

**MAGNUM VENTURES LIMITED**

(CIN: L21093DL1980PLC010492)

**38<sup>th</sup> ANNUAL REPORT – 2018**

**BOARD OF DIRECTORS**

<b>Pradeep Kumar Jain</b>	<i>Managing Director</i>
<b>Abhey Jain</b>	<i>Whole-time Director</i>
<b>Parmod Kumar Jain</b>	<i>Director</i>
<b>Praveen Kumar Jain</b>	<i>Director</i>
<b>Subash Chand Oswal</b>	<i>Independent Director</i>
<b>Rakesh Garg</b>	<i>Independent Director</i>
<b>Krishan Gopal Sharma</b>	<i>Independent Director</i>
<b>Shiv Pravesh Chaturvedi</b>	<i>Director</i>
<b>Neha Gupta</b>	<i>Director</i>

<p><b><u>Company Secretary and Compliance Officer</u></b> Ms. Neha Gupta 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. Sushil Kumar Verma Mob: 9810276110 Email id: <a href="mailto:magnumventures@gmail.com">magnumventures@gmail.com</a></p>	<p><b><u>Registered Office</u></b> Off No. 205, 2<sup>nd</sup> Floor, Building No. 4326 Street No. 3, Ansari Road Darya Ganj Delhi-110002 Ph. No. 011-23264503/ 23261179</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> 18/31, 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, T II/206, Gulmohar Enclave, Nehru Nagar-II Ghaziabad, U.P.</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: info@masserv.com Contact Person: Mr. Shrawan Mangla</p>

<b><u>Sl. No.</u></b>	<b><u>Contents</u></b>	<b><u>Page No.</u></b>
1.	Notice	3-9
2.	Director's Report	10-23
3.	Report on Energy Conservation	24-25
4.	Particulars of Remuneration	26-28
5.	AOC-2	29-32
6.	Report on Corporate Governance	33-44
7.	CEO/CFO Certification	45
8.	Compliance Certificate on Corporate Governance	46
9.	Secretarial Audit Report	47-51
10.	Management Discussion & Analysis	52-56
11.	Auditors Report	57-65
12.	Balance Sheet	66
13.	Profit and Loss Account	67
14.	Cash Flow Statement	68-69
15.	Notes to Accounts	70-96
16.	Route Map	97
17.	Attendance Slip	98
18.	Proxy Form	99

**NOTICE**

**Notice** is hereby given that the **38<sup>th</sup> Annual General Meeting** ('AGM') of the Members of the Company will be held on **Saturday, 22<sup>nd</sup> September, 2018 at 11:00 A.M.** at **Galib Institute, AIWAN-E GALIB MARG, New Delhi-110002** to transact the following businesses:

---

**Ordinary Business:**

1. To receive, consider and adopt the Audited Balance Sheet of the Company as on 31<sup>st</sup> March, 2018 and Statement of Profit and Loss for the year ended on that date together with the Reports of the Auditors and Directors thereon.
2. To appoint a Director, in place of Mr. Parmod Kumar Jain (DIN: 01222952) Director of the Company, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint a Director, in place of Ms. Neha Gupta (DIN: 07700094), Woman Director of the Company, who retires by rotation and, being eligible, offers herself for re-appointment.
4. To appoint M/s Aggarwal & Rampal, Chartered Accountants (FRN: 003072N) as Statutory Auditors of the Company, who shall hold office from the conclusion of 38<sup>th</sup> Annual General Meeting until the conclusion of 43<sup>rd</sup> Annual General Meeting and authorize Board of Directors' fix their remuneration.

**“RESOLVED THAT** pursuant to the provisions of Sections 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013, the appointment of M/s. Aggarwal & Rampal, (Firm Registration No. 003072N), Chartered Accountants, as the Statutory Auditors of the Company be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of 38<sup>th</sup> Annual General Meeting (AGM) till the conclusion of 43<sup>rd</sup> Annual General Meeting to be held in the year 2023, and the remuneration shall be decided by the Board of Directors, on recommendation of Audit Committee, including reimbursement of travelling and out of pocket expenses incurred by the Auditors for the purpose of audit.”

**Special Business:**

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

**“RESOLVED THAT** pursuant to Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration of Rs. 1,00,000/- (Rupees One Lac Only), inclusive of all expenses, of M/s V.K. Dube & Co. (FRN: 000343) for auditing the Company's cost accounting records for the Financial Year 2018-19, as recommended by the Audit Committee and approved by the Board of Directors be and is hereby ratified.”

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

**“RESOLVED THAT** pursuant to the provisions of Sections 190, 196, 197 and 203 and any other applicable provisions of the Companies Act, 2013 (“the Act”) and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Act, consent of the members be and is hereby accorded for the re-appointment of Mr. Pradeep Kumar Jain (DIN 00024879) as Managing Director of the Company for a period of five (5) years commencing from February 4, 2019, on the terms and conditions of appointment and remuneration as follows:

**Remuneration:**

The remuneration payable to Mr. Pradeep Kumar Jain, in any financial year, shall not exceed five (5) per cent of the net profits of the Company and the overall remuneration payable to all Executive Directors including the Whole

Time Director, in any financial year, shall not exceed ten (10) per cent of the net profits of the Company. In any financial year, during the tenure of Mr. Pradeep Kumar Jain, if the Company has no profits or its profits are inadequate, then Mr. Pradeep Kumar Jain will be paid in accordance with the provisions of Schedule V of the Act.

Within the aforesaid ceiling, the remuneration payable to Mr. Pradeep Kumar Jain shall be as follows:

Mr. Pradeep Kumar Jain is entitled for remuneration of Rs. 80,000/- (Rupees Eighty Thousand Only) per month, including allowances and perquisites, which may be increased with the approval of Board up to Rs. 1,00,000/- (Rupees One Lac Only).

**Other Terms & Conditions**

- a. Mr. Pradeep Kumar Jain is appointed as Managing Director of the Company for a period of Five (5) years with effect from 04<sup>th</sup> February, 2019.
- b. As Managing Director, Mr. Pradeep Kumar Jain shall be entrusted with substantial powers of management of affairs of the Company and shall also perform such functions and duties as may be decided by the Board.
- c. Mr. Pradeep Kumar Jain shall be subject to the superintendence, control and directions of the Board.
- d. Mr. Pradeep Kumar Jain shall work on whole-time basis for the Company and shall act diligently and to the best of his abilities in the discharge of his duties and shall not, directly or indirectly, engage himself in any other business, occupation or employment without the prior approval of the Board.
- e. Mr. Pradeep Kumar Jain shall, whenever required by the Board, undertake to travel in India or abroad and elsewhere towards the performance of his duties.
- f. The Board may re-allocate / re-designate the duties and responsibilities of Mr. Pradeep Kumar Jain.
- g. Mr. Pradeep Kumar Jain shall not during his tenure or thereafter divulge or disclose to any person whomsoever or make any use whatsoever for his own purpose or for any purpose other than that of the Company, any confidential information or knowledge obtained by his during his employment as to the business or affairs of the Company or its methods or as to any trade secrets or secret processes of the Company and Mr. Jain shall during the continuance of his employment with the Company also use his best endeavors to prevent any other person from doing so PROVIDED HOWEVER that any such divulgence or disclosure to officers and employees of the Company on a need-to-know basis with suitable caution as to confidentiality shall not be deemed to be a contravention of this clause.
- h. He shall not accept the directorship in any other company (ies), except with the prior approval of the Board.
- i. Either party shall be entitled to terminate this employment by giving not less than three months" notice in writing in that behalf to the other party without the necessity of showing any cause (hereinafter referred to as "Termination by Mutual Consent"). On the expiry of the period of such notice, this employment shall be stand terminated.

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

Sd/-

**PRADEEP KUMAR JAIN**  
Managing Director  
DIN: 00024879

Date : 13<sup>th</sup> August 2018  
Place : Delhi

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

**Note:**

***1. A Member entitled to attend and vote at the 38<sup>th</sup> Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.***

2. Members/ Proxies should bring duly filled attendance slips attached herewith for attending the meeting.

3. The Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the special business set out under the notice is annexed hereto.

4. The Register of Members and Transfer Books of the Company will remained closed from Sunday, September 16, 2018 to Saturday, September 22, 2018, both days inclusive, for the purpose of 38<sup>th</sup> Annual General Meeting.

5. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact to RTA of the Company for assistance in this regard.

6. You are aware that the provisions of Companies Act, 2013 have been made effective. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules issued thereunder, Companies can serve Annual Reports and other communications through electronic mode to those shareholders who have registered their email address either with the Company or with the Depository.

It is a welcome move for the society at large, as this will reduce paper consumption to a great extent and allow shareholders to contribute towards a greener environment. This is a golden opportunity for every shareholder of Magnum Ventures Limited to contribute to the cause of Green Initiative.

We therefore invite all our shareholders to contribute to the cause by filling up the form to receive communication from the Company in electronic mode. You can download the Email Registration Form from the website of the Company [www.magnumventures.com](http://www.magnumventures.com).

7. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

8. Members seeking any information with regard to the Accounts are requested to write at least 7 (Seven) days before the date of meeting so that it may be convenient to get the information ready at the meeting.

9. Route map of the venue of the meeting is attached herewith.

10. Electronic copy of the Notice of the 38<sup>th</sup> Annual General Meeting of the Company *inter-alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/ RTA/ Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 38<sup>th</sup> Annual General Meeting of the Company *inter-alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

11. The procedure and instructions for e-voting as given in the Notice of the 38<sup>th</sup> Annual General Meeting are again reproduced hereunder for easy reference:

**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 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

**Step 2 : Cast your vote electronically on NSDL e-Voting system.**

Details on Step 1 is mentioned below:

**How to Log-into 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 ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password 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.nsdl.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. Enter User ID as given overleaf
5. Your password details 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 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, your ‘initial password’ is communicated to you on your postal address.
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.
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.

**Details on Step 2 is given below:**

**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. 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.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**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.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

- A. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- B. A person, whose name is 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 voting at the AGM through ballot paper.
- C. Mr. Vijay Kumar Sharma, Practicing Company Secretary (Membership No. CS-32547 & CP No. 12387), of M/s. Munish K. Sharma & Associates, Company Secretaries has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- D. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Ballot Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- E. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated 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.
- F. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.magnumventures.com](http://www.magnumventures.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing and The results shall, simultaneously, be forwarded to NSE & BSE which shall place the results on their website.

12. Members may also note that the Notice of the 38<sup>th</sup> Annual General Meeting and the Annual Report for Financial Year ended 31<sup>st</sup> March, 2018 shall also be available on the Company’s website [www.magnumventures.com](http://www.magnumventures.com) for their download. The physical copies of the aforesaid documents will also be available at the Company’s Registered Office at New Delhi for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost.



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

**Item No. 5**

M/s V.K. Dube & Co., Cost Accountants (FRN: 000343) has been appointed as Cost Auditors of the Company by the Board in its meeting dated 13<sup>th</sup> August, 2018 to audit the cost records of the Company at a remuneration of Rs. 1,00,000/- (Rupees One Lac Only). Further, Rule 14 of the Companies (Audit and Auditors) Rule, 2014 remuneration of the Cost Auditors requires the ratification of the shareholders.

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.

**Item No. 6**

Mr. Pradeep Kumar Jain was appointed as Managing Director of the Company for a period of 3 years with effect from 4<sup>th</sup> February, 2016 and his terms, as Managing Director, shall expire on 3<sup>rd</sup> February, 2019.

The Board of Directors of the Company in its meeting held on 13<sup>th</sup> August, 2018, subject to the approval of the members, approved the re-appointment of Mr. Pradeep Kumar Jain as Managing Director of the Company for a period of 5 years commencing from February 4, 2019.

Mr. Pradeep Kumar Jain is entitled for remuneration within the permissible limits specified by the Act and is commensurate with his responsibilities of heading a Company of this size with its diversified business operations.

The draft terms and conditions of appointment of Mr. Jain are open for inspection at the Registered Office of the Company between 11.00 a.m. to 1.00 p.m. on all days except Saturdays, Sundays and holidays, until the date of the Annual General Meeting or any adjournment thereof. An Ordinary Resolution in terms as set out in Item No. 6 of the accompanying Notice is placed before the members in the Meeting for approval.

**DIRECTORS' REPORT**

**Dear Members,**

Your Directors have pleasure in presenting the 38<sup>th</sup> Annual Report on business and operations along with Audited Annual Accounts for the Financial Year ended 31<sup>st</sup> March, 2018. The financial highlights for the year under review are given below:

**FINANCIAL HIGHLIGHTS**

*(Amount Rs. in lacs)*

Particulars	Financial Year ended 31st March, 2018	Financial Year ended 31st March, 2017
Total Income	25,734.68	21,551.11
Total Expenditure	25,593.02	24,185.03
Profit /(Loss) Before Tax	141.66	-2633.92
Effect of Extra Ordinary Item	-46.95	12,949.81
Provision for tax	0.00	0.00
Current Tax	18.05	0.00
Deferred Tax	0.00	0.00
Profit/(Loss) After Tax	76.65	10,315.88
Balance b/ f from Last Year	-12,271.19	-22,587.09
Effect due to application of Schedule II	0.0	0.00
Balance Carried to Balance Sheet	76.66	10,315.88
Transfer to Reserve	0.00	0.00
Paid-up Share Capital		
Equity Shares	3,760.19	3,760.19
Preference Shares	2,500.00	2,500.00
Reserves and Surplus (excluding revaluation reserve)	-8326.72	-8403.38
Earnings Per Share	<b>0.20</b>	<b>27.43</b>

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

### **Year in Retrospect**

During the year under review, total income of the Company was Rs. 25,734.68 Lacs as against Rs. 21,551.11 Lacs in the previous year reflecting Y-O-Y Profit of 16.26%. During the current reporting period, the Company's Profit before tax for the year ended 31<sup>st</sup> March, 2018 was Rs. 141.66 Lacs against the last year Loss after tax of Rs. (2633.92) Lacs.

This year your Company has earned a profit, though small. But, in view of conservation of financial resources of the Company, your Directors do not recommend any dividend for the financial year under review.

The Board does not recommend transferring of any amount to the general reserve.

### **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. Demand has been increased by reason of increase in the volume of packaged material by consumers.
2. As the plastic bags are hazardous for environment, hence, demand of Paper Board has also been increased.
3. Almost manufacturing are based on orders/ demands, hence, the risk of spoilage are less.
4. Less expenditure on stock/ inventory management.

#### **Benefits of Manufacturing Newsprints**

1. Demand for Newsprints paper is increased.
2. The realization of payment is better with less risk of bad debts.
3. Final Product is exempt from Excise Duty.

The Detail of Paper Board & Newsprints manufacture and sale during the Fiscal year 2017-18 and 2016-17 are as under:

<b>Particular</b>	<b>2017-18</b>	<b>2016-17</b>
Production	65,897 (In MT)	65,800 (In MT)
Sale	6,57,48,372 (In Kgs)	6,57,09,607 (In Kgs)

#### **Hotel Division**

The Hotel Division started its operation w. e. f. 15-02-2009 under the Brand "Country Inn & Suites" and has applied for "FIVE STAR" category dated 31<sup>st</sup> May, 2018 with 216 Rooms. Due to increased room inventory and heavy competition in Delhi NCR; the Average Room Revenue has steeply decreased and resulting low EBITDA margin in Hotel Division.

## **DIVIDEND**

This year your Company has earned a profit, though small. But, in view of conservation of financial resources of the Company, your Directors do not recommend any dividend for the financial year ended 31<sup>st</sup> March, 2018.

## **DIRECTORS AND KMPs**

In accordance with the provisions of the Companies Act, 2013 and the Company's Articles of Association, Mr. Parmod Kumar Jain and Ms. Neha Gupta, Directors are liable to retire by rotation and being eligible offer themselves for re-appointment.

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

### **Appointment/ Resignation of Independent Directors**

Mr. Krishan Gopal Sharma was appointed as an Independent Director of the Company in its 37<sup>th</sup> Annual General Meeting dated 20<sup>th</sup> day of September, 2017 pursuant to provisions of the Companies Act, 2013.

### **Regularisation of Additional Director**

Ms. Neha Gupta, who was appointed as Additional Director of the Company w.e.f. 14<sup>th</sup> January, 2017 pursuant to the provisions of the Companies Act has been regularized in the 37<sup>th</sup> Annual General Meeting dated 20<sup>th</sup> day of September, 2017 by the shareholders of the Company.

### **Renewal/ Re-appointment of term of Whole Time Director**

Pursuant to the provisions of Section 190, 196, 197 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder Mr. Abhey Jain was re-appointed as Whole time Director of the Company for the terms of 5 years w.e.f. 10.12.2017. His appointment has been approved by the shareholders in the 37<sup>th</sup> Annual General Meeting dated 20<sup>th</sup> day of September, 2017.

### **Declaration by Independent Directors**

The Independent Directors have submitted their disclosures to the Board confirming that they fulfill all the requirements to qualify for their appointment as Independent Director under the provisions of the Companies Act, 2013 and as per SEBI (LODR) Regulations, 2015.

### **Board Evaluation**

The Board of Directors has carried out an annual evaluation of performance of the Board, 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, 2018 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**

During the Financial Year 2017-18 Company assigned all the rights, title and interests and the entire outstanding dues owed by the company in favour of Alchemist Asset Reconstruction Company Limited (AARC) together with all the underlying securities and guarantees, in favour of AARC and the Board has noted in its meeting dated 31<sup>st</sup> March 2018.

### **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, 2018.

### **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 comprised of Independent Directors namely Mr. Subash Chand Oswal (Chairman) and Mr. Rakesh Garg (Member) and Mr. Praveen Kumar Jain (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 comprised of Independent Directors and Non- Executive Director namely Mr. Subash Chand Oswal (Chairman), Mr. Rakesh Garg (Member) and Mr. Praveen Kumar Jain (Member).

Thereafter, the Nomination and Remuneration Committee reconstituted dated 29<sup>th</sup> May, 2017 and comprised of Mr. Rakesh Garg (Chairman), Mr. Subash Chand Oswal (Member) and Mr. Praveen Kumar Jain (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)”.

### **STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Stakeholders Relationship Committee comprised of Independent Directors and Non- Executive Directors namely Mr. Subash Chand Oswal (Chairman), Mr. Rakesh Garg (Member) and Mr. Praveen Kumar Jain (Member). All the recommendations made by the Stakeholders Relationship Committee were accepted by the Board.

