



O P BAGLA & CO LLP
CHARTERED ACCOUNTANTS

Regd. Office :
B-225, 5th Floor, Okhla Indl. Area
Phase - 1, New Delhi - 110020
Ph.: 011-47011850, 51, 52, 53
E-Mail : admin@opbco.in
Website : www.opbco.in

**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM
STANDALONE FINANCIAL RESULTS**

**TO BOARD OF DIRECTORS OF
KUANTUM PAPERS LTD.**

We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of **KUANTUM PAPERS LTD.** ("the Company") for the quarter ended 30 September 2021 and year to date results for the period from 1 April 2021 to 30 September 2021 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

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 the Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34), prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

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. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

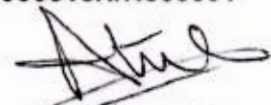
Based on our review conducted and procedures performed as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For O P BAGLA & CO LLP
CHARTERED ACCOUNTANTS
Firm Regn No. 000018N/N500091**

**PLACE : NEW DELHI
DATED : OCTOBER 28, 2021**

UDIN : 21091885AAAAFT1556




**(ATUL BAGLA)
PARTNER
M No. 91885**

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2021

(Rs in Lakhs)

S. No.	Particulars	Quarter ended			Half year ended		Year ended
		30 Sept	30 June	30 Sept	30 September	30 September	31 March
		2021	2021	2020	2021	2020	2021
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Revenue from operations						
	Sale Income from operations	20,006.00	14,685.63	6,830.78	34,691.63	11,588.06	40,233.06
	Other operating income	104.56	66.23	35.65	170.79	36.37	155.28
	Total revenue from operations	20,110.56	14,751.86	6,866.43	34,862.42	11,624.43	40,388.34
2	Other income	88.95	148.08	636.78	237.03	700.55	1,003.45
3	Total Income (1+2)	20,199.51	14,899.94	7,503.21	35,099.45	12,324.98	41,391.79
4	Expenses						
	Cost of materials consumed	6,613.06	5,773.06	2,398.60	12,386.12	3,817.65	13,790.33
	Changes in inventory of finished goods and work-in-progress	227.23	(870.68)	(96.63)	(643.44)	318.46	797.55
	Employee benefits expense	1,451.68	1,446.98	1,325.98	2,898.66	2,786.69	5,598.21
	Finance costs	1,676.27	1,696.73	781.36	3,373.02	1,539.82	2,774.65
	Depreciation and amortization expense	1,174.36	1,208.39	843.87	2,382.75	1,685.25	3,482.00
	Other expenses						
	- Power and fuel expense	3,258.29	2,577.15	1,699.85	5,835.45	2,827.44	8,030.89
	- Cost of chemical consumed	3,108.46	2,716.15	860.46	5,824.61	1,407.76	5,982.43
	- Others	1,457.42	1,560.63	793.13	3,018.05	1,542.14	3,260.22
	Total expenses	18,966.78	16,108.45	8,606.61	35,075.22	15,985.21	43,717.18
	Profit before exceptional items and tax	1,232.74	(1,208.51)	(1,103.41)	24.23	(3,660.24)	(2,325.39)
	Exceptional Items	-	-	-	-	-	857.59
5	Profit before tax (3-4)	1,232.74	(1,208.51)	(1,103.41)	24.23	(3,660.24)	(3,182.98)
6	Tax expense						
	a) Current tax	-	-	-	-	-	-
	b) Deferred tax	181.36	(663.59)	(535.85)	(482.23)	(1,466.57)	(1,910.28)
	Minimum alternate tax credit entitlement	-	-	-	-	-	-
	Total Tax expense	181.36	(663.59)	(535.85)	(482.23)	(1,466.57)	(1,910.28)
7	Net profit for the period (5-6)	1,051.38	(544.92)	(567.56)	506.46	(2,193.67)	(1,272.70)
8	Other Comprehensive income/(expense)						
	(i) a) Items that will not be reclassified to profit or loss	-	-	(4.98)	-	(9.97)	67.93
	b) Income tax relating to items that will not be reclassified to profit or loss	-	-	1.74	-	3.48	(23.74)
	(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)	1,051.38	(544.92)	(570.80)	506.46	(2,200.15)	(1,228.51)
10	Earnings per share (EPS) face value (of INR 1/- each) (not annualised)-restated (refer note 4)						
	- Basic (INR)	1.20	(0.62)	(0.65)	0.58	(2.51)	(1.46)
	- Diluted (INR)	1.20	(0.62)	(0.65)	0.58	(2.51)	(1.46)
11	Total reserves (excluding revaluation reserve)						39,558.52
12	Paid-up equity share capital (Face value @ Rs 1 per share)	872.64	872.64	872.64	872.64	872.64	872.64
	See accompanying notes to the unaudited financial results						

