Statement of Profit or Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the Statement of Profit or Loss. Any gain or loss on de-recognition is also recognised in the Statement of Profit or Loss.

The company has redeemed 7,72,500 preference share of face value of ₹100 during the year at par and the correspondence effect has been taken towards financial liability and its reserve.

### 12. Impairment of Assets

In accordance with IND AS 36 'Impairment of Assets' issued by Institute of Chartered Accountants of India, the company has assessed the potential generation of economic benefits from its business units as on the balance sheet date and is of the view that assets employed in continuing business are capable of generating adequate returns over their useful lives in the usual course of business: there is no indication to the contrary and accordingly, the management is of the view that no impairment provision is called for in these accounts.

### 13. Depreciation

In accordance with IND AS 16 'property, Plant and Equipment' issued by institute of Chartered Accountants of India, the company has calculated the depreciation on the revised carrying amount (after revaluation) of PPE. Accordingly, the new depreciation is higher than the original depreciation. The amount of additional depreciation charged excess on revalued assets, has been moved through Profit & Loss Account. Further, the company has transferred the amount of excess depreciation net of tax impact (if any) has been moved from revaluation reserve to retained earnings.

### 14. Ratio's

S. No	Ratio	2023-24	2022-23	% Change	Comments
1	Current Ratio	2.51	0.83	202.64	Due to increase in current assets and increase in Equity
2	Debt Equity Ratio	0.23	0.28	18.67	
3	Debt Service Coverage Ratio	6.20	0.79	687.57	During the previous year, the company had repaid more debt as compared to current year.



## Significant accounting policies & notes to accounts as on 31<sup>st</sup> March 2024

### 14. Ratio's (Contd.)

S. No	Ratio	2023-24	2022-23	% Change	Comments
4	Return on Equity	0.04	0.12	70.11	During the FY 2022-23, the company has received restricting benefits from the ARC, by virtue of which the earning available to shareholders was more than as compared to current year.
5	Inventory Turnover Ratio	9.34	10.25	8.92	
6	Debtor Turnover Ratio	8.79	9.64	8.78	
7	Creditor Turnover Ratio	8.12	11.30	28.15	Due to increase in average trade payables.
8	Net Capital Turnover Ratio	4.08	-20.29	120.08	Due to increase in working capital, the current assets of the company got increased and current liabilities got decrease, as to previous year.
9	Net Profit Ratio	5.36	15.40	65.20	During the FY 2022-23, the company has received restricting benefits from the ARC, by virtue of which the earning available to shareholders was more than as compared to current year.
10	Return on Capital Employed	0.01	0.08	81.70	During the year under consideration, the company has issued equity shares on Rights basis and private placement basis by way of conversion of Share Warrants.
11	Return on Investment	0.00	0.00	0.00	NA

### 15. Segment Reporting

The Company is having two segment Paper division and Hotel Division. The segment reporting of the company has been prepared in accordance with IND AS – 108 'Accounting for Segment Reporting' issued by Institute of Chartered Accountants of India.

#### Primary –

The Company has considered Business segments as primary format for segment reporting, namely Paper Division & Hotel Division.

#### SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES

##### a) Segment wise revenue (₹ in Lacs)

Year	Paper Division	Hotel Division	Total
2023	37,684.54	8,865.34	46,549.88
2024	35,706.97	10,527.27	46,234.23

##### b) Segment wise results (₹ in Lacs)

Year	Paper Division	Hotel Division	Total
2023	4,416.04	2,518.61	6,934.65
2024	-1,495.75	2,563.53	1,067.80

##### c) Segment wise Assets (₹ in Lacs)

Year	Paper Division	Hotel Division	Total
2023	71,056.28	33,215.90	1,04,272.19
2024	77,737.60	35,802.82	1,13,544.41

##### d) Segment wise Liabilities (₹ in Lacs)

Year	Paper Division	Hotel Division	Total
2023	44,281.11	1,597.15	45,878.26
2024	43,832.52	1,617.14	45,449.67

#### Geographical Segment

No Geographical segment reporting is required as per the IND AS 108 issued by the Institute of Chartered Accountants of India.

## Significant accounting policies & notes to accounts as on 31<sup>st</sup> March 2024

### 16. Corporate Social Responsibility

CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Company during the year is ₹23.13 lacs (previous year Nil), the company has duly spent the same.

17. The debt of the company was assigned by the banks to M/s Alchemist Asset Restructuring Company Limited (AARCL) in earlier year(s). During the year under consideration, the company had prepaid the entire outstanding debt due to Alchemist Asset Reconstruction Company Limited and had obtained No Dues Certificate from AARCL. The company has received One Time Settlement benefits to the tune of ₹586.88 lacs.

18. During the year under consideration, the Company has issued Listed, Secured 18% Coupon, Non Convertible Debentures of face value of ₹1 lac each on Private Placement basis to Neo Special Credit Opportunity Fund under the Trusteeship of Catalyst Trusteeship Limited of ₹15,000 lacs (for security and repayment schedule, refer Schedule 13).