### **MEETINGS OF THE BOARD**

The Board of Directors met at Twelve times on 26<sup>th</sup> April 2017, 29<sup>th</sup> May 2017, 10<sup>th</sup> July 2017, 14<sup>th</sup> August 2017, 21<sup>st</sup> August 2017, 27<sup>th</sup> September 2017, 10<sup>th</sup> November, 2017, 14<sup>th</sup> December, 2017, 10<sup>th</sup> January 2018, 09<sup>th</sup> February 2018, 20<sup>th</sup> March 2018 and 31<sup>st</sup> March, 2018 during the Financial Year 2017-18, Further company also had a meeting of Independent Directors dated 31<sup>st</sup> March, 2018.

### **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 Audit Committee has granted omnibus approval for Related Party Transactions as per the provisions and restrictions contained in the Listing Agreement.

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). In the opinion of the Board, there is no risk which may threaten the existence of the Company.

### **INTERNAL FINANCIAL CONTROL**

Please refer report on Internal Financial control, which forms the part of Auditors’ Report in Annexure-B.

### **CORPORATE GOVERNANCE**

We believe that good and effective Corporate Governance is more of an organizational culture than a mere adherence to rules. Laws alone cannot bring changes and transformation and voluntary compliance both in form and in substance plays an important role in developing system of good Corporate Governance.

Good Corporate Governance and Risk Management frameworks put in place over the years ensure a value-driven approach, sound business practices, fundamentally strong control environment, strong information systems, effective early warning mechanisms and real-time response system.

The Company is in compliance of all mandatory requirement of Corporate Governance as stipulated under SEBI (LODR) Regulations, 2015 with the Stock Exchanges. For the year ended March 31, 2018, the compliance status is provided in the Corporate Governance section of the Annual Report. A Certificate issued by CS Munish 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, 2016 to March 31, 2018 is annexed in **Annexure –IV**.

### **AUDITORS AND AUDITORS’ REPORT**

#### **Statutory Auditors**

In the 38<sup>th</sup> Annual General Meeting and on the Approval of the Shareholders M/s Aggarwal & Rampal, Chartered Accountants (FRN: 003072N), to be re-appointed as Statutory Auditors of the Company to hold office till the conclusion of the 43<sup>rd</sup> Annual General Meeting to be held in year 2023. The name of M/s Aggarwal & Rampal, Chartered Accountants(FRN: 003072N),was proposed in the Board Meeting held on 13<sup>th</sup>August, 2018 to be re-appointed as the Statutory Auditors of the Company for next five years.

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:**

**In Audit Report**

1. *Due to default in repayment of borrowing the following banks have assigned all the rights, title and interests in the entire outstanding dues owed by the Company in favor of M/s Alchemist Asset Reconstruction Company Limited (AARC) together with all the underlying securities and guarantees on following dates:*

*(Rs. In Lacs)*

<i>Name of the Lenders</i>	<i>Principal Amount O/s</i>	<i>Assignment Date</i>
<i>Oriental Bank of Commerce</i>	<i>5221.49</i>	<i>28-12-2015</i>
<i>Allahabad Bank</i>	<i>2510.19</i>	<i>30-12-2015</i>
<i>Punjab National Bank</i>	<i>8668.75</i>	<i>30-12-2016</i>
<i>Indian Overseas Bank</i>	<i>3272.62</i>	<i>30-03-2017</i>
<i>Syndicate Bank</i>	<i>6865.36</i>	<i>26-09-2017</i>

*The company vide agreement dated March 31, 2018 has provided acceptance to pay the dues as per the repayment schedule mentioned in the agreement and has also agreed to provide Non-convertible Debentures (NCDs)# to AARC as mentioned below:*

*(Rs. In Lacs)*

<i>Name of the Lenders</i>	<i>NCD Amount</i>	<i>To be issued on or Before</i>
<i>Oriental Bank of Commerce</i>	<i>1850</i>	<i>26-12-2023</i>
<i>Allahabad Bank</i>	<i>750</i>	<i>28-12-2023</i>
<i>Punjab National Bank</i>	<i>3500</i>	<i>31-12-2025</i>
<i>Indian Overseas Bank</i>	<i>1400</i>	<i>28-03-2025</i>
<i>Syndicate Bank</i>	<i>5800</i>	<i>24-09-2025</i>

*# The NCDs are yet to be provided by the company.*

2. *Debtors including Rs. 3124 lacs which are due for more than 6 months out of which debtors of Rs. 7.65 lacs are under litigation.*
3. *During the year the company has paid Rs. 142.67 lacs in its paper division as Commission for sale of its products. However there is no formal agreement between the company and the parties to whom the commission has been paid.*
4. *Balances of Debtors & Creditors are subject to confirmation and reconciliation consequential effect (if any) on the Financial Statement remains unascertained.*

**In CARO**

- i. *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).*

**In Report on Internal Financial Control:**

- i. *In our opinion and according to the information and explanation given to us, the Company has internal control system to commensurate with the size of company and the nature of its business. It is required to be further strengthened.*

**Directors Response**

**In Audit Report**

1. The Company availed the credit facilities from the above mentioned banks for its Paper Division and Hotel Division. Due to Economic slowdown and uncontrolled inflation, since 2009, In April 2013, we requested banks to re-structure the debts as our EBITDA is not sufficient to honour the repayment obligations.

Banks assigned our account to ARC as per dates mentioned above and till 30.09.2017. Most of the banks assigned our account to M/s Alchemist ARC.

We approached M/s Alchemist ARC to re-structure the debts considering our EBITDA. M/s Alchemist ARC restructured our debts on 31.03.2018 after TEV Study conducted by M/s. GMB & Associates

We are regular in making the repayment as per repayment schedule and expected to repay the debts as per repayment schedule.

2. The Company has stopped production of Duplex Board from January 2018 and started Production of Grey Board (laminated) and Kraft Board. The debtors more than 6 month mainly consist of Duplex Board and Management expecting the full recovery from these debtors.
3. It is as per our waste paper processing industry practice. The order sourcing persons are individual and not organized sector. Commission is being paid for the sourcing of order.
4. The Company is reconciling their account with their debtors and creditors and no major deviation is expected in the balances of debtors and creditors.

**In CARO**

- i. The Company availed Loan from the abovementioned bank however due to global slowdown and uncontrolled inflation the company's profitability the company's EBITDA was not sufficient to honour the repayment obligations.

The abovementioned Banks assigned their debts to M/s Alchemist ARC and the company approached AARC to re-structure the debt considering our Cash Flow.

The M/s Alchemist ARC got conducted the TEV by M/s GMB & Associates and sanctioned the re-structuring of debts on 31.03.2018

**In Report on Internal Financial Control:**

- i. Company is developing adequate Internal Financial Control and also hiring professionals for the same.

**COST AUDITORS**

Companies (Cost Records and Audit) Amendment Rules, 2014 mandates Paper Industry to get the audit of its cost records after a prescribed turnover of the product for the Financial Year commencing on or after 1<sup>st</sup> April, 2015 and the Company is required to get its cost record audited for the Financial Year 2017-18. M/s V.K. Dube & Co., Cost Accountants, is appointed as Cost Auditors of the Company to audit the cost records of the Company for Financial Year 2017-18.

Particulars of Cost Auditors' are mentioned below:

Name of the Cost Auditor's Firm	V.K. Dube & Co., Cost Accountants
Membership Number of Cost Auditor	00343
Address:	T-II/206, Gulmohar Enclave, Nehru Nagar III, Ghaziabad, U.P.
E-mail id	<a href="mailto:ykdube.costaccountant@gmail.com">ykdube.costaccountant@gmail.com</a>

Maintenance of Cost Records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, is required by the Company and accordingly such accounts and records are made and maintained.

**INTERNAL AUDITOR**

Mr. Sushil Kumar Verma is appointed as Internal Auditor of the Company w.e.f. 26<sup>th</sup> April, 2017.

Particulars of Internal Auditors' are mentioned below:

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

**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 2017-18. The Secretarial Audit Report for the Financial Year ended 31<sup>st</sup> March, 2018 is annexed herewith marked as ***Annexure V*** to this Report.

Particulars of Secretarial Auditors' are mentioned below:

Name of the Secretarial Auditor's Firm	M/s Munish K Sharma & Associates, Company Secretaries
Membership Number of Secretarial Auditor	F-6031
Address:	AAF 14, Shipra Krishna Azure, Kaushambi, Ghaziabad, U.P.-

	201010
E-mail id	<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:**

- 1. The composition of Board of Directors with respect to Executive/ Non-Executive/ Independent Director was not as per the provisions of applicable laws and regulations during 01<sup>st</sup> April, 2017 to 20<sup>th</sup> November, 2017; however, the Company has complied with the provisions of composition of Board of Directors for rest of the financial year.*

**Director's Response:** Mr. Krishan Gopal Sharma was appointed as an Independent Director of the Company in the 37<sup>th</sup> Annual General Meeting dated 20.09.2017 fulfilling the provisions of composition of Board of Directors as per Regulation 17 of SEBI (LODR) Regulations, 2015.

- 2. Outcome of the Board Meeting held on 30<sup>th</sup> March, 2018 was submitted to the Stock Exchange after delay of five days.*

**Director's Response:** Due to some technical fault the company was unable to submit the Outcome of the Board Meeting under SEBI (LODR) Regulations.

- 3. The Company does not paid sitting fees to the Independent Directors for attending the Meeting of Board and Committee thereof.*

**Director's Response:** Due to non availability of funds in the Company in the recent years, the Company was not in a position to provide Sitting Fee to the Independent Directors and the company has made special provisions to pay sitting fee to the directors in the coming years.

- 4. The Company has neither obtained Compulsory Insurance nor established gratuity fund for securing the payment of Gratuity.*

**Director's Response:** As per section 4A of the Payment Gratuity Act 1972 we are not in possession of any Notification from the Appropriate Government (UP) or the related department of the date from which such Compulsory Insurance is binding on us. However we are following the procedure of payment of gratuity to the entitled employees leaving the organization.

- 5. The Company has filed monthly returns in Form ER-1 for the month of May, 2017 & June, 2017 beyond the prescribed time period of 10 days under the Central Excise Act, 1944.*

**Director's Response:** Delay was due to some unavoidable reasons.

- 6. The Company has delayed in filing of Form GSTR-1 & Form GSTR-3B for the month of December, 2017 & February, 2018.*

**Director's Response:** Govt. vide notification No 02/2018, filing of GSTR-3B for December 2017 was extended to 22.01.2018, however due to system error it was submitted with a delay of

one day i.e on 23.01.2018 and GSTR -1 for February 2018 was extended to 10.04.2018 and it was also submitted with a delay of one day i.e. on 11.04.2018.

7. *The Company has defaulted in repayment of loans and borrowing from financial institutions and banks, accordingly, the lender banks (i.e. 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 Limited (AARC). Subsequently, the Company has entered into an agreement with M/s. Alchemist Assets Reconstruction Company Limited (AARC) regarding the repayment of the loans.*

**Director's Response:** The Company availed Loan from the abovementioned bank however due to global slowdown and uncontrolled inflation the company's profitability the company's EBITDA was not sufficient to honour the repayment obligations.

The abovementioned Banks assigned their debts to M/s Alchemist ARC and the company approached AARC to re-structure the debt considering our Cash Flow.

The M/s Alchemist ARC got conducted the TEV by M/s GMB & Associates and sanctioned the re-structuring of debts on 31.03.2018

8. *In respect of loans and borrowings assigned to M/s. Alchemist Assets Reconstruction Company Limited (ARC), the ARC has registered charges against the Company and the charges registered in favour banks in respect of those loans and borrowings are also continuing in the index of charges at MCA Portal.*

**Director's Response:** The Company is in continuous follow up to get the NOC's from the respective Banks so as to satisfy all the charges in respect of those loans and borrowings.

### **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,2018, 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, 2018 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.

#### **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 2017-18, no complaints were received by the Company related to sexual harassment.

#### **ANNUAL RETURN**

The Annual Return of the Company as required under Section 92 of the Companies Act, 2013 will be placed on [www.magnumventures.in](http://www.magnumventures.in) after conclusion of the 38<sup>th</sup> Annual General Meeting.

#### **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 (BSE) and National Stock Exchange (NSE).

The listing fee for the Financial Year 2018-19 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 2017-18.

#### **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 excellent track record on safety. The site had no accidents during the year 2017-18. 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 Lakhs 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/- .

**(a) Right Issue/ Preferential Issue of Shares:**

The Company has not made any allotment of securities on Right Issue/ Preferential Issue basis during the Financial Year 2017-18.

**(b) Bonus Issue:**

The Company has not made any bonus issue of securities during the Financial Year 2017-18.

**(c) Buy-back of Securities:**

The Company has not made buy-back of any of the securities during the Financial Year 2017-18.

**(d) Issuance of Equity Shares with differential rights:**

The Company has not issued Equity Shares with differential rights during the Financial Year 2017-18.

**(e) Issuance of Sweat Equity Shares:**

The Company has not issued Sweat Equity Shares during the Financial Year 2017-18.

**(f) Issuance of Employees Stock Option Scheme:**

The Company has not issued securities under Employees Stock Option Scheme during Financial Year 2017-18.

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

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

**Date: 13<sup>th</sup> August, 2018**  
**Place: New Delhi**

**FORM A**

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

**Power and fuel Consumption**

**1 Electricity**

**(a) Purchased**

	<b>Current Year (2017-18)</b>	<b>Previous Year (2016-17)</b>
Unit	13493980	11743080
Total Amount	103623889	93878639
Rate/Unit	7.68	7.99

**(b) Own generation**

**(i) Through Diesel Generator**

Unit	120000	189000
Units per ltr. of diesel oil	3.00	3.00
Cost/Units	20.50	14.53

**(ii) Through steam turbine**

Units	34627766	32638119
Units per kgs of Coal/Petcoke	1.17	1.17
Cost/Units	5.04	4.75

**2 Coal & Pet Coke (Used for production of Paper)**

**Particulars**

Quantity	IN MT	40595.87	38320.96
	IN		
Total Cost	LACS	3140.66	2718.79
Average rate	IN MT	7736.39	7094.78

**3 Furnace oil**

Quantity	Nil	Nil
Total Cost	Nil	Nil
Average rate	Nil	Nil

**4 Others /Internal generation (please give details)**

Quantity	Nil	Nil
Total Cost	Nil	Nil
Rate/Unit	Nil	Nil

**Consumption per unit of production**

	<b>Current Year</b>	<b>Previous Year</b>
	<b>1</b>	<b>2</b>
<b>Production Kg.</b>	<b>65896837.31</b>	<b>65799774.32</b>
Electricity (per Unit.)	0.73	0.68
Furnace oil	Nil	Nil
Coal & Pet Coke (Per kg.)	0.62	0.58
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 1.20 Crores**

**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

	<i>(Amount in Lacs)</i>
Total Import: <b>Paper</b>	<b>2839.94</b>
<b>Hotel</b>	<b>0</b>
Total Export: <b>Paper</b>	<b>11.01</b>
<b>Hotel</b>	<b>0</b>

**ii. Foreign Exchange Earnings and Outgo:**

	<i>(Amount in Lacs)</i>
Total Foreign Exchange Inflow	
<b>Paper</b>	<b>NIL</b>
<b>Hotel</b>	<b>680.56</b>
Total Foreign Exchange Outflow:	
<b>Paper</b>	<b>NIL</b>
<b>Hotel</b>	<b>9.78</b>

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

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

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

Date: 13<sup>th</sup> August, 2018  
Place: New Delhi

**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 following table shows the ratio of remuneration of each director to the median remuneration of the employees of the company for the financial year.

S. No.	Name of the Director	Remuneration	Ratio
1.	Mr. Pradeep Kumar Jain	0	0
2.	Mr. Parmod Kumar Jain	0	0
3.	Mr. Abhey Jain	0	0
4.	Mr. Shiv Pravesh Chaturvedi	Rs. 6,74,400	2.43

- (ii) **The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;**

Due to non availability of funds in the Company in the recent years, the Company was not in a position to provide or increase the remuneration payable to the directors. Moreover, there was increase in remuneration of Executive Director Mr. Shiv Pravesh Chaturvedi (2.3%), Chief Financial Officer Mr. Parv Jain (10.53%) and Company Secretary Ms. Neha Gupta (2.2%) during the current year.

- (iii) **The percentage increase in the median remuneration of employees in the financial year;**  
There has been 2.43% increase in the median remuneration of employees during the financial year 2017-18.

- (iv) **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: 585(Hotel), 888(Paper)  
At the end of the year: 547 (Hotel), 657 (Paper)

- (v) **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**

The average percentile increase in the salaries of employees during the financial year 2017-18 has been 12 percent due to increase in the employees of the Company. There has been no increase in the remuneration of managerial personnel pertaining to the weak financial condition of the Company.

