



# THE SOUTH INDIA PAPER MILLS LIMITED

Regd. Office & Factory: Chikkayana Chatra, Nanjangud - 571 302, Karnataka State, India

Corporate & Marketing Office: # 1205/1206, Prestige Meridian II, M.G. Road, Bangalore - 560 001.

Ref: BSE/ AFR / 2018 / 910

24.05.2018

**BSE Limited**

25<sup>th</sup> Floor, Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai – 400 001  
Ph : 022 2272 1233

Dear Sir,

**Scrip Code: 516108**

**Sub: Submission of Audited Financial Results for the quarter / financial year ended 31<sup>st</sup> March 2018 under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

We wish to inform you that the Board of Directors at their meeting held today, have approved the Audited Financial Results for the quarter / financial year ended 31<sup>st</sup> March 2018.

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we are enclosing herewith the following statements:

- (i) Statement showing Audited Financial Results of the Company for the quarter/financial year ended 31<sup>st</sup> March, 2018
- (ii) Segment Report & Statement of Assets and Liabilities
- (iii) Auditor's Report on Quarterly & Annual Financial Results issued by M/s Murthy Swamy & Associates LLP, Chartered Accountants, Mysore
- (iv) Declaration for audit report with unmodified opinion

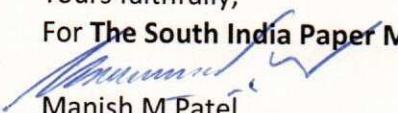
As per Regulation 47 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the extract of the audited financial results is being released for publication in Newspapers.

Kindly take the above on your records.

Thanking You,

Yours faithfully,

For **The South India Paper Mills Ltd**

  
Manish M Patel

Managing Director

DIN No. 00128179

**SIPM**

CIN (Corporate Identity No.) L85110KA1959PLC001352

FACTORY : PHONE: (91) (08221) 228265-67 FAX: (91) (08221) 228270

CORPORATE : PHONE: (91) (080) 41123605 FAX: (91) (080) 41512508

E-mail: corporate@sipaper.com Website : www.sipaper.com



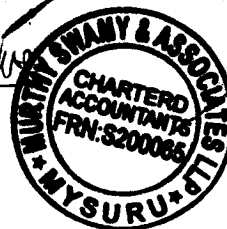
# THE SOUTH INDIA PAPER MILLS LIMITED

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Corporate & Marketing Office: # 1205/1206, Prestige Meridian II, M.G. Road, Bangalore - 560 001

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER / YEAR ENDED 31.03.2018						Rs in Lakhs
Sl. no.	PARTICULARS	3 months ended	Preceding 3	Corresponding 3	Current	Previous
		31/03/2018	months ended	months ended	Accounting year	accounting year
		Ind AS	31/12/2017	31/03/2017 in	ended	ended
		Unaudited (See	Reviewed	Unaudited (See	Audited	Audited
		Note 7)		Note 7)		
I	Revenue from operations	5,609.02	5,188.93	4,626.05	13,467.06	20,687.91
II	Other Income	12.20	159.82	73.70	194.19	111.58
III	<b>Total Revenue (I + II)</b>	<b>5,621.22</b>	<b>5,348.75</b>	<b>4,699.75</b>	<b>13,661.25</b>	<b>20,799.49</b>
IV	Expenses					
a)	Cost of Materials Consumed	2,706.97	2,534.91	1,865.97	6,557.38	9,055.51
b)	Purchase of Stock-in-Trade	-	-	-	32.98	-
c)	Changes in inventories of Finished goods, WIP & Stk in Trade	50.92	(22.75)	249.76	(88.40)	140.86
d)	Excise duty on sale of goods	-	-	257.10	0.61	1,160.77
e)	Employee Benefits Expenses	503.86	516.46	603.52	1,543.96	1,918.96
f)	Finance Costs	105.42	124.54	89.85	477.70	388.43
g)	Depreciation and amortisation expense	178.98	234.37	253.13	878.81	951.17
h)	Other expenses	1,659.79	1,463.40	1,095.99	4,177.61	5,364.21
	<b>Total Expenses</b>	<b>5,205.94</b>	<b>4,850.93</b>	<b>4,415.32</b>	<b>13,580.65</b>	<b>18,979.91</b>
V	Profit/(Loss) before Exceptional Items and Tax (III-IV)	415.28	497.82	284.43	80.60	1,819.58
VI	Exceptional Items	-	-	-	-	-
VII	Profit/(Loss) before tax (V - VI)	415.28	497.82	284.43	80.60	1,819.58
VIII	Less : Tax expense / Add : Tax credit	(93.92)	(161.40)	(114.00)	14.68	(624.11)
IX	<b>Profit/(Loss) for the period (VII-VIII)</b>	<b>321.36</b>	<b>336.42</b>	<b>170.43</b>	<b>95.28</b>	<b>1,195.47</b>
X	Other Comprehensive Income					
A(i)	Items that will not be reclassified to profit or loss Remeasurement gains on Defined Benefit Plans	21.49	-	100.82	21.49	100.82
(ii)	Income tax relating to items that will not be reclassified to profit or loss	(7.44)	-	(34.89)	(7.44)	(34.89)
B(i)	Items that will be reclassified to profit or loss	-	-	-	-	-
(ii)	Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
XI	<b>Total Comprehensive Income for the period (IX + X)</b>	<b>335.41</b>	<b>336.42</b>	<b>236.36</b>	<b>109.33</b>	<b>1,261.40</b>
XII	Earnings per equity share (of Rs. 10/- face value) in Rs.					
	Basic	2.14	2.24	1.14	0.64	7.97
	Diluted	2.14	2.24	1.14	0.64	7.97
	Note :					
1	Operation at the Paper Mill and at the Printing & Packaging Division (PPD) was affected due to labour strike during the first half of the FY 2017-18. Production resumed at the Paper Mill from 28-07-2017, after long term settlement for 6 years is agreed with Labour union and at PPD from 2nd week of August, with settlement covering 4 years. Business volumes have been restored.					