### 19. PLEDGING OF SHARES

The promoters of the company had earlier pledged 1,39,72,490 equity shares in favour of Lenders/AARC to the company as security, later on the company had prepaid all the loan due to AARC in the financial year 2023-24 and get the securities released.

During the month of March 2024, the company has issued 18% Secured, Listed, Redeemable, Non-Convertible Debentures to the tune of ₹15,000 lacs to M/s Neo Special Credit Opportunity Fund under the Trusteeship of Catalyst Trusteeship Limited. The pledging of 50% i.e 83,24,255 equity shares of Mr. Parveen Jan shareholding in favour of Catalyst Trusteeship Limited is under process.

### 20. Earning Per Share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic earnings per share calculation are as follows:

Particular	Year 2023-24	Year 2022-23
Profit/ (Loss) for the year	2771.03	7086.10
Weighted Average number of shares	490.37	377.35
BEPS	5.04	18.78
DEPS	5.04	18.78

Warrant have a dilutive effect only when the average market price or ordinary shares during the period exceed the exercise price of the warrant.

Company has issued warrant at the prevailing market price at the date of issue, so it does not have any dilutive effect on the EPS. Further in respect of warrants, the company has not received the full amount (partial payment received)

### 21. Additional Regulatory Information

#### (i) Revaluation of Property, Plant and Equipment -

The company has not revalued its Property, Plant and Equipment during the financial year 202-24. The Company had revalued its Property, Plant and Equipment in the financial year 2022-23 by adopting revaluation mode in accordance with the provisions of Ind AS 16.

(ii) No Loans or Advances has been granted to promoters, directors, KMPs and related parties during the year ended on March 31, 2024.

#### (iii) Capital Work in Progress

(₹ In lacs)

Particular	Year ended March 31,2024	Year ended March 31,2023
Balance at the beginning	-	-
Additions	1,424.68	-
Transferred to cost of Property, plant & equipment (Provision)/Reversal for impairment/(write off) (Net)	-	-
Balance at the end	1,424.68	-

## Significant accounting policies & notes to accounts as on 31<sup>st</sup> March 2024

### Ageing of tangible assets under development

As at March 31, 2024

Particular	Up to 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in progress	1,424.68	-	-	-	1,424.68
As at March 31, 2024	1,424.68	-	-	-	1,424.68

(iv) No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder during the year ended March 31<sup>st</sup>, 2024 and March 31<sup>st</sup>, 2023.

(v) The company has not obtained any borrowings from the banks and financial institutions on the basis of security of current assets.

(vi) The Company has not been declared as willful defaulter by any bank or financial Institution or other lender during the year ended March 31<sup>st</sup>, 2024 and March 31<sup>st</sup>, 2023.

(vii) The company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(viii) The Company does not have any subsidiary as at March 31<sup>st</sup>, 2023 and March 31<sup>st</sup>, 2022 and accordingly clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable.

### (ix) Undisclosed Income

There are no transactions not recorded in the books of accounts during the year ended March 31<sup>st</sup>, 2024 and March 31<sup>st</sup>, 2023 that has been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961.

There are no previously unrecorded income and related assets to be recorded in the books of account during the year ended March 31<sup>st</sup>, 2024 and March 31<sup>st</sup>, 2023.

### (x) Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual Currency during the year ended March 31<sup>st</sup>, 2024 and March 31<sup>st</sup>, 2023.

### (xi) Utilization of Borrowed funds and share premium:

(A) During the year ended and as at March 31<sup>st</sup>, 2024 and March 31<sup>st</sup>, 2023, the Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall :

- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

## Significant accounting policies & notes to accounts as on 31<sup>st</sup> March 2024

- (B) During the year ended and as at March 31<sup>st</sup> 2024 and March 31<sup>st</sup> 2023, the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall
- (i) 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
  - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

22. Previous year figure has been regrouped and reclassified wherever considered necessary to make them comparable to those of the current year.

The above Note on Significant Accounting Policies 1 to 13 and Other Note 1 to 21 form an integral part of the Balance Sheet as at 31<sup>st</sup> March 2024 and has been authenticated as such.

For Sahni Bansal & Associates  
Chartered Accountants  
F.R.N: 514470C

Sd/-  
Pardeep Surrinder Sahni  
Partner  
Membership No. 093866  
UDIN:24093866BKEFHE1663

Date: May 27, 2024  
Place: Ghaziabad

For and On Behalf of the Board of Directors

Sd/-  
Mr. Pardeep Kumar Jain  
Managing Director  
Din: 00024879

Sd/-  
Mr. Parv Jain  
Chief Financial Officer

Sd/-  
Mr. Abhay Jain  
Managing Director  
Din: 01876385

Sd/-  
Ms Aaina Gupta  
Company Secretary  
M.No. A43233