- (vi) **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 relative of any director or manager of the company	Annual Net Earning
1	Mandeep Surie	48	Vice President	02/01/2014	Hotel Management	25	Radisson Greater Noida	0	No	23,15,589
2	Sukhpreet Kaur Bedi	41	Director of Business Development	08/03/2010	B.A.	23	Imperial Hotel	0	No	16,56,041
3	Naresh Chandra Sharma	64	Director - Human Resources	07/05/2009	PGDBA + Dip. In HRD	41	Shapoorji Pallonji Co. & Ltd.	0	No	15,23,566
4	Samar Goyal	33	Director of Sales – Travel	06/12/2013	B. Sc in Hotel Management	11	The Grand, New Delhi	0	No	13,46,390
5	Sushil Chander Chug	65	General Manager	26/11/2009	Hotel Management	39	The Lalit, New Delhi	0	No	13,18,002

6	Neeraj Pal Singh Tomar	45	Director of Rooms	05/12/2008	PGD in Accomodation Management	20	Crowne Palaza Today Gurgaon	0	No	12,71,042
7	Ravinder Thakur	52	General Manager (Security & Operational Control)	01/07/2009	Graduation	31	Radisson MBD Hotel, Noida	0	No	12,19,389
8	Rajesh Kadyan	34	Director Sales - Corporate	12/07/2010	Hotel Management	12	VCI Hospitality Ltd. New Delhi as Sales Manager	0	No	11,95,335
9	Sandeep Bisht	34	Director of Rooms - Front Office	01/08/2016	B. Sc in Hotel Management	11	The Piccadily Hotel, New Delhi	0	No	9,96,400
10	T. V. Thomas	57	Chief Engineer	02/11/2015	3-year Diploma in Electrical Engineering , ITI	23	Jaypee Green Ltd, Greater Noida	0	No	9,93,156

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

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

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

Date: 13<sup>th</sup> August, 2018  
Place: New Delhi

**ANNEXURE III**

**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)	Mrs. Shashi Jain (Relative of KMP)	Mr. Parv 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	As per	As per	As per	As per

	Arrangements or transactions including value, if any	appointment Letter Rs. 4,32,000/-	appointment Letter Rs. 4,32,000/-	appointment Letter Rs. 4,80,000/-	appointment Letter Rs. 4,68,000/-
(e)	Date(s) of approval by the Board, if any:	26.04.2017	26.04.2017	26.04.2017	26.04.2017
(f)	Amount paid as advance if any:	NIL	NIL	NIL	---

S. No	Particular	(5)	(6)	(7)	(8)
(a)	Name of the related party and nature of relationship	Mr. Shrenik Jain (Relative of KMP)	Mr. Ujjwal Jain (Relative of KMP)	Mrs. Rita Jain (Relative of KMP)	Mrs. Veena 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 appointment Letter Rs. 4,68,000/-	As per appointment Letter Rs. 4,32,000/-	As per appointment Letter Rs. 4,32,000/-	As per appointment Letter Rs. 5,28,000/-
(e)	Date(s) of approval by the Board, if any:	26.04.2017	26.04.2017	26.04.2017	26.04.2017
(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. Mehak Jain (Relative of KMP)	Mrs. Asha Jain (Relative of KMP)	Mrs. Parul Jain (Relative of KMP)	Mr. Paras 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 appointment Letter Rs. 4,92,000/-	As per appointment Letter Rs. 5,28,000/-	As per appointment Letter Rs. 4,92,000/-	As per appointment Letter Rs. 4,68,000/-
(e)	Date(s) of approval by the Board, if any:	26.04.2017	26.04.2017	26.04.2017	26.04.2017
(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. Parul Jain (Relative of KMP)	Mrs. Meenal Jain (Relative of KMP)	Mr. Akhil Jain (Relative of KMP)	Mr. Vinod Kumar 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 (Rent Allowance)
(c)	Duration of contract/arrangements/transactions	NA	NA	NA	02 years
(d)	Salient terms of contract or Arrangements or transactions including value, if any	As per appointment Letter Rs.3,60,000/-	As per appointment Letter Rs. 5,28,000/-	As per appointment Letter Rs. 4,08,000/-	As per Agreement Rs. 4,80,000/-
(e)	Date(s) of approval by the Board, if any:	26.04.2017	26.04.2017	26.04.2017	26.04.2017
(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. Pradeep Kumar Jain (Relative of KMP)	Mr. Parmod Jain (Relative of KMP)	Mr. Salek Chand Jain (Relative of KMP)	Mrs. Monika Jain (Relative of KMP)
(b)	Nature of contract/arrangements/transactions	Related party's appointment to any office or place of profit in the company (Rent Allowance)	Related party's appointment to any office or place of profit in the company (Rent Allowance)	Related party's appointment to any office or place of profit in the company (Rent Allowance)	Related party's appointment to any office or place of profit in the company (Rent Allowance)

		Allowance)		Allowance)	Allowance)
(c)	Duration of contract/arrangements/transactions	02 years	02 years	02 years	02 years
(d)	Salient terms of contract or Arrangements or transactions including value, if any	As per Agreement Rs. 4,80,000/-	As per Agreement Rs. 4,80,000/-	As per Agreement Rs. 7,20,000/-	As per Agreement Rs. 4,80,000/-
(e)	Date(s) of approval by the Board, if any:	26.04.2017	26.04.2017	26.04.2017	26.04.2017
(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	Mrs. Saroj Jain (Relative of KMP)	Kamal Kishore Jain HUF (HUF of Relative of KMP)	Mr. Johri Mal Kamal Kishore (Relative of KMP)
(b)	Nature of contract/arrangements/transactions	Related party's appointment to any office or place of profit in the company (Rent Allowance)	Related party's appointment to any office or place of profit in the company (Rent Allowance)	Purchase of any goods or materials
(c)	Duration of contract/arrangements/transactions	02 years	---	Yearly Basis
(d)	Salient terms of contract or Arrangements or transactions including value, if any	As per Agreement Rs. 4,80,000/-	As per Agreement Rs. 3,64,000/-	Not Applicable Rs. 21,89,035/-
(e)	Date(s) of approval by the Board, if any:	26.04.2017	26.04.2017	26.04.2017
(f)	Amount paid as advance if any:	NIL	NIL	NIL

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

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

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

Date: 13<sup>th</sup> August, 2018  
Place: New Delhi



**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, 2017 to March 31, 2018 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.

**2. BOARD OF DIRECTORS (Regulation 17)**

The Board is striving to achieve optimum combination of Executive, Non-Executive and Independent Directors. The Company has total 9 (Nine) directors on the Board as on 31<sup>st</sup> March, 2018. Mr. Pradeep Kumar Jain is the Managing Director of the Company and Mr. Abhey Jain is the Whole-Time Director of the Company.

Name of the Director & Designation	Category	No. of positions held in other public companies		
		Board	Committee	
			Membership	Chairmanship
Mr. Pradeep Kumar Jain Managing Director	Executive & Promoter	Nil	Nil	Nil
Mr. Abhey Jain Whole-Time Director	Executive & Promoter	Nil	Nil	Nil
Mr. Parmod Kumar Jain Director	Non-Executive & Promoter	Nil	Nil	Nil
Mr. Praveen Kumar Jain Director	Non-Executive & Promoter	Nil	Nil	Nil
Mr. Subash Chand Oswal Director	Non-Executive & Independent	Nil	Nil	Nil
Mr. Rakesh Garg Director	Non-Executive & Independent	Nil	Nil	Nil

Mr. Krishan Gopal Sharma Director	Non-Executive & Independent	Nil	Nil	Nil
Mr. Shiv Pravesh Chaturvedi Director	Executive	Nil	Nil	Nil
Ms. Neha Gupta Woman Director	Executive	Nil	Nil	Nil

### Directors' Attendance Record

The Board of Directors met at Twelve times on 26<sup>th</sup> April 2017, 29<sup>th</sup> May 2017, 10<sup>th</sup> July 2017, 14<sup>th</sup> August 2017, 21<sup>st</sup> August 2017, 27<sup>th</sup> September 2017, 10<sup>th</sup> November 2017, 14<sup>th</sup> December 2017, 10<sup>th</sup> January 2018, 09<sup>th</sup> February 2018, 20<sup>th</sup> March, 2018 and 31<sup>st</sup> March, 2018 during the financial year 2017-18. The Board was supplied with all relevant information and supporting papers, which were required, to transact the business specified in the agenda of Board Meetings held. The intervening period between the Board Meetings was well within the maximum time gap of 120 days between two meetings as prescribed in the Listing Regulations, 2015. Details of attendance of Directors in the Board meeting during the financial year 2017-18 are as under:

Sl. No.	Name of the Director	No. of Board Meeting	Attendance at the Board Meeting	Whether attended Last AGM
1	Mr. Abhey Jain	12	12	Yes
2	Mr. Pradeep Kumar Jain	12	12	No
3	Mr. Parmod Kumar Jain	12	12	Yes
4	Mr. Praveen Kumar Jain	12	01	Yes
5	Mr. Subash Chand Oswal	12	12	Yes
6	Mr. Rakesh Garg	12	12	Yes
7	Mr. Krishan Gopal Sharma	05	05	Yes
8	Mr. Shiv Pravesh Chaturvedi	12	12	Yes
9	Ms. Neha Gupta	12	12	Yes

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

S. No.	Name of Directors	Nature of Relation
1.	Pradeep Kumar Jain	Brother of Director
2.	Praveen Kumar Jain	Brother of Director
3.	Parmod Kumar Jain	Brother of Director
4.	Abhey Jain	Son of Directors Brother

**Number of Shares held by Non-Executive Directors:** Mr. Praveen Kumar Jain (Non- executive Director) is holding 1,66,48,510 Equity Shares and 25,00,000 Preference Shares of the Company and Mr. Parmod Kumar Jain (Non- executive Director) is holding 2,00,150 Equity Shares of the Company

**Familiarization Programme:** The details of Familiarization Programme imparted in the F.Y. 2017-18 is given at Company's website at [www.magnumventures.com](http://www.magnumventures.com)

### Disclosure Regarding Appointment & Re-appointment of Directors in the ensuing AGM

As per Regulation 36(3) of SEBI (LODR) Regulations, 2015, the brief resume, experience and other details pertaining to the Directors seeking appointment/ re-appointment in the ensuing Annual General Meeting (including those director(s) who have been appointed during the year under review) to be provided in terms of the Listing Agreement with the Stock Exchanges are furnished below:

<b>Particulars</b>	<b>Mr. Pradeep Kumar Jain</b>
DIN	00024879
Father's Name	Mr. Salek Chand Jain
Date of Birth	05 <sup>th</sup> September, 1959
Address	113/3, Darya Ganj, New Delhi -110002
Designation	Managing Director
Education	B. A. from Delhi University
Experience	37 Years
Companies in which holds Directorship	Nil
Companies in which holds membership of Committees	Nil
Shareholding in the Company (No. & %)	<u>Equity Shares</u> Number: 200650 %age: 0.53%

<b>Particulars</b>	<b>Mr. Parmod Kumar Jain</b>	<b>Ms. Neha Gupta</b>
DIN	01222952	07700094
Father's Name	Mr. Salek Chand Jain	Mr. Rajesh Gupta
Date of Birth	02 <sup>nd</sup> April, 1956	28 <sup>th</sup> July, 1991
Address	4326/3, Ansari Road, Darya-Ganj, New Delhi- 110002	H No. I-2, 2nd Floor, Garwali Mohalla Behind Hare Krishna Clinic, Laxmi Nagar, Delhi - 110092
Designation	Director	Women Director
Education	B.Com From Delhi University	B.Com from Delhi University and Member of ICSI
Experience	39 Years	27 Years
Companies in which holds Directorship	Nil	Nil
Companies in which holds membership of Committees	Nil	Nil
Shareholding in the Company (No. & %)	<u>Equity Shares</u> Number: 200150 %age: 0.47%	Nil

### **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 Opinions 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.

***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).
  - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

**(b) Composition**

The Committee was last reconstituted on 14<sup>th</sup> January, 2017.

The Audit Committee comprises Three Directors with the Chairman, being an independent director, with expertise in financial and accounting areas.

1. Mr. Subash Chand Oswal- Chairman (Independent Director)
2. Mr. Rakesh Garg- Member (Independent Director)
3. Mr. Praveen Kumar Jain – Member (Non- Executive Director)

Ms. Neha Gupta, Company Secretary, acts as the Secretary to the Audit Committee.

Further the Committee was re-constituted on 09<sup>th</sup> July, 2018, comprising of following members.

Mr. Subash Chand Oswal (Chairman), Mr. Rakesh Garg, & Mr. Krishan Gopal Sharma.

**(c) Attendance**

The Committee met Six (6) times during the Financial Year 2017-18 on the following dates: 26.04.2017, 29.05.2017, 14.08.2017, 21.08.2017, 10.11.2017 and 09.02.2018. 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 Chand Oswal	Non-Executive Independent Director	6
Mr. Rakesh Garg, Member	Non-Executive Independent Director	6
Mr. Praveen Kumar Jain	Non-Executive Director	1

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

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

The Nomination & Remuneration Committee shall have the power to determine the Company's policy on specific remuneration packages including pension rights and other compensation for executive directors and for this purpose, the Remuneration Committee shall have full access to information contained in the records of the Company and external professional advice, if necessary.

Formulation for Criteria for evaluation of Independent Director and the Board, whether to extend or continue the term of Appointment of Independent directors, on the basis of report of performance evaluation of independent directors.

##### **(b) Composition**

The Committee was last reconstituted on 29<sup>th</sup> May, 2017. The Remuneration Committee consists of Three Directors, all of them being non-executive and two being independent directors.

1. Mr. Rakesh Garg- Chairman (Independent Director)
2. Mr. Subash Chand Oswal- Member (Independent Director)
3. Mr. Praveen Kumar Jain – Member (Non- Executive Director)

Ms. Neha Gupta, Company Secretary, acts as the Secretary to the Nomination and Remuneration Committee

Further the Committee was re-constituted on 09<sup>th</sup> July, 2018, comprising of following members.

Mr. Subash Chand Oswal (Chairman), Mr. Rakesh Garg, & Mr. Krishan Gopal Sharma.

##### **(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 Three (3) times during the Financial Year 2017-18 on the following dates: 29.05.2017, 14.08.2017 and 10.11.2017. 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. Subash Chand Oswal	Non-Executive Independent Director	3
Mr. Rakesh Garg	Non-Executive Independent Director	3
Mr. Praveen Kumar Jain	Non-Executive Director	1

##### **(d) Remuneration Policy of the Company**

The Managing Director and Executive Directors of the Company are entitled for payment of Remuneration as decided by the Board and approved by the members as per the provisions of the Companies Act, 2013. Mr. Pradeep Kumar Jain, Managing Director and Mr. Abhey Jain, Whole Time Director was not given any remuneration during the year. Mr. Parv Jain, Chief Financial Officer, Mr. Shiv Pravesh Chaturvedi, Executive Director and Ms. Neha Gupta, Company Secretary and Director of the Company have received remuneration for the financial year 2017-18. 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, 2018**

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. Pradeep Kumar Jain Managing Director	Nil	Nil	Nil	Nil	200650 (0.53%)
Mr. Abhey Jain Whole-Time Director	Nil	Nil	Nil	Nil	302600 (0.80%)
Mr. Parmod Kumar Jain Director	Nil	Nil	Nil	Nil	200150 (0.53%)
Mr. Praveen Kumar Jain Director	Nil	Nil	Nil	Nil	16648510 (44.28%)
Mr. Shiv Pravesh Chaturvedi Director	6,74,400	Nil	Nil	6,74,400	Nil
Ms. Neha Gupta Director & Company Secretary	2,92,572	Nil	Nil	2,92,572	Nil
Mr. Subash Chand Oswal Director	Nil	Nil	Nil	Nil	Nil
Mr. Rakesh Garg Director	Nil	Nil	Nil	Nil	Nil
Mr. Krishan Gopal Sharma Director	Nil	Nil	Nil	Nil	Nil

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

### **(i) Terms of Reference**

In compliance with the requirement of the Corporate Governance under the Listing Agreement with the Stock Exchange and listing regulations, the Company has constituted an “Stakeholders Relationship Committee” (Previously known as Investor’s Grievances Committee) to look into redressing the shareholders and investors’ and other security holders complaints and to expedite the process of Redressal of complaints like transfer of shares, non-receipt of Balance Sheet, non-receipt of declared dividends etc.

### **(ii) Composition**

The Stakeholders Relationship Committee comprised of the following directors:

1. Mr. Subash Chand Oswal- Chairman (Independent Director)
2. Mr. Rakesh Garg- Member (Independent Director)
3. Mr. Praveen Kumar Jain – Member (Non- Executive Director)

Ms. Neha Gupta, Company Secretary, as the Secretary to the Stakeholders Relationship Committee.

Further the Committee was re-constituted on 09<sup>th</sup> July, 2018, comprising of following members.

Mr. Subash Chand Oswal (Chairman), Mr. Rakesh Garg, & Mr. Krishan Gopal Sharma.

(iii) Ms. Neha Gupta, Company Secretary of the Company 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 2017-18 are as follows:

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

**(v) Attendance**

The Committee met Thirty Six (36) times during the Financial Year 2017-18 on the following dates: 10.04.2017, 20.04.2017, 29.04.2017, 10.05.2017, 20.05.2017, 30.05.2017, 10.06.2017, 20.06.2017, 30.06.2017, 10.07.2017, 20.07.2017, 31.07.2017, 10.08.2017, 21.08.2017, 30.08.2017, 11.09.2017, 20.09.2017, 30.09.2017, 10.10.2017, 20.10.2017, 30.10.2017, 10.11.2017, 20.11.2017, 30.11.2017, 11.12.2017, 20.12.2017, 30.12.2017, 09.01.2018, 20.01.2018, 30.01.2018, 10.02.2018, 20.02.2018, 28.02.2018, 10.03.2018, 20.03.2018 and 31.03.2018. Details of attendance of Directors in the Investors' Grievance Committee meeting are as under:

Name of the Director	Category	Attendance at the Investor Grievances Committee Meeting
Mr. Subash Chand Oswal, Chairman	Non-Executive Independent Director	36
Mr. Rakesh Garg, Member	Non-Executive Independent Director	36
Mr. Praveen Kumar Jain, Member	Non-Executive Director	1

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

**5. GENERAL BODY MEETINGS**

Details of the location of the last three Annual General Meetings of the Company:

Year	Date	Venue	Time	No. of Special Resolution(s) passed
2015	25.09.2015	Galib Institute, AIWAN-E-GALIB MARG, New Delhi-110002	11:00 AM	0
2016	19.09.2016	Galib Institute, AIWAN-E-GALIB MARG, New Delhi-110002	11:00 AM	0
2017	20.09.2017	Galib Institute, AIWAN-E-GALIB MARG, New Delhi-110002	11:30 AM	0

Special Resolution passed during the last three Annual General Meeting.



Year	Date	Business passed
2015	25.09.2015	NIL
2016	19.09.2016	NIL
2017	20.09.2017	NIL

## **7. MEANS OF COMMUNICATION**

- (a) At present quarterly/ half-yearly reports are not being sent to each of shareholders.
- (b) The Quarterly / half-yearly / annual 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)
- (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
Saturday, 22 <sup>nd</sup> September, 2018	11:00 A.M.	Galib Institute, AIWAN-E GALIB MARG, New Delhi-110002

**ii) Financial Year:** The Financial Year Starts from 01<sup>st</sup> April, 2017 and ends on 31<sup>st</sup> March, 2018.

**iii) Dates of Book Closure:** 16<sup>th</sup> September, 2018 to 22<sup>nd</sup> September, 2018 (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 2017	3.25	2.75	34,397
May 2017	3.33	2.71	13,311
June 2017	3.10	2.41	65,219
July 2017	3.48	2.76	64,956
August 2017	3.39	2.52	95,680
September 2017	3.54	2.70	1,10,485
October 2017	6.28	2.80	6,74,080
November 2017	4.60	3.45	62,708
December 2017	4.50	3.65	61,327

January 2018	4.80	3.66	1,34,763
February 2018	4.50	3.95	80,905
March 2018	4.60	3.60	1,36,840

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 2017	4.15	3.65	1,65,289
May 2017	4.85	3.25	3,06,295
June 2017	14.15	5.30	2,89,001
July 2017	22.70	11.95	2,95,573
August 2017	13.95	10.40	4,65,072
September 2017	13.70	10.60	5,45,335
October 2017	15.25	11.10	8,46,186
November 2017	17.55	12.50	8,97,141
December 2017	16.70	12.20	6,86,187
January 2018	19.50	12.70	6,34,709
February 2018	15.20	11.80	7,23,310
March 2018	13.30	9.45	6,06,690

Source: [www.nseindia.com](http://www.nseindia.com)

#### viii) Registrar and Share Transfer Agent & Share Transfer System

M/s **MAS Services Limited** is acting as Registrar & Transfer Agent (RTA) for handling the Shares related matters, both in physical as well as dematerialized mode. All works relating to Equity Shares are being done by RTA. The Shareholders are, therefore, advised to send all their correspondence to the RTA.

