

# 41<sup>ST</sup> ANNUAL REPORT

## 2020-2021

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### **Magnum Ventures Limited**

**(CIN: L21093DL1980PLC010492)**



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SAHIBABAD, GHAZIABAD (U.P.)

**MAGNUM VENTURES LIMITED**  
(CIN: L21093DL1980PLC010492)

**41<sup>st</sup> ANNUAL REPORT – 2021**

**BOARD OF DIRECTORS**

<b>Pardeep Kumar Jain</b>	<i>Managing Director</i>
<b>Abhay Jain</b>	<i>Whole-time Director</i>
<b>Parveen Kumar Jain</b>	<i>Director</i>
<b>Shiv Pravesh Chaturvedi</b>	<i>Director</i>
<b>Subash Chand Oswal</b>	<i>Independent Director</i>
<b>Krishan Gopal Sharma</b>	<i>Independent Director</i>
<b>Jyoti</b>	<i>Independent Director</i>
<b>Anil Kumar Rawat</b>	<i>Independent Director</i>

<p><b><u>Company Secretary and Compliance Officer</u></b> Mr. Mohit Kumar Goel Mob: 7042593791 Email id: <a href="mailto:cs_mvl@outlook.com">cs_mvl@outlook.com</a></p>	<p><b><u>Chief Financial Officer</u></b> Mr. Parv Jain Mob. 9810149696 Ph. No. 0120-4551138 Email id: <a href="mailto:parv@cissahibabad.in">parv@cissahibabad.in</a></p>
<p><b><u>Internal Auditor</u></b> Mr. Sanjay Sharma Mob: 9219512659 Email id: <a href="mailto:sharma@cissahibabad.in">sharma@cissahibabad.in</a></p>	<p><b><u>Registered Office</u></b> HNO-MN01, Hub and Oak, E-14, Lower Ground Floor, Defence Colony, New Delhi, South Delhi, Delhi 110024 Ph. No. +91-11-42420015</p>
<p><b><u>Statutory Auditors</u></b> M/s. Aggarwal &amp; Rampal Chartered Accountants 2<sup>nd</sup> Floor, 19, Local Shopping Complex, Madangir, New Delhi-110062 Ph. No. 011-40512886/87/88 Email id: <a href="mailto:Aditya@aggarwalrampal.com">Aditya@aggarwalrampal.com</a></p>	<p><b><u>Corporate Office</u></b> 18/41, Site IV, Industrial Area, Sahibabad, Ghaziabad, Uttar Pradesh-201010</p>
<p><b><u>Cost Auditors</u></b> M/s V.K. Dube &amp; Co. Cost Accountants, R-8/90, Raj Nagar, Ghaziabad, Uttar Pradesh 201002 Ph: +91- 9811875860 E-mail: <a href="mailto:vkdubeco@gmail.com">vkdubeco@gmail.com</a></p>	<p><b><u>Works</u></b> 18/41, Site-IV, Industrial Area, Sahibabad, Ghaziabad, Uttar Pradesh - 201010</p>
<p><b><u>Secretarial Auditors</u></b> M/s. Munish K. Sharma &amp; Associates Company Secretaries AAF-14, Shipra Krishna Azure, Near Wave Cinema, Kaushambi, Ghaziabad, UP-201012 Ph. No. 0120-4165725 Email id: <a href="mailto:munish_171@yahoo.com">munish_171@yahoo.com</a></p>	<p>64/6, Site-IV, Industrial Area, Sahibabad, Ghaziabad, Uttar Pradesh-201010</p>
<p><b><u>Contact Details</u></b> Phone No. : 91-0120-4199200 (100 lines) Fax : 91-0120-4199234 E-Mail : <a href="mailto:magnumventures@gmail.com">magnumventures@gmail.com</a> Website : <a href="http://www.magnumventures.in">www.magnumventures.in</a></p>	<p><b><u>Bankers</u></b> Vijaya Bank</p> <p>Alchemist Assets Reconstruction Company Limited (AARC)</p> <p><b><u>Registrar and Transfer Agent</u></b> 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: <a href="http://www.masserv.com">www.masserv.com</a> E-Mail: <a href="mailto:info@masserv.com">info@masserv.com</a> Contact Person: Mr. Shrawan Mangla</p>

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**NOTICE**

**NOTICE IS HEREBY GIVEN THAT THE 41<sup>st</sup> ANNUAL GENERAL MEETING ('AGM')** OF THE MEMBERS OF THE COMPANY WILL BE HELD ON **FRIDAY, 24<sup>th</sup> SEPTEMBER, 2021 AT 12:30 PM IST THROUGH VIDEO CONFERENCING ("VC")**, TO TRANSACT THE FOLLOWING BUSINESSES:

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**Ordinary Business:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2021, together with the Reports of the Auditors and Board of Directors thereon.
2. To appoint a Director in place of Mr. Parveen Jain (DIN: 00423833) Director of the Company, who retires by rotation and being eligible, offers himself for re-appointment.

**Special Business:**

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

**"RESOLVED THAT** pursuant to Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions if any, payment of remuneration of Rs. 1,00,000/- (Rupees One Lac Only), inclusive of all expenses, to M/s V.K. Dube & Co., Cost Auditors, (FRN: 000343), for carrying out Cost Audit of the Company for financial year 2021-22, as recommended by the Audit Committee and approved by the Board of Directors be and is hereby ratified."

For and on Behalf of the Board  
**MAGNUM VENTURES LIMITED**

Date : 20/08/2021  
Place : Ghaziabad

**Sd/-**  
**PARDEEP KUMAR JAIN**  
Managing Director  
DIN: 00024879  
Address: 113/3-4, Ansari Road,  
Darya Ganj, Delhi-110002

**Note:**

1. In view of the COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) has, vide General Circular No. 02/2021 dated January 13, 2021 read with General Circular No. 20/2020 dated May 5, 2020 and the Securities and Exchange Board of India vide its Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 read with Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 (hereinafter collectively referred to as "Circulars"), permitted companies to conduct Annual General Meeting (AGM) through video conferencing (VC) or other audio visual means, subject to compliance of various conditions mentioned therein. In compliance with the above mentioned Circulars and applicable provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 41<sup>st</sup> AGM of the Company is being convened and conducted through VC.
2. The Company has enabled the Members to participate at the 41<sup>st</sup> AGM through the VC facility provided by MAS Services Limited, Registrar and Share Transfer Agents. The instructions for participation by Members are given in the subsequent paragraphs. Participation at the AGM through VC shall be allowed on a first-come-first-served basis.
3. As per the provisions under the MCA Circulars, Members attending the 41<sup>st</sup> AGM through VC shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
4. The Company has provided the facility to Members to exercise their right to vote by electronic means both through remote e-voting and e-voting during the AGM. The process of remote e-voting with necessary user id and password is given in the subsequent paragraphs. Such remote e-voting facility is in addition to voting that will take place at the 41<sup>st</sup> AGM being held through VC.
5. i) The Register of Members and Transfer Books of the Company will remained closed from Saturday, September 18<sup>th</sup>, 2021 to Friday, September 24<sup>th</sup>, 2021, both days inclusive, for the purpose of 41<sup>st</sup> Annual General Meeting.  
ii) The remote e-voting period commences on Tuesday, September 21, 2021 (09:00 am) and ends on Thursday, September 23, 2021 (05:00 pm). No e-voting shall be allowed beyond the said date and time. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 17, 2021, may cast their vote by remote e-voting.
6. Members joining the meeting through VC, who have not already cast their vote by means of remote e-voting, shall be able to exercise their right to vote through e-voting at the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also join the AGM through VC but shall not be entitled to cast their vote again.
7. The Company has appointed M/s Munish K. Sharma & Associates, Company Secretaries, to act as the Scrutinizer, to scrutinize the e-voting process in a fair and transparent manner.

8. As per the Companies Act, 2013, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf. Since the 41<sup>st</sup> AGM is being held through VC as per the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be made available for the 41<sup>st</sup> AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
9. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
10. In line with the Circulars, the notice of the 41<sup>st</sup> AGM along with the Annual Report 2020-21 are being sent only by electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories. Members may please note that this Notice and Annual Report 2020-21 will also be available on the Company's website at <https://www.magnumventures.in>, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of MAS Services Limited at <https://www.masserv.com>
11. Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s) and in respect of shares held in physical form by writing to the Company's Registrar and Share Transfer Agent, MAS Services Limited, T-34, IInd Floor, Okhla Industrial Area, Phase-II, New Delhi 110020 Ph:- 011-26387281/82/83 Fax:- 011-26387384 at [info@masserv.com](mailto:info@masserv.com) providing Folio number, Name of the shareholder, scanned copy of the share certificate (Front and Back), PAN( Self attested scanned copy of PAN Card), AADHAR ( Self attested scanned copy of Aadhar Card) for registering email address.
12. A statement pursuant to Section 102(1) of the Companies Act, 2013 relating to special businesses to be transacted at the 41<sup>st</sup> AGM is annexed hereto. All documents referred to in the accompanying Notice and the Explanatory Statement shall be available for inspection at its Registered Office of the Company during normal business hours on any working day except Saturday & Sunday, upto the date of meeting.
13. The details of the Directors seeking appointment/ re-appointment at the 41<sup>st</sup> AGM are provided as Annexure of this Notice. The Company has received the requisite consents/declarations for the appointment/ re-appointment under the Companies Act, 2013 and the rules made thereunder.
14. Register of Directors and Key Managerial Personnel and their shareholding, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under the Companies Act, 2013, will be available for inspection by the Members during the 41<sup>st</sup> AGM.
15. In accordance with the proviso to Regulation 40(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, effective from April 1, 2019, transfers of securities of the Company shall not be processed unless the securities are held in the dematerialized form with a depository. Accordingly, shareholders holding equity shares in physical

form are urged to have their shares dematerialized so as to be able to freely transfer them and participate in corporate actions.

16. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat account. Members holding shares in physical form can submit their PAN to the Company/Registrar.
17. In case of any queries regarding the Annual Report, the Members may write to [magnumventures@gmail.com](mailto:magnumventures@gmail.com) to receive an email response.
18. As the 41<sup>st</sup> AGM is being held through VC, the route map is not annexed to this Notice.

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

The remote e-voting period begins on Tuesday, September 21, 2021 (09:00 am) and ends on Thursday, September 23, 2021 (05:00 pm). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. September 17, 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 17, 2021.

**How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:*

**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility. Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. If you are already registered for <b>NSDL IDeAS facility</b> , please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “ <b>Beneficial Owner</b> ” icon under “Login”

	<p>which is available under “<b>IDeAS</b>” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or <b>e-Voting service provider – NSDL</b> and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <ol style="list-style-type: none"><li>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS</b>” Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li><li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li></ol>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"><li>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li><li>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li><li>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li></ol>



	<p>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or <b>e-Voting service provider-NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

**B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsd.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
  - c) How to retrieve your ‘initial password’?
    - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
  - a) Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please send signed request with Folio No., Name of shareholder, scanned copy of any one share certificate (front and back), PAN (self attested

scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to info@masserv.com.

2. In case shares are held in demat mode, please update your email id with your depository. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER: -**

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at (magnumventures@gmail.com). The same will be replied by the company suitably.

#### **General Guidelines for Shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [munish\\_171@yahoo.com](mailto:munish_171@yahoo.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
4. Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members on September 17<sup>th</sup>, 2021 (cut-off date). Only those Members whose names are recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as e-voting at the AGM.
5. Those who become Members of the Company after dispatch of the Notice but on or before September 17<sup>th</sup>, 2021 (cut-off date) may follow instructions mentioned above for user ID and password. On receipt of user ID and password, the steps stated above should be followed for casting of vote.
6. The Scrutinizer shall after the conclusion of voting at the AGM, will unblock the votes cast through e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the conclusion of the AGM, a scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
7. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.magnumventures.in](http://www.magnumventures.in) and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall, simultaneously, be forwarded to NSE & BSE which shall place the results on their website.

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

**Item No. 3**

On the recommendation of the Audit Committee, the Board of Directors at their Meeting held on 20<sup>th</sup> August, 2021 approved the appointment of M/s V.K. Dube & Co., Cost Accountants (FRN: 000343) as Cost Auditors of the Company to audit the cost records for FY 2021-22 at a remuneration of Rs. 1,00,000/- (Rupees One Lac Only).

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended, the remuneration payable to the Cost Auditors is required to be ratified by the members of the Company. Accordingly, consent of the members is sought for passing an ordinary resolution as set out at Item No. 3 of the Notice of the AGM for ratification of remuneration payable to the Cost Auditors for the financial year ending March 31, 2022.

Your approval is required for the ratification of remuneration to be paid to the Cost Auditor by way of Ordinary Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution except and to the extent that they are member of the Company.

**DIRECTORS' REPORT**

**Dear Members,**

Your Directors have pleasure in presenting the 41<sup>st</sup> Annual Report on business and operations along with Audited Annual Accounts for the Financial Year ended 31<sup>st</sup> March, 2021. The financial highlights for the year under review are given below:

**FINANCIAL HIGHLIGHTS**

*(Amount Rs. in Lakh)*

<b>Particulars</b>	<b>Financial Year ended 31<sup>st</sup> March, 2021</b>	<b>Financial Year ended 31<sup>st</sup> March, 2020</b>
Total Income	18,240.98	24,263.40
Total Expenditure	18,220.56	25,233.80
Profit /(Loss) Before Tax	20.42	(970.40)
Effect of Extra Ordinary Item	-	(54.56)
Provision for tax	-	0.00
Current Tax	-	0.00
Deferred Tax	(57.63)	1716.19
Earlier Year Tax	(56.08)	-
Profit/(Loss) After Tax	134.13	(2741.16)
Paid-up Share Capital		
Equity Shares	3,760.19	3,760.19
Preference Shares	2,500.00	2,500.00
Earnings Per Share	0.429	(7.26)

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

**Year in Retrospect**

During the year under review, total income of the Company was Rs. 18,240.97/- Lakh as against Rs. 24,263.39 Lakh in the previous year reflecting loss of 24.82%. During the current reporting period, the Company's profit after tax is Rs. 134.13 Lakh.

**Segments**

**Paper Division**

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

- a. Paper Board
- b. Newsprints

### **Benefits of Manufacturing Paper Board**

1. Due to ban on plastic bags, there is increase in demand of paperboards as it is commonly used for packaging purpose.
2. Paperboard can be easily cut and formed, is lightweight, and because it is strong, is used in packaging.
3. It is also used for high quality graphic printing, such as book and magazine covers or postcards.
4. Almost manufacturing is based on orders/ demands, hence, the risk of spoilage are less.
5. Less expenditure on stock/ inventory management.

### **Benefits of Manufacturing Newsprints**

1. Demand for Newsprints paper is increased, that gives an opportunity to increase sale & profitability.

The Detail of Paper Board & Newsprints manufacture and sale during the Fiscal year 2020-21 and 2019-20 are as under:

<b>Particular</b>	<b>2020-21</b>	<b>2019-20</b>
Production	41,052 (In MT)	51,262 (In MT)
Sale	4,12,04,973 (In Kgs)	5,32,88,568 (In Kgs)

### **Hotel Division**

The Company owns a hotel unit in the name of Country Inn & Suites by Radisson, Sahibabad. It is the first eco-friendly vegetarian concept based five-star 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” and has changed its name to “Country Inn & Suites by Radisson” with effect from 17<sup>th</sup> January 2018. The brand owner Country Rezidor Hotel Group has globally changed name of the hotels to Country Inn & Suites by Radisson. The change in name is done as a strategy to allow the brand and the individual hotels to leverage the global recognition and strength of the Radisson brand.

### **DIVIDEND**

Our Directors do not recommend any dividend for the financial year ended 31<sup>st</sup> March, 2021.

### **DIRECTORS AND KMPs**

In accordance with the provisions of section 152 of The Companies Act, 2013 and the Company’s Articles of Association, Mr. Parveen Jain (DIN: 00423833), Director of the Company is liable to retire by rotation and being eligible offer himself for re-appointment.



Your Directors recommends for his appointment/ re-appointment. None of the Directors of your Company are disqualified as per provision of section 164(2) of Companies Act, 2013. Your Directors have made necessary disclosures as required under various provisions of The Companies Act, 2013.

The brief resumes of the director who is to be appointed/ re-appointed and has been appointed, the nature of his expertise in specific functional areas, names of companies in which he had held directorships, committee memberships/ chairmanships, their shareholdings etc. are furnished in Corporate Governance Report attached with this report.

(i) **Appointment/Re-appointment/ Resignation of Independent Directors**

Mr. Subash Chand Oswal has resigned from the position of Chairman of the Company due to his old age & poor health in Board meeting dated 30<sup>th</sup> July, 2020 and opted to continue only as Non-Executive Independent Director of the Company.

Mr. Anil Kumar Rawat has been appointed as a Non-Executive Independent Additional Director of the Company in Board Meeting dated 28th August, 2020 w.e.f. the approval of DIN i.e. October 13th, 2020 pursuant to provisions of the Companies Act, 2013 and his appointment has been approved by the members in the 40<sup>th</sup> Annual General Meeting held on November 10<sup>th</sup>, 2020.

Mr. Virender Kumar Sharma (DIN: 08920291) has been appointed as a Non-Executive Independent Additional Director of the Company in Board Meeting dated 28th August, 2020 w.e.f. the approval of DIN i.e. 15<sup>th</sup> October, 2020 pursuant to provisions of the Companies Act, 2013 and his appointment has been approved by the members in the 40<sup>th</sup> Annual General Meeting held on November 10<sup>th</sup>, 2020. Subsequently during the year he has resigned from the Board of Directors of the Company with effect from 27<sup>th</sup> January, 2021.

(ii) **Appointment/ Resignation of Director**

Mr. Parveen Jain (DIN: 00423833) has been appointed as Chairman of the Company in Board Meeting dated 30<sup>th</sup> July, 2020 consequent to the resignation of Mr. Subash Oswal from the Chairmanship of the Company.

Mr. Parmod Kumar Jain (DIN: 01222952) has been appointed as a Whole Time Director of the Company in its Board Meeting dated 28th August, 2020 pursuant to provisions of the Companies Act, 2013 and subsequently during the year he has resigned from the Board of Directors of the Company with effect from the closing business hours of the date of Board Meeting convened to take note of Resignation i.e. 23.01.2021.

(iii) **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.

(iv) **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 31<sup>st</sup> March 2021 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 advise based on their experience and act in the best interest of the company and its stakeholders.

### **MATERIAL CHANGES**

There are no material changes occurred in between the Financial Year ended on 31<sup>st</sup> March, 2021 and date of the report of the Company which affects the financial position of the Company except those disclosed in this Board's Report.

### **PUBLIC DEPOSITS**

During the year under report, your company did not accept any deposits from the public in terms of the provisions of Companies Act, 2013 and there are no outstanding deposits as on 31<sup>st</sup> March, 2021.

### **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**. However, the Company is taking care of latest developments and advancements in technology and all steps are being taken to adopt the same. The Company is using indigenous technology, which is well established in the Country.

### **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 employed throughout the Financial Year and in receipt of remuneration of Rs. 1.02 Crore or more, or employed for part of the year and in receipt of Rs. 8.5 Lakh or more a month, under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### **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 also been established and can be accessed on the Company website at [www.magnumventures.in](http://www.magnumventures.in)”.

### **AUDIT COMMITTEE**

The Audit Committee is comprised of Independent Directors namely Mr. Krishan Gopal Sharma (Chairman), Mr. Subash Chand Oswal (Member) and Ms. Jyoti (Member).

All the recommendations made by the Audit Committee were accepted by the Board. Further details are included in the Corporate Governance Report.

### **NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee is Consist entirely of Independent Directors namely Mr. Krishan Gopal Sharma (Chairman), Mr. Subash Chand Oswal (Member) and Ms. Jyoti (Member). All the recommendations made by the Nomination and Remuneration Committee were accepted by the Board.

The Nomination and Remuneration Policy has also been framed by the Nomination and Remuneration Committee and can be accessed on the Company website at [www.magnumventures.in](http://www.magnumventures.in)”. Further details are included in the Corporate Governance Report.