for **Murthy Swamy & Associates LLP**  
Chartered Accountants  
Firm Registration No. S200065

M. D. Venkatesha Murthy  
**Venkatesha Murthy M D**  
Partner  
M No. 209189



**SIPM**

CIN (Corporate Identity No.) L85119KA195911C001352  
FACTORY: PHONE: (91) 082211 228265-67, FAX: (91) 082211 228270, 228263  
CORPORATE: Phone: (91) 0800 41123605 FAX: (91) 0800 41512508  
E-mail: marketing@sipaper.com, Mysuru: PAPERMILLS Website: www.sipaper.com



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page 2

- 2 The Company has adopted Ind AS (Indian Accounting Standards) w.e.f 1st April 2017
- a) Financial Results Reconciliation :
- Reconciliation of Net Profit reported in accordance with Indian GAAP to total comprehensive Income in accordance with Ind AS for the quarter / year ended 31st March 2017 is given below

Particulars	Rs In Lakhs	
	Quarter ended	Year ended
	31/03/2017	31/03/2017
Net Profit reported as per Indian GAAP	236.36	1,261.40
Less : Remeasurement of Defined Benefit Obligation	100.82	100.82
Tax on above	(34.89)	(34.89)
Net Profit before OCI as per IND AS	170.43	1,195.47
Add : Other Comprehensive Income after Tax		
Remeasurement of Defined Benefit Obligation	100.82	100.82
Tax on above	(34.89)	(34.89)
<b>Total Comprehensive Income as per Ind AS</b>	<b>236.36</b>	<b>1,261.40</b>

Particulars	year ended
	31-3-2017
Equity as reported under previous GAAP	13,699.07
Add : Prior period MAT entitlement	161.00
Proposed Dividend & Dividend Tax for FY 2016-17	270.80
<b>Equity as reported under IND AS</b>	<b>14,130.87</b>

- 3 Other Income includes profit on sale of old machinery Rs. 152.22 lakhs in Q3 of FY 2017-18
- 4 The above results have been Audited by the statutory Auditors, reviewed by the Audit committee and approved by the Board of Directors in their respective meetings held on 24.05.2018
- 5 In accordance with the requirements of Ind AS, Revenue from operations (as indicated in serial no 1) is net of Goods and Service Tax (GST) w.e.f 1-7-2017. However, Revenue from operations for the period upto 30th June, 2017 is inclusive of excise duty
- 6 The Board of Directors have recommended Dividend @ 10% on equity capital i.e Rs 1 per share for the year 2017-18.
- 7 The figures of the last quarter of current and previous year are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures of 9 months of the respective year.
- 8 No. of investor complaints pending at the beginning & end of the quarter - Nil. No. of Complaints received & resolved during the quarter ended 31-03-2018 is 9.
- 9 Figures of the previous period / year have been regrouped wherever necessary, to conform to current period classification.