However, for the convenience of shareholders, documents relating to Shares received by the Company are forwarded to the RTA for necessary action thereon.

Particulars	M/s MAS Services Limited
Contact Person	Mr. Shrawan Mangla
Address	T-34, 2nd Floor, Okhla Industrial Area Phase - II, New Delhi - 110 020
Telephone No.	011-26387281/81/83
Fax No.	011-26387384
E mail	<a href="mailto:info@masserv.com">info@masserv.com</a>

The Company's equity shares are traded in the Stock Exchanges, Mumbai compulsorily in Demat mode. Physical shares which are lodged with the Registrar & Transfer Agent or/ Company for transfer are processed and returned to the shareholders duly transferred within the time stipulated under the Listing Agreement subject to the documents being in order.

#### ix) Distribution of Shareholding as on 31<sup>st</sup> March 2018:

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		8992	69.598	1,81,00,680	4.814
5,001	10,000	1849	14.311	16,25,863	4.324
10,001	20,000	910	7.043	14,85,220	3.950
20,001	30,000	359	2.779	9,59,736	2.552
30,001	40,000	182	1.409	6,71,853	1.787
40,001	50,000	172	1.331	8,33,248	2.216
50,001	1,00,000	232	1.796	17,63,108	4.689
1,00,001 and above		224	1.734	2,84,52,788	75.669
<b>Total</b>		<b>12920</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, 2018 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
--	---

**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. 18/31,  
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.

**(f)** The company does not have any subsidiary. Shareholders can 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.

**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 affirmed that all the Directors and senior management personnel have confirmed their compliance with the code of conduct framed by the Company and a confirmation to that effect has been obtained from the directors and senior management.

Sd/-

**Pradeep Kumar Jain**

Managing Director

DIN: 00024879

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

Sd/-

**Abhey Jain**

Whole -Time Director

DIN: 01876385

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

**CEO & CFO CERTIFICATION**

I, Pradeep Kumar Jain, Managing Director and Mr. Parv Jain, Chief Financial Officer, certify that:

(a) We have reviewed financial statements and the cash flow statement for the year ended 31<sup>st</sup> March 2018 and that to the best of our knowledge and belief:

(i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(ii) 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.

(b) 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.

(c) 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.

(d) We have indicated to the auditors and the Audit committee

(i) significant changes in internal control over financial reporting during the year;

(ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(iii) 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/-

**Pradeep Kumar Jain**  
Managing Director

Sd/-

**Parv Jain**  
Chief Financial Officer

Place: Delhi

Date: 13<sup>th</sup> August, 2018

**COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members of  
**Magnum Ventures Limited**  
(CIN: L21093DL1980PLC010492)  
Office No. 205, 2<sup>nd</sup> Floor, Building No. 4326,  
Street No. 3, Ansari Road, Darya Ganj, Delhi-110002

We have examined the compliance of conditions of Corporate Governance by **Magnum Ventures Limited** (“the Company”) for the year ended on 31<sup>st</sup> March, 2018 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 Listing 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 Listing Regulations except:

- 1. The composition of Board of Directors with respect to Executive/ Non-executive/ Independent Director, however, the Company has complied with the provisions of composition of Board of Directors for the rest of the Financial Year.*
- 2. non-payment of sitting fees to the Independent Directors for attending the Meeting of Board and Committee thereof,*

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/-**  
**Munish Kumar Sharma**  
Company Secretary  
& Insolvency Professional  
M. No.: F6031  
C.P. No. 6460

Date: **09<sup>th</sup> August, 2018**  
Place: **Kaushambi, Ghaziabad**

**Annexure V**

**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2018**

*[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  
**Magnum Ventures Limited**  
(CIN: L21093DL1980PLC010492)  
Regd. Office: Office No. 205, 2<sup>nd</sup> Floor,  
Building No. 4326, Street No. 3, Ansari Road,  
Darya Ganj, Delhi-110002

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 31<sup>st</sup> March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2018 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, 1992;
- d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (vi) Apprenticeship Act, 1961;
- (vii) Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
- (viii) Employee State Insurance Act, 1948;
- (ix) The Equal Remuneration Act, 1976;
- (x) The Payment of Gratuity Act, 1972;
- (xi) The Minimum Wages Act, 1948;
- (xii) The Payment of Wages Act, 1936;
- (xiii) Industrial Employment (Standing Orders) Act, 1946;
- (xiv) Factories Act, 1948;
- (xv) Goods & Services Tax;
- (xvi) Service Tax Act, 1994;
- (xvii) Income Tax Act, 1961;
- (xviii) The Maternity Benefit Act, 1961;
- (xix) Excise Act, 1944;
- (xx) Customs Act, 1962;
- (xxi) Central Sales Tax & State VAT;
- (xxii) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- (xxiii) The Contract Labour (Regulation and Abolition) Act, 1970;
- (xxiv) The Payment of Bonus Act, 1965;
- (xxv) The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959;
- (xxvi) Luxury Tax Act;



- (xxvii) The Boilers Act, 1923;
- (xxviii) The Uttar Pradesh Shops and Commercial Establishments Act, 1962;
- (xxix) Food Safety and Standards Act, 2006;
- (xxx) The Water (Prevention & Control Of Pollution) Act, 1974;
- (xxxi) The Air (Prevention & Control Of Pollution) Act, 1981;
- (xxxii) Other Environmental Laws.

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 composition of Board of Directors with respect to Executive/ Non-Executive/ Independent Director was not as per the provisions of applicable laws and regulations during 01<sup>st</sup> April, 2017 to 20<sup>th</sup> November, 2017; however, the Company has complied with the provisions of composition of Board of Directors for rest of the financial year.*
- 2. Outcome of the Board Meeting held on 30<sup>th</sup> March, 2018 was submitted to the Stock Exchange after delay of five days.*
- 3. The Company does not paid sitting fees to the Independent Directors for attending the Meeting of Board and Committee thereof.*
- 4. The Company has neither obtained Compulsory Insurance nor established Gratuity Fund for securing the payment of Gratuity.*
- 5. The Company has filed monthly returns in Form ER-1 for the month of May, 2017 & June, 2017 beyond the prescribed time period of 10 days under the Central Excise Act, 1944.*
- 6. The Company has delayed filing of Form GSTR-1 & Form GSTR-3B for the month of December, 2017 & February, 2018.*
- 7. The Company has defaulted in repayment of loans and borrowing from financial institutions and banks, accordingly, the lender banks (i.e. 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 Limited (AARC). Subsequently, the Company has entered into an agreement with M/s. Alchemist Assets Reconstruction Company Limited (AARC) regarding the repayment of the loans.*
- 8. In respect of loans and borrowings assigned to M/s. Alchemist Assets Reconstruction Company Limited (ARC), the ARC has registered charges against the Company and the charges registered in favour banks in respect of those loans and borrowings are also continuing in the index of charges at MCA Portal.*

**We further report that:**

*The Board of Directors of the Company was not duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors as explained above. 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 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/-

**Munish Kumar Sharma**  
**Company Secretary**  
**& Insolvency Professional**

**M. No.: F6031**

**C.P. No. 6460**

Date: **09.08.2018**

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: 685, Chitla Gate Chawri Bazar  
Delhi- 110006

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. Where ever 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.

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

**Sd/-**  
**Munish Kumar Sharma**  
**Company Secretary**  
**& Insolvency Professional**  
**M. No.: F6031**  
**C.P. No. 6460**

Date: **09.08.2018**  
Place: **Kaushambi, Ghaziabad**

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.

**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 Lacs 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 Carlson**, 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**

As the present era is globally rising and more demand is on the increasing of the knowledge which as a result leads to the overall growth of the paper industry. The Indian paper industry is said to be growing in the line with the GDP of the country. Paper being an essential commodity has its socio- economic importance in the overall development of the country which is directly linked with the educational and the industrial growth. With the increasing competition, the Company so as to maintain a sustainable position in the market has to make a planned approach towards attaining its goal of maximum profit by overcoming the challenge of raw material availability, manpower, short term over capacity situation, environmental foot print etc.

### **Hotel Industry**

The tourism and hospitality industry is one of the largest segments under the services sector of the Indian economy. In India, the sector's direct contribution to gross domestic product (GDP) is expected to grow at 7.8 per cent per annum during the period 2013-2023. Hotels are an extremely important component of the tourism industry and are the key drivers of growth among the services sectors in India. 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.

## **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 modernisation 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 modernisation and expansion so far, India's pulp and paper industry is well on its way to have a strong presence in Asia.

The Indian Paper Industry is among the top 12 Global players today, with an output of more than 13.5 Million tonnes annual with an estimated turnover of Rs. 35000 Crores.

Paper Industry in India is moving up with a strong demand push and is in expansion mode to meet the projected demand of 20 Million tonnes by 2020. Thus paper industry in India is on the growth trajectory and is expected to touch 8.5% GDP in the coming years. Therefore, the growth of Industry will out span the present growth rate of 6.5%.

### **Hotel Industry**

Tourism has now become 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. As per the World Travel & Tourism Council, the occupancy ratio is around 80-85%, with nearly 10% increase from the last three years. There are international players in the market such as Taj and Oberoi & International Chains. Thus, the needs of the international tourist’s travellers are met while they are on a visit to India.

### **WEAKNESSES:**

#### **Paper Industry**

In India, production of paper and paper board entails enormous challenges- ranging from procurement of raw materials, energy and water to facing the harsh criticism coming from environmental activists and observing a number of complex laws.

The biggest challenge facing paper industry in India is the procurement of raw materials. As availability of waste papers, is limited. The companies have to incur huge transportation cost in shipping waste papers and other raw materials from various countries. As a result, the fortunes of the industry depend on the great extent on the foreign exchange rate.

#### **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.

Poor support infrastructure is another weakness which need to be looked upon. Though the government is taking necessary steps, many more things need to be done to improve the infrastructure. The lack of adequate recognition for the tourism industry has been hampering its growth prospects. Whatever steps are being taken by the government are implemented at a slower pace.

### **OPPURTUNITIES:**

#### **Paper Industry**

Major changes are taking place in various segments like writing & printing paper, paperboard, newsprint, tissues, etc. New technologies and modern management will have vital part in this process. Besides that many overseas players are entering India by acquiring or by setting up new plants in Indian soil with an aim to make India as a paper manufacturing hub which will bring huge investments to Indian Pulp and Paper Industry.

Today India is an excellent and vibrant market for Paper and Paper products due to high spending of the middle class people and some of the Government initiatives in the Social Development front also make the industry more vibrant. Many Indian Paper Mills are eyeing now to new mills to setup or joint ventures with existing players abroad to widen their business horizon.

The Govt. 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 Government of India has contributed significantly to the growth and development of the industry by providing policy and infrastructural support such as simplification of visa procedures and tax holidays for hotels. In the long term, the demand-supply gap in India is very real and that there is need for more hotels, the average increase in room rates over the last one year has hovered around 22-25%. India, being the only country with the most diverse topography has the potential for the growth of the hotel industry. Due to difference in the climatic condition and the period of holidays, the demand between the national and foreign tourists can easily be managed.

### **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**

There have been wide fluctuations in international tourist arrivals. The total dependency of the Hotel industry on foreign tourists can be risky, as there are wide fluctuations in international tourism. 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. Several international majors like the Four Seasons, Shangri-La and Aman Resorts are entering the Indian markets. This will increase the competition for the existing Indian hotel majors.

### **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 organisation.

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.

### **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.

### **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**

<b>PRODUCT</b>	<b>Current Year (2017-18)</b>		<b>Current Year (2016-17)</b>	
	Quantity (Kgs)	Value (Amt in Rs)	Quantity (Kgs)	Value (Amt in Rs)
Paper division	65748372	2112908424	65709607	1766162182
Hotel division	NA	450885738	NA	403565053

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

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

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

Date: 13<sup>th</sup> August, 2018  
Place: New Delhi



## INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS' OF

### **M/S MAGNUM VENTURES LIMITED**

We have audited the accompanying financial statements of **M/s MAGNUM VENTURES LIMITED ("The Company")** which comprise the Balance Sheet as at March 31, 2018 and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### MANAGEMENT RESPONSIBILITY:

The Company's Board of Directors is responsible for the matters 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the 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 the 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 internal financial control, 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.

#### AUDITOR'S RESPONSIBILITY:

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies

used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the financial statements.

## OPINION

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view **(subject to the matters of emphasis mentioned below)** in conformity with the accounting principles generally accepted in India;

- i) In the case of Balance Sheet, of the state of affairs of the Company as at March 31, 2018;
- ii) In the case of the Statement of Profit and Loss for the year ended on that date; and
- iii) In the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

## EMPHASIS OF MATTERS

We draw attention to the following observations:

- a) Due to default in repayment of borrowing the following banks have assigned all the rights, title and interests in the entire outstanding dues owed by the Company in favor of M/s Alchemist Asset Reconstruction Company Limited (AARC) together with all the underlying securities and guarantees on following dates:

(Rs. In Lakhs)

Name of the Lenders	Principal Amount O/s	Assignment Date
Oriental Bank of Commerce	5221.49	28-12-2015
Allahabad Bank	2510.19	30-12-2015
Punjab National Bank	8668.75	30-12-2016
Indian Overseas Bank	3272.62	30-03-2017
Syndicate Bank	6865.36	26-09-2017

The company vide agreement dated March 31, 2018 has provided acceptance to pay the dues as per the repayment schedule mentioned in the agreement and has also agreed to provide Non- convertible Debentures (NCDs)# to AARC as mentioned below:

(Rs. In Lacs)

Name of the Lenders	NCD Amount	To be issued on or Before
Oriental Bank of Commerce	1850	26-12-2023
Allahabad Bank	750	28-12-2023
Punjab National Bank	3500	31-12-2025
Indian Overseas Bank	1400	28-03-2025
Syndicate Bank	5800	24-09-2025

# the NCDs are yet to be provided by the company.

- b) Refer Note No. 7 under other notes in Notes to Accounts annexed with the financial statements for the year ended March 31, 2018 wherein the total outstanding Debtors for the year ended March 31,2018, include Rs. 3124 lakhs which are due for more than six months and out of which Debtors of Rs. 7.65 lakhs are under litigations. The company has not made any provision for debtors outstanding for more than six months.**
- c) The name of hotel Country Inn & Suites by Carlson has been changed to Country Inn & Suites by Radisson with effect from 17th day of 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. (Refer Note No. 1 under Significant Accounting Policies)**
- d) During the year the company has paid Rs. 142.67 lakhs in its paper division as Commission for sale of its products. However there is no formal agreement between the company and the parties to whom the commission has been paid. (Refer Note No. 19 under Other Notes to Accounts)**
- e) Balances of Debtors & Creditors are subject to confirmation and reconciliation consequential effect (if any) on the financial statement remains unascertained.**

#### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS:

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") as required by Companies Act,2013 and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we annex hereto a statement (Annexure-A) on the matters specified in said Order.
2. 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 purpose of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the company so far as 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - f) On the basis of written representations received from the directors as on 31 March, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2018, from being appointed as a director in terms of Section 164(2) of the Act.

- g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure B”; and
- g) With respect to the other matters included in the Auditor’s Report and to our best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer note 26 Part B (1) to the financial statements.
  - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection FUND by the Company.

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

**Sd/-  
Vinay Aggarwal  
Partner  
M.No.082045**

Place: New Delhi  
Date: May 29, 2018

## **ANNEXURE - A TO THE AUDITORS' REPORT**

### **ANNEXURE REFERRED TO IN OUR AUDIT REPORT OF EVEN DATE OF M/S MAGNUM VENTURES LIMITED, PURSUANT TO THE COMPANIES (AUDITORS' REPORT) ORDER 2016 ON THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2018**

- i. (a) The Company has updated its records of fixed assets showing full particulars including quantitative details and situation of Fixed Assets.  
  
(b) As explained to us, most of the fixed assets have been physically verified by the management during the year and as per the explanations and information given to us, there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. As explained to us discrepancies noticed on physical verification were not significant and have been properly dealt with in the books of accounts.  
  
(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. According to the information and explanations given to us the inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. As explained to us discrepancies noticed on physical verification were not significant and have been properly dealt with in the books of accounts.
- iii. 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.
- iv. 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 Act, with respect to the loans and investments made.
- v. 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.
- vi. The Company has prepared and maintained cost records as prescribed by the Central Government under sub-section (1) of section 148 of the companies Act 2013.
- vii. (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employee's state insurance, income tax, sales tax, wealth tax, custom duty, excise-duty, cess and other statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable.

**(b) According to the records and the information and explanations provided by the Company, there are following dues as on March 31, 2018 which have not been deposited on account of disputes :-**

Name of the Statue	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)		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	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 10562049 out of which Export Obligation of USD 7041250 is already fulfilled and redemption request submitted to DGFT. Further Out of redemption request submitted to DGFT of USD 7041250; 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 #	USD 3520798.68
Less Export Earning in Foreign Currency till 31.03.2018	USD 2997669.86
Balance Export Obligation till 31.03.2018	USD 523128.82

- # The Company has applied for extension of EPCG Authorization under the Public Notice No. 35 & 36 dated 27-10-2017 for Onetime condonation of time period in respect of obtaining extension in Export Obligation period or Blockwise Extension under EPCG Scheme.
- viii. ***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).
- ix. According to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments). And also no term loans were raised during the year.

- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the written representation provided by the management, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations give 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.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

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

**Sd/-  
Vinay Aggarwal  
Partner  
M.No.082045**

Place: New Delhi  
Date: May 29, 2018

## **ANNEXURE - B TO THE 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 Magnum Ventures Limited ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

***In our opinion and according to the information and explanations given to us, the company does not have an adequate internal control system commensurate with the size of company and the nature of its business with regard to the sale of goods as they are unable to collect their sale proceeds.***

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

**Sd/-  
Vinay Aggarwal  
Partner  
M.No.082045  
Place: New Delhi  
Date: May 29, 2018**

**MAGNUM VENTURES LIMITED**  
**BALANCE SHEET AS AT 31st MARCH, 2018**  
**CIN No. L21093DL1980PLC010492**

PARTICULARS	Note No.	For the Year ended as on 31.03.2018	For the Year ended as on 31.03.2017
<b>ASSETS</b>			
<b>Non Current Assets</b>			
a) Property Plant and Equipment	1	2,063,744,065.92	2,095,851,217.26
b) Intangible Assets	2	43,424.00	100,690.00
c) Financial Assets			
Long-term loans and advances	3	13,030,975.00	12,468,867.63
<b>Total Non-Current Asset</b>		<b>2,076,818,464.92</b>	<b>2,108,420,774.89</b>
<b>Current assets</b>			
a) Financial Assets			
Trade receivables	4	641,387,723.21	667,064,702.54
Cash and cash equivalents	5	66,231,160.93	78,938,985.84
Short-term loans and advances	6	56,612,220.49	141,486,386.71
b) Inventories	7	254,861,674.15	101,676,009.76
c) Other Current Assets	8	4,394,826.03	8,196,225.00
<b>Total Current Asset</b>		<b>1,023,487,604.81</b>	<b>997,362,309.85</b>
<b>TOTAL ASSETS</b>		<b>3,100,306,069.73</b>	<b>3,105,783,084.74</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
a) Share Capital	9	626,018,840.00	626,018,840.00
b) Other Equity (Reserves and surplus)	10	(832,672,087.42)	(840,337,927.45)
<b>Total Equity</b>		<b>(206,653,247.42)</b>	<b>(214,319,087.45)</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Long-term borrowings	11	2,775,506,688.79	2,903,673,895.57
Long Term Provisions	12	34,198,854.00	30,512,752.00
<b>Total Non-Current Liabilities</b>		<b>2,809,705,542.79</b>	<b>2,934,186,647.57</b>
<b>Current Liabilities</b>			
Trade Payable	13	266,774,366.85	301,779,287.28
Other Current Liabilities	14	213,018,102.51	64,851,693.34
Short Term Provisions	15	17,461,305.00	19,284,544.00
<b>Total Current Liabilities</b>		<b>497,253,774.36</b>	<b>385,915,524.62</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,100,306,069.73</b>	<b>3,105,783,084.74</b>

Significant Accounting Policies & Other Notes to accounts see accoumpying notes to financial statements	24	-0.00	-
---	----	-------	---

As Per Our Report Attached	<b>For And On Behalf of the Board of Directors</b>	
<b>For: Aggarwal &amp; Rampal</b>		
Chartered Accountants		
F.R. No 003072N		
Sd/- <b>Vinay Aggarwal</b> Partner Membership No: 082045	Sd/- <b>(Mr. Pradeep Kumar Jain)</b> Managing Director DIN : 00024879	Sd/- <b>(Mr. Abhey Jain)</b> Whole Time Director DIN: 01876385
	Sd/- <b>Mr. Parv Kumar Jain</b> (Chief Financial Officer)	Sd/- <b>Ms. Neha Gupta</b> (Company Secretary)
Place : New Delhi Date: 29.05.2018		M.No. A 45929

**MAGNUM VENTURES LIMITED****PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED ON 31st MARCH, 2018****CIN No. L21093DL1980PLC010492**

Particulars	Refer Note No.	For the Year ended as on 31.03.2018	For the Year ended as on 31.03.2017
Revenue from operations (Net)	16	2,565,557,743	2,147,075,149
Other income	17	7,910,061	8,036,023
<b>Total Revenue</b>		<b>2,573,467,804</b>	<b>2,155,111,173</b>
<b>Expenses</b>			
Cost of Material Consumed	18	1,796,026,807	1,644,239,064
Change in Inventory of Finished Goods & W.I.P	19	(7,283,415)	(3,707,419)
Employee Benefit Expense	20	317,635,518	265,560,787
Finance Cost	21	3,113,690	2,517,492
Depreciation and amortization expense	22	142,979,115.39	238,671,460
Other Expenses	23	306,830,308	271,222,208
<b>Total Expenses</b>		<b>2,559,302,023</b>	<b>2,418,503,592</b>
<b>Profit Before Tax and Extra-ordinary Items</b>		<b>14,165,780.53</b>	<b>(263,392,420)</b>
<b>Extra-ordinary Items</b>			
Profit (Loss) on Sale of Assets		309,305.00	(64,175)
Provision for Doubtful Debt written back		-	179,652,306
Provision for Notional Interest written back		-	1,115,608,866
Prior Period Expenses		(5,004,654.50)	(215,795)
<b>Profit Before Tax and after Extra-ordinary Items</b>		<b>9,470,431.03</b>	<b>1,031,588,782</b>
Tax expense:			
Current tax		1,804,591.00	-
<b>Profit After Tax for the Period</b>		<b>7,665,840.03</b>	<b>1,031,588,782</b>
<b>Earnings per equity share:</b>			
(1) Basic		0.20	27.43
(2) Diluted		0.20	27.43

Significant Accounting Policies  
& Other Notes to accounts  
see accoumpying notes to financial statements

As Per Our Report Attached  
**For: Aggarwal & Rampal**  
Chartered Accountants  
F.R. No 003072N

**Sd/-**  
Vinay Aggarwal  
Partner  
Membership No: 082045

Place : New Delhi  
Date: 29.05.2018

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

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

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

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

**Sd/-**  
Ms. Neha Gupta  
(Company Secretary)  
M.No. A 45929

**MAGNUM VENTURES LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2018**  
**CIN No. L21093DL1980PLC010492**

PARTICULARS		Amount in INR (Rs.)	
		As at 31.03.2018	As at 31.03.2017
CASH FLOW FROM OPERATIONS			
A)	Profit before Taxation	14,165,781	(263,392,420)
B)	Adjustments		
	ADD		
i	Depreciation	142,979,115	238,671,460
ii	Interest expenses	3,113,690	2,517,492
iii	Provision for Gratuity	3,703,681	5,034,531
iv	Provision for leave Encashment	793,250	2,245,947
v	Provisions for Bonus	(36,709)	589,883
vi	Provision for Income Tax	1,804,591	0
vii	Other Provisions	(4,401,950)	9,692,410
	<b>Less</b>		
	Interest income	52,516	3,612,624
		147,903,152	255,139,100
		162,068,933	(8,253,320)
	Operating profit before working capital changes		
C)	(Increase)/ Decrease in Current Assets		
i	Inventories	(153,185,664)	(17,862,164)
ii	Sundry Debtors	25,676,979	(76,863,226)
iii	loans & advances & other Current Assets	88,113,458	(26,428,149)
	Increase / (Decrease) in Current Liabilities		
i	Sundry Creditors	(35,004,920)	66,998,027
ii	Advance from Customers	76,165,184	29,464,938
iii	Expenses Payable	(3,614,747)	(9,164,906)
iv	other liability	66,302,000	(1,236,827,762)
		64,452,290	(1,270,683,242)
	Cash generated from operations	226,521,222	(1,278,936,562)
	Wealth tax paid	(1,804,591)	0
	Income tax & FBT	0	0
		(1,804,591.00)	0
	Effect of Extra Ordinary Item	(5,004,655)	1,295,045,377
	<b>NET CASH FROM OPERATIONS</b>	<b>219,711,977</b>	<b>16,108,815</b>
<b>INVESTING ACTIVITIES</b>			
i	Additions to Capital work in progress	0	0
ii	Additions to fixed assets(Net of Sales)	(110,505,393)	(67,909,092)
iii	Increase in investment	0	0
iv	Interest Income	52,516	3,612,624
	<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>(110,452,877)</b>	<b>(64,296,468)</b>

<b>FINANCING ACTIVITIES</b>				
i	Issue of Shares	0		0
ii	Increase in Share Premium	0		0
iii	Decrease in Investments	0		0
iv	Borrowings	(128,167,207)		(5,349,634)
v	Interest Paid/Payable	(3,113,690)		(2,517,492)
NET CASH FROM FINANCING ACTIVITIES			(131,280,897)	(7,867,126)
Net Change in cash and cash equivalents (A+ B + C)			(22,021,797)	(56,054,779)
Cash and cash equivalents at the beginning of the period (See Note-3)			78,938,986	134,993,765
Cash and cash equivalents at the end of the period (See Note-3)			56,917,189	78,938,986

**Notes :-**

- 1) The above Cash Flow Statements has been prepared under the Indirect Method as set out in As -3 (Cash Flow Statements)
- 2) Figures in bracket indicates outflows
- 3) Cash and cash equivalents consist of cash on hand and balances with scheduled Banks in current accounts. Cash and cash equivalents included in cash flow statement comprise the following balance sheet amounts.

Particulars	As at 31.03.2018	As at 31.03.2017
Cash in hand	3,445,871	311,645
FDR with the Bank	30,911,000	32,427,159
Balance with scheduled banks in current accounts	31,874,290	46,200,182
Total	66,231,161	78,938,986
	-9,313,972	-

As Per Our Report Attached  
**Aggarwal & Rampal**  
Chartered Accountants  
F.R. No 003072N

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

Sd/-  
Vinay Aggarwal  
Partner  
Membership No: 082045

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

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

Place : New Delhi  
Date: 29.05.2017

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

Sd/-  
**Ms. Neha Gupta**  
(Company Secretary)  
M.No. A 45929

**MAGNUM VENTURES LIMITED**

**Note 1**

<b><u>Property Plant and Equipments</u></b>	<b>For the Year ended as on 31.03.2018</b>	<b>For the Year ended as on 31.03.2017</b>
Land	180,866,209.86	180,866,209.86
Building & Site	723,789,688.59	751,626,556.43
Computer	1,885,512.54	872,832.32
Furniture & Fixture	52,168,166.94	29,915,942.68
Plant & Machinery	983,553,843.80	1,005,534,251.07
Vehicles	11,603,768.92	10,531,747.54
Electric Installation	15,926,629.17	8,561,821.72
Generator	5,250,039.80	6,202,734.80
Office Equipment	1,775,644.11	1,567,146.27
Fire Fighting Equipment	97,258.00	121,134.00
Deinking Plant	29,831,673.80	38,082,698.80
Turbine	56,995,630.39	61,968,141.77
<b>Total</b>	<b>2,063,744,065.92</b>	<b>2,095,851,217.26</b>

**Note 2**

<b><u>Intangible Assets</u></b>	<b>For the Year ended as on 31.03.2018</b>	<b>For the Year ended as on 31.03.2017</b>
Softwares	43,424.00	100,690.00
<b>Total</b>	<b>43,424.00</b>	<b>100,690.00</b>

**Note 3**

<b><u>Long Term Loans &amp; Advances</u></b>	<b>For the Year ended as on 31.03.2018</b>	<b>For the Year ended as on 31.03.2017</b>
Security Deposit (Unsecured, Considered good)	13,030,975.00	12,468,867.63
<b>Total</b>	<b>13,030,975.00</b>	<b>12,468,867.63</b>

**Note 4**

<b><u>Trade Receivables</u></b>	<b>For the Year ended as on 31.03.2018</b>	<b>For the Year ended as on 31.03.2017</b>
Trade Receivable outstanding for a period exceeding six months from Unsecured considered good	312,393,573.58	266,240,779.00
Trade Receivable outstanding for a period less than six months from the date they are due for payment Unsecured considered good	328,994,149.63	400,823,923.54
<b>Total</b>	<b>641,387,723.21</b>	<b>667,064,702.54</b>

Note 5

<u>Cash &amp; Cash Equivalents</u>	For the Year ended as on 31.03.2018	For the Year ended as on 31.03.2017
Balance with scheduled banks in current accounts	31,874,289.65	46,200,181.67
Cash on hand	3,445,871.28	311,645.17
Fixed Deposits with Banks & Others	30,911,000.00	32,427,159.00
<b>Total</b>	<b>66,231,160.93</b>	<b>78,938,985.84</b>

Note 6

<u>Short Term Loan &amp; Advances</u>	For the Year ended as on 31.03.2018	For the Year ended as on 31.03.2017
<u>Others</u>		
Unsecured, Considered good		
Advances with Government Authorities & Others	19,409,753.34	34,032,457.54
Labour, Staff Advance & Imprest	263,200.00	360,100.00
Advance to Supplier for Raw Material	29,865,110.15	81,027,552.17
Advance to Supplier for Capital Goods & Others	7,074,157.00	26,066,277.00
<b>Total</b>	<b>56,612,220.49</b>	<b>141,486,386.71</b>

Note 7

<u>Inventories</u>	For the Year ended as on 31.03.2018	For the Year ended as on 31.03.2017
(As Valued & Certified by the Management)		
Raw Material	138,369,316.62	33,588,723.72
Work-In-Progress	2,493,885.00	2,690,921.00
Finished Goods	21,336,674.00	13,856,223.00
Chemicals	11,609,408.65	13,592,200.82
Stores & Consumables	27,832,392.31	11,279,236.53
Hotel Stock	37,148,577.03	17,782,123.69
Fuel	16,071,420.54	8,886,581.00
<b>Total</b>	<b>254,861,674.15</b>	<b>101,676,009.76</b>

Note 8

<u>Other Current Assets</u>	For the Year ended as on 31.03.2018	For the Year ended as on 31.03.2017
Prepaid Expenses	1,669,106.03	3,357,065.00
Amount Receivable against Sale of Property	2,725,720.00	4,839,160.00
Branch / Divisions	-	-
<b>Total</b>	<b>4,394,826.03</b>	<b>8,196,225.00</b>

Note 9

Share Capital	For the Year ended as on 31.03.2018		For the Year ended as on 31.03.2017	
	Number	Rs.	Number	Rs.
<b>Authorised</b>				
Equity Shares of Rs.10 each	39,000,000.00	390,000,000.00	39,000,000.00	390,000,000.00
Preference Shares of Rs. 100 each	3,000,000.00	300,000,000.00	3,000,000.00	300,000,000.00
<b>Issued , Subscribed &amp; Paid up</b>				
Equity Shares of Rs.10 each fully Paid-up	37,601,884.00	376,018,840.00	37,601,884.00	376,018,840.00
Preference Shares of Rs. 100 each fully Paid-up	2,500,000.00	250,000,000.00	2,500,000.00	250,000,000.00
<b>Total</b>		<b>626,018,840.00</b>		<b>626,018,840.00</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-Redeemable, Non convertible and Non-Cumulative Preference Shares of Face value of Rs. 100/- on such terms and conditions including but not limited as

Reconciliation of Number of Equity Shares Outstanding

Particulars	AS AT 31.03.2018		AS AT 31.03.2017	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	37,601,884	376,018,840	37,601,884	376,018,840
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	37,601,884	376,018,840	37,601,884	376,018,840

Reconciliation of Number of Preference Shares Outstanding

Particulars	AS AT 31.03.2018		AS AT 31.03.2017	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	2,500,000	250,000,000	2,500,000	250,000,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	2,500,000	250,000,000	2,500,000	250,000,000

Shares held by shareholders holding more than 5% shares

Name of Shareholder	AS AT 31.03.2018		AS AT 31.03.2017	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Praveen Kumar Jain (Equity Shares)	16,648,510	44.28	16,648,510	44.28
Praveen Kumar Jain (Preference Shares)	2,500,000	100.00	2,500,000	250,000,000

Note 10

Reserves & Surplus	For the Year ended as on 31.03.2018	For the Year ended as on 31.03.2017
	<b>A. Securities Premium</b>	
Opening Balance	385,253,799.53	385,253,799.53
<b>Closing Balance</b>	385,253,799.53	385,253,799.53
<b>B. General Reserve</b>		
Opening Balance	1,528,067.07	1,528,067.07
<b>Closing Balance</b>	1,528,067.07	1,528,067.07
<b>C. Surplus</b>		
Opening balance	(1,227,119,794.07)	(2,258,708,576.06)
Effect due to application of Schedule II	0.00	-
(+/-) Profit/(Loss) During the Year	7,665,840.03	1,031,588,781.99
<b>Closing Balance</b>	<b>(1,219,453,954.04)</b>	<b>(1,227,119,794.07)</b>
<b>Total</b>	<b>(832,672,087.44)</b>	<b>(840,337,927.47)</b>



**Note 11**

<u>Long Term Borrowings</u>	For the Year ended as on 31.03.2018	For the Year ended as on 31.03.2017
<b>TERM LOAN</b>		
<b><u>SECURED</u></b>		
<b><u>From Banks/ARC</u></b>		
Oriental Bank Of Commerce	-	525,434,913.49
Punjab National Bank	-	866,874,836.42
Indian overseas Bank	-	327,262,465.14
Allahabad bank	-	251,020,616.34
Syndicate Bank	-	686,387,061.18
Vijaya Bank	237,961,486.00	237,961,486.00
Alchemist Assets Reconstruction Company Limited	2,533,464,692.57	-
Unsecured Loans From Related Parties & Others	3,746,388.22	7,105,833.00
Vehicle Loans	334,122.00	1,409,717.00
Deposits	-	216,967.00
<b>Total</b>	<b>2,775,506,688.79</b>	<b>2,903,673,895.57</b>
<b>TERM LOANS</b>		
Primary : Secured by First Charge on Present/Future Blocks assets of Hotel division ranking pari-passu with lenders Collateral : Secured by way of Second Charge on entire current assets (present & future) of the company on pari-		
<b>Working Capital Limit</b>		
Primary: Secured by First charge by way of hypothecation of raw materials, stock in process, finished goods, Collateral : Secured by way of Second Charge on entire fixed assets (present & future) of the company on pari-		
Oriental Bank of Commerce (Lead Bank), Punjab National Bank, Indian Overseas Bank and Allahabad Bank assigned		

**Note 12**

<u>Long Term Provisions</u>	For the Year ended as on 31.03.2018	For the Year ended as on 31.03.2017
<b><u>Provision for Employee benefits</u></b>		
Provision for Gratuity	25,157,268.00	22,276,718.00
Provision for Leave Encashment	9,041,586.00	8,236,034.00
<b>Total</b>	<b>34,198,854.00</b>	<b>30,512,752.00</b>

**Note 13**

<u>Trade Payable</u>	For the Year ended as on 31.03.2018	For the Year ended as on 31.03.2017
Trade Payable within Normal Operating Cycle	266,774,366.85	301,779,287.28
<b>Total</b>	<b>266,774,366.85</b>	<b>301,779,287.28</b>

**Note 14**

<b><u>Other Current Liabilities</u></b>	<b>For the Year ended as on 31.03.2018</b>	<b>For the Year ended as on 31.03.2017</b>
Vehicle Loans	1,270,121.00	1,728,121.00
AARC - Installment Due within 12 months	66,760,000.00	-
Other Payables	22,829,784.10	26,444,531.01
Deposits	112,844,225.41	36,679,041.33
Commission Payable	9,313,972.00	
<b>Total</b>	<b>213,018,102.51</b>	<b>64,851,693.34</b>