### **STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Stakeholders Relationship Committee is Consist entirely of Independent Directors namely Mr. Subash Chand Oswal (Chairman), Mr. Krishan Gopal Sharma (Member) and Ms. Jyoti (Member).

All the recommendations made by the Stakeholders Relationship Committee were accepted by the Board. Further details are included in the Corporate Governance Report.

### **CORPORATE SOCIAL RESPONSIBILITY:**

The provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 with respect to Corporate Social Responsibility (CSR) were not applicable to the Company for the Financial Year 2020-21.

### **MEETINGS OF THE BOARD**

The Board of Directors met Seven times on 25<sup>th</sup> June 2020, 30<sup>th</sup> July 2020, 28<sup>th</sup> August 2020, 16<sup>th</sup> October 2020, 06<sup>th</sup> November, 2020, 29<sup>th</sup> January 2021 and 10<sup>th</sup> February 2021 during the Financial Year 2020-21, Further company also had a meeting of Independent Directors dated 31<sup>st</sup> March, 2021.

### **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 transaction under the above stated heads.

### **RELATED PARTY TRANSACTIONS**

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

The Company has formulated a policy on materiality of Related Party Transactions and also 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 are/ 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") as they may exceed 10 per cent of the annual consolidated turnover of the Company as per the last audited financial statements of the listed entity. All related party transactions shall require prior approval of the audit committee as per Regulation 23 (2) 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 III**.

### **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 report on Internal Financial control, which forms the part of Auditors' Report.

### **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, 2021, the compliance status is provided in the Corporate Governance section of the Annual Report. A Certificate issued by CS Vijay Kumar Sharma, Company Secretary in Practice on 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, 2020 to March 31, 2021 is annexed in **Annexure IV**.

**AUDITORS AND AUDITORS' REPORT**

**Statutory Auditors**

**M/s. Aggarwal & Rampal**, Chartered Accountants, (FRN: 003072N) were appointed as Statutory Auditors for a period of Five years in the 38<sup>th</sup> Annual General Meeting held on 22<sup>nd</sup> Day of September, 2018 till the 43<sup>rd</sup> Annual General Meeting to be held in the year 2023.

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

The Auditor's Report does not contain any qualification, reservation or adverse remark **except the following Emphasis of Matters:**

**In Audit Report**

1. *As per point No.7 under other notes in notes to accounts annexed with the financial statements for the financial year ended March 31, 2021 wherein the total outstanding debtors for the year ended March 31, 2021 include Rs. 2,641.73 lakhs which are due for more than six months and out of which debtors of Rs.60.21 lakhs are under litigations of which Rs.2.45 lakhs has been received during the year. The company has not made any provision for debtors outstanding for more than six months.*

**Directors' Reply:** Your company had appointed a Recovery Manager to recover the outstanding dues from the debtors outstanding for more than six months. Total outstanding debtors for the year ended March 31, 2020 include 2641.73 lacs in respect of which amount due for more than six months as compared to Rs. 2657 lacs in the previous year. The recovery team of the company working aggressively and company envisage recovering hefty amount from the debtors outstanding for more than six months in FY 2021-22.

2. *As per point No.12 under other notes in notes to accounts annexed with the financial statements for the financial year ended March 31, 2021 wherein the Company has complied with IND AS 116 Leases for the first time during the year under modified retrospective method has taken the cumulative adjustment to reserves.*

**Directors' Reply:** As stated in Note No-11 of the other Notes to Accounts of the financial statements to comply with the requirement of Ind AS-116. The company sooner or later realizes and complies with the requirement of the Ind AS-116, in order to give the true and fair view of the financial statements to the shareholder/ public at large.

3. *As per point No.13 under other notes in notes to accounts annexed with the financial statements for the financial year ended March 31, 2021 wherein the classification of redeemable preference shares has been changed to financial liability in accordance with IND AS 109 read with IND AS 32 and the adjustment has been made through reserves named as "Reserves for Preference Shares".*

**Directors' Reply:** The preference shares were issued by the Company to Promoter Director was Zero Coupon Rate, Non- Convertible, Non- Cumulative Redeemable Preference share. Also, there is no contractual obligation on the company to deliver any cash to the holder of the preference share (dividend). Further, the preference shares are not convertible with another liability of the Company (i.e. non-convertible) and are redeemable only if there is profit available.

Since FY 2019-20, the company was of the view that there was no contractual obligation on the company. For purpose of more transparency, it was brought to the notice that even though there was no contractual obligation, but Ind AS 109 read with Ind AS-32 provide that the presentation should be as per Ind AS. Your company accordingly changes the classification and treats the same as financial liability based on present value; the remaining amount had been transferred to "Reserves for Preference Shares".

4. *As per point No.16 under other notes in notes to accounts annexed with the financial statements for the financial year ended March 31, 2021 wherein the company has defaulted in repayment of loan amounting to Rs. 24.83 Crores of M/s Alchemist Asset Reconstruction Company Limited and as informed to us by the management, no adverse action has been initiated by the lender as on date.*

**Directors' Reply:** The COVID-19 pandemic was an evolving human tragedy declared a global pandemic by the World Health Organization with adverse impact on economy and business. Supply Chain disruptions in India as a result of the outbreak started with restrictions on movement of goods, closure of borders etc., in several states followed by a nationwide lockdown announced by the Indian Government, to stem the spread of COVID-19. Due to this the operations of the company got temporarily disrupted, on account of such disruption of operations of the company, there was scant income however, the fixed cost was intact. Due to this nationwide lockdown, there was a default on payment on instalments due to ARC. Your company had discussion with the ARC and assures them to make the default good in near future.

5. *Balances of Debtors & Creditors 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 and creditors and there is no major deviation is expected in the balances of debtors and creditors.

### **COST AUDITORS**

In accordance with the provisions of Companies (Cost Records and Audit) Amendment Rules, 2014 Rule 3 and 4 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 2020-21.

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 Financial Year 2020-21.

#### **Particulars of Cost Auditors' are mentioned below:**

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

### **INTERNAL AUDITOR**

Mr. Sushil Kumar Verma was appointed as Internal Auditor of the Company for the Financial Year 2020-21 in Board meeting dated 30/07/2020 But due to some personal reasons he resigned from the post of Internal Auditor w.e.f. 27<sup>th</sup> January, 2021. Mr. Sanjay Sharma was appointed as new Internal Auditor of the Company w.e.f. 10<sup>th</sup> February, 2021 for the remaining period of FY 2020-21.

#### **Particulars of Internal Auditors' are mentioned below:**

<b>Name of the Old Internal Auditor</b>	Mr. Sushil Kumar Verma
<b>Address:</b>	Cedar-I/110, Gulmohar Enclave, Rakesh Marg, Nehru Nagar – III, Ghaziabad, Uttar Pradesh
<b>E-mail id</b>	<a href="mailto:magnumventures@gmail.com">magnumventures@gmail.com</a>

<b>Name of the New Internal Auditor</b>	Mr. Sanjay Sharma
<b>Address</b>	House No. 208, Raj Niketan, Bhramपुरi, Gali No. 1, Modinagar, Ghaziabad, UP 201204
<b>E-mail Id</b>	sharma@cissahibabad.in

### **SECRETARIAL AUDITOR**

The Board has appointed M/s. Munish K Sharma & Associates, Company Secretaries to conduct the Secretarial Audit of the Company for Financial Year 2020-21. The Secretarial Audit Report for the Financial Year ended 31<sup>st</sup> March, 2021 is annexed herewith marked as **Annexure V** to this Report.

Particulars of Secretarial Auditors' are mentioned below:

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

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

- 1. The limited review reports or audit reports submitted to the stock exchange(s) given by the auditor who has not subjected himself to the peer review process of Institute of Chartered Accountants of India and do not hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.*

**Director's Response:** As disclosed earlier in our director's report for the financial year 2019-20 as well that our statutory auditor is a peer reviewed firm and their cycle of review was initiated. However, the process was delayed on account of lockdown/ restrictions imposed due to Covid-19 pandemic, as informed by the firm. The process has been completed and copy of peer review certificate has been submitted with Secretarial Auditors.

- 2. The listed entity had filed the statement of Grievance Redressal Mechanism to the stock exchange(s) for the quarter ended June, 2020 by delay of one day.*

**Director's Response:** The said delay in filing was inadvertent and without any mala fide intention. The Company has paid the fine levied by the stock exchanges for the same.

- 3. The listed entity had filed the shareholding pattern to the stock exchange(s) for the quarter ended June, 2020 by delay of one day.*

**Director's Response:** The said delay in filing was inadvertent and without any mala fide intention. The Company has paid the fine levied by the stock exchanges for the same. However, BSE India Limited has approved company's request for waiver of the fine.

- 4. The listed entity had filed reconciliation of share capital audit report to the stock exchange(s) for the quarter ended June, 2020 by delay of twenty-two days.*

**Director's Response:** The said delay in filing was inadvertent and without any mala fide intention.



5. *The listed entity had not filed the disclosure of material impact of COVID-19 pandemic to the stock exchange(s).*

**Director's Response:** SEBI has issued an advisory on disclosure of material impact of COVID-19 pandemic vide Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020. The company had not separately filed the announcement for the same. However, in compliance to the above-mentioned circular the Company has given requisite disclosure as point no. 5 of notes to Audited Financial Results for the quarter & year ended March 31, 2020 submitted to stock exchanges on July 30, 2020.

6. *The Company had defaulted in repayment of loans obtained from financial institutions and banks. The Company has entered into agreement with M/s. Alchemist Assets Reconstruction Company Limited regarding the repayment of the loans as the lender banks (i.e. that Oriental Bank of Commerce, Allahabad Bank, Punjab National Bank, India Overseas Bank and Syndicate Bank) have assigned their dues to M/s. Alchemist Assets Reconstruction Company Limited. During the period under review, the Company has defaulted in repayment of loans amounting to Rs. 24.83 Crores of M/s. Alchemist Assets Reconstruction Company Limited.*

**Director's Response:** The COVID-19 pandemic was an evolving human tragedy declared a global pandemic by the World Health Organization with adverse impact on economy and business. Supply Chain disruptions in India as a result of the outbreak started with restrictions on movement of goods, closure of borders etc., in several states followed by a nationwide lockdown announced by the Indian Government, to stem the spread of COVID-19. Due to this the operations of the company got temporarily disrupted, on account of such disruption of operations of the company, there was scant income however, the fixed cost was intact. Due to this nationwide lockdown, there was a default on payment on instalments due to ARC. Your company had discussion with the ARC and assures them to make the default good in near future.

7. *Bank of Baroda (erstwhile Vijaya Bank) has sanctioned OTS with additional stipulation of charging interest and adjusted no lien FDR of Rs. 3 Crores plus accumulated interest without acceptance of OTS approval by the Company. However, the Company has requested to remove the additional stipulation of charging interest and filed writ petition in Hon'ble High Court of Delhi for refund no lien FDR and the case is still pending before Hon'ble High Court of Delhi.*

**Director's Response:** The Company had submitted the OTS proposal with Vijaya Bank for Rs. 20 crore (interest free) on 20<sup>th</sup> September 2016 and deposited Rs. 3.00 crore in no lien FDR A/c.

Vijaya Bank sanctioned the OTS proposal vide sanction letter dated 30<sup>th</sup> November 2016 which denotes that the principle outstanding of Rs. 23.79 crore being settled at Rs. 20 crore by Vijaya Bank. Hence Notional Interest (if any) booked by Vijaya Bank shall be reversed by Vijaya Bank and the difference between the principal outstanding of Rs. 23.79 Cr and OTS amount of Rs. 20 Cr will also be accounted by Vijaya Bank in its book.

Vijaya Bank sanctioned the OTS with additional stipulation not proposed by the Company and company requested Vijaya Bank to remove the stipulation.

Vijaya Bank adjusted the no lien FDR of Rs. 3.00 crore for which the Company filed the Writ in Hon'ble Delhi High Court. The Hon'ble Delhi High Court ordered in favour of the Company and instructed Vijaya Bank to re-state the no lien FDR. This case is pending before Hon'ble Delhi High Court.

Further after Subsequent discussions with Vijaya Bank, The Company increased the OTS Amount by Rs. 50 lacs and deposited additional Rs. 200 lacs in no lien FDR making total upfront amount Rs. 500 lacs plus accumulated interest. The Revised OTS is under consideration at Vijaya Bank (Now Bank of Baroda). Further Vijaya Bank was not charging any interest in our account due to our OTS Proposal.

As neither Vijaya Bank rejected the OTS Proposal since submitted by the company nor refunded the no lien FDR amount, it is presumed that the OTS Proposal with Vijaya Bank (Now Bank of Baroda) is under consideration.

### **ANNUAL SECRETARIAL COMPLIANCE REPORT**

In compliance with SEBI circular dated February 8, 2019, bearing reference no. CIR/CFD/CMD1/27/2019, the Company has filed the Annual Secretarial Compliance Report for the year 2020-21 with the BSE Ltd and National Stock Exchange of India Limited. The report was received from Practicing Company Secretary 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:

- a. in preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2021, the applicable Accounting Standards have been followed and there is no material departure from the same;
- b. 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 31<sup>st</sup> March, 2021 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.

**MAINTENANCE OF COST RECORDS**

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

**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 2020-21, no complaints were received by the Company related to sexual harassment.

**ANNUAL RETURN**

As required pursuant to Section 134 of the Companies Act, 2013, Annual Return in Form MGT 7 shall be available at the Company's website at [www.magnumventures.in](http://www.magnumventures.in).

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management Discussion and Analysis Report is part of this report and attached as ***Annexure VI***.

**STOCK EXCHANGE LISTING**

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

The listing fee for the Financial Year 2021-22 has already been paid to the Bombay Stock Exchange and National Stock Exchange.

**COMPLIANCE ON SECRETARIAL STANDARDS**

The Provisions of the applicable Secretarial Standards has been duly complied with during the Financial Year 2020-21.

**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:**

The paid up share capital of the Company is Rs. 62,60,18,840/- (Rupees Sixty Two Crore Sixty Lakh Eighteen Thousand Eight Hundred and Forty Only) comprising of 3,76,01,884 fully paid up Equity Shares of Rs. 10/- each amounting to Rs. 37,60,18,840/- and 25,00,000 fully paid up Non-Convertible and Non-Cumulative Preference Shares of Rs. 100/- each amounting to Rs. 25,00,00,000/- .

**RECEIPT OF AMOUNT FROM DIRECTORS:**

During the Financial Year 2020-21, 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 Companies (acceptance of Deposits) Rules, 2014 along with declarations thereof:

<b>S. No.</b>	<b>Name of Director</b>	<b>Amount Received by the Company</b>
1.	Mr. Parveen Kumar Jain	Rs. 8,66,61,577/-
3.	Mr. Pardeep Kumar Jain	1,50,00,000/-

**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: 111/3, Darya Ganj,  
New Delhi - 110002

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

Date: 20/08/2021  
Place: Ghaziabad

**FORM A**

**Form for Disclosure of Particulars with respect to Conservation of Energy:**

**Power and fuel Consumption**

		<b>Current Year (2020-21)</b>	<b>Previous Year (2019-20)</b>
<b>I</b>	<b>Electricity</b>		
	<b>(a) Purchased</b>		
	Unit	8531411	9362100
	Total Amount	69139433	72922812
	Rate/Unit	8.10	7.79
	<b>(b) Own generation</b>		
	<b>(i) Through Diesel Generator</b>		
	Units	155817	72000
	Units per ltr. of Diesel Oil	3	3
	Cost/ Units	24.21	22.04
	<b>(ii) Through steam turbine</b>		
	Units	30381538	41227200
	Units per Kgs of Coal/ Petcoke	0.89	0.89
	Cost/ Units	6.01	6.82
<b>II</b>	<b>Coal &amp; Pet Coke (Used for production of Paper)</b>		
	<b>Particulars</b>		
	Quantity (In MT)	34137	46307.72
	Total Cost (In LAKH)	1824.81	2810.37
	Average rate (In MT)	5345.62	6068.90
	<b>Consumption per unit of production</b>		
	<b>Standard (if any)</b>	<b>Current Year</b>	<b>Previous Year</b>
	<b>Production Kg.</b>	<b>58526718</b>	<b>51481567</b>
	Electricity (per Unit.)	6.86	1.42
	Furnace oil	Nil	Nil
	Coal & Pet Coke (Per kg.)	Nil	0.96
	Others (Specify)	Nil	Nil

**(A) Conservation of energy-**

- (i) The steps taken or impact on conservation of energy- **Yes**
- (ii) The steps taken by the company for utilising alternate sources of energy - **Modification with new technology in the existing systems.**
- (iii) The capital investment on energy conservation equipments- **Approx Rs. 94 Lakhs.**

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

- (i) the efforts made towards technology absorption; **Yes**

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution; **Yes**

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- **No**

(a) the details of technology imported;

(b) the year of import;

(c) whether the technology been fully absorbed;

(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:**

**(i) Import and Export Activities:** During the year under review the Company have made Import/ Export as given below:

<b>Particulars</b>		<b>(Amount in Lakh)</b>
Total Import		
	Paper	4157.11
	Hotel	-
Total Export		
	Paper	199.48
	Hotel	-

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

<b>Particulars</b>		<b>(Amount in Lakh)</b>
Total Foreign Exchange Inflow		
	Paper	94.27
	Hotel	83.79
Total Foreign Exchange Outflow		
	Paper	-
	Hotel	-

For and on Behalf of the Board

**Magnum Ventures Limited**

**Sd/-**

**Pardeep Kumar Jain**

Managing Director

DIN: 00024879

Date: 20/08/2021

Place: Ghaziabad

**Sd/-**

**Abhay Jain**

Whole -Time Director

DIN: 01876385

**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 2020-21 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 2020-21	Remuneration	Ratio	% of increase of remuneration in FY 2020-21
1.	Mr. Pardeep Kumar Jain	4,91,935	2.99	-38.51
2.	Mr. Abhay Jain	4,91,009	2.98	-38.62
3.	Mr. Shiv Pravesh Chaturvedi	7,34,400	4.46	0.00
4.	Mr. Parv Jain	4,92,258	2.99	-70.70
5.	Mr. Mohit Kumar Goel	5,94,000	3.61	24.27

- (ii) **The percentage increase in the median remuneration of employees in the financial year;**  
The median remuneration of employees has increased 14.25 % amounted to Rs. 164520/- during the FY 2020-21 as compared to Rs. 144,000/- in FY 2019-20.
- (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: 563 (Hotel), 675 (Paper)  
At the end of the year: 481 (Hotel), 680 (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 nominal increase in the remuneration of employees during the FY 2020-21 but no increase in remuneration of managerial personnel except Company secretary. Company was paying minimum remuneration to Mr. Pardeep Kumar Jain (MD), Abhay Jain (WTD) & Parv Jain (CFO) in the financial year 2020-21 due to COVID-19 pandemic.
- (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: **NOT APPLICABLE**
- 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: **NOT APPLICABLE**
- 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	44	Director of Business Development	08/03/2010	B.A.	26	Imperial Hotel	0	No	23,75,400
2	Nopin Kumar	44	General Manager- Production	07/07/2016	B. Sc	24	Ballarpur Industries (BILT)	0	No	18,60,000
3	Naresh Chandra Sharma	67	Director - Human Resources	07/05/2009	PGDBA + Dip. In HRD	44	Shapoorji Pallonji Co. & Ltd.	0	No	17,01,600
4	Vikas Rastogi	46	General Manager- Production	03/05/2017	PGD-Pulp & Paper Technology	23	Uniglobal Paper Mills Private Limited, West Bengal	0	No	16,80,000



5	Navneet Chauhan	41	Sr. DGM (Production)	07.01.2021	B.Sc.	10	Shree Krishna Paper Mill	0	No	15,60,000
6	Samar Goyal	36	Director of Sales – Travel	06/12/2013	B. Sc in Hotel Management	14	The Grand, New Delhi	0	No	15,52,020
7	Sushil Chander Chug	68	General Manager	26/11/2009	Hotel Management	42	The Lalit, New Delhi	0	No	15,15,720
8	Ravinder Thakur	55	General Manager (Security & Operational Control)	01/07/2009	Graduate	34	Radisson MBD, Noida	0	No	14,86,740
9	Neeraj Pal Singh Tomar	48	Director of Rooms	05/12/2008	PGD in Accommodation Management	23	Crowne Palaza Today Gurgaon	0	No	14,56,740
10	Shahbuddin Ansari	43	General Manager- Instrument	04/08/2014	B. Tech	12	Bahl Paper Mills	0	No	14,46,000

