

B S R & Co. LLP

Chartered Accountants

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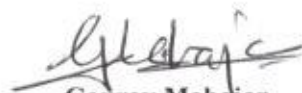
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Limited review report on unaudited quarterly financial results under Regulation 33 of the Listing Regulations

To
Board of Directors of Kuantum Papers Limited

1. We have reviewed the accompanying Statement of unaudited financial results of Kuantum Papers Limited ("the Company") for the quarter ended 30 June 2019 ("the Statement").
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review 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. Attention is drawn to the fact that the figures for the 3 months ended 31 March 2019 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.
5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022



Gaurav Mahajan

Partner
Membership No. 507857
UDIN No.: 19507857AAAABI3582

Place: Saila Khurd, Punjab
Date: 13 August 2019

Regd. Office: Paper Mill, Salla Khurd-144529 Distt. Hoshiarpur (Punjab)
STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2019

(₹ in Lakhs)

S. No.	Particulars	Quarter ended		Year ended	
		30 June	31 March	30 June	31 March
		2019	2019	2018	2019
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
1	Revenue from operations				
	Sale/Income from operations	18,805.31	21,474.84	18,298.19	79,119.05
	Other operating income	55.65	31.14	4.67	227.11
	Total revenue from operations	18,860.96	21,505.98	18,302.86	79,346.16
2	Other income	227.39	(18.94)	482.48	884.79
3	Total income (1+2)	19,088.35	21,487.04	18,785.34	80,230.95
4	Expenses				
	Cost of materials consumed	6,664.98	7,128.23	6,172.58	26,844.53
	Changes in inventory of finished goods and work-in-progress	(805.70)	452.50	(543.32)	(185.96)
	Employee benefits expense	1,496.75	1,410.77	1,249.95	5,301.24
	Finance costs	745.92	862.27	578.22	2,837.97
	Depreciation and amortization expense	750.21	742.15	519.10	2,512.53
	Other expenses:				
	- Power and fuel expense	2,932.45	3,348.04	2,993.56	12,888.41
	- Cost of chemical consumed	3,303.00	3,305.98	3,185.09	12,964.18
	- Others	1,381.82	1,100.32	1,924.49	5,979.11
	Total expenses	16,469.43	18,350.26	16,079.67	69,142.01
5	Profit before tax (3-4)	2,618.92	3,136.78	2,705.67	11,088.94
6	Tax expense	781.52	864.86	807.93	3,295.06
7	Net profit for the period (5-6)	1,837.40	2,271.92	1,897.74	7,793.88
8	Other Comprehensive income/(expenses)				
	(i) a) Items that will not be reclassified to profit or loss	(4.97)	0.68	(5.99)	(17.29)
	b) Income tax relating to items that will not be reclassified to profit or loss	1.74	2.17	1.29	6.04
	(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)	1,834.17	2,274.77	1,893.04	7,782.63
10	Earnings per share -Basic and diluted (of Rs 10 each) (not annualized)	21.06	26.04	21.75	89.31
11	Total reserves (excluding revaluation reserve)	-	-	-	34,491.60
12	Paid-up equity share capital (Face value @ Rs 10 per share)	872.64	872.64	872.64	872.64





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 13 August 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 figures for three months ended 31 March 2019 as reported in these unaudited financial results are the balancing figures between audited figures in respect of full previous financial year and published year to date figures up to the third quarter of the previous financial year. Also, the figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.
3. 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.
4. Effective 1 April 2019, the Company adopted Ind AS 116 "Leases" using the modified retrospective approach. Accordingly, the comparatives have not been retrospectively adjusted. The adoption of Ind As 116 did not have any material impact on the financial results for the quarter ended 30 June 2019.
5. The Company had given certain unsecured inter-corporate deposits (ICDs) during the previous year having balance outstanding as on 31 March 2019 of Rs. 1,842.80 lakhs which was a subject matter of qualification, in relation to basis of selection of the Companies including an assessment of creditworthiness and consequential recoverability, in the statutory accounts for the year then ended. The outstanding balance of these ICDs as at 30 June 2019 amounted to Rs. 987.00 lakhs which has been fully received subsequently.
6. The Company has certain amount due from a customer against which legal proceedings for recovery of the amount were initiated. The Company had 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 30 June 2019 is Rs. 292.60 (31 March 2019: Rs. 292.60, 30 June 2018: Rs. 292.60).

As per our report attached

For **BSR & Co. LLP**
Chartered Accountants
Firm Registration No. 101248W/W-100022



Gaurav Mahajan
Partner
Membership No.: 507857
UDIN No.: 19507857AAAABI3582

Place: Siala Khurd, Punjab
Date: 13 August 2019

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



Jagesh Kumar Khaitan
Chairman
DIN- 00026264

Place: Siala Khurd, Punjab
Date: 13 August 2019