**Note 15**

<b><u>Short Term Provisions</u></b>	<b>For the Year ended as on 31.03.2018</b>	<b>For the Year ended as on 31.03.2017</b>
<b><u>Provision</u></b>		
Provision for Gratuity	1,700,442.00	877,311.00
Provision for Leave Encashment	813,995.00	826,297.00
Provision for Income Tax	1,804,591.00	-
Bonus payable	7,851,817.00	7,888,526.00
Other Provisions	5,290,460.00	9,692,410.00
<b>Total</b>	<b>17,461,305.00</b>	<b>19,284,544.00</b>

**Note 16**

<b>Revenue From Operation</b>	<b>For the Year ended as on 31.03.2018</b>	<b>For the Year ended as on 31.03.2017</b>
Gross Revenue	2,563,794,162.73	2,169,727,234.77
Less : Excise Duty	14,071,802.00	47,770,168.00
Net Revenue from Operations	2,549,722,360.73	2,121,957,066.77
Other Operating Revenue	16,596,050.16	25,118,082.38
Less : Excise Duty	760,667.57	-
Net Other Operating Revenue	15,835,382.59	25,118,082.38
<b>Total</b>	<b>2,565,557,743.32</b>	<b>2,147,075,149.15</b>

**Note 17**

<b>Other Incomes</b>	<b>For the Year ended as on 31.03.2018</b>	<b>For the Year ended as on 31.03.2017</b>
Interest recd on FDR	52,516.00	3,612,623.73
Interest accrued on Security Deposit (EEUDD)	664,950.00	663,000.00
Interest on Income Tax Refund	4,149,179.80	2,875,278.00
Rental Charges	650,000.00	662,250.00
Foreign Exchange Gain	1,557,024.53	165,579.89
Misc Income and Short & Excess	836,390.19	57,291.80
<b>Total</b>	<b>7,910,060.52</b>	<b>8,036,023.42</b>

**Note 18**

<b>Cost of Material Consumed</b>	<b>For the Year ended as on 31.03.2018</b>	<b>For the Year ended as on 31.03.2017</b>
Raw Material Consumed	1,146,229,605.49	980,255,919.08
Power & Fuel Consumed	420,149,148.40	368,503,266.00
Chemicals	153,365,074.48	206,351,129.68
Stores & Consumables	76,282,979.04	89,128,749.10
<b>Total</b>	<b>1,796,026,807.41</b>	<b>1,644,239,063.86</b>

**Note 19**

<b>Changes in Inventory of Finished Goods &amp; Work In Progress</b>	<b>For the Year ended as on 31.03.2018</b>	<b>For the Year ended as on 31.03.2017</b>
Changes in Inventory of Finished Goods	-7,480,451.00	(3,182,411.00)
Changes in Inventory of Work in Progress	197,036.00	(525,008.00)
<b>Total</b>	<b>(7,283,415.00)</b>	<b>(3,707,419.00)</b>

**Note 20**

<b>Employee Benefit Expense</b>	<b>For the Year ended as on 31.03.2018</b>	<b>For the Year ended as on 31.03.2017</b>
Director's Remuneration	674,400.00	2,323,900.00
Salary to Staff	158,367,440.81	158,115,535.17
Wages	112,774,037.00	69,567,503.00
Bonus	7,968,065.00	5,871,140.00
Gratuity	6,331,275.00	6,018,267.00
Leave Encashment	3,023,087.00	3,383,417.00
Contribution to ESI	7,013,022.00	4,315,995.00
Contribution to EPF	15,992,089.00	13,246,058.00
Staff Welfare	5,492,101.81	2,718,972.00
<b>Total</b>	<b>317,635,517.62</b>	<b>265,560,787.17</b>

**Note 21**

<b>Finance Cost</b>	<b>For the Year ended as on 31.03.2018</b>	<b>For the Year ended as on 31.03.2017</b>
Interest on Term Loan	63,181.00	-
Interest (others)	674,526.00	577,748.00
Bank Charges	2,375,982.86	1,939,744.24
<b>Total</b>	<b>3,113,689.86</b>	<b>2,517,492.24</b>

Note 22

Depreciation & Amortisation Expense	For the Year ended as on 31.03.2018	For the Year ended as on 31.03.2017
Depreciation on Tangible Assets	142,911,137.39	238,263,973.00
Amortisation of InTangible Assets	67,978.00	407,487.40
<b>Total</b>	142,979,115.39	238,671,460.40

Note 23

<u>Other Expenses</u>	For the Year ended as on 31.03.2018	For the Year ended as on 31.03.2017
Advertisement Expenses	3,565,947.65	2,774,818.67
Auditor Remuneration (Including Expenses)	191,950.00	361,550.00
Charity & Donation	123,000.00	-
Commission	44,196,036.50	5,901,383.00
Electricity	63,302,233.24	54,764,837.85
Entainment Tax	32,400.00	218,690.00
Exchange loss	-	66,263.00
Excise duty, Tax & Interest	19,870.00	494,380.00
Freight	39,049,377.00	27,908,116.00
Insurance Charges	1,073,799.78	1,021,682.00
Fees & Subscription	8,093,187.14	14,435,209.62
Legal & Professional	53,425,791.25	21,131,809.00
Miscellaneous & General	192,812.50	104,619.00
Postage	221,173.24	443,835.00
Photocopy Expense	142,332.00	140,464.00
Printing & Stationery	3,930,602.96	2,525,628.24
Rates & taxes	10,422,530.00	9,731,110.37
Rebate, Discount & Written off	2,790,541.04	3,761,291.22
Rent & Hire Charges	4,237,392.68	2,169,654.00
Repair & Maintenance Plant & Machinery & Others	38,778,069.34	56,174,746.20
Sales Promotion	231,682.00	17,699,957.00
Sales Tax (Including Additional Demand)	492,689.00	21,096.00
Service Tax (Including Interest & SBC & KKC)	3,142,971.66	3,552,764.03
Share Listing Fees	450,000.00	400,000.00
Internet & Telephone	2,219,351.29	3,018,756.17
Travelling Expenses	1,558,136.00	9,379,087.13
Conveyance Expense	357,875.00	137,926.00
TDS Demand (Including Interest)	4,406.00	31,520.00
Vehicle Expense	3,239,321.28	2,061,972.11
Water Expense (Including Cess)	581,605.08	873,290.00
Guest Supplies Expense	1,062,479.06	11,823,283.94
Horticulture Expenses	-	211,550.00
Kitchen Equipment & Fuel Expense	1,420,087.12	3,064,271.24
Upholstery & Fabric Expenditure	2,033,793.08	4,901,944.10
Banquet and Decoration Expense	8,459,070.80	7,584,124.96
Laundry & Cleaning Expenses	7,787,794.34	2,330,577.65
<b>Total</b>	306,830,308.03	271,222,207.50

**MAGNUM VENTURES LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS**  
**AS ON 31<sup>ST</sup> MARCH 2018**

---

**NOTE- 24**

**(A) SIGNIFICANT ACCOUNTING POLICIES**

**1. CORPORATE INFORMATION**

Magnum Ventures Limited is ISO 14000 certified company which is engaged in the business of trading and manufacturing of paper for more than 30 years. The existing manufacturing activities cover Newspaper printing paper and duplex boards

The Company also owns a Hotel named “**Country Inn & Suits by Carlson**” with Carlson group. In this regard, Company has entered into Territory License Agreement with Country Inn & Suites by Carlson Inc through Country Development & Management Services Private Limited. **The name of hotel Country Inn & Suites by Carlson has been changed to Country Inn & Suites by Radisson with effect from 17<sup>th</sup> day of 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.

**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 policies 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. Future results could differ from these estimates.
- c) The Company follows mercantile system of accounting and recognises significant items of income and expenditure on accrual basis.
- d) The company is complying with the Indian Accounting-Standards (Ind-AS) issued by the ICAI, as per the requirements of the Companies Act, 2013.

**3. FIXED ASSETS AND DEPRECIATION**

- a) Expenditure of capital nature are capitalised at cost comprising of purchase price (*net of Excise duty, 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 scrapped or otherwise disposed off, the cost and related depreciation are written off from the books of accounts and resultant profit or loss, if any is reflected in profit and loss account. The Company capitalized Inward Freight of Capital Asset at the end of month.

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.

- b) 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,

**MAGNUM VENTURES LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS**  
**AS ON 31<sup>ST</sup> MARCH 2018**

---

Freight on Capital Asset installed and put to use has been capitalized at the end of month.

**4. FOREIGN EXCHANGE TRANSACTIONS**

- a) All the Monetary assets and liabilities in foreign currencies are translated in Indian rupees at the exchange rates prevailing at the Balance Sheet date as notified. The resultant gain / loss are accounted for in the Profit & Loss account.
- b) The outstanding foreign exchange transactions are stated at the prevailing exchange rate as on the date of balance sheet.
- c) Items of Income and expenditure relating to foreign exchange transactions are recorded at exchange rates prevailing on the date of the transactions.

**5. INVENTORY VALUATION**

- a) Stock of raw materials, stores & spares are valued at lower of purchase cost or net realizable value.
- b) W.I.P is valued including component of Waste Paper, Chemicals & Stores, Fuel and Other Manufacturing Overheads. Finished goods are valued at cost of production or net realisable value whichever is less. Cost for the purpose of valuation includes raw material consumption, manufacturing expenses and other appropriate overheads there on in accordance with IND AS-2 issued by I.C.A.I.

**5. REVENUE RECOGNITION**

a) **Sales**

In Paper Division, Revenue on Sale of Newsprint 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.

c) **Misc Income**

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

**6. EXCISE DUTY/GST**

Liabilities for Excise Duty occur and accounted for as when the materials get finished.

**7. IMPAIRMENT OF ASSETS**

At the end of each year, the company determines whether a provision should be made for impairment loss on fixed assets by considering the indications that impairment loss may have occurred and where the recoverable amount of any fixed asset is lower than the carrying amount, a provision for impairment loss on fixed assets is made for the difference. Recoverable amount is generally measured using discounted estimated cash flows. Post impairment, depreciation is provided on the revised carrying value of asset over its remaining useful life.

Management is of the view that there is no such assets exists in the Company.

**8. 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

**MAGNUM VENTURES LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS**  
**AS ON 31<sup>ST</sup> MARCH 2018**

---

that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**9. EARNING PER SHARE**

Basic EPS is calculated by dividing the net profit for the year attributable to Equity Shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding the year is adjusted for events of bonus issue and share split.

For the purpose of calculating Diluted Earnings per Share, the Net Profit for the year attributable to Equity Share holders and the weighted average number of equity shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares. The Company does not have any diluted equity shares at the year end.

**10. 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.

**11. BORROWING COST**

Borrowing Cost that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A Qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

**12. RETIREMENT AND OTHER EMPLOYEE BENEFITS**

**a. Defined Contribution Plan**

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 Benefits has been recognized as required in accordance with Ind-AS 19 'Employee Benefits' on the basis of Actuarial Valuation report for the year ended 31-03-2018 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 the Statement of Profit and Loss.

**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 2018**

**Gratuity**

Particular	As at 31-03-18	As at 31-03-17
<b>a) Economic Assumption</b>		
Discounted Rate	7.75%	7.50%
Expected Rate of Return on Plan Assets	N.A.	N.A.
Rate of increase in Compensation levels	<b>PAPER</b> 5.25% <b>HOTEL</b> 6.50%	<b>PAPER</b> 5.25% <b>HOTEL</b> 6.50%
<b>b) Demographic Assumptions</b>		
Normal Retirement Age *	<b>PAPER</b> 60 years <b>HOTEL</b> 58 Years	
Mortality Table	Indian Assured Lives (2006-08)	
Withdrawal Rate (in %)	<b>PAPER</b> Up to 30 Years-3.0 Up to 44 Years-2.0 Up to 60 Years 1.0 <b>HOTEL</b> Up to 30 Years-5.0 Up to 44 Years-3.0 Up to 58 Years 2.0	
Present value of obligation as on 31-03-2018	Paper Division Rs. 14035826/- Hotel Division Rs. 12821884/-	

**Leave Encashment**

Particular	As at 31-03-18	As at 31-03-17
<b>a) Economic Assumption</b>		
Discounted Rate	7.75%	7.50%
Expected Rate of Return on Plan Assets	N.A.	N.A.
Rate of increase in Compensation levels	<b>PAPER</b> 5.25% <b>HOTEL</b> 6.50%	<b>PAPER</b> 5.25% <b>HOTEL</b> 6.50%
<b>b) Demographic Assumptions</b>		
Normal Retirement Age *	<b>PAPER</b> 60 years <b>HOTEL</b> 58 Years	
Mortality Table	Indian Assured Lives (2006-08)	
Withdrawal Rate (in %)	<b>PAPER</b> Up to 30 Years-3.0 Up to 44 Years-2.0 Up to 60 Years 1.0 <b>HOTEL</b> Up to 30 Years-5.0 Up to 44 Years-3.0 Up to 58 Years 2.0	
Present value of obligation as on 31-03-2018	Paper Division Rs. 3185261/- Hotel Division Rs. 6670320/-	

**In addition to above details of gratuity & leave encashment, actuarial detail hereunder-**



**MAGNUM VENTURES LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS**  
**AS ON 31<sup>ST</sup> MARCH 2018**

**Gratuity**

<b>Particulars</b>	<b>Paper div</b>	<b>Hotel Div</b>
<b>Assumption</b>		
<b>Discount rate</b>	7.75%	7.75%
<b>Future Salary Increase</b>	5.25%	6.50%
<b>Table showing change in benefit Obligation</b>		
<b>Present value of obligation as at the beginning of the period</b>	1,33,05,685	98,48,344
<b>Interest cost</b>	10,31,191	7,63,247
<b>Past service cost</b>	-	-
<b>Current service cost</b>	24,92,127	28,04,366
<b>Benefits paid</b>	(16,22,632)	(10,04,962)
<b>Actuarial (gain)/loss on obligation</b>	(11,70,545)	4,10,889

**MAGNUM VENTURES LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS**  
**AS ON 31<sup>ST</sup> MARCH 2018**

Present value of obligation as at the end of period 1,40,35,826 1,28,21,884

<i>Table of Fair value of Plan Assets</i>		
Fair value of plan assets at the beginning of the period	-	-
Expected return on plan assets	-	-
Contributions	-	-
Benefits paid	-	-
Actuarial gain/(loss) on plan assets	-	-
Fair value of plan assets at the end of the period	-	-
Total actuarial gain/ (loss) to be recognized	-	-
Return on Plan Actual Asset	-	-
	-	-
Expected Return on Plan Assets	-	-
Actuarial (gain)/loss on Plan Assets	-	-
Actuarial Return on Plan Assets	-	-
Amount recognized in the balance sheet		
Liability at the end of the year	1,40,35,826	1,28,21,884
Fair value of plan assets as at the end of the period	-	-
Funded status / Difference	(1,40,35,826)	(1,28,21,884)
Excess of actual over estimated	-	-
Unrecognized actuarial (gains)/losses	-	-
Net (asset)/liability recognized in balance sheet	1,40,35,826	(1,28,21,884)
Expenses recognized in the income statement		
Current service cost	24,92,127	28,04,366
Interest cost	10,31,191	7,63,247
Expected return on plan assets	-	-
Net actuarial (gain)/ loss recognized in the period	(11,70,545)	4,10,889
Expenses recognized in the statement of profit & losses	23,52,773	39,78,502
Movement in the liability		
Recognized in the Balance sheet		
Opening net liability	1,33,05,685	98,48,344
Expenses as above	23,52,773	39,78,502
Benefits paid	(16,22,632)	(10,04,962)
Closing net Liability	1,40,35,826	128,21,884

**MAGNUM VENTURES LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS**  
**AS ON 31<sup>ST</sup> MARCH 2018**

<b>Leave Encashment</b>		
<b>Particulars</b>	<b>Duplex Div</b>	<b>Hotel Div</b>
Assumption		
Discount rate	7.75%	7.75%
Future Salary Increase	5.25%	6.50%
Table showing change in benefit Obligation		
Present value of obligation as at the beginning of the period	30,03,905	60,58,426
Interest cost	2,32,803	4,69,528
Past service cost	-	-
Current service cost	11,01,785	23,01,146
Benefits paid	(8,83,838)	(13,45,999)
Actuarial (gain)/loss on obligation	(2,69,394)	(8,12,781)
Present value of obligation as at the end of period	31,85,261	66,70,320
Table of Fair value of Plan Assets		
Fair value of plan assets at the beginning of the period	-	-
Expected return on plan assets	-	-
Contributions	-	-
Benefits paid	-	-
Actuarial gain/(loss) on plan assets	-	-
Fair value of plan assets at the end of the period	-	-
Total actuarial gain/ (loss) to be recognized	-	-
Return on Plan Actual Asset	-	-
Expected Return on Plan Assets	-	-
Actuarial (gain)/loss on Plan Assets	-	-
Actuarial Return on Plan Assets	-	-
Amount recognized in the balance sheet		
Liability at the end of the year	31,85,261	66,70,320
Fair value of plan assets as at the end of the period	-	-
Funded status / Difference	(31,85,261)	(66,70,320)
Excess of actual over estimated	-	-
Unrecognized actuarial (gains)/losses	-	-
Net asset/(liability) recognized in balance sheet	31,85,261	66,70,320
Expenses recognized in the income statement		

**MAGNUM VENTURES LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS**  
**AS ON 31<sup>ST</sup> MARCH 2018**

Current service cost	11,01,785	23,01,146
Interest cost	2,32,803	4,69,528
Expected return on plan assets	-	-
Net actuarial (gain)/ loss recognized in the period	(2,69,394)	(8,12,781)
Expenses recognized in the statement of profit & losses	10,65,193	19,57,893
Movement in the liability		
Recognized in the Balance sheet		
Opening net liability	30,03,905	60,58,426
Expenses as above	10,65,193	19,57,893
Benefits paid	(8,83,838)	(13,45,999)
Closing net Liability	31,85,261	66,70,320

**(B) OTHER NOTES**

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

Name of the Statue	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)		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	Stay granted and awaited for hearing of appeal Tribunal Delhi

**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 10562049 out of which Export Obligation of USD 7041250 is already fulfilled and redemption request submitted to DGFT. Further Out of redemption request submitted to DGFT of USD 7041250; 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#	USD 3520798.68
Less Export Earning in Foreign Currency till 31.03.2018	USD 2997669.86
Balance Export Obligation till 31.03.2018	USD 523128.82

#The Company has applied for extension of EPCG Authorization under the Public Notice No. 35 & 36 dated 27-10-2017 for Onetime condonation of time period in respect of obtaining extension in Export Obligation period or Blockwise Extension under EPCG Scheme..