BY ORDER OF THE BOARD

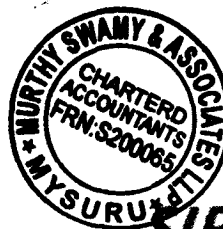
MANISH M PATEL  
MANAGING DIRECTOR  
DIN 00128179

Place BANGALORE  
Date 24.05.2018

for **Murthy Swamy & Associates LLP**  
Chartered Accountants  
Firm Registration No. S200065

M.D. Venkatesha Murthy

**Venkatesha Murthy M D**  
Partner  
M No. 209189



**SIPM**

CIN (Corporate Identity No.) L85110KA1959PLC001352  
FACTORY PHONE : (91) 082216 228263-67, FAX : (91) 082217 228270, 228263  
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E-mail : marketing@paper.com Grams : PAPERMILLS Website : www.sipaper.com



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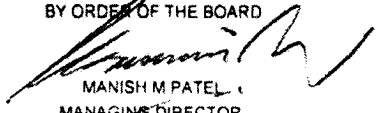
Regd. Office & Factory : Chikkayana Chatra, Nanjangud - 571 302, Karnataka State, India  
Corporate & Marketing Office: # 1205/1206, Prestige Meridian II, M.G. Road, Bangalore - 560 001

SEGMENTWISE REVENUE, RESULTS, CAPITAL EMPLOYED						Rs. In Lakhs					
PARTICULARS	3 months ended	Preceding 3 months	Corresponding 3	Current Accounting	Previous						
	31/03/2018	ended	months ended	year ended	accounting year						
	31/03/2018	31/12/2017	31/03/2017 in the	31/03/2018	ended 31/03/2017						
	Ind AS	Ind AS	Ind AS	Ind AS	Ind AS						
	Unaudited (See	Reviewed	Unaudited (See	Audited	Audited						
	Note 2)		Note 2)								
<b>1 Segment Revenue</b>											
i) Paper & Paper Products	5,359.02	4,914.03	4,509.10	12,833.44	20,329.32						
ii) Power	787.88	776.50	589.68	1,975.83	2,522.11						
<b>Total</b>	<b>6,146.90</b>	<b>5,690.53</b>	<b>5,098.78</b>	<b>14,809.27</b>	<b>22,851.43</b>						
Less : Inter Segment Revenue	537.88	501.60	472.73	1,342.21	2,163.52						
<b>Revenue from Operations</b>	<b>5,609.02</b>	<b>5,188.93</b>	<b>4,626.05</b>	<b>13,467.06</b>	<b>20,687.91</b>						
<b>2 Segment Results</b>											
i) Paper & Paper Products	361.44	495.38	250.96	330.24	1,808.73						
ii) Power	159.26	126.98	123.32	228.06	399.28						
Add : Exceptional Items (net)											
<b>Total</b>	<b>520.70</b>	<b>622.36</b>	<b>374.28</b>	<b>558.30</b>	<b>2,208.01</b>						
Less : Finance costs	105.42	124.54	89.85	477.70	388.43						
Less : Unallocable expenses (net of Income)											
<b>Total Profit before Tax</b>	<b>415.28</b>	<b>497.82</b>	<b>284.43</b>	<b>80.60</b>	<b>1,819.58</b>						
<b>3 Segment Assets</b>											
i) Paper & Paper Products	18,454.05	18,499.84	18,416.90	18,454.05	18,416.90						
ii) Power	5,038.41	4,976.09	4,632.83	5,038.41	4,632.83						
<b>Total Segment Assets</b>	<b>23,492.46</b>	<b>23,475.93</b>	<b>23,049.73</b>	<b>23,492.46</b>	<b>23,049.73</b>						
<b>4 Segment Liabilities</b>											
i) Paper & Paper Products	6,258.93	6,599.88	6,894.72	6,258.93	6,894.72						
ii) Power	3,264.14	3,403.06	2,024.14	3,264.14	2,024.14						
<b>Total Segment Liabilities</b>	<b>9,523.07</b>	<b>10,002.94</b>	<b>8,918.86</b>	<b>9,523.07</b>	<b>8,918.86</b>						

