

# SINGAL BROS. & ASSOCIATES

## CHARTERED ACCOUNTANTS

**E-2/16, 3<sup>rd</sup> Floor, White House, Ansari Road, Daryaganj, New Delhi-110002**

Phone: 23266754, 23284578 Fax: 23261310, Email: [singalbrothers@gmail.com](mailto:singalbrothers@gmail.com)

### Auditor's Report On Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Clause 41 of the Listing Agreement

To

Board of Directors of **M/S Shree Krishna Paper Mills & Industries Ltd.**

1. We have audited the quarterly financial results of **M/S Shree Krishna Paper Mills & Industries Ltd** for the quarter ended 31<sup>st</sup> March, 2014 and the year to date results from 1<sup>st</sup> April, 2013 to 31<sup>st</sup> March, 2014 attached herewith, being submitted by the Company pursuant to the requirement of clause 41 of the Listing Agreement except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. These quarterly financial results as well as year to date financial results have been prepared on the basis of the financial statements, which are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial results based on our audit of such financial statements which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) issued pursuant to the Companies (Accounting Standards) Rules, 2006 as per section 211(3C) of the Companies Act, 1956 (which continues to be applicable in respect of section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs) and other accounting principles generally accepted in India.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us, these quarterly financial results as well as the year to date results:
  - (i) are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
  - (ii) give a true and fair view of the net profit and other financial information for the quarter ended 31<sup>st</sup> March 2014 and as well as the year to date results for the period from 1<sup>st</sup> April, 2013 to 31<sup>st</sup> March, 2014.
4. Further, we also report that we have on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings as furnished by the Company in terms of clause 35 of the Listing Agreement and found the same to be correct.

**For Singal Bros. & Associates**

Firm Regn No. 002031N

Chartered Accountants



**(CA Subhash Gupta)**

**Partner**

Membership No. 095387

Place: New Delhi

Date: 29-05-2014



# SHREE KRISHNA PAPER MILLS & INDUSTRIES LTD.

Regd. Office: 16, India Exchange Place, Kolkata - 700 001

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CIN: L2102WB1972PLC028518

**PART-I: STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31st MARCH, 2014**

(₹ in Lacs)

Particulars	Quarter ended			Year ended	
	31.03.2014	31.12.2013	31.03.2013	31.03.2014	31.03.2013
<b>1 Income from Operations</b>	<b>Audited</b>	<b>Unaudited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
a) Net sales/Income from operations (Net of Excise Duty)	3,649.10	3,742.12	3,296.34	15,765.62	14,732.75
b) Other operating income	16.74	13.07	11.96	49.85	44.84
<b>Total Income from Operations (Net)</b>	<b>3,665.84</b>	<b>3,755.19</b>	<b>3,308.30</b>	<b>15,815.47</b>	<b>14,777.59</b>
<b>2 Expenses</b>					
a) Cost of Materials consumed	2,277.52	2,095.88	2,148.34	9,476.01	9,311.57
b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(24.05)	110.02	(50.19)	247.60	(41.97)
c) Employee benefits expense	123.74	205.78	219.98	760.76	842.79
d) Depreciation and amortisation expense	143.81	142.78	161.04	568.71	554.66
e) Power & Fuel	660.60	663.12	528.00	2,664.36	2,374.61
f) Other expenses	313.10	249.64	277.93	1,183.22	1,121.84
<b>Total Expenses</b>	<b>3,494.72</b>	<b>3,467.22</b>	<b>3,285.10</b>	<b>14,900.66</b>	<b>14,163.50</b>
<b>3 Profit/(Loss) from operations before other income, finance costs and Exceptional items(1-2)</b>	<b>171.12</b>	<b>287.97</b>	<b>23.20</b>	<b>914.81</b>	<b>614.09</b>
4 Other Income	6.23	4.79	12.31	27.96	37.55
<b>5 Profit/(Loss) from ordinary activities before finance costs and exceptional items(3+4)</b>	<b>177.35</b>	<b>292.76</b>	<b>35.51</b>	<b>942.77</b>	<b>651.64</b>
6 Finance costs	157.92	164.85	187.29	668.89	792.42
<b>7 Profit/(Loss) from ordinary activities after Finance costs but before exceptional items (5-6)</b>	<b>19.43</b>	<b>127.91</b>	<b>(151.78)</b>	<b>273.88</b>	<b>(140.78)</b>
8 Exceptional items	-	-	-	-	-
<b>9 Profit/(Loss) from ordinary activities before tax (7-8)</b>	<b>19.43</b>	<b>127.91</b>	<b>(151.78)</b>	<b>273.88</b>	<b>(140.78)</b>
10 Tax expenses					
Income Tax of Previous Year	0.01	-	-	0.01	-
Deferred Tax	-	-	626.48	-	626.48
<b>11 Net Profit/(Loss) from ordinary activities after tax (9-10)</b>	<b>19.42</b>	<b>127.91</b>	<b>(778.26)</b>	<b>273.87</b>	<b>(767.26)</b>
12 Extraordinary items ( net of tax expense )	-	-	-	-	-
<b>13 Net Profit/(Loss) for the period (11-12)</b>	<b>19.42</b>	<b>127.91</b>	<b>(778.26)</b>	<b>273.87</b>	<b>(767.26)</b>
14 Paid up Equity Share Capital ( face value of ₹ 10/ each)	1,352.17	1,352.17	1,352.17	1,352.17	1,352.17
15 Reserves excluding revaluation reserve as per Balance Sheet of the previous accounting year	-	-	-	(2,078.14)	(2,352.01)
<b>16 Earning per share before/after extraordinary items (Basic &amp; Diluted)(Not Annualised) (In ₹)</b>	<b>0.10</b>	<b>0.90</b>	<b>(5.80)</b>	<b>1.85</b>	<b>(6.39)</b>

