



Seshasayee Paper and Boards Limited

Regd Office & Works : Pallipalayam, Namakkal District,
Erode - 638 007, Tamilnadu, India, Ph : 91 - 4288 - 240221 to 240228
Fax: 91 - 4288 - 240229 email : edoff@spbltd.com Web : www.spbltd.com
CIN : L21012TZ1960PLC000364

April 27, 2024

Dear Shareholders,

At the Board Meeting held on April 27, 2024, the Board of Directors has approved the Audited Financial Results of the Company for the quarter / year ended March 31, 2024. We enclose the statement for your reference and records. The said statement has been submitted to stock exchange and posted in the Company's website www.spbltd.com.

The highlights of operations of the Company for the quarter / year ended March 31, 2024 are as under:

SI No.	Description	Unit	Jan - Mar 2024	Jan - Mar 2023	Apr - Mar 2024	Apr - Mar 2023
1	Production	(t)	64225	58982	240383	241145
2	Sales	(t)	71332	64012	223254	240649
3	Closing Stock	(t)	15315	--	15315	--
4	Exports	(t)	10600	11428	29246	38957
5	Revenue from Operation	₹ crores	539.36	573.10	1801.56	2082.53
6	Profit Before Interest, Depreciation and Tax (EBIDTA)	₹ crores	81.10	165.48	391.35	564.58
7	Profit before Tax (PBT)	₹ crores	69.87	153.76	345.40	516.14
8	Profit after Tax (PAT)	₹ crores	53.16	115.84	259.37	386.54

PRODUCTION

Compared to an extremely favourable and buoyant FY 2022-23, the annual production of 2.4 lakh tonnes was achieved in FY 2023-24, despite

- (i) adverse product mix / basis weight mix due to poor market conditions and
- (ii) outages in Recovery and Power Boilers, affecting pulp and paper production and



During FY 2023-24 :

- ☐ The production in Unit : Erode was 1,65,116 tonnes, at 100% of annual capacity.
- ☐ The production at Unit : Tirunelveli was 75,267 tonnes, at 84% of its annual capacity.

The company could sell its entire production volumes of Unit : Tirunelveli during FY 2023-24 and achieve ZERO Stock of Finished Goods as on 31.03.2024. However, in Unit : Erode, the Finished Goods Inventory stood at 15,315 tonnes as on 31.03.2024.

PROFITABILITY

The lower net profit in current year compared to previous year was due to:

- (i) Significant increase in the cost of wood, key input material for the company.
- (ii) Lower Sales volumes of Paper.
- (iii) Average realisations per t of paper being lower in current year than previous year, both in Domestic and Export markets
- (iv) Shuts and outages in Boilers (Recovery and Power Boilers) resulting in higher variable costs.

Impacts from the above were partially negated by reduction in prices of Chemicals, Coal, pulp and waste paper.

MARKET

- ☐ Market for Paper, especially uncoated Printing and writing grades, manufactured by Domestic Paper mills met with stiff challenge from May'23 onwards, from competitively priced imports from China and ASEAN countries.
- ☐ Such Imports at cheaper prices, benefitted by concessional / nil import duties, have seen extra-ordinary increase over the last few quarters.



- ☐ Indian Paper Manufacturers were constrained to reduce their selling prices, almost every month, to meet the unfair competition from imports, despite escalating costs of input materials such as wood. The overall unfavourable global demand situation, resulting in increased supply into the Domestic Market, further compounded the pressure on Domestic prices.
- ☐ Domestic market conditions was unusually poor even during the peak season in FY 2023-24. Export Markets remained weak throughout the FY 2023-24. The geo-political disturbances globally have created uncertainties.

ACQUISITION OF M/s. SERVALAKSHMI PAPER LIMITED (CORPORATE DEBTOR IN LIQUIDATION), ON A GOING CONCERN BASIS:

- ☐ The Hon'ble NCLT, Chennai bench vide its order dated 12.05.2023 approved the e-auction sale of assets of M/s. Servalakshmi Paper Limited (Corporate Debtor in Liquidation) as a Going Concern, in favour of our company and consequently the Sales Certificate has been issued and the assets handed over to our company.
- ☐ Few appeals challenging Hon'ble NCLT's order have been filed in Hon'ble NCLAT, which are pending.