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

**Sd/-**  
**Pardeep Kumar Jain**  
Managing Director  
DIN: 00024879  
Add: 111/3, Darya Ganj,  
New Delhi - 110002

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

Date: 20/08/2021  
Place: Ghaziabad

**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:

S. No	Particular	(1)	(2)	(3)	(4)
(a)	Name of the related party and nature of relationship	Mr. Rishabh Jain (Relative of KMP)	Mr. Ritesh Jain (Relative of KMP)	Mr. Parv Jain (KMP)	Mr. Shrenik Jain (Relative of 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 Rs. 4,91,935/-	As per Board's approval Rs. 4,91,935/-	As per Board's approval Rs. 4,92,258/-	As per Board's approval Rs. 4,92,096/-
(e)	Date(s) of approval by the Board, if any:	01.01.2019	01.01.2019	01.01.2019	01.01.2019
(f)	Amount paid as advance if any:	NIL	NIL	NIL	NIL

S. No	Particular	(5)	(6)	(7)	(8)
(a)	Name of the related party and nature of relationship	Mr. Ujjwal Jain (Relative of KMP)	Mrs. Rita Jain (Relative of KMP)	Mrs. Veena Jain (Relative of KMP)	Mrs. Mehak Jain (Relative of 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 Rs. 5,51,616/-	As per Board's approval Rs. 4,91,935/-	As per Board's approval Rs. 4,91,786/-	As per Board's approval Rs. 4,91,935/-
(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

S. No	Particular	(9)	(10)	(11)	(12)
(a)	Name of the related party and nature of relationship	Mrs. Asha Jain (Relative of KMP)	Mrs. Parul Jain (Relative of KMP)	Mr. Paras Jain (Relative of KMP)	Mrs. Parul Jain (Relative of KMP)
(b)	Nature of contract/arrangements/	Related party's	Related party's	Related party's	Related party's

	transactions	appointment to any office or place of profit in the company (Salary)	appointment to any office or place of profit in the company (Salary)	appointment to any office or place of profit in the company (Salary)	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 Rs. 4,91,348/-	As per Board's approval Rs. 4,91,935/-	As per Board's approval Rs. 4,92,096/-	As per Board's approval Rs. 4,80,000/-
(e)	Date(s) of approval by the Board, if any:	01.01.2019	01.01.2019	01.01.2019	01.01.2019
(f)	Amount paid as advance if any:	NIL	NIL	NIL	NIL

S. No	Particular	(13)	(14)	(15)	(16)
(a)	Name of the related party and nature of relationship	Mrs. Meenal Jain (Relative of KMP)	Mr. Akhil Jain (Relative of KMP)	Mrs. Monika Jain (Relative of KMP)	Mrs. Saroj Jain (Relative of 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 Rs. 4,91,935/-	As per Board's approval Rs. 5,28,000/-	As per Board's approval Rs. 4,91,935/-	As per Board's approval Rs. 6,00,000/-

(e)	Date(s) of approval by the Board, if any:	01.01.2019	12.02.2016	01.01.2019	01.01.2019
(f)	Amount paid as advance if any:	NIL	NIL	NIL	NIL

S. No	Particular	(17)	(18)	(19)	(20)
(a)	Name of the related party and nature of relationship	Mr. Pramod Kumar Jain	Mr. Vinod Kumar Jain	Mr. Johri Mal Kamal Kishore (Relative of KMP)	Mrs. Shashi Jain
(b)	Nature of contract/arrangements/transactions	Availing or rendering of any services (Professional Consultancy)	Availing or rendering of any services (Professional Consultancy)	Purchase of any goods or materials	leasing of property of any kind
(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 agreement Rs. 4,90,000/-	As per agreement Rs. 4,90,000/-	Not Applicable Rs. 4,60,152/-	As per agreement Rs. 3,90,000/-
(e)	Date(s) of approval by the Board, if any:	01.01.2019	01.01.2019	12.02.2016	30.07.2020
(f)	Amount paid as advance if any:	Nil	Nil	NIL	NIL

S. No	Particular	(21)	(22)	(23)
(a)	Name of the related party and nature of relationship	Mr. Sumit Jain	Mr. Sashank Jain	Mrs. Neeru Jain
(b)	Nature of contract/arrangements/transactions	leasing of property of any kind	leasing of property of any kind	leasing of property of any kind
(c)	Duration of contract/arrangements/transactions	NA	NA	NA
(d)	Salient terms of contract or Arrangements or transactions including value, if any	As per agreement Rs. 3,90,000/-	As per agreement Rs. 3,90,000/-	As per agreement Rs. 3,90,000/-
(e)	Date(s) of approval by the Board, if any:	30.07.2020	30.07.2020	30.07.2020
(f)	Amount paid as advance if any:	NIL	NIL	NIL

**By the order of the Board of Directors  
For Magnum Ventures Limited**

**Sd/-**

**Pardeep Kumar Jain**

Managing Director

DIN: 00024879

Address: 111/3, Darya Ganj,  
New Delhi - 110002

**Sd/-**

**Abhay Jain**

Whole -Time Director

DIN: 01876385

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

Date: 20/08/2021

Place: Ghaziabad

**REPORT ON CORPORATE GOVERNANCE**

Pursuant to 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 Listing Regulations”) for the period April 1, 2020 to March 31, 2021 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 values transparency, professionalism and accountability.

Magnum Ventures Limited (“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 with the Bombay Stock Exchange Limited and National Stock Exchange. The Company is committed to meet the expectations of stakeholders as a responsible corporate citizen. The Magnum Code of Conduct contains the fundamental principles and rules concerning ethical business conduct.

**BOARD OF DIRECTORS**

As per 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 has total 8 (Eight) directors on the Board as on 31<sup>st</sup> March, 2021. 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, 2021 is given as under:

**Mr. Pardeep Kumar Jain**

Mr. Pardeep Kumar Jain is Managing Director of the Company. He holds Bachelor’s Degree in Arts from Delhi University. He, along with his father, entered into the business of Company. He has more than 40 years of experience in the Paper Industry. He is responsible for production, marketing and administration of the Paper Unit of the Company. He is also responsible for the administration of the Hotel Unit of the Company.

**Mr. Abhay Kumar Jain**

Mr. Abhay Jain, Whole-Time Director of the Company. He holds Bachelors' Degree in Arts from Delhi University. Mr. Jain has an experience of 26 years in the Paper Industry. He is handling the purchase of Raw Materials and looking after the Marketing and manufacturing process of Paper and Duplex Board. He is also involved in the marketing and business development of the Hotel Business of the Company.

**Mr. Parveen Kumar Jain**

Mr. Parveen Kumar Jain, Promoter Director of the Company. He holds Bachelors' Degree in Arts from Delhi University. He has an experience of over 40 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. He is also associated as Managing Director of M/s Rose Corner Trading LLC, Dubai.

**Mr. Shiv Pravesh Chaturvedi**

Mr. Shiv Pravesh Chaturvedi is M.B.A. in Human Resources from Asian Institute of Management & Technology, Delhi. He has experience of 24 years in the paper manufacturing sector. He has also diploma degree in Personnel Management and Industrial Relation from Bhartiya Siksha Parishad, U.P.

**Mr. Subash Chand Oswal**

Mr. Subash Chand Oswal is an Arts Graduate. Mr. Oswal has acted as General Secretary of Akhil Bhartiya Digambar Jain Parishad and also acted as a member in various advisory committee of Central/State Government. He has a vast experience of 45 year in corporate ethics and governance. He was appointed as a Non- Executive and Independent Director of the Company w.e.f June 26, 2008. Mr. Oswal is also associated as Director in M/s Oswal Promoters Private Limited and Bhagwan Mahavir Deshna Foundation.

**Mr. Krishan Gopal Sharma**

Mr. Krishan Gopal Sharma is Post Graduate in Commerce and is a retired Assistant Bank Manager, he has specialization in Banking and has around 39 years of experience in area of Banking.

**Ms. Jyoti**

Ms. Jyoti is a commerce graduate from Delhi University, having experience in Human Resource, Administration and Management and has worked with Technonics Solutions, Imaginators, for clients like AMEX, Convergences, Barclays and Cvent etc.

**Dr. Anil Kumar Rawat**

Dr. Anil Kumar Rawat, aged about 66 years, is BAMS (Bachelor in Ayurved with Modern Medicine & Surgery) from Kanpur University. He has experience of more than 38 years in his own profession. He was appointed as an Independent Director of the Company w.e.f October 13, 2020.

**Mr. Mohit Kumar Goel**

Mr. Mohit Kumar Goel, Company Secretary cum Compliance Officer of the Company. He is a commerce and Law graduate. He has a total experience of 9 years in finance, legal & secretarial and has worked with Dhanvantri Jeevan Rekha, Mahagun Group and other legal & Secretarial firms.



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 Whole-Time Director	Executive & Promoter	Nil	Nil	Nil
Mr. Parveen Kumar Jain Director	Non-Executive & Promoter Chairman	Nil	Nil	Nil
Mr. Shiv Pravesh Chaturvedi Director	Executive	Nil	Nil	Nil
Mr. Subash Chand Oswal Director	Non-Executive & Independent	Nil	Nil	Nil
Mr. Krishan Gopal Sharma Director	Non-Executive & Independent	Nil	Nil	Nil
Ms. Jyoti Director	Non-Executive & Independent	Nil	Nil	Nil
Mr. Anil Kumar Rawat	Non-Executive & Independent	Nil	Nil	Nil

#### Directors' Attendance Record

The Board of Directors met Seven times on 25<sup>th</sup> June 2020, 30<sup>th</sup> July 2020, 28<sup>th</sup> August 2020, 16<sup>th</sup> October 2020, 06<sup>th</sup> November, 2020, 29<sup>th</sup> January 2021 and 10<sup>th</sup> February 2021 during the financial year 2020-21. 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 or as per relaxation given by Ministry of Corporate Affairs due to COVID-19 pandemic through its circulars. Details of attendance of Directors in the Board meeting during the financial year 2020-21 are as under:

Sl. No.	Name of the Director	No. of Board Meeting	Attendance at the Board Meeting	Whether attended Last AGM
1	Mr. Abhay Jain	7	7	Yes
2	Mr. Pardeep Kumar Jain	7	6	No
3	Mr. Parveen Kumar Jain	7	1	No
4	Mr. Shiv Pravesh Chaturvedi	7	7	Yes
5	Mr. Parmod Kumar Jain*	5	5	Yes

6	Mr. Subash Chand Oswal	7	6	No
7	Mr. Krishan Gopal Sharma	7	6	Yes
8	Ms. Jyoti	7	2	Yes
9	Mr. Anil Kumar Rawat**	4	2	No
10	Mr. Virender Sharma***	2	2	No

\* Mr. Parmod Kumar Jain has resigned from the Board w.e.f. 23/01/2021, therefore he was eligible to attend 5 Board meetings during the FY 2020-21.

\*\* Mr. Anil Kumar Rawat was appointed at the Board in Board Meeting held on 28/08/2020 w.e.f. 13/10/2020, therefore he was eligible to attend 4 Board meetings during the FY 2020-21.

\*\*\* Mr. Virender Sharma was appointed at the Board in Board Meeting held on 28/08/2020 w.e.f. 15/10/2020 and resigned from the Board w.e.f. 27/01/2021, therefore he was eligible to attend 2 Board meetings during the FY 2020-21.

The reason behind resignation of Mr. Virender Sharma was his non-availability in forthcoming meetings of the Board due to his health issues. Detailed reason of resignation & confirmation thereof, has already been filed with the stock exchanges by the Company on time.

**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 held by Non-Executive Directors:** Mr. Parveen Kumar Jain (Non- Executive Director) is holding 1,66,48,510 Equity Shares and 25,00,000 Preference Shares of the Company.

**Familiarization Programme:** The details of Familiarization Programme imparted in the F.Y. 2020-21 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 Directors should possess one or more of the following skills, expertise and competencies

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
Organisational Capacity Building	Mr. Abhay Jain, Mr. Shiv Pravesh Chaturvedi
Policy Evaluation	Mrs. Jyoti, Mr. Anil Rawat

Culture Building	Mrs. Jyoti, Mr. Subash Oswal, Mr. K G Sharma
Risk Management and Compliance	Mr. Pardeep Jain, Mr. Subash Oswal, Mr. K G Sharma
Stakeholders' value creation	Mr. Subash Oswal, Mr. K G Sharma & Mr. Anil Rawat

The Board pursuant to evaluation carried out of all the Directors confirms that the independent directors fulfil 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.

#### ***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**

The Audit Committee comprises three directors with the Chairman, being an Independent Director, with expertise in financial and accounting areas.

1. Mr. Krishan Gopal Sharma - Chairman (Independent Director)
2. Mr. Subash Chand Oswal- Member (Independent Director)
3. Ms. Jyoti– Member (Independent Director)

Mr. Mohit Kumar Goel, Company Secretary, acts as the Secretary to the Audit Committee.

### **(c) Attendance**

The Committee met Five (05) times during the Financial Year 2020-21 on the following dates: 30.07.2020, 28.08.2020, 16.10.2020, 06.11.2020 and 10.02.2021. Details of attendance of Directors in the Audit Committee meetings are as under:

<b>Name of the Director</b>	<b>Category</b>	<b>Attendance at the Audit Committee Meeting</b>
Mr. Subash ChandOswal	Non-Executive Independent Director	5
Mr. Krishan Gopal Sharma	Non-Executive Independent Director	5
Ms. Jyoti	Non-Executive Independent Director	1

## **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.
- 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**

The Remuneration Committee consists of Three Directors, all of them being non-executive and independent directors.

1. Mr. Krishan Gopal Sharma- Chairman (Independent Director)
2. Mr. Subash Chand Oswal- Member (Independent Director)
3. Ms. Jyoti – Member (Independent Director)

Mr. Mohit Kumar Goel, Company Secretary, acts as the Secretary to the Nomination and Remuneration Committee.

**(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 Two (02) times during the Financial Year 2020-21 on the following dates: 28.08.2020 and 16.10.2020. Details of attendance of Directors in the Nomination & Remuneration Committee meeting are as under:

<b>Name of the Director</b>	<b>Category</b>	<b>Attendance at the Nomination &amp; Remuneration Committee Meeting</b>
Mr. Krishan Gopal Sharma	Non-Executive Independent Director	2
Mr. Subash Chand Oswal	Non-Executive Independent Director	2
Ms. Jyoti	Non-Executive Independent Director	0

**(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 (Whole Time Director) Mr. Parv Jain (Chief Financial Officer), Mr. Shiv Pravesh Chaturvedi (Executive Director) and Mr. Mohit Kumar Goel (Company Secretary) of the Company have received remuneration for the financial year 2020-21. No sitting fees were paid to the Non-Executive Directors for attending Board and Committee meetings.

**(e) Details of the Directors' Remuneration for the financial year ended 31<sup>st</sup> March, 2021**

Name of Director	Salaries & Perquisites (in Rs.)	Commission, Bonus Ex-gratia (in Rs.)	Sitting Fees (in Rupees)	Total Amount (in Rs.)	No. of Equity Shares held & %
Mr. Pardeep Kumar Jain Managing Director	4,91,935	Nil	Nil	4,91,935	2,00,650 (0.53%)
Mr. Abhay Jain Whole-Time Director	4,91,009	Nil	Nil	4,91,009	3,02,600 (0.80%)
Mr. Parmod Kumar Jain Director	Nil	Nil	Nil	Nil	2,00,150 (0.53%)
Mr. Parveen Jain Director	Nil	Nil	Nil	Nil	1,66,48,510 (44.28%)
Mr. Shiv Pravesh Chaturvedi Director	7,34,400	Nil	Nil	7,34,400	Nil
Mr. Mohit Kumar Goel Company Secretary	5,94,000	Nil	Nil	5,94,000	Nil
Mr. Subash Chand Oswal, Director	Nil	Nil	18,000	Nil	Nil
Mr. Krishan Gopal Sharma Director	Nil	Nil	18,000	Nil	Nil
Ms. Jyoti Independent Director	Nil	Nil	5,000	Nil	Nil
Mr. Anil Kumar Rawat Independent Director	Nil	Nil	2,000	Nil	Nil
Mr. Virender Kumar Sharma Independent Director	Nil	Nil	2,000	Nil	Nil

**5. STAKEHOLDERS RELATIONSHIP COMMITTEE (REGULATION 20)**

**(i) 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.

**(ii) Composition**

The Stakeholders Relationship Committee comprised of the following directors:

1. Mr. Subash Chand Oswal- Chairman (Independent Director)
2. Mr. Krishan Gopal Sharma- Member (Independent Director)
3. Ms. Jyoti– Member (Independent Director)

**(iii)** Mr. Mohit Kumar Goel, 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.

**(iv)** Detail of investor/ security holder complaints received and redressed during the year 2020-21 are as follows:

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

**(v) Attendance**

The Committee met Four (04) times during the Financial Year 2020-21 on the following dates: 25.06.2020, 30.09.2020, 31.12.2020 and 31.03.2021. Details of attendance of Directors in the Stakeholders relationship Committee meeting are as under:

Name of the Director	Category	Attendance at the Investor Grievances Committee Meeting
Mr. Subash Chand Oswal,	Non-Executive Independent Director	4
Mr. Krishan Gopal Sharma,	Non-Executive Independent Director	4
Ms. Jyoti	Non-Executive Independent 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:

Financial Year	Date	Time	Venue	No. of Special Resolution(s) passed
2017-18	22.09.2018	11:00 AM	Galib Institute, AIWAN-E-GALIB MARG, New Delhi-110002	0
2018-19	09.09.2019	11:00 AM	Galib Institute, AIWAN-E-GALIB MARG, New Delhi-110002	2
2019-20	10.11.2020	11:00 AM	Through Video Conferencing (VC)	1

## 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 -VI**

(d) The Company has not made any formal presentations to the institutional investors or to the analysts during the year.

## 8. GENERAL SHAREHOLDERS INFORMATION

### i) Annual General Meeting

Day & Date	Time	Venue
Friday, 24 <sup>th</sup> September, 2021	12:30 P.M.	Through Video Conferencing (VC)

ii) **Financial Year:** The Financial Year Starts from 01<sup>st</sup> April, 2020 and ends on 31<sup>st</sup> March, 2021.

iii) **Dates of Book Closure:** 18<sup>th</sup> September, 2021 to 24<sup>th</sup> September, 2021 (Both days inclusive)

iv) **Dividend Payment Date:** No Dividend is declared.

v) **Listing on Stock Exchanges:** Equity Shares of the Company are listed on Bombay Stock Exchange and National Stock Exchange

vi) **Stock Code/ Symbol:** 532896 at the Bombay Stock Exchange **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 2020	2.94	2.80	2879
May 2020	2.80	2.01	25312
June 2020	4.43	2.0	47057
July 2020	7.12	4.65	81330
August 2020	6.59	4.87	163750
September 2020	5.42	4.0	13536
October 2020	5.87	4.34	48733
November 2020	5.35	3.89	75722
December 2020	5.17	4.36	163487
January 2021	5.05	4.42	87599
February 2021	7.64	4.12	649634
March 2021	6.11	4.56	147374

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
April 2020	3.15	2.75	41375
May 2020	3.00	2.45	70504
June 2020	4.50	2.50	721745
July 2020	6.90	4.70	755087
August 2020	6.65	4.90	506617
September 2020	5.30	3.95	287837
October 2020	6.95	4.35	561409
November 2020	5.00	3.90	160662
December 2020	5.30	4.40	631573
January 2021	5.10	4.40	618872
February 2021	7.45	4.00	2895658

March 2021	6.15	4.55	853508
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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. ShrawanMangla
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 31<sup>st</sup> March 2021:**

Shareholding of Nominal Value of		Shareholders		Share Amount	
Rs.	Rs.	Number	% to Total	In Rs.	% in Total
(1)	(1)	(2)	(3)	(4)	(5)
Up to 5,000		8525	70.682	16131800	4.290
5,001	10,000	1631	13.523	14373790	3.823
10,001	20,000	829	6.873	13493500	3.589
20,001	30,000	334	2.769	8839180	2.351
30,001	40,000	159	1.318	5825160	1.549
40,001	50,000	149	1.235	7191370	1.913
50,001	1,00,000	228	1.890	17014390	4.525

1,00,001 and above	206	1.708	293149650	77.961
<b>Total</b>	<b>12061</b>	<b>100</b>	<b>37,60,18,840</b>	<b>100</b>

**x) De-materialization of shares and liquidity:** As on 31<sup>st</sup> March, 2021 about 100% of the Company's equity shares had been dematerialized except 9 equity shares (not belonging to promoters). 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/ Warrants or any Convertible other Instruments as on the date.