- Figures of the previous period / year have been regrouped wherever necessary, to conform to current period classification
- The figures of the last quarter of current and previous year are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures of 9 months of the respective year.
- In accordance with the requirements of Ind AS, Revenue from operations (as indicated in serial no 1) is net of Goods and Service Tax (GST) w.e.f 1-7-2017. However, Revenue from operations for the period upto 30th June, 2017 is inclusive of excise duty

BY ORDER OF THE BOARD

Place : BANGALORE  
Date: 24.05.2018

  
MANISH M PATEL  
MANAGING DIRECTOR  
DIN 00128179

for **Murthy Swamy & Associates LLP**  
Chartered Accountants  
Firm Registration No. S200085

  
**Venkatesha Murthy M D**  
Partner  
M No. 209189



**SIPM**

CIN (Corporate Identity No.) L85110K41959PLC001352  
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## STATEMENT OF ASSETS AND LIABILITIES

₹ in Lakhs

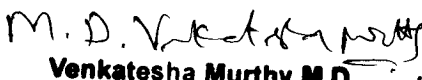
	As at 31st March 2018	As at 31st March 2017
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	13,002.92	13,608.35
Capital work in progress	1,482.59	1,094.62
Intangible assets	4.12	7.78
Financial assets		
Other Non-Current Assets	530.87	933.32
	<b>15,020.50</b>	<b>15,644.07</b>
<b>Current assets</b>		
Inventories	3,507.94	2,755.53
Financial assets		
Trade receivables	3,826.61	3,011.75
Cash and cash equivalents	48.83	115.30
Other bank balances	184.97	335.07
Other Financial Assets	15.08	24.50
Other Current Assets	888.54	1,163.51
	<b>8,471.97</b>	<b>7,405.66</b>
<b>TOTAL ASSETS</b>	<b>23,492.47</b>	<b>23,049.73</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	1,500.00	1,500.00
Other equity	12,469.40	12,630.88
<b>Total Equity</b>	<b>13,969.40</b>	<b>14,130.88</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
Borrowings	3,563.97	2,996.57
Other Financial Liabilities	167.99	155.49
Provisions	24.31	21.96
Deferred tax liabilities (net)	1,525.82	1,549.06
Other non-current liabilities	-	200.82
	<b>5,282.09</b>	<b>4,923.90</b>
<b>Current liabilities</b>		
Financial liabilities		
Borrowings	1,168.79	1,369.01
Trade payables	1,750.52	1,523.32
Other Financial Liabilities	926.58	605.13
Other current liabilities	142.33	133.07
Provisions	252.76	364.42
	<b>4,240.98</b>	<b>3,994.95</b>
<b>Total Liabilities</b>	<b>9,523.07</b>	<b>8,918.85</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>23,492.47</b>	<b>23,049.73</b>

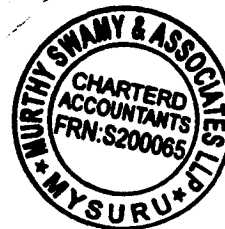
BY ORDER OF THE BOARD

Place : BANGALORE  
Date : 24.05.2018

  
MANISH M PATEL  
MANAGING DIRECTOR  
DIN 00128179

for **Murthy Swamy & Associates LLP**  
Chartered Accountants  
Firm Registration No. S200065

  
**Venkatesha Murthy M D**  
Partner  
M No. 209189



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**MURTHY SWAMY & ASSOCIATES LLP**  
CHARTERED ACCOUNTANTS

Phone : + 91 89712 44682  
+ 91 99867 12868  
e-mail : murthyandswamy@gmail.com

**Partners :**

**M. D. Venkatesha Murthy, FCA**  
**Narayana Swamy T.S., B.Com., ACA,**

**73, Nazarbad Main Road**  
**Nazarbad, MYSURU - 570 010**  
**Karnataka, INDIA**

Auditor's Report on Quarterly Financial Results and Year to Date Financial Results of The South India Paper Mills Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To The Board of Directors of  
The South India Paper Mills Limited,  
Nanjangud.