MILL DEVELOPMENT PLAN – IV (MDP-IV)

- ☐ The company's application to MoEF&CC for Environmental Clearances for Project Mill Development Plan – IV (MDP – IV), seeking approval for increase its Pulp and Paper capacities in its Erode unit by about 40%, came up for review before the Expert Appraisal Committee (EAC) of MoEF & CC (Ministry of Environment, Forests and Climate Change of India).
- ☐ The Board of Directors of the company, in their meeting held on April 27, 2024, had reviewed the feedback received from EAC of MoEF & CC and has accorded approval for execution of Project Mill Development Plan – IV (MDP-IV) in Unit : Erode in multiple phases, with fresh application for Environmental Clearances to be submitted for 20% expansion as Phase-I.
- ☐ Accordingly, the company will now make a fresh application for environment clearances for expansion up to 20% in Phase-I. Further expansion upto 40% as Phase-II will be done on successful completion of phase-I, since the company had sought exemption from fresh public consultations.



- ☐ The final approval for the revised scope, timelines and cost for various phases of Project Mill Development Plan – IV (MDP-IV) at Unit : Erode, shall be granted by the Board of Directors, after detailed review of the techno-economic feasibility report for the project, subject to the Company obtaining the requisite approvals from concerned authorities for the revised Phase-I expansion by 20%.

CURRENT QUARTER

- ☐ The Domestic Paper Mills continue to face pricing pressures from increased availability of imported paper at cheaper prices and this trend is expected to continue in Q-I of FY 2024-25. Further the wood prices continue to remain high and the coal prices have started to increase, thereby further affecting the profitability margins.
- ☐ Company's 21 MW Power Plant in Unit : Erode has been shut from 04.04.2024 for overhauling and retrofit and is expected to be recommissioned by end May'24. This is not expected to materially affect production of paper.

AGM

Shareholders may kindly note that the Board of Directors have approved the Notice of the 64th Annual General Meeting of the Company to be held at Registered Office of the Company, thro' Video Conference, on Saturday, the June 01, 2024 at 11.00 AM.

DIVIDEND

The Board of Directors has recommended a dividend of Rs.5/- (Rupees five only) per Equity Share of Rs. 2 each for the financial year 2023-24. The said Dividend is subject to the approval of the shareholders in the 64th AGM.

Thanking you,
Yours Sincerely,

(N. GOPALARATNAM)
Chairman

Encl.: a/a

**SESHASAYEE PAPER AND BOARDS LIMITED**

CIN: L21012TZ1960PLC000364

Regd. Office: Pallipalayam, Namakkal District

Cauvery RS PO, Erode 638 007

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Email: secretarial@spbltd.com Web: www.spbltd.com**STATEMENT OF STANDALONE AND CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER / YEAR ENDED MARCH 31, 2024**

(Rs crores)

Sl. No.	Particulars	Standalone					Consolidated				
		3 months ended			Year ended		3 months ended			Year ended	
		31 03 2024	31 12 2023	31 03 2023	31 03 2024	31 03 2023	31 03 2024	31 12 2023	31 03 2023	31 03 2024	31 03 2023
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)	
1	Income										
	a) Revenue from Operation	539.36	473.41	573.10	1801.56	2082.53	539.43	473.47	573.17	1801.83	2082.80
	b) Other Income	13.32	11.33	8.62	51.48	30.52	13.34	11.36	8.64	50.03	29.29
	Total Income	552.68	484.74	581.72	1853.04	2113.05	552.77	484.83	581.81	1851.86	2112.09
2	Expenses										
	a) Cost of Materials consumed	284.62	258.29	242.24	1032.48	955.22	284.62	258.29	242.24	1032.48	955.22
	b) Purchase of Stock-in-Trade	7.09	6.55	5.87	26.60	24.30	7.09	6.55	5.87	26.60	24.30
	c) Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	57.42	1.55	30.15	(-) 95.28	13.75	57.42	1.55	30.15	(-) 95.28	13.75
	d) Employee benefits expense	18.84	24.29	27.38	92.88	97.90	18.84	24.29	27.38	92.88	97.90
	e) Finance Costs	0.64	0.50	1.47	2.14	3.19	0.64	0.50	1.47	2.14	3.19
	f) Depreciation and amortization expense	10.59	10.77	10.25	43.81	45.25	10.60	10.78	10.26	43.85	45.29
	g) Cost of Power and Fuel	63.07	58.79	70.62	258.18	282.49	63.07	58.79	70.62	258.18	282.49
	h) Other expenses	40.54	36.30	39.98	146.83	174.81	40.65	36.33	40.07	147.05	175.01
	Total expenses	482.81	397.04	427.96	1507.64	1596.91	482.93	397.08	428.06	1507.90	1597.15
3	Profit / (Loss) from Ordinary Activities after Finance costs but before Exceptional items	69.87	87.70	153.76	345.40	516.14	69.84	87.75	153.75	343.96	514.94