**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
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**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](mailto:magnumventures@gmail.com)

**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 other related party transactions are set out in separate statement annexed to Notes on Accounts annexed to and forming the part of Balance Sheet and Profit and Loss Account of the Company.

**(b) Non-compliance by the Company, Penalties, Strictures**

No penalties, strictures were imposed on the Company by the Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the year.

**(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, 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 2020-21 is Rs. 3,00,000/-.

**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. 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:**

Pursuant to Regulation 26(3) of SEBI (Listing obligation and Disclosure Requirements) Regulation, 2015 The Board has formulated a code of conduct for the Board members and senior management of the Company, which has been posted on the website of the Company i.e., [www.magnumventures.in](http://www.magnumventures.in)

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.

**By the order of the Board of Directors**  
**For Magnum Ventures Limited**

**Sd/**

**Pardeep Kumar Jain**

Managing Director

DIN: 00024879

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

**Sd/-**

**Abhay Jain**

Whole -Time Director

DIN: 01876385

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

Date: 20/08/2021

Place: Ghaziabad

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

*(Pursuant to regulation 34(3) and schedule V para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To  
The Members,  
**Magnum Ventures Limited**  
(CIN: L21093DL1980PLC010492)  
Regd. Office: HNO-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 & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

<b>S. No.</b>	<b>Name of the Director</b>	<b>DIN</b>	<b>Date of appointment in Company*</b>
1.	Mr. Pardeep Kumar Jain	00024879	17/07/1985
2.	Mr. Subash Chand Oswal	00088516	26/06/2008
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.	Mr. Krishan Gopal Sharma	07874204	20/09/2017
7.	Ms. Jyoti	08296989	14/02/2019
8.	Mr. Anil Kumar Rawat	08917556	13/10/2020

*\*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**  
Company Secretaries

**Sd/-**  
**CS Vijay Kumar Sharma**  
**Partner**  
M. No.: F9924  
C.P. No. 12387  
UDIN: F009924C000810284

Date: **20th August, 2021**

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 31<sup>st</sup> March 2021 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.

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

**Sd/-**  
**Parv Jain**  
Chief Financial Officer  
PAN: AHLPJ7813J  
Add: 4326/3, Ansari Road,  
Darya Ganj, New Delhi -110002

Date: **20<sup>th</sup> August, 2021**

Place: **Ghaziabad**

**COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members of  
**Magnum Ventures Limited**  
(CIN: L21093DL1980PLC010492)  
Regd. Office: HNO-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 31st March, 2021 as 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 LODR Regulations").

The Compliance of conditions of Corporate Governance is the responsibility of the Management. 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**  
**Company Secretaries**

**Sd/-**  
**CS Vijay Kumar Sharma**  
M. No.: F9924  
C.P. No. 12387  
UDIN: F009924C000810328

Date: **20th August, 2021**  
Place: **Kaushambi, Ghaziabad**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2021**

*[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: HNO - 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”). 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 31st March, 2021 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 31st March, 2021 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 Bye-laws 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;

The Company has informed that there are no laws which are specifically applicable to the Company.

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 into by the Company with Bombay Stock Exchange (“BSE”) and National Stock Exchange (“NSE”).

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above subject to the following observations:

1. *The limited review reports or audit reports submitted to the stock exchange(s) given by the auditor who has not subjected himself to the peer review process of Institute of Chartered Accountants of India and do not hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.*
2. *The listed entity had filed the statement of Grievance Redressal Mechanism to the stock exchange(s) for the quarter ended June, 2020 by delay of one day.*
3. *The listed entity had filed the shareholding pattern to the stock exchange(s) for the quarter ended June, 2020 by delay of one day.*
4. *The listed entity had filed reconciliation of share capital audit report to the stock exchange(s) for the quarter ended June, 2020 by delay of twenty-two days.*
5. *The listed entity had not filed the disclosure of material impact of COVID-19 pandemic to the stock exchange(s).*
6. *The Company had defaulted in repayment of loans obtained from financial institutions and banks. The Company has entered into agreement with M/s. Alchemist Assets Reconstruction Company Limited regarding the repayment of the loans as the lender banks (i.e. that Oriental Bank of Commerce, Allahabad Bank, Punjab National Bank, India Overseas Bank and Syndicate Bank) have assigned their dues to M/s. Alchemist Assets Reconstruction Company Limited.*

*During the period under review, the Company has defaulted in repayment of loans amounting to Rs. 24.83 Crores of M/s. Alchemist Assets Reconstruction Company Limited.*

- 7. Bank of Baroda (erstwhile Vijaya Bank) has sanctioned OTS with additional stipulation of charging interest and adjusted no lien FDR of Rs. 3 Crores plus accumulated interest without acceptance of OTS approval by the Company. However, the Company has requested to remove the additional stipulation of charging interest and filed writ petition in Hon'ble High Court of Delhi for refund no lien FDR and the case is still pending before Hon'ble High Court of Delhi.*

**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.

**For Munish K. Sharma & Associates**  
**Company Secretaries**

**Sd/-**  
**CS Vijay Kumar Sharma**  
**Partner**  
**M. No.: F9924**  
**C.P. No. 12387**  
**UDIN: F009924C000810262**

Date: **20th August, 2021**

Place: **Kaushambi, Ghaziabad**

**Note:** *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.*

To,  
The Members,  
**MAGNUM VENTURES LIMITED**  
(CIN: L21093DL1980PLC010492)  
Regd. Office: HNO - 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 is 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.
7. Due to COVID - 19 situations, we were not able to verify the documents, details and information physically, therefore we rely on the information as provided by the management and the responsible officers of the Company through electronic mode.

**For Munish K. Sharma & Associates**  
**Company Secretaries**

**Sd/-**  
**CS Vijay Kumar Sharma**  
**Partner**

Date: **20th August, 2021**  
Place: **Kaushambi, Ghaziabad**

**M. No.: F9924**  
**C.P. No. 12387**  
**UDIN: F009924C000810262**

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

**CAUTIONARY STATEMENT:**

Management's Discussion and Analysis Report contains forward looking statements based on the 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, our 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.

**GLOBAL ECONOMIC OVERVIEW:**

The disruption wrecked by the ongoing Covid-19 pandemic put the global economy in recovery mode. Multiple vaccine approvals and the launch of vaccination in many countries raised hopes of an eventual end to the pandemic. Despite the high and rising human toll caused by the novel virus, economic activity remained subdued in 2020 as the global economy contracted by 3.3 per cent. Economies adapted to new ways of working after lockdowns were eased in the second half of the year. With the passage of time, businesses have adapted to subdued contact-intensive operations.

Yet, global prospects remain highly uncertain one year into the pandemic. New virus mutations and the accumulating human toll raise concerns, even as growing vaccine coverage lifts sentiment. Economic recoveries are diverging across countries and sectors, reflecting variation in pandemic induced disruptions and the extent of policy support. Additional policy measures announced at the end of 2020, notably in the United States and Japan, are expected to support the global economy in 2021 and 2022. Global growth is projected at 6 per cent in 2021, moderating to 4.4 per cent in 2022, which reflects the additional fiscal support in certain advanced economies and the anticipated vaccine-powered recovery starting second half of 2021.

(Source: IMF World Economic Outlook, April 2021)

### **INDIAN ECONOMIC OVERVIEW:**

Even before the Covid-19 outbreak, the Indian economy was in slowdown mode. Led by a decline in private consumption growth, weaknesses in the financial sector compounded a collapse in investment demand. The Covid-19 outbreak that triggered a nationwide lockdown followed by phased opening of economic activities, impacted GDP growth in Financial Year 2020-21. The sub-sectors worst affected by the mobility restriction due to the lockdown included aviation, tourism, hospitality, trade, construction and industrial activity.

The Government's huge spending on healthcare and infrastructure sectors, RBI's liquidity measures and the massive vaccination drive helped economic recovery in the second half of Financial Year 2020-21. As per the second advance estimates of National Income by the Government's National Statistics Office (NSO), real GDP contraction is estimated around 8 per cent mainly on account of significant growth of subsidies.

The massive spending push of over Rs. 4 trillion announced in the Union Budget 2021-22 is expected to boost consumption supported by solid fiscal and quasi-fiscal measures.

The agriculture sector has been the only silver lining this fiscal year while the manufacturing sector also registered a partial recovery in the second half of this fiscal in anticipation of festival season demand.

As per the World Bank, India's GDP growth is estimated between 7.5-12.5 percent during Financial Year 2021-22 depending on the success of the vaccination campaign, requirement of mobility restrictions and global economic recovery. As economic activity normalizes domestically and in key export markets, the current account is expected to return to a mild deficit of around 1 percent in Financial Year 2021-22 and Financial Year 2022-23 while capital inflows are projected basis the continued accommodative monetary policy and abundant international liquidity conditions.

(Source: National Statistics Office, World Bank)

### **COMPANY OVERVIEW:**

The Company was incorporated on May 29, 1980 as MAGNUM PAPERS LIMITED and on 31<sup>st</sup> May, 1995, the status of the Company was changed from 'Private Limited Company' to 'Public Limited Company'. Further, its name was changed as '**Magnum Ventures Limited**' ('**Magnum**'). In September 20, 2007, Magnum made an Initial Public Offer and is currently listed at National Stock Exchange of India Limited ('NSE') and Bombay Stock Exchange Limited ('BSE').

Magnum is ideally located at Sahibabad, Ghaziabad (Uttar Pradesh) the NCR region hardly 15 KM from the heart of Delhi *i.e.*, Connaught Place, New Delhi. The Company is having large infrastructures of 65,000 Square Meters and Five Lakh Square feet Building Area in Sahibabad Industrial Area, Ghaziabad (Uttar Pradesh).

Magnum currently operates in Paper Industry and Hotel Industry. The Company is manufacturing papers since more than 30 Years. The Company is one of the largest writing and printing paper and duplex paper printing concern in the Northern region. The existing manufacturing activities cover printing and writing papers, duplex boards, Xerox paper, Wrapping and packing paper and so on with installed



capacity of 85K MT per annum based on 3 shift and 330 days working days in a year. The Company also contributes to the environment by focusing on the recycling process of paper making. Magnum also operates Hotel Industry by the name of **COUNTRY INN & SUITES by Radisson**, a Five Star Hotel at Sahibabad, Ghaziabad (Uttar Pradesh) diagonally opposite to Vaishali Metro Station, 50 minutes from the International Airport, 10 minutes from the Akshardham Temple and India Gate and Connaught Place is just a 25 minutes' drive from the Hotel. Our Sahibabad hotel provides innovative theme restaurants, extensive banqueting areas, state-of-the-art Business Centre, health club and spa, beauty salon, shopping arcade and outdoor, poolside bar that offers a world-class dining experience. The hotel is the first eco-friendly, all-vegetarian, five-star hotel. It comprising of 216 rooms in four categories i.e. 64 Standard Rooms, 76 Superior Rooms, 70 Club Rooms, and 6 Executive Suites. The Hotel was soft launched in the month of January, 2009, which is now in full operation. The hotel has a USP of being the first all Vegetarian Hotel to have been formally certified as a five star hotel by (HRACC) Ministry of Tourism.

#### **INDUSTRY STRUCTURE, DEVELOPMENTS & OUTLOOK:**

Our Company's business is broadly consists of manufacturing of Papers and Hotel Industry.

##### **Paper Industry**

India's paper industry provides employment to over 500,000 people directly and 1.5 million indirectly. Paper consumption in India, approximately 15 million tons per annum, is expected to touch 23.5 tons per annum by 2025 and predicted to increase by 7.6 per cent per year. The per capita consumption of paper in India, however, is still very low at 14 kgs per annum, as compared with the global average of 57 kgs and over 200 kgs in developed countries. The domestic market size is approximately Rs. 80,000 crores while exports of paper were valued at over Rs. 6,800 crores in FY 2019-20. India ranks fifteenth among paper manufacturing nations in the world.

The Indian paper industry, which was one of the worst hit in the wake of the Covid-19 pandemic, has witnessed some signs of revival. The closure of educational institutes significantly impacted the demand for paper. However, there was a strong traction in demand for packaging boards due to the spike in online deliveries. The global trend to support biodegradable and sustainable packaging has also augured well for the industry.

Paper manufacturing scenario in India is witnessing a significant shift towards sustainability with large paper mills working to improve efficiencies, increase productivity, and reduce resource intensity. The industry has been working on new practices including research and development towards energy efficiency, environment preservation, and better overall process technology.

##### **Hotel Industry**

The tourism and hospitality industry is one of the largest segments under the services sector of the Indian economy. In the mid to long term, The Hotelivate's Report states forecasted occupancy in India to be 52.7 per cent in Financial Year 2022 and 64.9 per cent in Financial Year 2023 driven by post pandemic resurgence and muted growth on the supply side.

The Indian hospitality sector has been growing at a cumulative annual growth rate of 14 per cent every year, adding significant amount of foreign exchange to the economy. The role of the Indian government, which has provided policy and infrastructural support, has been instrumental in the growth and development of the industry.

As per Horwath HTL Market Report, India Hotel Market Review 2020, during the calendar year occupancy was 34.5 per cent with that of the pandemic period viz. March to December at 27.8%. However, occupancies started improving from Oct, 2020 averaging 38 per cent for the period October to December, 2020. Leisure showed a positive revival in destinations like Udaipur, Goa, Rajasthan, Agra, Mussoorie, Rishikesh, Coorg and Himachal with city occupancies driven by staycations. Weddings were back, though curtailed in size while business travel and corporate events were marginal.

## **SWOT ANALYSIS**

### **STRENGTHS:**

#### **Paper Industry**

The paper is in use since the second century A.D. and despite the emergence of the electronic media, the use of paper has always been adored by the mankind. The spurt in demand for paper and paper board rises from India's all round industrial development and growing rate of literacy. Over the last five years, many paper companies went for major modernization and expansion.

India's paper and paper board industry has unlimited scope for further growth. Judging by the investment that paper manufacturers have made in modernization and expansion so far, India's pulp and paper industry is well on its way to have a strong presence in Asia.

The Company is an environmentally responsible and sustainable organization, it makes paper in a way which not only protects the environment but also creates livelihood for marginal farmers. The Company invested in cutting-edge equipment and infrastructure to neutralize effluents and emissions, making its operations completely safe for workers, ecology and community.

#### **Hotel Industry**

Our business inspired by a deep understanding and commitment to listening and personalizing experiences for our guests and customer needs, we provide high quality services to our guests and customers— all of which we believe increases loyalty, differentiates us from the competition, and drives business results.

Tourism is a significant industry in India. India offers a readymade tourist destination with the resources it has and the most fascinating hospitality statement of – “Atithidevo bhava”. According to recent estimates, there is almost a 2:1 demand-supply ratio for rooms in India, demonstrating the untapped potential that continues to exist in this industry.

**WEAKNESSES:**

Uncertainties have emerged with COVID-19 pandemic that caused the shutdown of the country for the first two months of the first half of financial year 2020-2021. As the cases of COVID-19 spread increased, State Governments has resorted to shutdown to manage and control the spread. In the first half of financial year this has created uncertainty of supply-chain, travel restrictions, increased cost and cash flow has adversely affected. Although, the massive vaccination drive helped recovery of business operations in the second half of Financial Year 2020-21. But with the emergence of second wave of COVID-19 spread witnessed towards the end of the Financial Year 2020-21, the business optimistic recovery was thrust into further uncertainty as cases increased far more rapidly than the first wave.

Since your Company's revenues are dependent on Paper & Hotel Industry, which have been affected badly due to COVID-19 pandemic and current situation is a cause of concern.

**Paper Industry**

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

Even after the lifting of the lockdown, the situation has not improved much with only a small pick-up in demand. The country's paper industry is currently operating at less than 50 per cent capacity utilization due to the sever demand compression and cheap imports flooding into the country.

**Hotel Industry**

The Hotel industry also has weaknesses and one of them is that the land is expensive in India and most hotels are staffed heavily. The tax structure in the country is also higher as compared to other countries and the hotel rooms in the country are far lesser as well. The services offered by hotels are limited and will not meet with the world standards.

During the pandemic the Indian hotel industry has been hit hard, grappling with significantly low demand, with very few future bookings. Essentially, all transient demand has completely vanished- the remaining is largely on account of either a few long stay guests, or hotels having been prescribed by the Government for the International travelers returning to India.

*Nothing could have ever prepared us for the COVID-19 shock and although, the current crisis is unlike any other we have ever faced, not all is lost. Paper Industry and Indian hotel Industry can recover from this crisis as well, by adjusting strategies in the near term and preparing for the future.*

**OPPORTUNITIES:**

**Paper Industry**

The opportunities for the paper and pulp industries are resource efficiency and bioeconomy. The continuous improvements in technology can further reduce environmental impacts and optimize the

use of resources. New processes may offer innovative ways to develop new applications and products. Breakthrough technologies, for example those reducing the use of heat in paper production through reduced water consumption, are needed to obtain the sector's objectives for the 2050 Roadmap towards a low-carbon bio-economy. These objectives include an 80 per cent reduction in carbon dioxide and 50 per cent value growth by 2050. The industry is taking advantage of the opportunities offered by the bioeconomy.

New business concepts will permit the industry to use the full potential of wood and wood fibre to produce products and novel materials for the food, textile, cosmetics and pharmaceutical industries; chemicals and bio-based fuels and traditional wood-based products.

The Government of India has relaxed the rules and regulations and also de-licensed the paper industry to encourage investment into this sector and joint ventures are allowed and some of the joint ventures have also started in India. The paper industry in India is looking for state-of-art technologies to reduce its production cost and to upgrade the technology to meet the international standards.

### **Hotel Industry:**

The COVID-19 pandemic is not only a challenge for the hotel industry; it is also an opportunity to reshape the market.

Now that lockdown is over, leisure travelers are leading the way in seeking out a change of scenery after months of isolation and are helping to increase occupancy levels, in the short term at least. In the long term, however, hotels should not lose sight of their most profitable customer segment: business travelers. They boost occupancy during the week, are loyal, less price-sensitive, stay for longer, and often spend money in the hotel restaurant or on room service.

Before the outbreak of the coronavirus pandemic, only 40 per cent of business trips were booked via managed channels, and only half of those were as part of a negotiated program. This will see a massive shift once business trips resume, since companies now have a heightened interest in ensuring that their employees only stay in hotels with negotiated rates that have proven their compliance with the adjusted hygiene standards. Since companies are redesigning their travel programs for a post-coronavirus world by responding to changing requirements, hotels on the other hand now have an opportunity to gain new customers.

### **THREATS:**

#### **Paper Industry**

The increasing competition for wood and other raw materials from the renewable energy sector possess a serious threat on the paper industry. The need for growing supply of low-cost and high-quality imports of commodity-grade papers, especially from China adds to the additional cost of paper industry. Moreover, the need for the woods for the production of paper is indispensable. The impact of climate change on forest health and productivity cannot be ignored. Thereby, it directly impacts the production of paper. This way, the growth of the paper industry is endangered.

