

B S R & Co. LLP

Chartered Accountants

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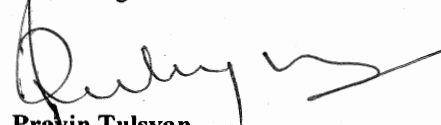
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Limited review report on unaudited quarterly financial results and year-to-date results pursuant to Regulation 33 of the Listing Regulations

To
Board of Directors of Kuantum Papers Limited

1. We have reviewed the accompanying statement of unaudited financial results ("the financial results") of Kuantum Papers Limited ("the Company") for the quarter ended 31 December 2018 and the year-to-date results for the period from 1 April 2018 to 31 December 2018 attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').
2. These financial results are the responsibility of the Company's Management and has been approved by the Board of Directors on 12 February 2019. Our responsibility is to issue a report on these financial results based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* specified under section 143(10) of the Companies Act, 2013. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying financial results prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W100022



Pravin Tulsyan
Partner
Membership No.: 108044

Place: Noida
Date: 12 February 2019

Regd. Office: Paper Mill, Saila Khurd-144529 Distt. Hoshiarpur (Punjab)
STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2018

S. No.	Particulars	(Rs in Lakhs)					
		Quarter ended			Nine Months ended		Year ended
		31 December	30 September	31 December	31 December	31 December	31 March
		2018	2018	2017	2018	2017	2018
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	
1	Revenue from operations						
	Sale/Income from operations (refer note 5 below)	22,372.80	16,973.22	17,332.99	57,644.21	52,328.80	71,369.55
	Other operating income	146.98	44.33	6.41	195.97	70.12	59.75
	Total revenue from operations	22,519.78	17,017.55	17,339.40	57,840.18	52,398.92	71,429.30
2	Other income	190.14	518.84	93.02	903.73	203.99	366.42
3	Total income (1+2)	22,709.92	17,536.39	17,432.42	58,743.91	52,602.91	71,795.72
4	Expenses						
	Cost of materials consumed	7,591.28	5,952.44	5,757.53	19,716.30	16,575.67	22,365.00
	Excise duty on sales	-	-	-	-	1,015.57	1,015.57
	Changes in inventory of finished goods and work-in-progress	266.48	(361.62)	79.48	(638.46)	(316.39)	131.64
	Employee benefits expense	1,314.82	1,325.70	1,097.46	3,890.47	3,183.68	4,358.54
	Finance costs	779.18	618.30	581.20	1,975.70	1,940.61	2,458.40
	Depreciation and amortization expense	665.16	586.13	491.59	1,770.38	1,422.59	1,941.99
	Other expenses:						
	- Power and fuel expense	3,463.44	3,083.37	2,780.46	9,540.37	8,182.14	10,988.37
	- Cost of chemical consumed	3,908.18	2,564.93	2,821.67	9,658.20	8,445.93	11,638.26
	- Others	1,543.11	1,698.92	1,351.18	4,878.79	4,783.94	6,186.85
	Total expenses	19,531.65	15,468.17	14,960.57	50,791.75	45,233.74	61,084.62
5	Profit before tax (3-4)	3,178.27	2,068.22	2,471.85	7,952.16	7,369.17	10,711.10
6	Tax expense	969.43	652.83	786.25	2,430.20	2,304.62	3,422.35
7	Net profit for the period (5-6)	2,208.84	1,415.39	1,685.60	5,521.96	5,064.55	7,288.75
8	Other Comprehensive Income (OCI)						
	(i) a) Items that will not be reclassified to profit or loss	(5.99)	(5.99)	(15.39)	(17.97)	(52.95)	(21.23)
	b) Income tax relating to items that will not be reclassified to profit or loss	1.29	1.29	4.62	3.87	16.26	6.60
	(ii) a) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	b) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
9	Total Comprehensive Income for the period (7+8)	2,204.14	1,410.69	1,674.83	5,507.86	5,027.86	7,274.12
10	Earnings per share -Basic and diluted (of Rs 10 each) (not annualized)	25.31	16.22	19.32	63.28	58.04	83.53
11	Total reserves (excluding revaluation reserve)	-	-	-	-	-	26,971.97
12	Paid-up equity share capital (Face value @ Rs 10 per share)	872.64	872.64	872.64	872.64	872.64	872.64
	See accompanying notes to the unaudited financial results.						

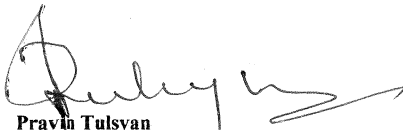
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Notes:

- 1 The above Unaudited Financial Results as reviewed by the Audit Committee have been approved at the meeting of the Board of Directors held on 12 February 2019 and have been subjected to Limited Review by the Statutory Auditors. The review report of the Statutory Auditors is being filed with the BSE. For more details, visit the financials section of our website at www.kuantumpapers.com and Financial Results at Corporate section of www.bseindia.com.
- 2 The Company is engaged in the business of manufacturing and sale of paper, which in the context of Indian Accounting Standard (Ind AS) 108-Operating Segments, is considered as the only operating segment of the Company.
- 3 Effective 01 April 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative effect method which is applied to contracts that were not completed as of 01 April 2018. Accordingly, the comparatives have not been retrospectively adjusted. There is no material effect on adoption of Ind AS 115 on the unaudited financial results.
- 4 The Company has certain amount due from a customer against which legal proceedings for recovery of the amount were initiated. The Company has also obtained a status quo from Honorable High Court vide its order dated 18 September 2015, on the customer's other group holdings through which they own a hotel, the unencumbered value of which has been assessed by the management as sufficient to recover the outstanding amount. Additionally, Honorable High Court vide its order dated 13 December 2018 has directed the Prospective buyer of hotel to pay Rs. 195.50 to the Company towards outstanding dues from customer. Trade receivables in relation to this due as at 31 December 2018 is Rs. 292.60 (31 March 2018: Rs. 292.60, 31 December 2017: Rs. 292.60).
- 5 Sales/income from operations for the nine months ended 31 December 2018 is not comparable with corresponding previous period since the same is net of Goods and Service Tax ('GST') whereas excise duty form part of revenue till 30 June 2017.
- 6 Previous periods figures have been regrouped or reclassified, wherever necessary, to conform to the current periods classification.

As per our report attached
For **BSR & Co. LLP**
Chartered Accountants
Firm Registration No.:101248W/W-100022


Pravin Tulsyan
Partner
Membership No.: 108044

Place : Noida
Date : 12 February 2019

For and on behalf of the Board of Directors of
Kuantum Papers Limited


Jagesh Kumar Khaitan
Chairman
DIN- 00026264

Place: Chandigarh
Date : 12 February 2019