

# **RADHESHYAM SHARMA & CO.**

## **CHARTERED ACCOUNTANTS**

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### **Independent Auditor's Report on Quarterly and Year to Date Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

To  
The Board of Directors of  
**M/s Shree Krishna Paper Mills & Industries Ltd.**

#### **Report on the audit of the Financial Results**

#### **Opinion**

We have audited the accompanying statement of quarterly and year to date financial results of **M/s Shree Krishna Paper Mills & Industries Ltd** (the "Company") for the quarter and year ended March 31, 2021 (the "Statement"), attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net profit/(loss) and other comprehensive income and other financial information for the quarter and year ended March 31, 2021.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.





## **Management's Responsibilities for the Financial Results**

The Statement has been prepared on the basis of the standalone annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit/(loss) and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued there under and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes 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 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 adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.





- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### **Other Matter**

The Statement includes the results for the quarter ended 31st March, 2021 being the balancing figures between the audited figures in respect of the full financial year ended 31st March, 2021 and the published unaudited year-to-date figures up to the end of the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

**For Radheshyam Sharma & Co.**

Firm Regn. No. 016172N

Chartered Accountants

  
**CA Radheshyam Sharma)**  
 Proprietor  
 Membership No. 097127  
 UDIN: 21097127AAAAFI6942

Place : Delhi

Date : June 30, 2021



# SHREE KRISHNA PAPER MILLS & INDUSTRIES LIMITED

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PART-I						(₹ in Lakhs)
Statement of Audited Financial Results for the Quarter and Year Ended March 31, 2021						
	Particulars	Quarter ended			Year Ended	
		31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
		Audited	Unaudited	Audited	Audited	Audited
I	Revenue From Operations	2,337.12	1,749.52	2,993.58	6,940.60	10,127.58
II	Other Income	19.85	5.07	16.32	43.28	222.14
III	Total Income (I+II)	2,356.97	1,754.59	3,009.90	6,983.88	10,349.72
IV	<b>EXPENSES</b>					
	Cost of materials consumed	972.32	570.09	1,523.71	3,590.58	5,922.66
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	376.25	363.19	191.23	(38.18)	(16.90)
	Employee benefits expense	155.59	101.97	227.43	542.68	877.72
	Finance costs	86.19	86.14	686.29	356.17	909.23
	Depreciation and amortization expense	110.59	93.74	89.67	381.72	367.44
	Stores and spares	55.12	96.55	116.57	356.52	355.04
	Power and fuels	420.46	415.96	692.95	1,670.54	2,495.09
	Packing materials	25.91	20.70	48.32	86.21	174.91
	Contract charges for services	29.72	22.53	67.00	110.85	249.51
	Repairs	30.18	25.42	23.81	77.44	56.50
	Tour, travelling and conveyance	27.26	20.04	37.97	76.77	133.99
	Other expenses	62.12	44.58	99.54	186.08	263.17
	Total expenses (IV)	2,351.71	1,860.91	3,804.49	7,397.38	11,788.36
V	Profit/(loss) before exceptional items and tax (III-IV)	5.26	(106.32)	(794.59)	(413.50)	(1,438.64)
VI	Exceptional Items	-	-	668.63	-	668.63
VII	Profit/(loss) before tax (V+VI)	5.26	(106.32)	(125.96)	(413.50)	(770.01)
VIII	Tax expense:					
	- Current tax	-	-	-	-	-
	- Deferred tax	8.55	(25.16)	(74.06)	(86.06)	(237.10)
	- MAT (credit)/utilization	-	-	-	-	-
	- Income tax adjustments for earlier years	-	-	-	-	3.69
	Total tax expense (VIII)	8.55	(25.16)	(74.06)	(86.06)	(233.41)
IX	Profit/(Loss) for the period (VII-VIII)	(3.29)	(81.16)	(51.90)	(327.44)	(536.60)
X	Other Comprehensive Income					
	A (i) Items that will not be reclassified to profit or loss	6.51	-	5.41	33.43	8.69
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-
	B (i) Items that will be reclassified to profit or loss	(1.73)	-	-	(1.73)	(44.08)
	(ii) Income tax relating to items that will be reclassified to profit or loss	0.45	-	-	0.45	(20.35)
	Total Other Comprehensive Income (X)	5.23	0.00	5.41	32.15	(55.74)
XI	Total Comprehensive Income for the period (IX+X) (Comprising Profit / (Loss) and other Comprehensive Income for the period/year)	1.94	(81.16)	(46.49)	(295.29)	(592.34)
XII	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
XIII	Other equity (Reserves excluding Revaluation Reserve) as shown in the Audited Balance Sheet of the previous year	-	-	-	757.86	1,053.15
XIV	Earnings per equity share (face value of ₹10/- each) (not annualised)					
	(1) Basic (in ₹)	(0.02)	(0.60)	(0.38)	(2.42)	(3.97)
	(2) Diluted (in ₹)	(0.02)	(0.60)	(0.38)	(2.42)	(3.97)