## Hotel Industry

The global COVID-19 pandemic has had, and is expected to continue have, a material adverse impact on the travel industry generally and, as a result, on our business and result of operations. Global economic conditions and the cyclical nature of the hospitality industry could adversely affect demand for travel and lodging, and, as a result, our revenues, profitability, and future growth.

There have been wide fluctuations in international tourist arrivals. The total dependency of the Hotel industry on foreign tourists can be risky, domestic tourism needs to be given equal importance and measures should be taken to promote it.

The Increasing competition is another threat posing the hotel industry.

## KEY RISK AND MITIGATION MEASURES

Key risk and mitigation measures based on the risk assessment undertaken are illustrated below:

### PAPER INDUSTRY

Type of risks	Mitigation measures
<p><b>Raw Material Risk</b> For its paper production, the Company uses waste paper &amp; other material, respectively as raw materials. Production may be impacted due to unavailability, limited availability or price volatility of these raw materials</p>	<p>Close proximity to raw material sources besides strong and long-lasting vendor relationships help the Company ensure steady availability. With a deep understanding of the historical cycle of input prices, the Company consciously takes measures to save landed cost and inventory management. The Company's robust hedging policies take care of any raw material price volatility.</p>
<p><b>Policy Risk</b> Introduction of new policy or modification in an existing policy may impact the Company's business thereby posing a risk to revenue flow</p>	<p>The Company's adept management team closely monitors policy actions and accordingly formulates business strategies. The Company leverages various policy incentives by the Government to strengthen its market position.</p>
<p><b>Competition Risk</b> Low-cost imports due to favorable government policies in other countries, may pose significant risk to business and impact pricing strategy</p>	<p>Leveraging economies of scale, cutting-edge technology, and strategic partnerships with all stakeholders, gives the Company the competitive advantage to offer competitive rates globally.</p>
<p><b>Force Majeure</b> The outbreak of the Covid-19 pandemic brought economies across the globe to a standstill and altered ways of working both personally and professionally. Minimum contact activities are becoming the new norm. While the first wave of the pandemic is behind us, and massive inoculation drives are underway, the impact and severity of the forthcoming waves pose significant risk to business</p>	<p>The Company undertook timely and effective measures to ensure business continuity. Significant changes were made at manufacturing facilities to leverage economies of scale and focus on innovation. The Company's strategies centered on employee well-being, cost optimization, prudent cash management, optimum utilization of resources, product innovation, increasing scope of e-commerce platforms, and effectively tapping the domestic market.</p>

**HOTEL INDUSTRY**

Type of risks	Mitigation measures
<p><b>Business interruption on account of natural calamities / Acts of God / riots &amp; strikes / political instability and terrorism / pandemics</b> The pandemic has caused disruptions in the business environment resulting in severe drop in revenues</p>	<ul style="list-style-type: none"> <li>• Hotels categorized into High, Medium and Low based on risk profile and appropriate measures put in place</li> <li>• Insure properties against force majeure</li> </ul>
<p><b>Cyber Vulnerabilities</b> Risks related to hacking incidents, exposure personal and sensitive guest data</p>	<ul style="list-style-type: none"> <li>• In-depth cyber risk assessment and remedial action</li> <li>• Cyber security training and awareness programmes</li> </ul>
<p><b>Abuse of social media and other media by guest / staff / stakeholders</b> The hospitality industry is more exposed to social media, due to various direct guest interfaces</p>	<ul style="list-style-type: none"> <li>• Continuous monitoring of comments in social media and timely responses provided</li> </ul>
<p><b>Employee and customer well-being</b> Due to pandemic, guests need assurance in terms of hygiene and cleanliness of the hotel. The staff also needs to be trained and tools need to be given to perform their duties</p>	<ul style="list-style-type: none"> <li>• Protective care, communication and counseling</li> <li>• Customer Communication</li> </ul>
<p><b>Data governance</b> Quality and democratization of data analytics</p>	<ul style="list-style-type: none"> <li>• Data warehouse and analytics</li> <li>• Uniformity in inputting of data</li> </ul>
<p><b>Impact of climate change on organization</b> The hotel industry is exposed to the climatic changes and risks arising out of such events</p>	<ul style="list-style-type: none"> <li>• Continuous scanning of the environment</li> <li>• Use of renewable / alternate energy</li> </ul>
<p><b>Data Privacy</b> Various regulations have been introduced across geographies for protection of data owner privacy</p>	<ul style="list-style-type: none"> <li>• Internal audit and continuous monitoring</li> <li>• Data Processor/Controller agreements with all relevant vendors</li> <li>• Changes in policies and processes</li> </ul>
<p><b>Loss of critical / sensitive data due to leakage / loss / hacking</b></p>	<ul style="list-style-type: none"> <li>• Creating awareness amongst stakeholders</li> <li>• Encryption, Firewalls, Policies, Audits, Endpoint protection</li> </ul>
<p><b>Changes in levy / tax structure, resulting in litigation / exorbitant demands</b></p>	<ul style="list-style-type: none"> <li>• Improve coordination with relevant authorities</li> </ul>
<p><b>Workforce reskilling challenges and non-traditional working arrangements</b></p>	<ul style="list-style-type: none"> <li>• Structured Training Need Analysis with inputs from customers, managers, social media comments, etc. to arrive at the training needs</li> <li>• Structured Training calendars at every hotel and following through on the implementation</li> <li>• Corporate Office extending work from home in consultation with the manager</li> </ul>

## **HUMAN RESOURCE**

**Our company follows the diverse set of measures relating to the Human Resource to reduce the hindrances in our Manufacturing Process:**

In a manufacturing and service sector concern like ours, it becomes very important to effectively manage all the employees in order to achieve the goals of the organization.

Human resource is very important in the growth and development of a company. It recognizes the importance and contribution of the employees' involvement in the operation of the company for the effective result.

We tend to maintain right number of employees at the right time at the right place. Our Company's human resource management strategy maximizes return on investment in the human capital and minimizes financial risk. Human Resources seeks to achieve this by aligning the supply of skilled and qualified individuals and the capabilities of the current workforce, with the company's on-going and future business plans and requirements to maximize return on investment and secure future survival and success. In ensuring to achieve our objectives, the human resource function purpose in this context is to implement the human resource requirements effectively but also practically, taking account of legal, ethical and as far as is practical in a manner that retains the support and respect of the workforce.

The Company's belief in trust, transparency and teamwork improved employee and staff productivity at all levels. Your management is also committed to help the employees and workers to sharpen their skills and to improve their knowledge base for which continuous efforts are made on training and development.

## **COMPLIANCE**

Compliance with laws and regulations is an essential part of our business operations. The Company adheres to all national and local laws and regulations applicable to its area of operation which includes employee health and safety, the environment, corporate governance, stock exchange listing and disclosures, employment and taxes. The Company has a robust internal check process to prevent and limit the risk of non-compliance.

## **INTERNAL CONTROL SYSTEMS AND ADEQUACY**

**Your company follows a set of measures relating to the internal control system to reduce the risk and proper implementation of the Policies:**

The Company has established a sound internal control system which contributes to safeguarding the shareholder's investment and the company's assets. A sound system of internal control facilitates the effectiveness and efficiency of operations, helps ensure the reliability of internal and external reporting and assists compliance with laws and regulations.

The Company has an audit committee which oversees the adequacies of the system of the internal control and report to the board. Also the Company has appointed an Internal Auditor to conduct

internal audit of the functions and activities of the Company and reported to the Board. All the above business control procedures ensure efficient use and protection of the resources and compliance with the policies, procedures and status.

#### **PROPERTY, UPGRADES AND RENOVATIONS**

We carry out necessary upgradations to keep our hotels in good condition and to offer better value in terms of great ambience and comfort, while keeping the needs of our customers at the core of these changes. Due to the COVID-19 pandemic, only essential and productivity enhancing capital expenditures were incurred as part of liquidity management.

#### **FOOD SAFETY, HYGIENE AND CLEANLINESS**

Continuous improvement of the Food Safety Management System by training and optimizing the capacities of people, processes and technologies is an ongoing exercise. To increase the rigour in respect of Food Safety, Hygiene and Cleanliness audits were conducted by an external audit partner, ensuring implementation of FSSAI guidelines and standards.

In order to address the challenges posed on account of the COVID-19 pandemic, your Company has taken several measures to ensure safety and wellbeing of its associates and guests. Following are some of the safety measures undertaken at hotel units.

- Provisions of Hand sanitizers while entering the hotel premises and at various locations inside.
- Temperature monitoring at time office and main gate.
- Sanitization of baggage.
- Mask for all the staff while entering for duty and for guests.
- Cleaning and sanitization of all the touch at regular intervals.
- Social distancing is maintained at all areas by rearranging the tables/chairs, foot markings etc.
- Disinfection of guest rooms after each check outs.
- Awareness sessions for staff on COVID 19.

#### **COMPANY PERFORMANCE**

The performance of the company during the year was adversely impacted by the COVID-19 pandemic. With the easing of restrictions, the company restarted operations in a seamless manner while ensuring the highest standards of hygiene and safety protocols.



**PRODUCT WISE PERFORMANCE**

Presently the Company has been dealing in two segments, i.e., Paper Division and Hotel Division. The details of the both the business segments are as follows:

**SALES**

PRODUCT	Current Year (2020-21)		Previous Year (2019-20)	
	Quantity (Kgs)	Value (Amt in Rs)	Quantity (Kgs)	Value (Amt in Rs)
Paper division	41204973	1,498,105,017	53288568	1,838,609,873
Hotel division	NA	240,696,138	NA	567,964,061

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

Sl. No.	Particulars	Financial Year 2020-21	Financial Year 2019-20
1.	Debtors Turnover Ratio	3.147	4.467
2.	Interest Coverage Ratio	1.126	(1.717)
3.	Current Ratio	1.051	2.463
4.	Debt Equity Ratio	(5.191)	(8.499)
5.	Operating Profit Margin (%)	1.033	(3.485)
6.	Net Profit Margin (%)	0.914	(5.052)
7.	Return on Net Worth (%)	(2.846)	37.006

For and on Behalf of the Board

**Magnum Ventures Limited**

**Sd/-**

**Pardeep Kumar Jain**

Managing Director

DIN: 00024879

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

**Sd/-**

**Abhay Jain**

Whole -Time Director

DIN: 01876385

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

Date: 20/08/2021

Place: Ghaziabad

# AGGARWAL & RAMPAL

CHARTERED ACCOUNTANTS

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## INDEPENDENT AUDITOR'S REPORT

To the Members of **M/S MAGNUM VENTURES LIMITED**

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of **M/S MAGNUM VENTURES LIMITED** ("the Company"), which comprises of the Balance Sheet as at 31st March 2021, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Cash Flows 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 financial statements give the information required by the 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, 2021, and profit and its cash flows and the statement of changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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.

#### Emphasis of Matter

- a) *Refer Note No. 7 under other notes in Notes to Accounts annexed with the financial statements for the year ended March 31, 2021 wherein the total outstanding debtors for the year ended March 31, 2021 include Rs. 2,641.73 lakhs which are due for more than six months and out of*

*which debtors of Rs.60.21 lakhs are under litigations of which Rs.2.45 lakhs has been received during the year. The Company has not made any provision for debtors outstanding for more than six months.*

- b) *Refer Note No. 12 under other notes in Notes to Accounts annexed with the financial statements for the year ended March 31, 2021 wherein the Company has complied with Ind AS 116 Leases for the first time during the year under modified retrospective method and has taken the cumulative adjustment to reserves.*
- c) *Refer Note No. 13 under other notes in Notes to Accounts annexed with the financial statements for the year ended March 31, 2021 wherein the classification of redeemable preference shares has been changed to financial liability in accordance with Ind AS 109 read with Ind AS 32 and the adjustment has been made through reserves named as “Reserves for Preference Shares”*
- d) *Refer Note No. 16 under other notes in Notes to Accounts annexed with the financial statements for the year ended March 31, 2021 wherein Company has defaulted in repayment of loan amounting to Rs. 24.83 crores of M/s Alchemist Asset Reconstruction Company Limited and as informed to us by the management, no adverse action has been initiated by the lender as on date.*
- e) *Balance of Debtors & Creditors are subject to confirmation and reconciliation consequential effect (if any) on the financial statement remains unascertained.*

Our opinion is not modified in respect of the above emphasis.

#### **Information other than the financial statements and auditors’ report thereon**

The Company’s board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor’s report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the

Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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, 2016 ("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 paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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 the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- (c) The Balance Sheet, the Statement of Profit and Loss, 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 representations received from the directors as on 31st March, 2021 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 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 financial reporting for the Company as on 31 March 2021 with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls. Refer to our separate Report in “**Annexure B**”.
- (g) 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:
- i. 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 March 2021.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021.
  - iii. There were no amounts required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2021.

**For Aggarwal & Rampal**  
**Chartered Accountants**  
**FR No. 003072N**

**Sd/-**  
**Praveen Kumar Rampal**  
**(Partner)**  
**Membership No: 082226**  
**UDIN: 21082226AAAAAK6096**

**Place: New Delhi**  
**Date: June 29, 2021**

## “ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT

With reference to the Annexure A referred to in the Independent Auditor’s Report to the members of the **M/S MAGNUM VENTURES LIMITED** on the financial statements for the year ended 31 March 2021, we report the following:

- 1) a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
  
b) According to the information and explanations given to us, the fixed assets are physically verified by the management on annual basis which in our opinion is reasonable, having regard to the size of the company and nature of its assets. As per information and explanations given to us, no material discrepancies were noticed on such verification.  
  
c) According to the information and explanation given to us and on the basis of our examination of the records, the title deeds of the immovable properties are held in the name of the Company.
- 2) *According to the information and explanations given to us, the inventory has been physically verified during the year by the management. 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.*
- 3) As explained to us, the Company has not granted any loan, secured or unsecured, to companies, firms or other parties covered in the Register maintained under section 189 of the Companies Act, 2013.
- 4) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act 2013, with respect to the loans and investments made.
- 5) According to the information and explanation given to us, the company has not received advance from customers against supply of goods outstanding more than 365 days which is covered under the definition of deposits as per section 73 of Companies Act, 2013.
- 6) The Company has prepared and maintained cost records as prescribed by Central Government under sub section (1) of section 148 of the Companies Act 2013.
- 7) a) The company is generally regular in depositing undisputed statutory dues including applicable provident fund, employees’ state insurance, income tax, goods and service tax, value added tax, cess and any other statutory dues to the extent applicable to it. Further there are no undisputed amounts payable in respect thereof were outstanding at the year-end for a period more than six months from the date they became payable.

b) According to the information and explanations given to us, there are no dues of Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax , goods and service tax Income tax which have not been deposited on account of any dispute except the following:

Name of the Statute	Nature of Dues	Assessment Year	Deposit (Under Protest)	Forum where dispute is pending
DEPB CASE	Redemption Case	2009-10	1023246(Plus Penalty)	Reply submitted to DRI (Directorate of Revenue Intelligence) Delhi order not yet passed.
Service Tax Law	SCN for Service Tax from Hotel	2010-11	16400749 (Plus Interest & Penalty)	Final order (order no. 71595/2018 dated Stay granted and awaited for hearing of appeal Tribunal Delhi.

#### Contingent Liabilities in respect for EPCG Obligation

The Company availed EPCG Scheme for import of Assets and Total Export Obligation under EPCG is USD 111,02,849 out of which Export Obligation of USD 111,02,849 is already fulfilled and redemption request submitted to DGFT. Further Out of redemption request submitted to DGFT of USD 105,62,049; DGFT already issued redemption letters for USD 49,00,474.82 and balance redemption letters are expected soon.

The details of Contingent Liabilities for Balance Export obligation under EPCG is as under:

EPCG Authorization pending for redemption as on 01/04/2020	USD 20521.46
Less Export Earning in Foreign Currency till 31.03.2021	USD 244947.00
Balance Export Obligation till 31.03.2021	USD Nil

8) a) *The company had defaulted in repayment of loans and borrowing from financial institutions and banks. The Company has entered into agreement with M/s Alchemist Assets Reconstruction Company Ltd. (AARC) regarding the repayment of the loans as the lender banks (i.e. that Oriental Bank of Commerce, Allahabad Bank, Punjab National Bank, Indian Overseas Bank and Syndicate Bank) have assigned their dues to M/s Alchemist Assets Reconstruction Company Ltd. (AARC). There is a default of Rs.24.83 crores observed during current financial year (refer note no.16 to Other Notes in notes to accounts annexed with the Financial Statements).*

b) *Vijaya Bank (now Bank of Baroda) has sanctioned OTS with additional stipulation of charging interest and adjusted no lien FDR of Rs. 300 lacs plus accumulated interest without acceptance of OTS approval by the Company. However, the Company has requested to remove the additional stipulation of charging interest and filed writ petition in Hon'ble Delhi High Court for refund No lien FDR and the case is still pending before Hon'ble Delhi High Court.*



- 9) The company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans raised during the year were applied for the purpose for which those were raised.
- 10) Based upon the audit procedures performed and information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year under audit.
- 11) According to the information and explanations given to us and based on our examination of the records of the company, the Company has paid/provided for any managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- 12) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company, hence clause (xii) of paragraph 3 of the Order is not applicable to the Company.
- 13) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with the provisions of section 177 and 188 of the Act where applicable and the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- 14) According to the information and explanation given to us and based on our examination of the records of the company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- 15) 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. Therefore provisions of clause (xv) of paragraph 3 of the Order are not applicable to the Company.
- 16) The Company is not required to be registered under section 45-1a of the Reserve Bank of India Act 1934.

**For Aggarwal & Rampal**  
**Chartered Accountants**  
**FR No. 003072N**

**Sd/-**  
**Praveen Kumar Rampal**  
**(Partner)**  
**Membership No: 082226**  
**UDIN: 21082226AAAAAK6096**

**Place: New Delhi**  
**Date: June 29, 2021**

## **“ANNEXURE B” TO THE INDEPENDENT AUDITORS’ 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 controls over financial reporting of **M/S MAGNUM VENTURES LIMITED** (“the Company”) as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended as at that date.

#### **Responsibility of Management and Those Charged with Governance 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.