As per our report attached
For O P Bagla & Co LLP

Chartered Accountants
FRN No. 00018N/N500091

OP Bagla
Partner
M No. 91885

Place : New Delhi
Dated: October 28, 2021



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

Jagesh Kumar Khaitan
Chairman
DIN- 00026264

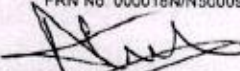
Place : Chandigarh
Dated: October 28, 2021

Jagesh Kumar Khaitan
Jagesh Kumar Khaitan
Chairman
DIN- 00026264

Note :

- 1 The above Unaudited Financials Results as reviewed by the Audit Committee have been approved at the meeting of the Board of Directors held on 28th October, 2021 and have been subjected to Limited Review by the Statutory Auditors. The review report of the Statutory Auditors is being filed with the BSE Ltd. and National Stock Exchange of India Limited. For more details, visit the investor section of our website at www.kvantumpapers.com and Financial Results at Corporate section of www.bseindia.com and www.nseindia.com
- 2 The outbreak of Coronavirus (Covid-19) globally and in India has impacted business and economic activities in general. The Company's sale during the period ended September 2021 was impacted by the pandemic and the capacity utilization of the plant is gradually moving towards normal capacity. The Unaudited financial results for the period ended 30th September, 2021 are therefore are not comparable with the corresponding previous period. As regards the recoverability of assets, the Company expects to fully recover the carrying amounts of the assets. The Company is closely monitoring any material changes to future economic conditions.
- 3 As per guidelines in RBI circular dated 0th August 2020 "Resolution Framework for Covid-19 related Stress", the lenders approved the Resolution Plan with regard to the term debt obligations of the company. The Resolution Plan inter alia provides for converting the interest on term loans for one year from 1st september 2020 into Funded interest Term Loan (FTTL) along with extension of two years moratorium in the repayment of principal of term loans and FTTL.
- 4 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 Segment, is the only operating segment of the company.
- 5 No provision has been created for dividend on non-cumulative redeemable preference shares for period ended September, 2021 in view of the inadequate profits.
- 6 The Company has certain amount due from a customer against which legal proceedings for recovery of the amount were initiated. The Company has obtained a status quo from Honourable High Court, New Delhi 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, Honourable High Court, New Delhi vide its order dated 13 December 2018, directed the prospective buyer of hotel to pay Rs. 195.50 lakhs to the company towards outstanding dues from customer. As the amount remained unpaid, the company filed an application on 7 August 2019 in Honourable High Court for execution of the decree of the order dated 13 December 2018. Trade Receivables in relation to this due as at 30 September 2021 is Rs. 97.65 lacs (30 June 2021 : 97.65 lacs, 31 March 2021 is Rs. 97.65 lacs, 30 September 2020: Rs. 97.65 lacs).

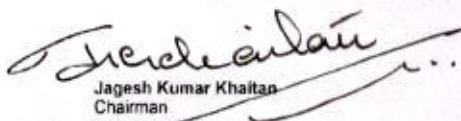
As per our report attached
For O P Bagla & Co LLP
Chartered Accountants
FRN No. 000018N/N500091


Atul Bagla
Partner
M.No. 91885

Place : New Delhi
Dated: October 28, 2021



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


Jagesh Kumar Khaitan
Chairman
DIN: 00026264

Place : Chandigarh
Dated: October 28, 2021



Kvantum Papers Ltd

Regd. Office: Paper Mill, Saila Khurd-144529 Distt. Hoshiarpur (Punjab)

Statement of Assets and Liabilities

(Rs in Lakhs)