**MAGNUM VENTURES LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS**  
**AS ON 31<sup>ST</sup> MARCH 2018**

**3. REMUNERATION PAID TO AUDITORS:**

Particular	Current Year	Last Year
As Statutory Auditors	1,25,000/- GST 22,500/-	2,45,000/- Service Tax 36,750/-
Tax Audit Fees	50,000/- GST 9,000/-	55,000/- Service Tax 8,250/-
In other matter	16,950/-	16550/-

4. 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.

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

Particular	Current Year	Last Year
Mr. Pradeep Kumar Jain	-	600000.00
Mr. Parmod Jain	-	540000.00
Mr. Abhey Jain	-	540000.00
Mr. S. P. Chaturvedi	674400	643900.00

**6. INCREASE IN AUTHORISED CAPITAL**

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

**7. TRADE RECEIVABLES**

Out of the total trade receivables of Rs. 6414 lakhs, trade receivables amounting to Rs. 3124 lakhs are for more than six months and out of which Rs 7.65 lakhs are under litigation.

8. Additional information (as certified by the management and relied upon by the Auditors)

**PAPER DIVISION**

I) **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	85000	85000
(b)	Installed Capacity	NA	N.A
(c)	Production	65897	65800

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	524757	434590	13856223	10673812
(b)	Closing Stock	673222	524757	21336674	13856223
(c)	Sale (Including Captive use)	65748372	65709607	2112908424	1766162182

**MAGNUM VENTURES LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS**  
**AS ON 31<sup>ST</sup> MARCH 2018**

**HOTEL DIVISION**

S. No	Particular	Qty(Kgs)		Amount In Rs.	
		Current Year	Last Year	Current Year	Last Year
(a)	Opening Stock	NA	NA	17782124	17309492
(b)	Closing Stock	NA	NA	37148577	17782124
(c)	Sale	NA	NA	450885738	403565053

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	76716835	76464070	1023282043	895609381
(b)	Chemical	-	-	153365074	206351130
(c)	Stores	-	-	76282979	89128749
(d)	Power & Fuel	-	-	420149148	368503266

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	245023775	109124766	23.94	12.18
Indigenous Raw Material	778258268	786484615	76.06	87.82
Imported Stores & Chemical	25836047	10021437	11.25	3.39
Indigenous Stores & Chemical	203812006	285458442	88.75	96.61

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	260342328	82208012
Chemical & Consumable Spare Parts & Machines	23652076	29976364

**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)
<b>Paper Division</b>	Nil	Nil
<b>Hotel Division</b>	978183/- (\$15096.50)	1729080/- (\$25791.10)

**MAGNUM VENTURES LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS**  
**AS ON 31<sup>ST</sup> MARCH 2018**

**C) EARNING IN FOREIGN EXCHANGE CURRENCY:**

Particular	Current Year		Last Year	
	Rs.	FC	Rs.	FC
Paper Division	Nil	Nil	Nil	Nil
Hotel Division	6,80,56562/-	USD 1061890.56	45375280/-	USD 227933.69 Euro 294375 GBP 41520 AD 91435

**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 31.03.2018	1055006.22	2691382.00
2	<b>Unsecured loan from Directors</b>		
	Mr. Abhey Jain	969314.00	-
	Mr. Praveen Kumar Jain	85692.22	-
3	<b>Remuneration of Directors</b>		
	Mr. S. P. Chaturvedi	674400	-
4	<b>Remuneration of Company Secretary</b>		
	Neha Gupta	292572	-
5	<b>Interest on Unsecured Loan</b>		
	Abhey Jain (HUF)##	-	480000
6	<b>Salary to Relative of Key Management Personnel</b>		
	Mr. Rishabh Jain	-	432000
	Mr. Ritesh Jain	-	432000
	Mrs. Shashi Jain	-	480000
	Mr. Parv Jain #	-	468000
	Mr. Shrenik Jain #	-	468000
	Mr. Ujjwal Jain #	-	432000
	Mrs. Rita Jain #	-	432000
	Mrs. Veena Jain #	-	528000
	Mrs. Mehak Jain	-	492000
	Mrs. Asha Jain #	-	528000
	Mrs. Parul Jain	-	492000
	Mr. Paras Jain	-	468000
	Mrs.Parul Jain	-	360000
	Mrs. Meenal Jain	-	528000

**MAGNUM VENTURES LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS**  
**AS ON 31<sup>ST</sup> MARCH 2018**

	Mr. Akhil Jain #	-	408000
7	<b>Rent to Relative of Key Management Personnel</b>		
	Vinod Kumar Jain	-	480000
	Pradeep Kumar Jain	-	480000
	Pramod Jain	-	480000
	Salek Chand Jain	-	720000
	Monika Jain	-	480000
	Saroj Jain	-	480000
	Kamal Kishore Jain HUF	-	364000
8	Purchase from Johri Mal Kamal Kishore	-	2189035

# The Company has provided Rent Free Accommodation and incurred Rs. 2640000/- not included in above.

## Interest on the unsecured loan taken from Abhey Jain & HUF is paid @ 17.84% p.a. (on monthly basis.)

**Note:** The Directors have given Interest Free Unsecured Loan to the Company.

**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. Parmod Kumar Jain Mr. Abhey Jain Mr. Rakesh Garg Mr. Subhash Oswal Mr. S. P. Chaturvedi Ms. Neha Gupta Company Secretary
2	Relatives of Key Management Personnel	<b>Father of Director</b> Mr. Salek Chand Jain <b>Brother of Director</b> Mr. Vinod Kumar Jain <b>Wife of Director</b> Mrs. Veena Jain Mrs. Rita Jain Mrs. Asha Jain Mrs. Monika Jain <b>Son of Director</b> Mr. Rishabh Jain Mr. Ritesh Jain Mr. Parv Jain Mr. Shrenik Jain Mr. Paras Jain <b>Daughter of Directors</b> Mrs. Priyanka Jain <b>HUF of Father of Director</b> M/S Salek Chand Jain (HUF) <b>HUF of Brother of Director</b> M/S Vinod Jain (HUF) <b>HUF of Directors</b>



**MAGNUM VENTURES LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS**  
**AS ON 31<sup>ST</sup> MARCH 2018**

		M/S Praveen Kumar Jain (HUF) M/S Pramod Kumar Jain (HUF) M/S Pradeep Kumar Jain (HUF) M/S Abhay Jain (HUF) <b>Sister of Director</b> Mrs. Shashi Jain Mrs Saroj Jain <b>Firm of Brother in Law of Director</b> Johri Mal Kamal Kishore Kamal Kishore Jain HUF
--	--	--

**10. SUNDRY CREDITORS:**

As per the best available information with the company, No creditor has intimated their MSME status to us and accordingly there is no amount outstanding which is payable to small scale industrial undertaking.

**11. DEFERRED TAX LIABILITY:**

In lieu of huge accumulated losses of the company and absence of virtual certainty regarding availability of future taxable income, the management has decided not to recognise any deferred tax assets for the year ended March 31, 2018.

**12. IMPAIRMENT OF ASSETS**

In accordance with IND AS36 'Impairment of Assets' issued by Institute of Chartered Accountants of India, the company has assessed the potential generation of economic benefits from its business units as on the balance sheet date and is of the view that assets employed in continuing business are capable of generating adequate returns over their useful lives in the usual course of business: there is no indication to the contrary and accordingly, the management is of the view that no impairment provision is called for in these accounts.

**13. 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**

<b>Particulars</b>	<b>Paper Division</b>	<b>Hotel Division</b>	<b>Total</b>
Segment wise Revenue			
External Revenue 2018	2112908424.26	450885738.47	2563794162.73
2017	1766162182.00	403565052.77	2169727234.77
Segment wise Results <i>before extra-ordinary Items</i>			
Segment Result 2018	78542666.64	(-)64501886.12	14040780.52
2017	(-)777162384.55	(-)186230035.05	(-)263392419.60
Segment wise Results <i>after extra-ordinary Items</i>			
Segment Result 2018	78487284.14	(-)69141853.12	9345431.02

**MAGNUM VENTURES LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS**  
**AS ON 31<sup>ST</sup> MARCH 2018**

2017	743267217.47	288321564.52	1031588781.99
Segment wise Assets			
2018	2944801678.68	155504391.04	3100306069.72
2017	2959232789.26	146550295.48	3105783084.74
Segment wise Liabilities <i>excluding Bank Borrowings and Long term Unsecured Loan</i>			
2018	307425519.35	224128290.01	531553809.36
2017	304568139.29	111860137.33	416428276.62
Fixed Assets Addition			
2018	72757530.77	40189477.28	112947008.05
2017	63126042.00	5306866.73	68432908.73
Depreciation			
2018	83829615.00	59149500.39	142979115.39
2017	82963805.00	155707655.40	238671460.40

**Geographical Segment**

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

14. The Lenders of the Company (as mentioned in **Annexure A**) 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 (as mentioned in **Annexure A**). 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.

**Annexure A**

(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

15. The Company requested M/s Alchemist Asset Reconstruction Company Limited (AARC) for restructuring of the debts and AARC sanctioned the re-structuring proposal on 31.03.2018. The repayment schedule of debts and terms & conditions of restructuring is mentioned below:

<b>ANNEXURE B: REPAYMENT SCHEDULE AS PER RESTRUCTURING PROPOSAL</b>						
Sr. No.	Timeline	Oriental Bank of Commerce (Amt)	Allahabad Bank (Amt)	Punjab National Bank (Amt)	Indian Overseas Bank (Amt)	Syndicate Bank (Amt)
1	On or Before 30 Sep 2018	11174000	5090000	7615000	2478000	7080000
2	On or Before 31 Mar 2019	11101000	5049000	7615000	2478000	7080000

**MAGNUM VENTURES LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS**  
**AS ON 31<sup>ST</sup> MARCH 2018**

3	On or Before 30 Sep 2019	19281000	8466000	21955000	7728000	7080000
4	On or Before 31 Mar 2020	19135000	8384000	21765000	7667000	22080000
5	On or Before 30 Sep 2020	27241000	11760000	50260000	17516000	21903000
6	On or Before 31 Mar 2021	27022000	11638000	49683000	17377000	21726000
7	On or Before 30 Sep 2021	35055000	14973000	49112000	17237000	36549000
8	On or Before 31 Mar 2022	34763000	14810000	48541000	17098000	36195000
9	On or Before 30 Sep 2022	34471000	14646000	47970000	16959000	35841000
10	On or Before 31 Mar 2023	34179000	14483000	47399000	16819000	35487000
11	On or Before 30 Sep 2023	50392000	21235000	61168000	21930000	50133000
12	On or Before 31 Mar 2024	0	0	60406000	21744000	49602000
13	On or Before 30 Sep 2024	0	0	88325000	32058000	64071000
14	On or Before 31 Mar 2025	0	0	0	0	63363000
<b>TOTAL AMOUNT PAYABLE</b>		<b>Rs. 303814000</b>	<b>Rs. 130534000</b>	<b>Rs. 561814000</b>	<b>Rs. 199089000</b>	<b>Rs. 458190000</b>

The above repayment is in addition to the amount of Rs. 5,67,55,200 paid to AARC till 31.03.2018

**Term and Conditions of Settlement**

1. The funds for the Settlement/Restructuring shall come from operation of the Hotel & Paper unit as per the cash flows mentioned in the Techno Economic Viability(TEV) Report.
2. The Promoter shall have the option of making pre-payment and in such a case, the prepaid amount shall be adjusted from the subsequent installment.
3. Post repayment of the entire Settlement/Restructured amount - MVL shall provide a Non Convertible Debentures (NCD) as mentioned below.

**Amount of NCD to be issued post repayment of debts**

(Rs. In Lacs)

S.No.	Name of the Lenders	NCD Amount	To be issued on or Before
1	Oriental Bank of Commerce	1850	26-12-2023
2	Allahabad Bank	750	28-12-2023
3	Punjab National Bank	3500	30-12-2024
4	Indian Overseas Bank	1400	28-03-2025
5	Syndicate Bank	5800	24-09-2025

**4. Default Interest-**

In the event of any default in making payment of the installment(s)/transfer of shares by MVL on the respective due dates, interest on the default amount shall be charged @ 18% p.a. (compounded monthly) from the date of default till the date on which such default is cured.

**MAGNUM VENTURES LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS**  
**AS ON 31<sup>ST</sup> MARCH 2018**

---

5. MVL and/or Guarantors shall undertake to meet any shortfall in making payment as per terms of this proposal.
6. **Conditions of Default-**
  - a) Failure to make any payment due under the proposed Settlement and/or transfer the NCD to AARC or failure to comply with any other terms and conditions will constitute an Event of Default;
  - b) For each default of payment, a cure period of 30 days will be given for payment of defaulted amount along with default interest.
  - c) In case the default of payment beyond the 30 days or in case of any other Event of Default, the Settlement shall stand revoked and entire outstanding dues of the borrowers and/or guarantor(s) shall be payable. AARC shall be entitled to initiate any legal action for recovery of outstanding dues, as it may deem fit including enforcement under SARFAESI Act/DRT/DRAT/High Court, NCLT/NCLAT & Supreme Court
  - d) Upon revocation of this proposal as per sub clause c above, any amount paid shall be forfeited and adjusted against total dues. Thereafter, AARC will be entitled to recover total dues along with interest at contractual rates, further interest and other charges from the said date till date of realization after adjusting amount received.
7. **Other terms & Conditions-**
  - a) All existing securities, guarantees and legal documents including the loan/security documents entered into with the Assignor's mentioned above shall remain in full force and effect till the entire amount is credited to the accounts of **Alchemist Trust XXVI** as per schedule of payment given above.
  - b) M/s Magnum Ventures Ltd. (MVL), promoter(s) and guarantor(s) shall make arrangements for payment of any Statutory and other dues payable by it. M/s Magnum Ventures Ltd.(MVL) shall indemnify AARC and hold harmless from any dues payable towards any Statutory body or labour arising any time before or after the acceptance of proposal date.
  - c) After receipt of the total amount payable as per this proposal, as indicated in repayment schedule, AARC shall issue a "No Dues Letter" towards dues payable by MVL to AARC as assignee of debt from UCO Bank and all guarantees shall stand released thereof.
  - d) AARC shall have inspection and visitation rights to all documents, facilities/premises of MVL at any point of time. Till such time that the amounts payable to AARC have not been repaid, MVL shall be under obligation to provide AARC with any such information which may be requested.
  - e) MVL shall arrange to file consent terms with DRT/DRAT/High Court, NCLT/NCLAT & Supreme Court where the Original Application filed by AARC and/or Assignor Bank.
  - f) MVL shall withdraw all litigations which they may have filed against AARC and/or Assignor Bank. Also, MVL shall ensure that all the litigations filed by third parties against AARC shall be withdrawn. The withdrawal applications shall be filed within 3 days of acceptance of this letter.
  - g) That any expense which will be incurred in relation to resolution of MVL account, or for furtherance of this Settlement Agreement, will be borne by MVL, and if paid by AARC will be reimbursed by MVL on Actual Basis.
  - h) The MVL shall not sell any of its fixed assets and/or investments save and except those as permitted in terms of the Restructuring and during normal course of business operation without prior recommendation of

**MAGNUM VENTURES LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS**  
**AS ON 31<sup>ST</sup> MARCH 2018**

AARC. However, the company shall sell its non-core assets, wherever applicable and Asset sale Committee would be set up with the approval of AARC for sale of such assets.

- i) The AARC shall have 'Right of Recompense' at its discretion arising out of concessions granted under this Settlement.
- j) Promoters shall infuse fresh long terms funds by way of equity or subordinated debt to ensure flow of working capital and any capex thereon.
- k) In case during the Settlement period if there is any shortfall in the required cash flow of the MVL due to shortage of EBIDTA resulting into the shortfall of repayment to AARC as envisaged in the scheme, the promoters will make good the shortfall therein
- l) AARC shall have the option to convert the excess debt into equity shares of the company as per applicable guidelines to ARC during the currency of loan / Settlement.
- m) The MVL and/or Guarantors will not repay any unsecured loan during the currency of Settlement cum Restructuring period and without the explicit approval AARC.
- n) The MVL and/or Guarantors will take necessary Board/ shareholders approvals for the present Settlement and Restructuring proposal and submit a copy of signed resolution for our record.
- o) AARC will have right to appoint Nominee Directors on the board of MVL. The MVL and/or Guarantors will take necessary corporate and regulatory steps in this regard.

**16. PLEDGING OF SHARES**

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

**17. 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.
---	-----------	--

**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.

**MAGNUM VENTURES LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS**  
**AS ON 31<sup>ST</sup> MARCH 2018**

---

18. The Company had filed a case against Shree LaxmipatiBalajee (Trader) for recovery of one Crore before the Honb'le District Court Ghaziabad, Uttar Pradesh u/s 138 of Negotiable Instrument Act, 1881.
19. The company in its Paper Division pays commission for sale of its products. However there are no formal agreement between the company and the parties to whom the commission is paid.
20. Previous year figure have been regrouped and reclassified wherever considered necessary to make them comparable to those of the current year.
21. Figures in {brackets} pertain to the previous year.

The above Note on Significant Accounting Policies 1 to 12 and Other Note 1 to 21 form an integral part of the Balance Sheet as at 31<sup>st</sup> March 2018 and has been authenticated as such.