#### **Auditors’ Responsibility for the Audit of the Internal Financial Controls**

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

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorities of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of the internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of the 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, the Company do not have an adequate internal financial controls system over financial reporting and it is needed to be further strengthened to commensurate with the size of the company and nature of the business.*

**For Aggarwal & Rampal  
Chartered Accountants  
FR No. 003072N**

**Sd/-**

**Praveen Kumar Rampal  
(Partner)**

**Membership No: 082226  
UDIN: 21082226AAAAAK6096**

**Place: New Delhi**

**Date: June 29, 2021**

<b>MAGNUM VENTURES LIMITED</b>			
<b><u>BALANCE SHEET AS AT 31st MARCH, 2021</u></b>			
<b>CIN No. L21093DL1980PLC010492</b>			
<b>PARTICULARS</b>	<b>Note No.</b>	<b>For the Year ended as on 31.3.2021</b>	<b>For the Year ended as on 31.03.2020</b>
<b>ASSETS</b>			
<b><u>Non Current Assets</u></b>			
a) Property Plant and Equipment	1	1,98,98,08,680	2,04,08,88,186
b) Intangible Assets	2	6,87,137	8,91,020
c) Right of Use Asset	3	7,03,14,044	-
d) Financial Assets			
i. Loans		-	-
ii. Other Financial Assets	4	1,93,29,841	1,64,53,742
<b>Total Non-Current Asset</b>		<b>2,08,01,39,702</b>	<b>2,05,82,32,947</b>
<b><u>Current assets</u></b>			
a) Inventories	5	24,71,80,890	16,70,80,414
b) Financial Assets			
i. Trade receivables	6	60,76,83,839	51,47,73,894
ii. Cash and cash equivalents	7	8,78,65,362	8,05,62,122
iii. Loans	8	8,77,02,782	6,59,76,146
iv. Other Financial Asset	9	92,09,562	20,25,330
c) Other Current Assets	10	3,12,37,136	2,23,75,480
<b>Total Current Asset</b>		<b>1,07,08,79,571</b>	<b>85,27,93,386</b>
<b>TOTAL ASSETS</b>		<b>3,15,10,19,274</b>	<b>2,91,10,26,333</b>
<b><u>EQUITY AND LIABILITIES</u></b>			
<b><u>Equity</u></b>			
a) Equity Share Capital	11	37,60,18,840	37,60,18,840
b) Other Equity	12	-94,32,83,273	-95,79,01,501
<b>Total Equity</b>		<b>-56,72,64,433</b>	<b>-58,18,82,661</b>
<b><u>Liabilities</u></b>			
<b><u>Non-current liabilities</u></b>			
a) Financial Liabilities			
i. Borrowings	13	2,39,21,58,690	2,59,10,53,846
ii. Lease Liabilities	14	6,44,72,241	-
b) Provisions	15	5,13,69,421	4,53,23,162
c) Deferred Tax Liabilities (Net)	16	19,13,66,376	19,61,69,370
<b>Total Non-Current Liabilities</b>		<b>2,69,93,66,728</b>	<b>2,83,25,46,377</b>
<b><u>Current Liabilities</u></b>			
a) Financial Liabilities			
i. Borrowings	17	55,26,30,000	31,41,26,000
ii. Trade Payable	18		
Total Outstanding dues of Micro Enterprises and Small Enterprises [Refer Note (a) below]		2,67,29,031	-
Total Outstanding dues of creditors other than dues to Micro and Small Enterprises		30,00,05,174	21,44,61,590
iii. Other Financial Liabilities	19	2,93,52,064	1,44,62,436
b) Other Current Liabilities	20	8,53,55,608	8,90,70,833
c) Provisions	21	2,48,45,102	2,82,41,758
<b>Total Current Liabilities</b>		<b>1,01,89,16,979</b>	<b>66,03,62,616</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,15,10,19,274</b>	<b>2,91,10,26,333</b>
Significant Accounting Policies & Other Notes to Accounts	31		
See accompanying notes to financial statements			
<b>For: Aggarwal &amp; Rampal</b> Chartered Accountants F.R. No 003072N		<b>For And On Behalf of the Board of Directors</b>	
Sd/- <b>Praveen Kumar Rampal</b> Partner Membership No: 082226 UDIN:21082226AAAAAK6096	Sd/- <b>(Mr. Pradeep Kumar Jain)</b> Managing Director DIN : 00024879	Sd/: <b>(Mr. Abhey Jain)</b> Whole Time Director DIN: 01876385	
Place : New Delhi Date: 29.06.2021	Sd/- <b>(Mr. Parv Jain)</b> (Chief Financial Officer)	Sd/- <b>Mr. Mohit Kumar Goel</b> (Company Secretary) M.No. A 44288	

<b>MAGNUM VENTURES LIMITED</b>			
<b>PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED ON 31st MARCH 2021</b>			
<b>CIN No. L21093DL1980PLC010492</b>			
Particulars	Refer Note No.	For the Year ended as on 31.3.2021	For the Year ended as on 31.03.2020
Revenue from operations	22	1,76,59,93,606	2,41,05,94,082
Other income	23	5,81,04,201	1,57,45,815
<b>Total Income</b>		<b>1,82,40,97,806</b>	<b>2,42,63,39,898</b>
<b>Expenses</b>			
Cost of Material Consumed	24	1,25,26,50,766	1,57,62,20,502
Change in Inventory of Finished Goods & W.I.P	25	(2,10,09,843)	11,50,73,760
Employee Benefit Expense	26	19,64,62,868	33,79,07,946
Finance Cost	27	1,61,93,218	1,16,42,456
Depreciation and amortization expense	28	16,69,08,653	15,53,46,346
Other Expenses	29	21,08,50,527	32,71,89,643
<b>Total Expenses</b>		<b>1,82,20,56,188</b>	<b>2,52,33,80,652</b>
<b>Profit Before Tax and Exceptional Items and tax</b>		<b>20,41,618</b>	<b>(9,70,40,754)</b>
<b>Exceptional Items</b>	30	-	(54,56,048)
<b>Profit Before Tax</b>		<b>20,41,618</b>	<b>(10,24,96,802)</b>
Tax expense:			
Current tax		-	-
Deferred tax		(57,63,254)	17,16,19,259
Earlier Year Tax		(56,08,374)	-
<b>Profit For the Year</b>	<b>A</b>	<b>1,34,13,246</b>	<b>(27,41,16,061)</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		36,93,308	14,00,705
(ii) Income tax relating to items that will not be reclassified to profit or loss		(9,60,260)	(3,64,183)
<b>Total Other Comprehensive Income</b>	<b>B</b>	<b>27,33,048</b>	<b>10,36,522</b>
<b>Total Comprehensive Income</b>	<b>(A+B)</b>	<b>1,61,46,294</b>	<b>(27,30,79,540)</b>
<b>Earnings per equity share:</b>			
(1) Basic		0.429	(7.26)
(2) Diluted		0.429	(7.26)
Significant Accounting Policies & Other Notes to Accounts	31		
See accompanying notes to financial statements			
<b>For: Aggarwal &amp; Rampal</b> Chartered Accountants F.R. No 003072N	<b>For And On Behalf of the Board of Directors</b>		
Sd/-	Sd/-	Sd/-	
<b>Praveen Kumar Rampal</b> Partner Membership No: 082226 UDIN: 21082226AAAAK6096	<b>(Mr. Pradeep Kumar Jain)</b> Managing Director DIN : 00024879	<b>(Mr. Abhey Jain)</b> Whole Time Director DIN: 01876385	
	Sd/-	Sd/-	
	<b>(Mr. Parv Jain)</b> (Chief Financial Officer)	<b>Mr. Mohit Kumar Goel</b> (Company Secretary) M.No. A 44288	
Place : New Delhi Date: 29.06.2021			

**MAGNUM VENTURES LIMITED**

Statement of Changes in Equity for the period ended 31st March, 2021

Equity Share Capital

Particulars	Equity Share Capital
As on 1st April 2019	37,60,18,840
Changes in Equity Share Capital	-
As on 31st March 2020	37,60,18,840
Changes in Equity Share Capital	-
As on 31st March 2021	37,60,18,840

Other Equity

Particular	Reserve and Surplus				Items of Other Comprehensive income	Total
	Security Premium	General Reserve	Reserve for Preference Share	Retained Earning	Remeasurement of net defined benefit Plans	
Balance at 1st April 2020	38,52,53,800	15,28,067	14,84,94,875	(1,49,42,14,764)	10,36,522	(95,79,01,501)
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the reporting period,	-	-	-	-	-	-
Profit for the year	-	-	-	1,34,13,246	-	1,34,13,246
Other Comprehensive Income for the year	-	-	-	-	27,33,048	27,33,048
Transfer in retained earnings	-	-	-	-	-	-
Any other change to be specified( Ind As Adjustment)	-	(15,28,067)	-	-	-	(15,28,067)
<b>Balance as at March 31,2021</b>	<b>38,52,53,800</b>	<b>-</b>	<b>14,84,94,875</b>	<b>(1,48,08,01,518)</b>	<b>37,69,570</b>	<b>(94,32,83,273)</b>

Particular	Reserve and Surplus				Items of Other Comprehensive income	Total
	Security Premium	General Reserve	Reserve for Preference Share	Retained Earning	Remeasurement of net defined benefit Plans	
Balance at 1st April 2019	38,52,53,800	15,28,067	-	(1,22,00,98,703)	-	(83,33,16,836)
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the reporting period,	-	-	-	-	-	-
Profit for the year	-	-	-	(27,41,16,061)	-	(27,41,16,061)
Other Comprehensive Income for the year	-	-	-	-	10,36,522	10,36,522
Transfer in retained earnings	-	-	-	-	-	-
Any other change to be specified,	-	-	14,84,94,875	-	-	14,84,94,875
<b>Balance as at March 31,2020</b>	<b>38,52,53,800</b>	<b>15,28,067</b>	<b>14,84,94,875</b>	<b>(1,49,42,14,764)</b>	<b>10,36,522</b>	<b>(95,79,01,501)</b>

<p><b>For: Aggarwal &amp; Rampal</b> Chartered Accountants F.R. No 003072N</p> <p>Sd/- <b>Praveen Kumar Rampal</b> Partner Membership No: 082226 UDIN: 21082226AAAAAK6096</p> <p>Place : New Delhi Date: 29.06.2021</p>	<p><b>For And On Behalf of the Board of Directors</b></p> <p>Sd/- <b>(Mr. Pradeep Kumar Jain)</b> Managing Director DIN : 00024879</p> <p>Sd/- <b>(Mr. Parv Jain)</b> (Chief Financial Officer)</p>	<p>Sd/- <b>(Mr. Abhey Jain)</b> Whole Time Director DIN: 01876385</p> <p>Sd/: <b>Mr. Mohit Kumar Goel</b> (Company Secretary) M.No. A 44288</p>
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**MAGNUM VENTURES LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2021**  
**CIN No. L21093DL1980PLC010492**

Amount in INR (Rs.)

PARTICULARS		As at 31.03.2021		As at 31.03.2020	
<b><u>CASHFLOW FROM OPERATING ACTIVITIES</u></b>					
A)	Profit before Taxation		20,41,618		(9,70,40,754)
B)	Adjustments for				
i	Depreciation on Property, plant and Equipment and intangibles	15,92,53,796		15,53,46,346	
ii	Depreciation on Right to Use assets	76,54,857			
iii	Interest expenses	79,22,689		18,70,930	
iv	Interest income	(97,22,094)		(19,97,519)	
v	Other Non-cash items	75,84,543		67,50,090	
			17,26,93,790		16,19,69,847
	<b>Operating profit before working capital changes</b>		<b>17,47,35,408</b>		<b>6,49,29,092</b>
C)	(Increase)/ Decrease in Current Assets				
i	Inventories	(8,01,00,476)		15,21,84,856	
ii	Trade Receivables	(9,29,09,945)		4,96,46,168	
iii	Loans (Current)	(2,17,26,636)		2,18,13,769	
iv	Other Current Assets	(88,61,656)		(2,06,68,470)	
v	Other Financial Assets (Current)	(71,84,232)		(20,25,330)	
vi	Other Financial Assets (Non-Current)	(51,09,273)		44,88,533	
	Increase / (Decrease) in Current Liabilities				
i	Trade Payables	11,22,72,615		(2,46,29,851)	
ii	Provisions ( Current )	(33,96,656)		23,04,401	
iii	Provisions ( Non-Current )	97,39,567		86,23,916	
vi	Other Current Liability	(37,15,224)		(9,17,37,819)	
vii	Other Financial Liability	49,70,815		1,44,62,436	
			(9,60,21,101)		11,44,62,608
	<b>Cash generated from operations</b>		<b>7,87,14,307</b>		<b>17,93,91,701</b>
	Income tax & FBT		56,08,374		0
	Effect of Extra Ordinary Item		0		(53,46,305)
	<b>NET CASH FROM OPERATIONS</b>		<b>8,43,22,681</b>		<b>17,40,45,396</b>
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>					
i	Additions to fixed assets	(10,79,70,408)		(11,58,44,830)	
ii	Interest Income	97,22,094		19,97,519	
	<b>NET CASH FROM INVESTING ACTIVITIES</b>		<b>(9,82,48,314)</b>		<b>(11,38,47,311)</b>
<b><u>CASH FLOW FROM FINANCING ACTIVITIES</u></b>					
i	Borrowings	3,24,09,873		(6,70,65,207)	
ii	Interest Paid/Payable	-79,22,689		(18,70,930)	
iii	Payment of lease liabilities	(32,58,311)		-	
	<b>NET CASH FROM FINANCING ACTIVITIES</b>		<b>2,12,28,873</b>		<b>-6,89,36,137</b>
	Net Change in cash and cash equivalent (A+ B + C)		73,03,240		(87,38,052)
	Cash and cash equivalents at the beginning of the period		8,05,62,122		8,93,00,173
	Cash and cash equivalents at the end of the period		<b>8,78,65,362</b>		<b>8,05,62,121</b>

**For: Aggarwal & Rampal**  
Chartered Accountants  
F.R. No 003072N

**For And On Behalf of the Board of Directors**

**Sd/-**  
**Praveen Kumar Rampal**  
Partner  
Membership No: 082226  
UDIN : 21082226AAAAAK6096

**Sd/-**  
**(Mr. Pradeep Kumar Jain)**  
Managing Director  
DIN : 00024879

**Sd/-**  
**(Mr. Abhey Jain)**  
Whole Time Director  
DIN: 01876385

**Sd/-**  
**(Mr. Parv Jain)**  
(Chief Financial Officer)

**Sd/-**  
**Mr. Mohit Kumar Goel**  
(Company Secretary)  
M.No. A 44288

Place : New Delhi  
Date: 29.06.2021

# MAGNUM VENTURES LIMITED

Note 1

Particulars	Land	Building & Site	Computer	Furniture & Fixture	Plant & Machinery	Vehicles	Electric Installation	Generator	Office Equipment	Fire Fighting Equipment	Deinking Plant	Turbine	Total
<b>Gross carrying value as at April 1, 2020</b>	18,08,66,210	96,47,43,681	35,13,257	58,72,77,152	2,21,43,53,583	2,94,22,525	13,88,99,189	2,67,79,952	73,90,014	39,40,558	10,19,90,420	19,83,19,252	4,45,74,95,792
Additions	-	-	6,97,874	-	8,80,72,248	20,45,000	46,38,611	-	3,95,638	27,32,061	-	93,88,976	10,79,70,407
Adjustments/Transfer	-	-	-	-	-	-	-	-	-	-	-	-	-
Deletions	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Gross carrying value as at March 31, 2021</b>	18,08,66,210	96,47,43,681	42,11,131	58,72,77,152	2,30,24,25,830	3,14,67,525	14,35,37,799	2,67,79,952	77,85,652	66,72,619	10,19,90,420	20,77,08,228	4,56,54,66,200
<b>Accumulated depreciation as at April 1, 2020</b>	-	30,60,67,104	29,91,414	53,70,40,754	1,14,21,45,720	2,40,95,663	11,75,15,273	2,30,73,649	52,96,286	9,02,602	8,86,60,796	16,88,18,347	2,41,66,07,607
Depreciation	-	3,28,16,311	3,75,274	36,12,881	8,30,60,618	23,37,745	41,30,075	4,72,723	10,09,808	7,38,069	82,30,102	1,72,66,306	15,90,89,913
Accumulated depreciation on deletions	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Accumulated depreciation as at March 31, 2021</b>	-	33,88,83,415	33,66,688	54,06,53,635	1,23,02,06,338	2,64,33,408	12,16,45,348	2,35,46,372	63,06,094	16,40,671	9,68,90,898	18,60,84,653	2,57,56,57,519
<b>Carrying value as at April 1, 2020</b>	18,08,66,210	65,86,76,577	5,21,844	5,02,36,398	1,07,22,07,863	53,26,862	2,13,83,916	37,06,304	20,93,728	30,37,956	1,33,29,624	2,95,00,905	2,04,08,88,186
<b>Carrying value as at March 31, 2021</b>	18,08,66,210	62,58,60,266	8,44,443	4,66,23,517	1,07,22,19,492	50,34,117	2,18,92,452	32,33,581	14,79,558	50,31,948	50,99,522	2,16,23,575	1,98,98,08,680
<b>Particulars</b>	<b>Land</b>	<b>Building &amp; Site</b>	<b>Computer</b>	<b>Furniture &amp; Fixture</b>	<b>Plant &amp; Machinery</b>	<b>Vehicles</b>	<b>Electric Installation</b>	<b>Generator</b>	<b>Office Equipment</b>	<b>Fire Fighting Equipment</b>	<b>Deinking Plant</b>	<b>Turbine</b>	<b>Total</b>
<b>Gross carrying value as at April 1, 2019</b>	18,08,66,210	96,42,60,515	34,12,750	58,72,55,966	2,10,93,89,829	3,32,72,071	13,52,10,389	3,14,59,952	69,72,575	13,98,663	10,19,90,420	19,83,92,252	4,35,37,81,591
Additions	-	4,83,166	1,00,508	21,186	10,96,27,181	9,51,682	36,88,799	-	4,17,439	25,41,895	-	27,000	11,78,58,857
Adjustments/Transfer	-	-	-	-	-	-	-	-	-	-	-	-	-
Deletions	-	-	-	-	46,63,427	48,01,228	-	46,80,000	-	-	-	-	1,41,44,655
<b>Gross carrying value as at March 31, 2020</b>	18,08,66,210	96,47,43,681	35,13,257	58,72,77,152	2,21,43,53,583	2,94,22,525	13,88,99,189	2,67,79,952	73,90,014	39,40,558	10,19,90,420	19,83,19,252	4,45,74,95,792
<b>Accumulated depreciation as at April 1, 2019</b>	-	27,31,18,279	21,02,947	53,34,29,544	1,06,09,06,380	2,56,73,110	11,33,24,486	2,69,59,081	38,46,859	7,30,808	8,04,09,771	15,18,89,863	2,27,23,91,128
Depreciation	-	3,29,48,825	8,88,467	36,11,210	8,33,09,106	29,05,467	41,90,787	5,60,588	14,49,437	1,71,794	82,51,025	1,69,28,484	15,52,15,160
Accumulated depreciation on deletions	-	-	-	-	20,69,766	44,82,915	-	44,46,000	-	-	-	-	1,09,98,681
<b>Accumulated depreciation as at March 31, 2020</b>	-	30,60,67,104	29,91,414	53,70,40,754	1,14,21,45,720	2,40,95,663	11,75,15,273	2,30,73,649	52,96,286	9,02,602	8,86,60,796	16,88,18,347	2,41,66,07,607
<b>Carrying value as at April 1, 2019</b>	18,08,66,210	69,11,42,236	13,09,803	5,38,26,422	1,04,84,83,443	75,95,961	2,18,85,904	45,00,872	31,25,716	6,67,855	2,15,80,649	4,64,02,389	2,08,13,90,463
<b>Carrying value as at March 31, 2020</b>	18,08,66,210	65,86,76,577	5,21,844	5,02,36,398	1,07,22,07,863	53,26,862	2,13,83,916	37,06,304	20,93,728	30,37,956	1,33,29,624	2,95,00,905	2,04,08,88,186



**MAGNUM VENTURES LIMITED**

**Note 2**

<b>Intangible Asset</b>	<b>Amount</b>
Gross carrying value as at April 1, 2020	53,39,072
Additions	-
Adjustments/Transfer	-
<b>Deletions</b>	-
<b>Gross carrying value as at March 31, 2021</b>	<b>53,39,072</b>
Accumulated depreciation as at April 1, 2020	44,48,052
Depreciation	2,03,883
<b>Accumulated depreciation on deletions</b>	-
<b>Accumulated depreciation as at March 31, 2021</b>	<b>46,51,935</b>
<b>Carrying value as at April 1, 2020</b>	<b>8,91,020</b>
<b>Carrying value as at March 31, 2021</b>	<b>6,87,137</b>
Gross carrying value as at April 1, 2019	43,16,866
Additions	10,22,206
Adjustments/Transfer	-
<b>Deletions</b>	-
<b>Gross carrying value as at March 31, 2020</b>	<b>53,39,072</b>
Accumulated depreciation as at April 1, 2019	43,16,866
Depreciation	1,31,186
<b>Accumulated depreciation on deletions</b>	-
<b>Accumulated depreciation as at March 31, 2020</b>	<b>44,48,052</b>
<b>Carrying value as at April 1, 2019</b>	-
<b>Carrying value as at March 31, 2020</b>	<b>8,91,020</b>

**Note 3**

<b>Right of Use Asset</b>	<b>Amount</b>
Gross carrying value as at April 1, 2020*	
Additions	7,79,68,901
Adjustments/Transfer	-
<b>Deletions</b>	-
<b>Gross carrying value as at March 31, 2021</b>	<b>7,79,68,901</b>
Accumulated depreciation as at April 1, 2020	-
Depreciation	76,54,857
<b>Accumulated depreciation on deletions</b>	-
<b>Accumulated depreciation as at March 31, 2021</b>	<b>76,54,857</b>
<b>Carrying value as at April 1, 2020</b>	-
<b>Carrying value as at March 31, 2021</b>	<b>7,03,14,044</b>

\*The Company has adopted Ind AS-116 for the first time during the year and recognised Right to Use Asset and Lease Liability in the books in accordance with the treatment provided in the Standard.