**Statement of Assets and Liabilities**

(₹ in Lakhs)

	Particulars	As At 31-03-2021 (Audited)	As At 31-03-2020 (Audited)
	<b>ASSETS</b>		
(1)	<b>Non-current assets</b>		
	(a) Property, Plant and Equipment	3,114.59	3,271.97
	(b) Capital work-in-progress	255.62	178.71
	(c) Financial Assets		
	(i) Investments	162.63	164.37
	(ii) Trade receivables	-	-
	(iii) Loans	253.90	253.90
	(iv) Others financial assets	3.66	24.64
	(d) Deferred tax assets (net)	650.68	564.16
	(e) Other non-current assets	60.32	95.73
	<b>Total non-current assets</b>	<b>4,501.40</b>	<b>4,553.48</b>
(2)	<b>Current assets</b>		
	(a) Inventories	1,543.59	1,632.11
	(b) Financial Assets		
	(i) Trade receivables	818.48	1,464.92
	(ii) Cash and cash equivalents	67.46	70.31
	(iii) Bank balances other than (ii) above	183.59	155.45
	(iv) Others financial assets	28.92	30.14
	(c) Current Tax Assets (Net)	14.94	13.35
	(d) Other current assets	413.65	646.82
	<b>Total current assets</b>	<b>3,070.63</b>	<b>4,013.10</b>
(3)	<b>Assets held for sale</b>	<b>148.86</b>	<b>148.86</b>
	<b>Total Assets</b>	<b>7,720.89</b>	<b>8,715.44</b>
	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
	(a) Equity Share capital	1,352.17	1,352.17
	(b) Other Equity	757.86	1,053.15
	<b>Total equity</b>	<b>2,110.03</b>	<b>2,405.32</b>
	<b>Liabilities</b>		
(1)	<b>Non-current liabilities</b>		
	(a) Financial Liabilities		
	(i) Borrowings	445.65	357.23
	(ii) Trade payables		
	(A) total outstanding dues of micro enterprises and small enterprises;	-	-
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises;	108.23	50.85
	(iii) Other financial liabilities	121.87	126.34
	(b) Provisions	121.22	149.61
	<b>Total non-current liabilities</b>	<b>796.97</b>	<b>684.03</b>
(2)	<b>Current liabilities</b>		
	(a) Financial Liabilities		
	(i) Borrowings	1,657.54	1,686.14
	(ii) Trade payables		
	(A) total outstanding dues of micro enterprises and small enterprises;	-	-
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises;	1,875.53	2,601.55
	(iii) Others financial liabilities	531.84	505.89
	(b) Other current liabilities	123.08	207.14
	(c) Provisions	5.90	5.37
	<b>Total current liabilities</b>	<b>4,193.89</b>	<b>5,006.09</b>
(3)	<b>Liabilities against assets held for sale</b>	<b>620.00</b>	<b>620.00</b>
	<b>Total Equity and Liabilities</b>	<b>7,720.89</b>	<b>8,715.44</b>





# CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

	Year ended March 31, 2021	Year ended March 31, 2020
(₹ in Lakhs)		
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit / ( Loss ) before exceptional items and tax	(413.51)	(1,438.64)
Adjustments for :		
Depreciation and amortization expense	381.71	367.44
Finance costs	303.58	879.10
Net gain on sale of property ,plant and equipment	-	(668.63)
Interest income	(20.27)	(25.03)
Other non-operating income	(8.06)	(178.97)
Re-measurement of net defined benefit plans	33.44	8.69
Re-measurement of fair value of investment unlisted shares	(1.73)	(44.08)
Unrealised foreign exchange gain (net)	(7.93)	(18.14)
Provision for doubtful debts recovered ( net )	15.29	0.50
Provision of ECL	(7.02)	10.56
Excess provision w/back	-	(3.69)
<b>Operating profit before working capital changes</b>	<b>275.50</b>	<b>(1,110.89)</b>
Adjustments for :		
Inventories	88.52	19.13
Trade and other receivables	873.16	196.97
Trade and other payables	(733.60)	915.18
<b>Cash from operating activities</b>	<b>503.58</b>	<b>20.39</b>
Income tax paid ( net of refunds )	(1.59)	(9.60)
<b>Cash flow before exceptional items</b>	<b>501.99</b>	<b>10.79</b>
<b>Exceptional items</b>		
Exceptional Items	-	668.63
<b>Net cash generated/(used in) operating activities</b>	<b>501.99</b>	<b>679.42</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(320.66)	(460.64)
Sale proceed of property, plant and equipment	-	710.00
Proceed from property , plant and equipment held for sale	-	20.00
Interest received	21.17	23.70
Adjustments for :		
Creditors for capital goods	(48.18)	(73.78)
Capital advances	35.41	(4.51)
Fixed deposits with banks	(6.91)	1.71
<b>Net cash generated/(used in) investing activities</b>	<b>(319.17)</b>	<b>216.48</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from long-term borrowings	88.42	22.45
Repayment of long- term borrowings	63.04	0.99
Short-term borrowings ( net)	(28.60)	(123.24)
Interest paid	(308.53)	(874.01)
<b>Net cash used in financing activities</b>	<b>(185.67)</b>	<b>(973.81)</b>
<b>Net (decrease)/ increase in cash and cash equivalents</b>	<b>(2.85)</b>	<b>(77.91)</b>
<b>Opening balance of cash and cash equivalents</b>	<b>70.31</b>	<b>148.22</b>
<b>Closing balance of cash and cash equivalents</b>	<b>67.46</b>	<b>70.31</b>





Notes:

- 1 The above Financial Results have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at their meetings held on June 30, 2021.
- 2 These results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013.
- 3 The Company operates only in one Business Segment i.e. manufacturing and sale of paper and the activities incidental thereto within India, hence does not have any reportable segments as per Ind AS 108 "Operating Segments".
- 4 During the quarter and year ended on March 31, 2020, the finance costs include ₹600.00 lakhs paid to all the member banks on account of Right of Recompense in terms of Corporate Debt Restructuring (CDR) package.
- 5 The exceptional item for the quarter and year ended on March 31, 2020 represents profit on sale of a portion of Bahadurgarh land and building.
- 6 Figures for the quarter ended March 31, 2021 and March 31, 2020 are the balancing figures between the audited figures for the year ended and the unaudited year to date published figures upto third quarter ended December 31, 2020 and December 31, 2019 respectively.
- 7 The covid-19 pandemic has its impact on the global economic environment including in India causing significant distribution in the economic activities in the first half of the FY 2020-21 due to the pandemic. With the gradual relaxation in India in the second half, economic activities had improved. However, the second wave of the Covid 19 pandemic emerging in India from the end of March ,2021 may have impact on the Industry and the Company. The Company continues to focus on maintaining its liquidity and expects a gradual recovery of demand and supply in future months. Based on such assessment, the Company expects to recover carrying values of such assets. The eventual outcome of the impact of COVID-19 on the Company's financial results may differ from that estimated as at the date of approval of these results and the Company will continue to closely monitor any material changes to future economic conditions and assess its impact on operations.
- 8 Previous period's/year's figures have been regrouped/rearranged to make them comparable with those of current period.

For and on behalf of the Board of Directors of  
**Shree Krishna Paper Mills & Industries Limited**

Place: New Delhi  
Date: June 30, 2021



  
**Narendra Kumar Pasari**  
Managing Director  
DIN - 00101426