## PART-II: SELECT INFORMATION FOR THE QUARTER AND YEAR ENDED 31st MARCH, 2014

A	PARTICULARS OF SHAREHOLDING	Quarter ended			Year ended	
		31.03.2014	31.12.2013	31.03.2013	31.03.2014	31.03.2013
1	Public Shareholding	<b>Audited</b>	<b>Unaudited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
	- Number of Shares	78,11,000	78,11,000	78,11,000	78,11,000	78,11,000
	- Percentage of Shareholding	57.77	57.77	57.77	57.77	57.77
2	Promoters and promoter group shareholding					
	a) Pledged/Encumbered					
	-Number of shares	48,20,400	48,20,400	48,20,400	48,20,400	48,20,400
	-Percentage of shares(as a % of the total shareholding of promoter and promoter group)	84.41	84.41	84.41	84.41	84.41
	-Percentage of shares(as a % of the total share capital of the Company)	35.65	35.65	35.65	35.65	35.65
	b) Non- encumbered					
	-Number of shares	8,90,280	8,90,280	8,90,280	8,90,280	8,90,280
	-Percentage of shares(as a % of the total shareholding of promoter and promoter group)	15.59	15.59	15.59	15.59	15.59
	-Percentage of shares(as a % of the total share capital of the Company)	6.58	6.58	6.58	6.58	6.58

B	Particulars	3 Months ended 31-03-2014
	<b>INVESTOR COMPLAINTS</b>	
	Pending at the beginning of the quarter	Nil
	Received during the quarter	4
	Disposed off during the quarter	4
	Remaining unresolved at the end of the quarter	Nil



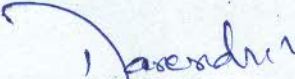


Statement of Assets & Liabilities		(₹ in Lacs)	
Particulars	As at 31-03-2014 Audited	As at 31-03-2013 Audited	
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholder's funds</b>			
(a) Share capital	1,852.17	1,852.17	
(b) Reserves and surplus	(2,078.14)	(2,352.01)	
<b>SubTotal-Shareholder's funds</b>	<b>(225.97)</b>	<b>(499.84)</b>	
<b>2 Non-Current Liabilities</b>			
(a) Long-term borrowings	2,011.41	2,493.18	
(b) Other long-term liabilities	291.28	313.75	
(c) Long-term provisions	131.37	174.83	
<b>SubTotal-Non-Current Liabilities</b>	<b>2,434.06</b>	<b>2,981.76</b>	
<b>3 Current Liabilities</b>			
(a) Short-term borrowings	2,921.27	3,132.60	
(b) Trade payables	1,109.37	1,163.48	
(c) Other current liabilities	894.83	1,162.98	
(d) Short-term provisions	24.53	22.29	
<b>SubTotal-Current Liabilities</b>	<b>4,950.00</b>	<b>5,481.35</b>	
<b>TOTAL -EQUITY AND LIABILITIES</b>	<b>7,158.09</b>	<b>7,963.27</b>	
<b>B ASSETS</b>			
<b>1 Non-Current Assets</b>			
(a) Fixed assets (including capital work in progress)	3,050.75	3,427.03	
(b) Non-current investments	1.22	1.22	
(c) Deferred tax assets (Net)	-	-	
(d) Long-term loans and advances	188.14	169.19	
(e) Other non-current assets	9.02	14.32	
<b>SubTotal-Non-Current Assets</b>	<b>3,249.13</b>	<b>3,611.76</b>	
<b>2 Current Assets</b>			
(a) Inventories	1,478.59	1,963.90	
(b) Trade receivables	1,760.66	1,590.99	
(c) Cash and bank balances	163.58	250.35	
(d) Short-term Loans and advances	486.25	531.03	
(e) Other current assets	19.88	15.24	
<b>SubTotal-Current Assets</b>	<b>3,908.96</b>	<b>4,351.51</b>	
<b>TOTAL - ASSETS</b>	<b>7,158.09</b>	<b>7,963.27</b>	

**NOTES:**

- The above Financial Results were reviewed by the Audit Committee and approved by the Board of Directors at the meetings held on 29th May, 2014.
- In the opinion of the management, no liability towards Income Tax is contemplated and hence no provision has been made in the books of account for taxation.
- The Company operates in only one business segment i.e. Paper.
- The figures of the last quarter are the balancing figures between the audited figures in respect of the full financial years and the published year to date figures upto the third quarter of the respective financial years.
- During the year, the Company has recognised deferred tax assets only to the extent of deferred tax liability in view of prudent accounting principle.
- The financial statements have been prepared on a going concern basis. During the financial year 2013-14, the performance of the Company has improved a lot and the Company has earned profit but still the accumulated losses are higher than the net worth. The Company is in continuing process of implementing various measures to improve the Company's operating results and cash flows. The Company believes that these measures will result in substantial cash flows. Accordingly, Company's financial statements have been prepared on a going concern basis. In the opinion of the management, going concern assumption is appropriate for preparation and presentation of financial statements.
- The reference filed by the Company with Board for Industrial & Financial Reconstruction based on negative net worth as on 31-03-2013 has been rejected by the Board keeping in view of the profits during the year and expectation of positive net worth at the earliest. Further as on 31-03-2014, the accumulated losses are still higher than the net worth of the Company and hence, necessary reference will be made again to the Board for Industrial & Financial Reconstruction within the prescribed time.
- No investor complaints are pending other than those which are under litigation, dispute or court order.
- Previous period's/year's figures have been regrouped / rearranged wherever necessary.

For Shree Krishna Paper Mills & Industries Ltd.

  
N.K. Pasari  
Managing Director

Place : New Delhi  
Date : 29-05-2014