**Note 4**

<b>Other Financial Assets</b>	<b>For the Year ended as on 31.3.2021</b>	<b>For the Year ended as on 31.3.2020</b>
Security Deposits	1,93,29,841	1,64,53,742
<b>Total</b>	<b>1,93,29,841</b>	<b>1,64,53,742</b>

**Note 5**

<b>Inventories</b>	<b>For the Year ended as on 31.3.2021</b>	<b>For the Year ended as on 31.3.2020</b>
(Being a technical matter Valued & Certified by the Management)		
Raw Material	11,97,74,112	3,53,85,961
Work-In-Progress	2,42,91,898	42,91,954
Finished Goods	3,87,89,479	3,77,79,580
Chemicals	1,62,74,396	1,43,10,128
Stores & Consumables	1,85,66,394	2,87,20,482
Hotel Stock	49,89,523	44,24,815
Fuel	2,44,95,088	4,21,67,494
<b>Total</b>	<b>24,71,80,890</b>	<b>16,70,80,414</b>

**Note 6**

<b>Trade Receivables</b>	<b>For the Year ended as on 31.3.2021</b>	<b>For the Year ended as on 31.3.2020</b>
<b>Unsecured and unconfirmed</b>		
Considered good	60,76,83,839	51,47,73,894
Considered Doubtful	-	-
Less: Allowances for expected credit loss	-	-
<b>Total</b>	<b>60,76,83,839</b>	<b>51,47,73,894</b>

**Note 7**

<b>Cash &amp; Cash Equivalents</b>	<b>For the Year ended as on 31.3.2021</b>	<b>For the Year ended as on 31.3.2020</b>
Balance with scheduled banks in current accounts	89,19,242	1,20,48,248
Deposits with Bank	7,70,84,701	6,76,34,421
Cash in Hand	18,61,419	8,79,453
<b>Total</b>	<b>8,78,65,362</b>	<b>8,05,62,122</b>

**Note 8**

<b>Loan</b>	<b>For the Year ended as on 31.3.2021</b>	<b>For the Year ended as on 31.3.2020</b>
<b>Unsecured, Considered Good</b>		
Labour, Staff Advance & Imprest	14,88,154	8,23,104
Advance to Supplier for Capital Goods & Others	8,62,14,628	6,51,53,042
<b>Total</b>	<b>8,77,02,782</b>	<b>6,59,76,146</b>

**Note 9**

<b>Other Financial Assets</b>	<b>For the Year ended as on 31.3.2021</b>	<b>For the Year ended as on 31.3.2020</b>
Interest Receivable on FDR	92,09,562	20,25,330
<b>Total</b>	<b>92,09,562</b>	<b>20,25,330</b>

Note 10

Other Current Assets	For the Year ended as on 31.3.2021	For the Year ended as on 31.3.2020
Prepaid Expense	37,59,715	15,71,145
<b>Balance with Revenue Authorities and Others</b>		
GST input available	2,35,51,728	85,42,596
TCS Receivable	5,42,349	4,74,460
TDS Receivable	22,92,187	40,57,344
Other Receivable	10,91,157	77,29,936
Branch / Divisions	-	-
<b>Total</b>	<b>3,12,37,136</b>	<b>2,23,75,480</b>

Note 11

Share Capital	For the Year ended as on 31.3.2021		For the Year ended as on 31.03.2020	
	Number	Rs.	Number	Rs.
<u>Authorised</u>				
Equity Shares of Rs.10 each	3,90,00,000.00	39,00,00,000.00	3,90,00,000.00	39,00,00,000.00
<u>Issued, Subscribed &amp; Paid up</u>				
Equity Shares of Rs.10 each fully Paid-up	3,76,01,884.00	37,60,18,840.00	3,76,01,884.00	37,60,18,840.00
<b>Total</b>	<b>3,76,01,884.00</b>	<b>37,60,18,840.00</b>	<b>3,76,01,884.00</b>	<b>37,60,18,840.00</b>

The Company has one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The paid-up

**Reconciliation of Number of Equity Shares Outstanding**

Particulars	AS AT 31.03.2021		AS AT 31.03.2020	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	3,76,01,884.00	37,60,18,840.00	3,76,01,884.00	37,60,18,840.00
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	3,76,01,884.00	37,60,18,840.00	3,76,01,884.00	37,60,18,840.00

**Details of shareholders holding more than 5% of the total**

Name of Shareholder	AS AT 31.03.2021		AS AT 31.03.2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Praveen Kumar Jain	1,66,48,510.00	44.28	1,66,48,510.00	44.28

Note 12

Other Equity	For the Year ended as on 31.3.2021	For the Year ended as on 31.3.2020
<b>A. Securities Premium</b>	38,52,53,800	38,52,53,800
<b>B. General Reserve</b>	-	15,28,067
<b>C. Reserves for Preference Share</b>	14,84,94,875	14,84,94,875
<b>C. Surplus</b>	(1,48,08,01,518)	(1,49,42,14,764)
<b>D. OCI</b>	37,69,570	10,36,522
<b>Total</b>	<b>(94,32,83,273)</b>	<b>(95,79,01,501)</b>

Note 13

Borrowings	For the Year ended as on 31.3.2021	For the Year ended as on 31.3.2020
<b>Secured</b>		
<b>Term Loan</b>		
- From Vijaya Bank	23,79,61,486	23,79,61,486
- From Alchemist Assets Reconstruction Company Limited	1,82,35,78,613	2,13,12,93,817
<b>Unsecured</b>		
-From Related Parties & Others	21,51,64,404	11,35,43,327
-Debt Component of Preference share [Refer Note (c) below]	11,54,54,188	10,82,55,216
<b>Total</b>	<b>2,39,21,58,690</b>	<b>2,59,10,53,846</b>

**a. Nature of Security**

**From Banks**

Term loan amounting to Rs.23.79 crores are secured by way of first charge on fixed assets of hotel division along with present and future charge on entire current assets of the company.

No interest is accrued on the said loan with Vijaya Bank hence not provided for.

**From Alchemist Assets Reconstruction Company Limited**

Oriental Bank of Commerce, Punjab National Bank, Syndicate Bank, Indian Overseas Bank and Allahabad Hence the balance of working capital limits of these banks has been merged with term loan balance.

The said loan is secured by way of first charge on fixed and current assets of Hotel and Paper division.

M/s Alchemist Asset Reconstruction Company Limited settled the debts with MVL and AARC sanctioned the

In addition to that there is no further liability towards interest and the company is in process of making

**From Related Parties**

The directors of the Company have provided the aforesaid loan to the Company in accordance with the However due to Covid-19 scenario no interest is paid to the directors in the current year.

b. The Company has defaulted in terms of repayment to Alchemist Asset Reconstruction Company Limited up to an extent of Rs. 24.8 crores.

**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**

Particulars	As at 31st march 2021		As at 31st march 2020	
	No of Share	In lakhs	No of Share	In lakhs
At the beginning of the year	25,00,000	25	25,00,000	25
Add: Share issued during the year	-	-	-	-
<b>At the end of the year</b>	<b>25,00,000</b>	<b>25</b>	<b>25,00,000</b>	<b>25</b>

**Rights, preferences and restrictions attached to Preference shares**

These Preference share are Zero Coupon, Redeemable, Non-Convertible and Non- Cumulative Preference shas

**Details of shareholders holding more than 5% Preference shares in the Company**

Particulars	As at 31st march 2021		As at 31st march 2020	
	Number of shares	% Holding	Number of shares	% Holding
Praveen Jain	25,00,000.00	100%	25,00,000.00	100%
	<b>25,00,000.00</b>	<b>100%</b>	<b>25,00,000.00</b>	<b>100%</b>

**Note 14**

Lease Liabilities	For the Year ended as on 31.3.2021	For the Year ended as on 31.3.2020
Lease Liability	6,44,72,241	-
<b>Total</b>	<b>6,44,72,241</b>	<b>-</b>

**Note 15**

Provisions	For the Year ended as on 31.3.2021	For the Year ended as on 31.3.2020
<b><u>Provision for Employee benefits</u></b>		
Provision for Gratuity	3,99,69,453	3,54,03,038
Provision for Leave Encashment	1,13,99,968	99,20,124
<b>Total</b>	<b>5,13,69,421</b>	<b>4,53,23,162</b>

**Note 16**

Deffered Tax Liability	For the Year ended as on 31.3.2021	For the Year ended as on 31.3.2020
<b><u>DTL</u></b>		
PPE	20,86,26,709	21,12,23,227
<b><u>DTA</u></b>		
Ind AS adjustment	(10,60,023)	
Gratuity	(1,15,81,424)	(1,02,05,605)
Leave Encashment	(33,23,709)	(28,92,986)
Bonus	(12,95,177)	(19,55,266)
<b>Total</b>	<b>19,13,66,376</b>	<b>19,61,69,370</b>

**Note 17**

Borrowings	For the Year ended as on 31.3.2021	For the Year ended as on 31.3.2020
<b>Secured</b>		
Current maturities of long-term debt*	55,26,30,000	31,41,26,000
<b>Total</b>	<b>55,26,30,000</b>	<b>31,41,26,000</b>

\*Current maturities of long term debt is amount due to M/s Alchemist Asset Reconstruction Company Limited (including default made in the Financial Year 2020-21 amounting to Rs. 24.8 crores)

**Note 18**

Trade Payable	For the Year ended as on 31.3.2021	For the Year ended as on 31.3.2020
Total Outstanding dues of Micro Enterprises and Small Enterprises [Refer Note (a) below]		
- Amount due	2,61,96,396	-
- Interest on delayed payment	5,32,635	-
Total Outstanding dues of creditors other than dues to Micro and Small Enterprises	30,00,05,174	21,44,61,590
<b>Total</b>	<b>32,67,34,205</b>	<b>21,44,61,590</b>

a. The dues payable to Micro and Small Enterprises is based on the information available with the Company

**Note 19**

<b>Other Financial Liabilities</b>	<b>For the Year ended as on 31.3.2021</b>	<b>For the Year ended as on 31.3.2020</b>
Lease Liability	99,18,813	-
Other Payable		
Due To Employees	1,89,48,073	1,15,39,629
Deposits	20,000	70,000
Expense Payable	4,65,178	28,52,807
<b>Total</b>	<b>2,93,52,064</b>	<b>1,44,62,436</b>

**Note 20**

<b>Other Current Liabilities</b>	<b>For the Year ended as on 31.3.2021</b>	<b>For the Year ended as on 31.3.2020</b>
Other Payables	35,03,541	43,70,553
Gst payables	2,77,82,487	86,10,371
Cheque deposited but not cleared or issued but not presented to bank(Net)	2,29,22,844	2,85,27,880
Advances from Customers	3,11,46,736	4,75,62,029
<b>Total</b>	<b>8,53,55,608</b>	<b>8,90,70,833</b>

**Note 21**

<b>Provisions</b>	<b>For the Year ended as on 31.3.2021</b>	<b>For the Year ended as on 31.3.2020</b>
<b><u>Provision</u></b>		
Provision for Gratuity	45,74,487	38,49,289
Provision for Leave Encashment	13,83,529	12,06,745
Provision for Income Tax	-	74,12,965
Bonus payable	49,81,449	75,20,255
Other Provisions	1,39,05,637	82,52,504
<b>Total</b>	<b>2,48,45,102</b>	<b>2,82,41,758</b>

**Note 22**

<b>Revenue From Operation</b>	<b>For the Year ended as on 31.3.2021</b>	<b>For the Year ended as on 31.3.2020</b>
<b>Gross Revenue</b>		
Sale of Goods- Paper	1,49,81,05,017	1,83,86,09,873
Sale of Services- Hotel	24,06,96,138	56,79,64,061
Net Revenue from Operations	1,73,88,01,155	2,40,65,73,934
Other Operating Revenue	2,71,92,451	40,20,148
Net Other Operating Revenue		-
<b>Total</b>	<b>1,76,59,93,606</b>	<b>2,41,05,94,082</b>

**Note 23**

<b>Other Income</b>	<b>For the Year ended as on 31.3.2021</b>	<b>For the Year ended as on 31.3.2020</b>
<b>Interest Income</b>		
- on FDR	95,97,098	15,10,019
- accrued on Security Deposit (EEUDD)	-	4,87,500
- Notional Interest Income-Ind AS	1,48,386	-
- on Income Tax Refund	1,24,996	-
<b>Other income</b>		
-Rental Charges	-	4,00,000
-Claim on Loss Stock	3,94,61,204	-
-Misc Income (Including Short & Excess)	27,60,400	1,04,61,338
-Foreign Exchange Gain (Net)	47,30,835	28,86,959
- Amount written off	12,81,282	-
<b>Total</b>	<b>5,81,04,201</b>	<b>1,57,45,815</b>

Note 24

Cost of Material Consumed	For the Year ended as on 31.3.2021	For the Year ended as on 31.3.2020
Raw Material Consumed	81,50,61,659	85,98,16,052
Power & Fuel Consumed	25,55,11,237	36,03,07,984
Chemicals	8,25,60,376	13,95,63,469
Stores & Consumables	9,95,17,494	21,65,32,996
<b>Total</b>	<b>1,25,26,50,766</b>	<b>1,57,62,20,502</b>

Note 25

Changes in Inventory of Finished Goods & Work In Progress	For the Year ended as on 31.3.2021	For the Year ended as on 31.3.2020
Changes in Inventory of Finished Goods	(10,09,899)	11,61,61,497
Changes in Inventory of Work in Progress	(1,99,99,944)	(10,87,737)
<b>Total</b>	<b>(2,10,09,843)</b>	<b>11,50,73,760</b>

Note 26

Employee Benefit Expense	For the Year ended as on 31.3.2021	For the Year ended as on 31.3.2020
Director's Remuneration	17,17,344	16,00,000
Salary to Staff	7,53,64,271	18,13,12,445
Wages	8,87,92,289	11,35,39,013
Bonus	49,85,440	75,23,077
Gratuity	95,57,070	90,79,684
Leave Encashment	37,30,704	39,78,777
Contribution to ESI	30,79,049	53,51,001
Contribution to EPF	90,91,540	1,53,38,316
Staff Welfare	1,45,161	1,85,633
<b>Total</b>	<b>19,64,62,868</b>	<b>33,79,07,946</b>

Note 27

Finance Cost	For the Year ended as on 31.3.2021	For the Year ended as on 31.3.2020
<b>Interest Expense</b>		
- on Financial Liability (Notional)	71,98,972	67,50,091
- Others	-	18,70,930
- on Lease liability	79,22,689	-
<b>Others</b>		
- Bank Charges	10,71,557	30,21,435
<b>Total</b>	<b>1,61,93,218</b>	<b>1,16,42,456</b>

Note 28

Depreciation & Amortisation Expense	For the Year ended as on 31.3.2021	For the Year ended as on 31.3.2020
Depreciation on Tangible Assets	15,90,49,913	15,52,15,160
Amortisation of Intangible Assets	2,03,883	1,31,186
Depreciation on Right to Use Assets	76,54,857	-
<b>Total</b>	<b>16,69,08,653</b>	<b>15,53,46,346</b>

Note 29

Other Expenses	For the Year ended as on 31.3.2021	For the Year ended as on 31.3.2020
Advertisement Expenses	16,56,372	35,68,815
Annual Custody Fees	98,866	-
Auditor Remuneration (Including Expenses)	3,10,726	3,11,100
Banquet and Decoration Expense	70,81,961	1,78,07,482
Car expenses	1,32,856	14,71,218
Cartage expenses	-	12,750
Charity & Donation	-	26,000
Cleaning supplies	2,97,433	1,53,19,903
Commission	1,92,31,087	5,83,56,027
Conveyance Expense	58,971	1,40,852
Waste Management	8,00,000	33,00,000
Electricity	2,77,06,890	5,29,43,426
EMD Forfeit A/c	-	14,87,489
Fees & Subscription (Including Detention/Handling Charges)	75,00,044	68,16,978
Fine and Penalty	1,41,000	1,24,091
Freight	3,17,48,791	3,58,13,919
Green Tax, Tax & Interest	83,036	10,93,476
Guest Supplies Expense	20,59,464	80,55,592
Insurance Charges	30,96,201	19,25,135
Internet, Computer & Telephone	23,07,410	27,66,825
Interest on TDS	62,140	3,565
Interest on GST	1,29,182	74,781
Interest on delayed payment to MSME	5,32,635	-
Ind AS adjustment for lease	4,52,102	-
Ind AS adjustment for security deposit	81,855	-
Kitchen Equipment & Fuel Expense	2,78,275	49,24,082
Labour Supply charges	5,15,297	6,73,304
Laundry & Cleaning Expenses	33,65,494	36,73,149
Legal & Professional	3,77,76,789	1,71,41,937
License fees	38,42,508	73,18,235
Loading & Unloading expenses	-	250
Medical expenses	14,97,204	7,70,501
Miscellaneous & General (Including Short & Excess)	6,02,720	1,30,50,474
Notional Interest Expense-Ind AS	-	-
Ocean Freight	1,67,770	3,80,908
Office expenses	3,99,597	1,60,340
Other hotel expenses	17,21,310	14,87,855
Upholstery and other expenses	4,38,240	35,21,284
Photocopy Expense	1,15,274	1,68,000
Postage	1,85,021	2,20,632
Rates & Taxes	47,48,689	53,83,849
Printing & Stationery	15,03,493	37,78,810
Rebate, Discount & Written off	87,260	6,66,626
Rent, Hire, Storage Charges	67,84,082	50,48,961
Repair & Maintenance Plant & Machinery & Others	3,25,43,822	2,95,22,799
ROC Expenses	49,759	-
Royalty Expenses	12,05,379	31,29,095
Sales Promotion	8,67,885	17,10,995
Sales Tax expenses (15-16)	-	2,51,500
Listing Fees	6,15,000	5,40,000
Travelling Expenses	31,937	14,90,769
Vehicle Expense	7,95,045	12,15,776
Waste Paper unloading expenses	50,31,131	89,61,648
Water Expense (Including Cess)	1,12,525	5,78,439
<b>Total</b>	<b>21,08,50,527</b>	<b>32,71,89,643</b>

Note 30

<u>Exceptional items</u>	For the Year ended as on 31.3.2021	For the Year ended as on 31.3.2020
Profit (Loss) on Sale of Assets	-	(1,09,743)
Loss of Stock Due to Fire	-	(53,46,305)
<b>Total</b>	<b>-</b>	<b>(54,56,048)</b>



# MAGNUM VENTURES LIMITED

## SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

AS ON 31<sup>ST</sup> MARCH 2021

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### NOTE- 31

#### (A) SIGNIFICANT ACCOUNTING POLICIES

##### 1. 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 & Suits 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.

##### 2. BASIS OF PREPARATION OF FINANCIAL STATEMENT

- a) The financial statements have been prepared under the historical cost convention and on the accounting principles of going concern. Accounting polices not specifically referred to otherwise are in accordance with the generally accepted accounting principles and materially comply with the mandatory Ind-AS issued by the Institute of Chartered Accountants of India.
- 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.
- c) The Company follows mercantile system of accounting and recognizes 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.

##### 3. PROPERTY PLANT AND EQUIPMENT

- a) 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 fixed assets are carried at cost less depreciation. But when an asset is scraped 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.

Advances paid towards the acquisition or construction of fixed assets and the cost of assets not put to use as at reporting date are disclosed under capital work in progress.

# MAGNUM VENTURES LIMITED

## SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

AS ON 31<sup>ST</sup> MARCH 2021

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### 4. 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.

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.

### 5. 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.

### 6. 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 I.C.A.I.

### 7. REVENUE RECOGNITION

#### a) Sales

In Paper Division, Revenue on Sale of Newsprint, Grey and Duplex Board is recognized on the basis of dispatches from factory gates.

In Hotel Division, Revenue from Banquet same is recognized when billed on completion of guest's function, Revenue from Room is recognized at the time when the guest checkout.