---

**As per our report of even date**  
**For: Aggarwal & Rampal**  
**Chartered Accountants**  
**Firm Reg. No. 003072N**

**Sd/-**  
**Vinay Aggarwal**  
**(Partner)**  
**M.No..082045**

**For and on behalf of the Board Of Directors**

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

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

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

**Sd/-**  
**Neha Gupta**  
**(Company Secretary)**  
**M.No. A45929**

**Place: New Delhi**  
**Date : 29.05.2018**

**MAGNUM VENTURES LIMITED**  
**CIN: L21093DL1980PLC010492**  
**Office No. 205, 2nd Floor, Building No. 4326 Street No. 3, Ansari Road Darya Ganj Delhi 110002**  
**SCHEDULE OF FIXED ASSETS AS PER SCHEDULE XIV OF COMPANIES ACT 2013**

PAPER -DIVISION (Duplex)

Note 10, 11 & 25

S. No.	Particular	ROD/ Yrs. Of Amortisation	Gross Block				Depreciation				Net Block	
			As at 01.04.2017	Addition	Sale/ Adjustment	AS at 31.03.2018	As at 01.04.2017	During the Period	W/Of	Total as on 31.03.2018	Wdv as on 31.03.2018	Wdv as on 31.03.2017
<b>Tangible</b>												
<b>Writtendown Method</b>												
1	Land	0%	18208235.60	0.00	0.00	18208235.60	0.00		0.00	0.00	18208235.60	18208235.60
2	Building	9.50%	63654719.55	2407141.75	0.00	66061861.30	45924565.40	1696210.00	0.00	47620775.40	18441085.90	17730154.15
3	Electrical Instalation	25.89%	112545187.00	4090000.00	0.00	112954187.00	105467030.51	2957239.00	0.00	108424269.51	4529917.49	7078156.49
4	Generator	18.10%	24504952.31	0.00	0.00	24504952.31	22430742.51	479972.00	0.00	22910714.51	1594237.80	2074209.80
5	Vehicle	31.23%	16900461.87	4579154.00	0.00	21479615.87	12494381.25	2067963.00	0.00	14562344.25	6917271.62	4406080.62
6	Office Equipment	45.07%	996563.27	791215.45	0.00	178778.72	478191.00	410750.00	0.00	888941.00	898837.72	518372.27
7	Furniture & Fixture	25.89%	628954.73	0.00	0.00	628954.73	580875.00	16631.00	0.00	597506.00	31448.73	48079.73
8	Computer	63.16%	656425.20	38587.22	0.00	695012.42	342109.00	206629.00	0.00	548738.00	146274.42	314316.20
9	Fire Fighting Equip.	18.10%	808603.00	0.00	0.00	808603.00	687469.00	23876.00	0.00	711345.00	97258.00	121134.00
<b>Straight Line Method</b>												
10	Plant & Machinery	3.80%	1572770688.75	53519762.73	3277800.00	1623012651.48	762471902.60	51183227.00	1145490.00	812509639.60	810503011.88	810298786.15
11	Deinking Plant	6.33%	101990419.60	0.00	0.00	101990419.60	63907720.80	8251025.00	0.00	72158745.80	29831673.80	38082698.80
12	Turbine	6.33%	181231653.87	11001957.62	0.00	192233611.49	119273968.40	15972481.00	0.00	135246449.40	56987162.09	61957685.47
<b>Sub Total</b>			<b>2094896864.75</b>	<b>72746818.77</b>	<b>3277800.00</b>	<b>2164365883.52</b>	<b>1134058955.47</b>	<b>83266003.00</b>	<b>1145490.00</b>	<b>1216179468.47</b>	<b>948186415.05</b>	<b>960837909.28</b>
11	<b>Intangible</b>											
	Computer Software	5 Years	430110.00	10712.00	0.00	440822.00	329420.00	67978.00	0.00	397398.00	43424.00	100690.00
			430110.00	10712.00	0.00	440822.00	329420.00	67978.00	0.00	397398.00	43424.00	100690.00
<b>Total</b>			<b>2095326974.75</b>	<b>72757530.77</b>	<b>3277800.00</b>	<b>2164806705.52</b>	<b>1134388375.47</b>	<b>83333981.00</b>	<b>1145490.00</b>	<b>1216576866.47</b>	<b>948229839.05</b>	<b>960938599.28</b>

PAPER -DIVISION (Newsprint)

S. No.	Particular	ROD/ Yrs. Of Amortisation	Gross Block				Depreciation				Net Block	
			As at 01.04.2017	Addition	Sale/ Adjustment	AS at 31.03.2018	As at 01.04.2017	During the Period	W/Of	Total as on 31.03.2018	Wdv as on 31.03.2018	Wdv as on 31.03.2017
1	Computer	63.16%	117093.75	0.00	0.00	117093.75	115447.00	0.00	0.00	115447.00	1646.75	1646.75
2	Office Equipment	45.07%	180234.00	0.00	0.00	180234.00	168207.00	3467.00	0.00	171674.00	8560.00	12027.00
3	Electrical Installations	25.89%	308510.00	0.00	0.00	308510.00	183720.00	32991.00	0.00	216711.00	91799.00	124790.00
4	Turbine	18.10%	20580.30	0.00	0.00	20580.30	10124.00	1988.00	0.00	12112.00	8468.30	10456.30
<b>Straight Line Method</b>												
5	Plant & Machinery	3.80%	12050984.32	0.00	0.00	12050984.32	2153213.00	457188.00	0.00	2610401.00	9440583.32	9897771.32
<b>Total</b>			<b>12677402.37</b>	<b>0.00</b>	<b>0.00</b>	<b>12677402.37</b>	<b>2630711.00</b>	<b>495634.00</b>	<b>0.00</b>	<b>3126345.00</b>	<b>9551057.37</b>	<b>10046691.37</b>

HOTEL-DIVISION

S.No.	Particular	ROD/ Yrs. Of Amortisation	Gross Block				Depreciation				Net Block	
			As at 01.04.2017	Addition	Sale/ Adjustment	AS at 31.03.2018	As at 01.04.2017	During the Period	W/Of	Total as on 31.03.2018	Wdv as on 31.03.2018	Wdv as on 31.03.2017
<b>Tangible Asset</b>												
1	Land	0	162657974.26	0.00	0.00	162657974.26	0.00	0.00	0.00	0.00	162657974.26	162657974.26
<b>Straight Line Method</b>												
2	Building & Site	3.17%	879764679.28	2797479.41	0.00	882562158.69	159304179.00	30857984.00	0.00	190162163.00	692399995.69	720460500.28
3	Computer (Op.)	31.67%	500554.45	1610189.00	0.00	2110743.45	50237.00	393886.00	0.00	444123.00	1666620.45	450317.45
4	Furniture & Fixture	11.88%	555575627.95	23242599.26	0.00	578818227.21	526169331.00	634449.00	0.00	526803780.00	52014447.21	29406296.95
5	Office Equipment	19.00%	1189783.00	61249.16	0.00	1251032.16	216231.00	229725.00	0.00	445956.00	805076.16	973552.00
6	Plant & Machinery	6.33%	313650014.60	2155898.00	0.00	315805912.60	139548160.00	22614426.00	0.00	162162586.00	153643326.60	174101854.60
7	Car	11.88%	5167606.00	0.00	0.00	5167606.00	4908744.08	181.62	0.00	4908925.70	258680.30	258861.92
8	Electrical Installation	9.50%	1627641.23	10322062.45	0.00	11949703.68	268766.00	376025.00	0.00	644791.00	11304912.68	1358875.23
<b>Sub-Total</b>			<b>1920133880.77</b>	<b>40189477.28</b>	<b>0.00</b>	<b>1960323358.05</b>	<b>830465648.08</b>	<b>55106676.62</b>	<b>0.00</b>	<b>885572324.70</b>	<b>1074751033.35</b>	<b>1089668232.69</b>
<b>Intangible Asset</b>												
8	Computer Software	5 Years	1900308.00	0.00	0.00	1900308.00	1900308.00	0.00	0.00	1900308.00	0.00	0.00
			1900308.00	0.00	0.00	1900308.00	1900308.00	0.00	0.00	1900308.00	0.00	0.00
<b>Total</b>			<b>1922034188.77</b>	<b>40189477.28</b>	<b>0.00</b>	<b>1962223666.05</b>	<b>832365956.08</b>	<b>55106676.62</b>	<b>0.00</b>	<b>887472632.70</b>	<b>1074751033.35</b>	<b>1089668232.69</b>

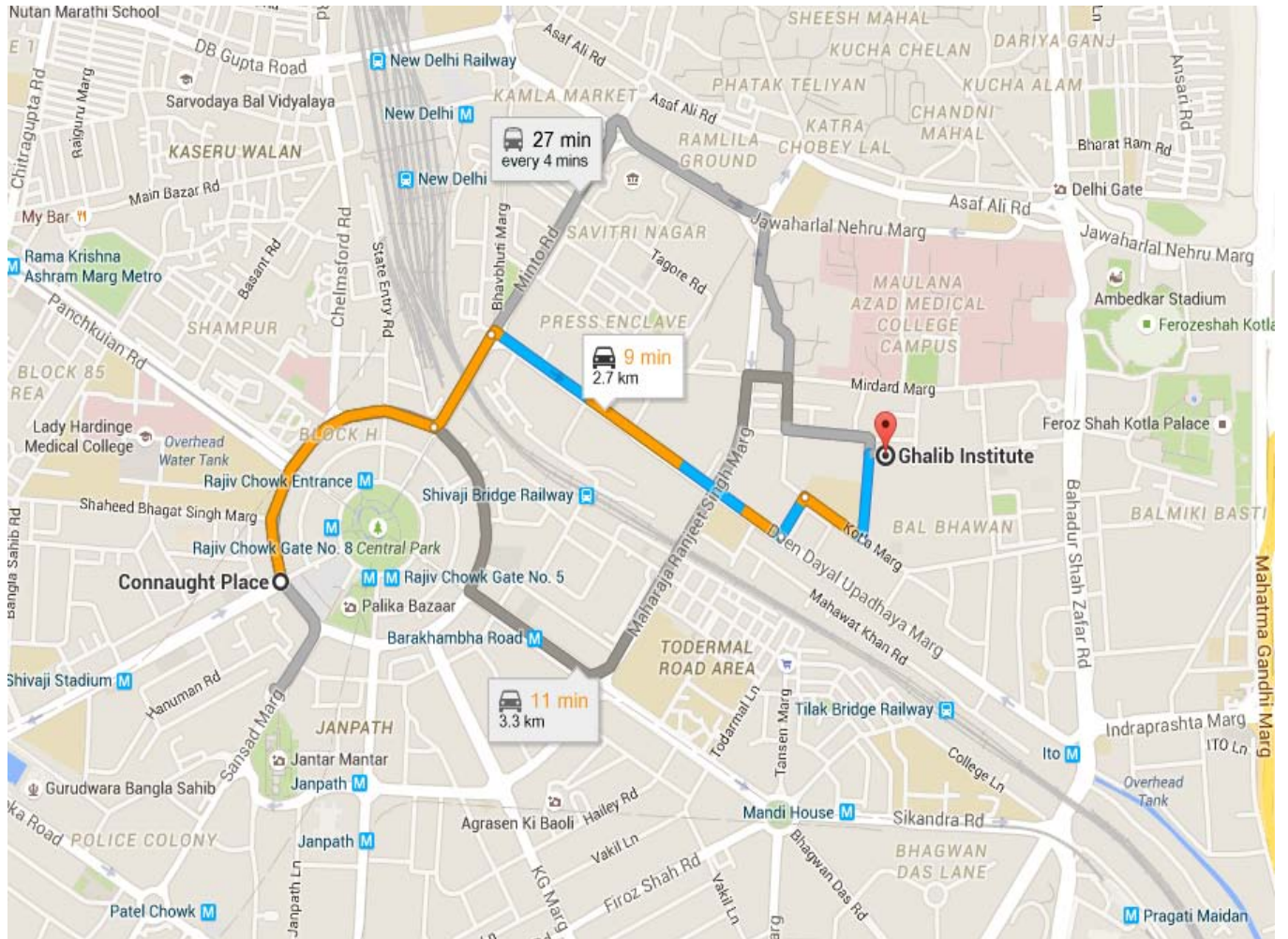
## HOTEL DIVISON-CIS

S.No.	Particular	ROD/ Yrs. Of Amortisation	Gross Block				Depreciation				Net Block	
			As at 01.04.2017	Addition	Sale/ Adjustment	AS at 31.03.2018	As at 01.04.2017	During the Period	W/Off	Total as on 31.03.2018	Wdv as on 31.03.2018	Wdv as on 31.03.2017
	<b>Tangible</b>											
	<b>Straight Line Method</b>											
1	Plant & Machinery	6.33%	17920823.29	0.00	0.00	17920823.29	6684984.29	1268917.00	0.00	7953901.29	9966922.00	11235839.00
2	Furniture & Fixture	11.88%	2442732.00	0.00	0.00	2442732.00	1981166.00	339295.00	0.00	2320461.00	122271.00	461566.00
3	Computer	31.67%	203546.92	0.00	0.00	203546.92	96995.00	35581.00	0.00	132576.00	70970.92	106551.92
4	Office Equipment	19.00%	1263412.00	0.00	0.00	1263412.00	1200217.00	24.77	0.00	1200241.77	63170.23	63195.00
5	Generator	6.33%	6861000.00	0.00	0.00	6861000.00	2732475.00	472723.00	0.00	3205198.00	3655802.00	4128525.00
6	Car	11.88%	11106895.00	0.00	0.00	11106895.00	5240090.00	1438988.00	0.00	6679078.00	4427817.00	5866805.00
8	Building	3.17%	15180545.00	0.00	0.00	15180545.00	1744643.00	487295.00	0.00	2231938.00	12948607.00	13435902.00
	<b>Sub-Total</b>		<b>54978954.21</b>	<b>0.00</b>	<b>0.00</b>	<b>54978954.21</b>	<b>19680570.29</b>	<b>4042823.77</b>	<b>0.00</b>	<b>23723394.06</b>	<b>31255560.15</b>	<b>35298383.92</b>
	<b>Intangible</b>											
7	Computer Software	5 Years	1,975,736.40	0.00	0.00	1975736.40	1975736.40	0.00	0.00	1975736.40	0.00	0.00
	<b>Sub-Total</b>		<b>1975736.40</b>	<b>0.00</b>	<b>0.00</b>	<b>1975736.40</b>	<b>1975736.40</b>	<b>0.00</b>	<b>0.00</b>	<b>1975736.40</b>	<b>0.00</b>	<b>0.00</b>
	<b>Total</b>		<b>56954690.61</b>	<b>0.00</b>	<b>0.00</b>	<b>56954690.61</b>	<b>21656306.69</b>	<b>4042823.77</b>	<b>0.00</b>	<b>25699130.46</b>	<b>31255560.15</b>	<b>35298383.92</b>
	<b>GRAND TOTAL (Hotel+Paper)</b>		<b>4086993256.50</b>	<b>112947008.05</b>	<b>3277800.00</b>	<b>4196662464.55</b>	<b>1991041349.24</b>	<b>142979115.39</b>	<b>1145490.00</b>	<b>2132874974.63</b>	<b>2063787489.92</b>	<b>2095951907.26</b>
	Previous year		4022990160.77	68432908.73	4429813.00	4085365615.27	1756211709.84	238671460.40	3841821.00	1990772583.24	2094593032.03	2266778450.94

\*Note: Softwares are amortised in 5 years



**ROUTE MAP TO THE VENUE OF THE 38<sup>TH</sup> ANNUAL GENERAL MEETING  
ON SATURDAY, THE 22<sup>ND</sup> SEPTEMBER, 2018 AT 11:00 A.M.**



**Magnum Ventures Limited**

Regd. Office: Office No. 205, 2nd Floor, Building No. 4326 Street No. 3, Ansari Road Darya Ganj Delhi -110002

**ATTENDANCE SLIP**

Regd. Folio No./ DP ID - Client ID: \_\_\_\_\_

Name & Address of First/Sole Shareholder: \_\_\_\_\_

No. of Shares held: \_\_\_\_\_

I hereby record my presence at the 38<sup>th</sup> Annual General Meeting of the Company to be held on Saturday, the 22<sup>nd</sup> Day of September, 2018 at 11:00 A.M. at Galib Institute, AIWAN-E GALIB MARG, New Delhi-110002

\_\_\_\_\_  
Signature of Member/Proxy

**Notes:**

- a) Only Member/Proxy can attend the meeting. No minors would be allowed at the meeting.*
- b) Member / Proxy wish to attend the meeting must bring this attendance slip to the meeting and handover at the entrance duly filled in and signed.*

-----TEAR HERE-----

**Magnum Ventures Limited**

Regd. Office: Office No. 205, 2nd Floor, Building No. 4326 Street No. 3, Ansari Road Darya Ganj Delhi -110002

**ATTENDANCE SLIP**

Regd. Folio No./ DP ID - Client ID: \_\_\_\_\_

Name & Address of First/Sole Shareholder: \_\_\_\_\_

No. of Shares held: \_\_\_\_\_

I hereby record my presence at the 38<sup>th</sup> Annual General Meeting of the Company to be held on Saturday, the 22<sup>nd</sup> Day of September, 2018 at 11:00 A.M. at Galib Institute, AIWAN-E GALIB MARG, New Delhi-110002

\_\_\_\_\_  
Signature of Member/Proxy

**Notes:**

- a) Only Member/Proxy can attend the meeting. No minors would be allowed at the meeting.*
- b) Member / Proxy wish to attend the meeting must bring this attendance slip to the meeting and handover at the entrance duly filled in and signed.*

**Form No. MGT-11**

**Proxy form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies  
(Management and Administration) Rules, 2014]

CIN: **L21093DL1980PLC010492**

Name of the Company: **Magnum Ventures Limited.**

Registered office: **Office No. 205, 2nd Floor, Building No. 4326 Street No. 3, Ansari Road Darya Ganj Delhi-110002**

Name of the member(s):  Registered address:  E-mail Id: Folio No/ DP ID and Client Id:
--

I/We, being the member (s) of \_\_\_\_\_ shares of the above named company, hereby appoint

1. Name: \_\_\_\_\_ Email Id: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Signature: \_\_\_\_\_ or failing him
2. Name: \_\_\_\_\_ Email Id: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Signature: \_\_\_\_\_ or failing him
3. Name: \_\_\_\_\_ Email Id: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 38<sup>th</sup> Annual General Meeting of the company, to be held on Saturday, the 22<sup>nd</sup> day of September, 2018 at 11:00 a.m. at Galib Institute, AIWAN-E-GALIB Marg, New Delhi-110002 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resl. No.	Description	For	Against
1.	Consideration and adoption of Annual audited accounts and Reports for the financial year ended 31 <sup>st</sup> March, 2018.		
2.	Re-election of Mr. Parmod Kumar Jain (DIN: 01222952) as Director of the Company, who retires by rotation.		
3.	Re-election of Ms. Neha Gupta (DIN: 07700094) as Women Director of the Company, who retires by rotation		
4.	Re-appointment of M/s. Aggarwal & Rampal, as Statutory Auditors of the Company who shall hold office from the conclusion of 38 <sup>th</sup> Annual General Meeting until the conclusion of 43 <sup>rd</sup> Annual General Meeting.		
5.	To ratify the remuneration of Cost Auditors for the Financial Year 2017-18.		
6.	To re-appoint Mr. Pradeep Jain as Managing Director of the Company for a period of 5 years commencing on February 04, 2019.		

Signed this..... day of..... 2018

Signature of shareholder

Signature of Proxy holder(s)

Affix Revenue Stamp
---------------------------

**Note:** This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.