We have audited the accompanying statement of quarterly and year to date financial results of The South India Paper Mills Limited ("the Company") for the quarter and year ended 31<sup>st</sup> March 2018, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulation"), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 ("the Circular"). The quarterly financial results are the derived figures between the audited figures in respect of the year ended 31<sup>st</sup> March 2018 and the published year to date figures up to 31<sup>st</sup> December 2017, being the date of the end of the third quarter of the current financial year, which were subjected to limited review. The financial results for the quarter ended 31<sup>st</sup> March 2018 and year ended 31<sup>st</sup> March 2018 have been prepared on the basis of the financial results for the nine months ended 31<sup>st</sup> December 2017, the audited annual Ind AS financial statements as at and for the year ended 31<sup>st</sup> March 2018, and the relevant requirements of Regulation and the Circular, which are the responsibility of the Company's management and have been approved by the Board of Directors of the Company in their meeting held on 24<sup>th</sup> May 2018. Our responsibility is to express an opinion on these financial results based on our review of the financial results, for the nine month period ended 31<sup>st</sup> December 2017 which was prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", specified under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India; our audit of the annual Ind AS financial statements as at and for the year ended 31<sup>st</sup> March 2018; and the relevant requirements of Regulation and the Circular.

We have 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 misstatements. 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.

In our opinion and to the best of our information and according to the explanations given to us these quarterly and year to date standalone financial results:

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular in this regard; and
- (ii) give a true and fair view of the total comprehensive income (comprising of net profit for the quarter and year ended 31<sup>st</sup> March 2018 and other comprehensive income) and other financial information for the quarter ended 31<sup>st</sup> March 2018 and for the year ended 31<sup>st</sup> March 2018.

The comparative financial information of the Company for the corresponding quarter and year ended 31<sup>st</sup> March 2017 included in these financial results, are based on the previously issued financial results prepared in accordance with the recognition and measurement principles, specified under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally

# MURTHY SWAMY & ASSOCIATES LLP

## CHARTERED ACCOUNTANTS

accepted in India and audited by the predecessor auditor whose report for the year ended 31<sup>st</sup> March 2017 dated 25<sup>th</sup> May 2017 expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

In these financial results, the figures for the Quarter ended 31<sup>st</sup> March 2018 and the corresponding quarter ended in the previous year are the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the relevant financial year. Also the figures up to the end of the third quarter of the relevant financial year had only been reviewed by us and not subject to audit.

for MURTHY SWAMY & ASSOCIATES LLP

Chartered Accountants

Firm Registration Number: S200065

*M. D. Venkatesha Murthy*

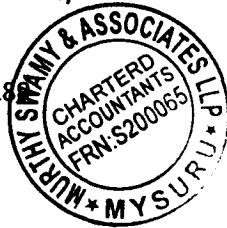
M D Venkatesha Murthy

Partner

Membership Number: 20918

Date: 24<sup>th</sup> May 2018

Place: Bengaluru





# THE SOUTH INDIA PAPER MILLS LIMITED

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Ref: BSE/ AFR / 2018 / 911

24.05.2018

**BSE Limited**  
25<sup>th</sup> Floor, Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai – 400 001  
Ph : 022 2272 1233

Dear Sir,

**Scrip Code: 516108**

**Sub: Declaration pursuant to Regulation 33(3)(d) of the SEBI ( Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of Audit Report with Unmodified Opinion for the Financial year ended 31<sup>st</sup> March 2018.**

Pursuant to SEBI Circular No. CIR/ CFD /CMD/56/ 2016 Dated 27.05.2016 and BSE Circular DCS/ COMP/ 04/2016-17 dated 1<sup>st</sup> June 2016, it is hereby declared that the Auditors of the Company, M/s Murthy Swamy & Associates LLP , Mysore have issued the Audit Reports for the Financial Statements prepared under the Companies Act, 2013 & Financial Results as prepared under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Financial Year ended 31<sup>st</sup> March 2018 and they do not contain any qualifications, reservations or any adverse remarks. The Audit Report for the said period is Unmodified.

Thanking You,  
Yours faithfully,  
For **The South India Paper Mills Ltd**

Manish M Patel  
Managing Director  
DIN No. 00128179

**SIPM**

CIN (Corporate Identity No.) L85110KA1959PLC001352

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