#### 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.

# MAGNUM VENTURES LIMITED

## SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

AS ON 31<sup>ST</sup> MARCH 2021

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c) Misc. Income

It includes sale of sludge, discarded stores and scrap and revenue is recognized on the basis of dispatches from factory gates.

8. GST

Liabilities for GST occur and accounted for as when the materials get dispatched.

9. 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.

10. TAXATION

Current tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred tax for timing difference between the book profits and tax profits is recognized using the tax rates and laws that have been enacted or substantially enacted as of the Balance Sheet date. Deferred tax assets arising from the timing differences are recognized to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

11. 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.

12. PROVISION AND CONTIGENCIES

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.

# MAGNUM VENTURES LIMITED

## SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

AS ON 31<sup>ST</sup> MARCH 2021

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### 13. 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.

### 14. RETIREMENT AND OTHER EMPLOYEE BENEFITS

#### a. Defined Contribution Plan

Retirement benefits in the form of provident fund & pension schemes whether in pursuance of law or otherwise is accounted on accrual and charged to profit and loss account of the year basis. The Company is regular in depositing these dues to the credit of appropriate authorities in due time.

#### b. Defined Benefit Plan

Employees Benefit has been recognized as required in accordance with Ind-AS 19 'Employee Benefits' on the basis of Actuarial Valuation report for the year ended 31-03-2021 as annexed to Notes to account.

Retirement benefits in the form of Gratuity is considered as defined benefit obligation and provided for on the basis of an actuarial valuation, using the projected unit credit method (PUC), as at the date of Balance Sheet.

#### c. Other long-term benefits

Leave Encashment are provided for on the basis of an actuarial valuation, using the projected unit credit method (PUC), as at the date of Balance Sheet.

Actuarial gain/losses, if any, are immediately recognized in Other Comprehensive Income

#### 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:

# MAGNUM VENTURES LIMITED

## SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

AS ON 31<sup>ST</sup> MARCH 2021

### Gratuity

Table Showing Changes in Present Value of Obligations:

Period	From 01-04-2020 To 31-03-2021		From 01-04-2019 To 31-03-2020	
	Factory	Hotel	Factory	Hotel
Present value of the obligation at the begin in go the period	2,04,82,602	1,87,69,725	1,70,88,736	1,51,18,891
Interest cost	14,33,782	13,13,881	11,96,212	10,58,322
Current service cost	34,36,900	33,72,507	34,52,955	33,72,195
Past Service Cost	0	0	0	0
Benefits paid (if any)	(10,59,531)	(4,21,242)	(20,25,208)	(8,39,187)
Actuarial (gain) / loss	(17,53,424)	(10,31,260)	7,69,907	59,504
Present value of the obligation at the end of the period	2,25,40,329	2,20,03,611	2,04,82,602	1,87,69,725

### Leave Encashment

Table Showing Changes in Present Value of Obligations:

Period	From 01-04-2020 To 31-03-2021		From 01-04-2019 To 31-03-2020	
	Factory	Hotel	Factory	Hotel
Present value of the obligation at the begin in go the period	26,65,633	84,61,236	37,39,368	70,41,422
Interest cost	1,86,594	5,92,287	2,68,756	4,92,900
Current service cost	10,09,824	19,41,999	7,31,101	24,93,020
Past Service Cost	0	0	0	0
Benefits paid (if any)	(2,33,031)	(9,32,421)	(6,39,101)	(7,63,481)
Actuarial (gain) / loss	2,06,974	(11,15,598)	(14,27,491)	(8,02,625)
Present value of the obligation at the end of the period	38,35,994	89,47,503	26,65,633	84,61,236

### 15. 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.

MAGNUM VENTURES LIMITED

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

AS ON 31<sup>ST</sup> MARCH 2021

(B) OTHER NOTES

1. CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF THE FOLLOWING:

Name of the Statute	Name of the Dues	Amount(Rs.)	Period to which the amount relate	Status / Forum where Dispute is
				Pending
DEPB Case	Redemption Case	1023246/-(Plus Penalty)	2009-10	Reply submitted to DRI (Directorate of Revenue intelligence) Delhi order not yet passed
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. Contingent Liabilities in respect for EPCG Obligation

The Company availed EPCG Scheme for import of Assets and Total Export Obligation under EPCG is USD 11102849 and Export Obligation of USD 11102849 is already fulfilled. Further redemption request submitted to DGFT of USD 10562049, DGFT already issued redemption letters for USD 4900474.82 and balance redemptions letters is expected soon.

The details of Contingent Liabilities for Balance Export obligation under EPCG is as under:

EPCG Authorization pending for redemption# as on 01/04/2020	USD 20521.46
Less Export Earning in Foreign Currency till 31.03.2021	USD 244947.00
Balance Export Obligation till 31.03.2021	USD Nil

3. REMUNERATION PAID TO AUDITORS:

Particular	Current Year	Last Year
As Statutory Auditors	2,50,000 GST 45,000	2,50,000 GST 45,000
Tax Audit Fees	50,000 GST 9,000	50,000 GST 9,000
In other matter	-	-

# MAGNUM VENTURES LIMITED

## SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

AS ON 31<sup>ST</sup> MARCH 2021

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- 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.
- Remuneration paid to the Directors of the company is as under:

Particular	Current Year	Last Year
Mr. Pradeep Kumar Jain	4,91,935	8,00,000
Mr. Abhey Jain	4,91,009	8,00,000
Mr. S. P. Chaturvedi	7,34,400	7,34,400

### 6. INCREASE IN AUTHORISED CAPITAL

During the year there is no increase in authorized capital of the company

### 7. TRADE RECEIVABLES

Trade Receivables amounts to Rs. 6,076.83 lakhs, out of which trade receivables amounting to Rs. 2,641.73 lakhs are outstanding for more than six months.

Trade receivable amounting to Rs 60.21 lakhs are under litigation out of which Rs. 2.45 lakhs has been received during the year.

- Additional information (Being technical matter and valued and certified by the management and auditors have relied upon the same)

### PAPER DIVISION

- 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	41,052	51,262

MAGNUM VENTURES LIMITED

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

AS ON 31<sup>ST</sup> MARCH 2021

II) Turnover, Closing & Opening Stock of Finished Goods

PAPER DIVISION

S. No	Particular	Qty(Kgs)		Amount In Rs.	
		Current Year	Last Year	Current Year	Last Year
(a)	Opening Stock	11,81,524	43,22,350	3,77,79,580	15,24,18,792
(b)	Closing Stock	10,28,551	11,81,524	3,87,89,479	3,77,79,580
(c)	Sale (Including Captive use)	4,12,04,973	5,32,88,568	1,49,81,05,016	1,83,86,09,873

Sale qty includes 36030 kg wrapper of captive use.

HOTEL DIVISION

S. No	Particular	Qty(Kgs)		Amount In Rs.	
		Current Year	Last Year	Current Year	Last Year
(a)	Opening Stock	NA	NA	44,24,814	2,89,59,705
(b)	Closing Stock	NA	NA	49,89,523	44,24,814
(c)	Sale	NA	NA	24,06,96,138	56,79,64,061

III) Information in regard to raw material, Stores & Chemical Consumed:

PAPER DIVISION

S. No	Particular	Qty (Kgs)		Amount In Rs.	
		Current Year	Last Year	Current Year	Last Year
(a)	Raw Material	5,14,74,858	6,92,70,567	815061659	85,98,16,052
(b)	Chemical	-	-	82560376	13,95,63,468
(c)	Stores	-	-	56631329	6,01,53,882
(d)	Power & Fuel	-	-	255511236	36,03,07,981



MAGNUM VENTURES LIMITED

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

AS ON 31<sup>ST</sup> MARCH 2021

Value & percentage of imported & indigenous raw material and stores & chemicals consumed:

Particular	Value (Rs)		In %	
	Current Year	Last Year	Current Year	Last Year
Imported Raw Material	38,00,25,757	49,99,97,605	46.63	58.15
Indigenous Raw Material	43,50,35,902	35,98,18,447	53.37	41.85
Imported Stores & Chemical	0	3,63,78,045	0	18.21
Indigenous Stores & Chemical	13,91,91,705	16,33,39,305	100	81.79

IV) Information in regard to Foreign Currency Transactions

a) C.I.F. VALUE OF IMPORTS:

PAPER DIVISION

Particular	Current Year (Rs)	Last Year (Rs)
Raw Material	40,82,82,866	62,61,52,192
Chemical & Consumable Spare Parts & Machines	74,27,785	2,64,97,738

HOTEL DIVISION

Particular	Current Year (Rs)	Last Year (Rs)
Consumables and Machines	Nil	Nil

b) EXPENSES INCURRED IN FOREIGN CURRENCY:

Particular	Current Year (Rs)	Last Year (Rs)
Paper Division	Nil	Nil
Hotel Division	Nil	14,06,602/-(\$19571.47)

MAGNUM VENTURES LIMITED

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

AS ON 31<sup>ST</sup> MARCH 2021

Particular	Current Year		Last Year	
	Rs.	FC	Rs.	FC
Paper Division	9427083	USD 128277.00	194,14,248.70	USD270417.25
Hotel Division	8379334	USD 116670.39	1,19,16,089.00	USD170585.00

9. 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 transactions with related parties as required by IND AS 24 issued by The Institute of Chartered Accountants of India

Sl. No.	Particulars	Key Management personnel	Relative of key management personnel
1	Loan Outstanding as on 31.03.2021	21,51,64,404	-
2	Unsecured loan from Directors		
	Mr. Abhey Jain	55,00,000	-
	Mr. Praveen Kumar Jain	18,91,23,904	-
	Mr. Pradeep Kumar Jain	2,05,40,500	-
3	Remuneration of Directors		
	Mr. Pradeep Kumar Jain	4,91,935	-
	Mr. Abhey Jain	4,91,009	
	Mr. S. P. Chaturvedi	7,34,400	
4	Remuneration of company secretary		
	Mohit Kumar Goel	5,94,000	-

MAGNUM VENTURES LIMITED

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

AS ON 31<sup>ST</sup> MARCH 2021

5	Salary to Other Key Management Personnel & Relatives		
	Mr. Rishabh Jain	-	4,91,935
	Mr. Ritesh Jain	-	4,91,935
	Mr. Parv Jain	4,92,258	
	Mr. Shrenik Jain	-	4,92,096
	Mr. Ujjwal Jain	-	5,51,616
	Mrs. Rita Jain	-	4,91,935
	Mrs. Veena Jain	-	4,91,786
	Mrs. Mehak Jain	-	4,91,935
	Mrs. Asha Jain	-	4,91,348
	Mrs. Parul Jain	-	4,91,935
	Mr. Paras Jain	-	4,92,096
	Mrs. Parul Jain	-	4,80,000
	Mrs. Meenal Jain	-	4,91,935
	Mr. Akhil Jain	-	5,28,000
	Mrs. Monika Jain	-	4,91,935
	Mrs. Saroj Jain		6,00,000
6	Professional Consultancy		
	Mr. Vinod Kumar Jain	-	4,90,000
	Mr. Pramod Jain		4,90,000
7	Purchase from Johri Mal Kamal Kishore	-	460152
8	Rent		
	Sashi Jain		3,90,000
	Sumit Jain		3,90,000
	Sashank Jain		3,90,000
	Neeru Jain		3,90,000

Note: One of The Director (Mr. Praveen Kumar Jain) has given Interest Free Unsecured Loan to the Company.

MAGNUM VENTURES LIMITED

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

AS ON 31<sup>ST</sup> MARCH 2021

**Names of the related parties and descriptions of relationships**

S.No	Relation	Name of the Person
1	Key Management Personnel	Mr. Pradeep Kumar Jain Mr. Praveen Kumar Jain Mr. Abhey Jain Mr. Subhash Chand Oswal Mr. S. P. Chaturvedi Mr. Mohit Kumar Goel (Company Secretary) Mr. Parv Jain Ms. Jyoti Mr. KrishanGopal Sharma
2	Relatives of key Management Personnel	<p>Brother of Director Mr. Vinod Kumar Jain Mr. Parmod Kumar Jain Wife of Director Mrs. Veena Jain Mrs. Rita Jain Mrs. Asha Jain Mrs. Monika Jain</p> <p>Son of Director Mr. Rishabh Jain Mr. Ritesh Jain Mr. Ujjwal Jain Mr. Shrenik Jain Mr. Paras Jain</p> <p>Daughter in law of Director Mrs. Meenal Jain Mrs. Mahek Jain Mrs. Parul Jain Mrs Neeru jain</p> <p>Sister of Director MrsSaroj Jain Mrs.Sashi Jain</p> <p>Nephew SumitJain Sashank Jain</p> <p>Firm of Brother in Law of Director Johri Mal Kamal Kishore</p>

# MAGNUM VENTURES LIMITED

## SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

AS ON 31<sup>ST</sup> MARCH 2021

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### 10. 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 2021 has been made based on the information available with the Company and interest amounting to Rs.5,32,635 is computed in regards to the delayed payment to be made over and above 45 days.

### 11. 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

The Company has complied with Ind AS-116 – Leases as notified by the Ministry of Corporate Affairs (MCA) for the first time during the year using the modified retrospective method and has taken the cumulative adjustment to Reserves.

### 12. 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 preference shares amounting to Rs. 25 crores are re-classified as financial liability amounting to Rs. 10.8 crores and balancing adjustment has been made through reserves named as Reserve for Preference Shares.

# MAGNUM VENTURES LIMITED

## SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

AS ON 31<sup>ST</sup> MARCH 2021

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### 13. DEFERRED TAX LIABILITY

As per IND AS-12 Deferred tax for timing difference between the book profits and tax profits is recognized using the tax rates and laws that have been enacted or substantially enacted as of the balance sheet date. Deferred tax assets arising from the timing differences are recognized to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The Deferred tax liability/asset has been reinstated for the previous year to the correct value.

### 14. 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.

### 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

Particulars	Paper Division	Hotel Division	Total
Segment wise Revenue			
External Revenue 2021	15,806	2,435	18,241
2020	18,495	5,768	24,263
Segment wise Results <i>after exceptional Items</i>			
Segment Result 2021	419	238	181
2020	(-)548	(-)361	(-)909
Segment wise Assets			
2021	31,598	(-)88	31,510
2020	28,707	403	29,110
Segment wise Liabilities			
2021	24,206	12,977	37,183
2020	20,237	13,247	33,484

Geographical Segment

No Geographical segment reporting is required as per the IND AS 108 issued by the Institute of Chartered Accountants of India.

# MAGNUM VENTURES LIMITED

## SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

AS ON 31<sup>ST</sup> MARCH 2021

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16. The previous lenders of the Company (as mentioned below) have assigned all the rights, title and interests in the entire outstanding dues owed by the Company in favour of M/s Alchemist Asset Reconstruction Company Limited (AARC) together with all the underlying securities and guarantees, in favour of AARC vide Assignment Agreements. Accordingly, AARC has become the secured lender and all the rights, title and interests of Assignors have vested in AARC in respect of the above financial assistances.

(Rs. In Lacs)

S.No.	Name of the Lenders	Amount O/s	Assignment Agreement Date
1	Oriental Bank of Commerce	5221.49	28-12-2015
2	Allahabad Bank	2510.19	30-12-2015
3	Punjab National Bank	8668.75	30-12-2016
4	Indian Overseas Bank	3272.62	30-03-2017
5	Syndicate Bank	6865.36	26-09-2017

- a. M/s Alchemist Asset Reconstruction Company Limited (AARC) sanctioned the settlement/re-structuring proposal on 31.03.2018. The Company is making monthly payment regularly except the repayment due of March 2020, September 2020 and March 2021 due to Covid-19 impact on the business.
17. All the Lenders of the Company (Except Vijaya Bank) constituting Approx 91% of the Term Loan and 100% of Working Capital Limits had assigned their debts owed by the Company in favour of M/s Alchemist Asset Reconstruction Company Limited (AARC) as mentioned in clause 16 above.
18. In Case of Vijaya Bank (Now Bank of Baroda), Vijaya Bank had sanctioned the OTS with additional stipulation of charging interest and adjust the No Lien FDR of Rs. 300 Lacs plus accumulated interest without acceptance of OTS Proposal by the Company. The Company had requested to remove the additional stipulation of charging interest and filed the Writ in Hon'ble Delhi High Court for refund the No Lien FDR. The Hon'ble Delhi High Court passed the order in favour of the Company to re-state the amount adjusted as No Lien FDR. This case is pending before Hon'ble Delhi High Court.

Subsequently The Company and Vijaya Bank agreed for revised OTS and Company deposited Additional Rs. 200 Lacs in No Lien FDR to show the genuineness of the Company to sanction the revised OTS without any additional stipulation of Interest. The Revised OTS is under consideration at Vijaya Bank (Now Bank of Baroda).

### 19. PLEDGING OF SHARES

Presently the promoters of company has pledged the shares in favour of Lenders/AARC to the Company as Security to the tune of 70% of their shareholding in the Company.

# MAGNUM VENTURES LIMITED

## SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

AS ON 31<sup>ST</sup> MARCH 2021

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### 20. Note to Schedule III of the Balance Sheet (Security for the Term Loans & Working Capital)

#### Paper Division

a	Working Capital Limit	First charge by way of hypothecation of raw materials, stock in process, finished goods, receivables & other current assets of the Paper Division ranking pari-passu basis with the consortium members AARC (on behalf of OBC, PNB, SYB, IOB & Allahabad Bank) &Vijaya Bank.
b	Term Loan	First charge on the entire fixed assets of the Paper Division present &future (Excluding PCC) ranking on pari-passu basis consortium members AARC (on behalf of OBC, PNB, SYB, IOB & Allahabad Bank) &Vijaya Bank.

#### Hotel Division

a	Term Loan	First charge on present/future blocks assets of Hotel division ranking pari-passu with other lenders of the project consortium members AARC (on behalf of OBC, PNB, SYB, IOB & Allahabad Bank) &Vijaya Bank.
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#### Collateral

a	Working capital facilities shall be collaterally secured by way of Second Charge on entire fixed assets (present & future) of the company on pari-passu basis with consortium members AARC (on behalf of OBC, PNB, SYB, IOB & Allahabad Bank) &Vijaya Bank.. First charge against these assets shall continue with term lending banks.
b	Term loan facilities shall be collaterally secured by way of Second Charge on entire current assets (present & future) of the company on pari-passu basis with consortium members AARC (on behalf of OBC, PNB, SYB, IOB & Allahabad Bank) &Vijaya Bank. First charge against these assets shall continue with working capital lender banks.

21. The Company had filed a case against Shree Laxmipati Balajee (Trader) for recovery of one Crore before the Honb'le District Court Ghaziabad, Uttar Pradesh u/s 138 of Negotiable Instrument Act, 1881.

22. The registered office of the Company has been changed from Street No.3 Ansari Road Office No.205, 2<sup>nd</sup> Floor Building no. 4326, Darya Ganj, Delhi to Hno-Mn01, Hub and Oak E-14, Lower Ground Floor, Defence Colony, New Delhi-110024 with effect from June 25, 2021.



MAGNUM VENTURES LIMITED

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

AS ON 31<sup>ST</sup> MARCH 2021

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23. Previous year figure have 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 15 and Other Note 1 to 22 form an integral part of the Balance Sheet as at 31<sup>st</sup> March 2021 and has been authenticated as such.

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As per our report of even date

**For: Aggarwal & Rampal**

Chartered Accountants

F.R. No 003072N

Sd/-

**Praveen Kumar Rampal**

Partner

Membership No: 082226

UDIN: 21082226AAAAAK6096

For and on behalf of the Board of Directors

Sd/-

**(Mr. Pradeep Kumar Jain)**

Managing Director

DIN : 00024879

Sd/:

**(Mr. Abhey Jain)**

Whole Time Director

DIN: 01876385

Sd/-

**(Mr. Parv Jain)**

(Chief Financial Officer)

Sd/-

**Mr. Mohit Kumar Goel**

(Company Secretary)

M.No. A 44288

Place : New Delhi

Date: 29.06.2021

*If Undelivered please return to:*

**MAGNUM VENTURES LIMITED**

Corp. Office: 18/41, Site-IV,  
Industrial Area, Sahibabad,  
Ghaziabad, Uttar Pradesh 201010