	As at	As at
	30 Sept 2021	31 March 2021
	(Un-Audited)	(Audited)
ASSETS		
Non-current assets		
(a) Property, plant and equipment	140,604.22	142,627.44
(b) Capital work-in-progress	3,117.79	2,054.69
(c) Investment property	770.53	777.19
(d) Other intangible assets	7.49	167.56
(e) Financial assets		
(i) Loans	449.30	402.47
(ii) Others financial assets	405.14	405.15
(f) Income tax assets (net)	57.56	28.88
(g) Other non-current assets	100.96	73.85
Total non-current assets (A)	145,512.99	146,537.23
Current assets		
(a) Inventories	9,273.06	5,240.42
(b) Financial assets		
(i) Trade receivables	3,826.97	3,308.19
(ii) Cash and cash equivalents	171.00	45.21
(iii) Other bank balances	1,469.80	1,566.61
(iv) Loans	88.35	97.74
(v) Other financial assets	145.99	393.47
(c) Other current assets	3,803.46	4,244.26
Total current assets (B)	18,778.63	14,895.90
Total assets (A+B)	164,291.62	161,433.13
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	872.64	872.64
(b) Other equity	81,359.32	80,852.85
Total equity (A)	82,231.96	81,725.49
Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	65,918.75	61,366.52
(ii) Other financial liabilities	1,630.11	1,691.59
(b) Provisions	137.17	119.17
(c) Deferred tax liabilities (net)	354.93	837.16
(d) Deferred income	474.52	497.51
Total non-current liabilities (B)	68,515.48	64,511.94
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	5,703.93	6,031.61
(ii) Trade payables		
-Total outstanding dues of micro enterprises and small enterprises	10.07	10.22
-Total outstanding dues of creditors other than micro enterprises and small enterprises	3,964.54	4,467.87
(iii) Other financial liabilities*	3,327.98	4,248.85
(b) Other current liabilities	439.30	353.91
(c) Provisions	49.72	34.60
(d) Deferred income	46.00	46.00
(e) Current tax liabilities (net)	2.63	2.63
Total current liabilities (C)	13,544.17	15,195.69
Total liabilities (B+C)	82,059.65	79,707.63
Total equity and liabilities (A+B+C)	164,291.62	161,433.13



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	Period ended 30 Sept 2021	Year ended 31 March 2021
A Cash flow from operating activities		
Profit before income tax	24.23	(3,182.98)
Adjustments for:		
Depreciation and amortisation expense	2,382.75	3,482.90
Loss/ (profit) on sale of property, plant and equipment	13.74	856.11
Change in fair value of derivative contracts	-	-
Finance cost	3,373.02	2,774.65
Interest income	(44.11)	(88.39)
Foreign exchange gain/loss (unrealized)	136.15	(323.80)
Liabilities no longer required written back	(8.94)	(367.36)
Rental income	(28.07)	(56.06)
Others	2.03	(44.61)
Cash flow from operating activities before changes in following assets and liabilities	5,850.80	3,050.46
(Increase) in loan assets	(37.43)	(55.27)
(Increase) in other non-current assets	0.63	5.87
(Increase)/ decrease in inventories	(4,032.63)	3,998.02
Decrease/ (increase) in trade receivables	(518.78)	(1,874.70)
(Increase) in other financial assets	266.99	330.29
(Increase)/ decrease in other current assets	440.80	294.89
Increase/ (decrease) in provisions	33.12	72.78
(Decrease)/ increase in trade payables	(508.40)	1,700.41
Increase in other financial liabilities	116.01	229.41
Increase/ (decrease) in other current liabilities	69.30	331.59
Cash generated by operating activities	1,680.40	8,083.75
Income tax paid / tax deducted at source (net of refund)	(28.68)	(121.02)
Net cash generated from operating activities (A)	1,651.73	7,962.73
B Cash flow from investing activities		
Acquisition of property, plant and equipment	(1,385.35)	(18,434.27)
Proceeds from sale of property, plant and equipment	101.30	28.31
Rental income and others	28.07	56.06
Decrease/ (increase) in deposit accounts (having original maturity of more than three months)	96.81	452.91
Interest received	24.62	84.00
Decrease in loan assets	-	-
Net cash (used) in investing activities (B)	(1,134.56)	(17,812.99)
C Cash flows from financing activities		
Proceeds from long term borrowings	35,852.36	16,576.15
Repayment of long term borrowings	(31,067.12)	(4,498.23)
Proceeds of short term borrowings (net)	(410.25)	(197.20)
Interest paid	(4,766.37)	(1,815.32)
Dividend paid (including dividend distribution tax)	(0.01)	(216.30)
Net cash generated from/ (used in) financing activities (C)	(391.38)	9,849.10
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	125.79	(1.16)
Cash and cash equivalents at the beginning of the year (see below)	45.21	46.37
Cash and cash equivalents at the end of the year (see below)	171.00	45.21
Notes:		
1 Cash and cash equivalents include :		
Balance with banks in current accounts	167.84	43.77
Cash in hand	3.16	1.44
	171.00	45.21



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