Sl. No.	Particulars	Standalone					Consolidated				
		3 months ended			Year ended		3 months ended			Year ended	
		31 03 2024	31 12 2023	31 03 2023	31 03 2024	31 03 2023	31 03 2024	31 12 2023	31 03 2023	31 03 2024	31 03 2023
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)	
3	Profit / (Loss) from Ordinary Activities after Finance costs but before Exceptional items	69.87	87.70	153.76	345.40	516.14	69.84	87.75	153.75	343.96	514.94
4	Share of Profit / (Loss) of Associate	--	--	--	--	--	3.72	3.21	1.85	12.89	10.54
5	Exceptional Items	--	--	--	--	--	--	--	--	--	--
6	Profit /(Loss) from Ordinary Activity Before Tax (3+4+5)	69.87	87.70	153.76	345.40	516.14	73.56	90.96	155.60	356.85	525.48
7	Tax expenses										
	Current Tax	17.06	21.56	39.60	86.30	129.94	17.07	21.57	39.61	86.35	129.99
	Deferred Tax	(-) 0.35	0.41	(-) 1.68	(-) 0.27	(-) 0.34	(-) 0.35	0.41	(-) 1.68	(-) 0.27	(-) 0.34
	Total Tax Expenses	16.71	21.97	37.92	86.03	129.60	16.72	21.98	37.93	86.08	129.65
8	Net Profit /(Loss) from Ordinary Activities After Tax (6-7)	53.16	65.73	115.84	259.37	386.54	56.84	68.98	117.67	270.77	395.83
9	Other Comprehensive Income										
	A (i) Items that will not be reclassified to Profit and Loss										
	a) Remeasurement of the defined benefit Plans	9.69	--	(-) 8.67	9.69	(-) 11.69	9.69	--	(-) 8.67	9.69	(-) 11.69
	b) Net Fair Value Gain on investment in Equity Instruments through OCI	(-) 6.43	11.72	(-) 0.38	34.74	9.45	(-) 6.43	11.72	(-) 0.38	34.74	9.45
	c) Share of OCI of Associate	--	--	--	--	--	0.41	0.27	(-) 0.13	3.31	0.10
	(ii) Income Tax relating to items that will not be reclassified to Profit and Loss	(-) 1.76	(-) 1.30	2.21	(-) 6.38	1.92	(-) 1.76	(-) 1.30	2.21	(-) 6.38	1.92
	B (i) Items that will be reclassified to Profit and Loss	--	--	0.53	(-) 0.05	(-) 0.63	--	--	0.53	(-) 0.05	(-) 0.63
	(ii) Income Tax relating to items that will be reclassified to Profit and Loss	--	--	(-) 0.13	0.01	0.16	--	--	(-) 0.13	0.01	0.16
	Total Other Comprehensive Income	1.50	10.42	(-) 6.44	38.01	(-) 0.79	1.91	10.69	(-) 6.57	41.32	(-) 0.69

Sl. No.	Particulars	Standalone					Consolidated				
		3 months ended			Year ended		3 months ended			Year ended	
		31 03 2024	31 12 2023	31 03 2023	31 03 2024	31 03 2023	31 03 2024	31 12 2023	31 03 2023	31 03 2024	31 03 2023
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)	
10	Total Comprehensive Income for the period (8 + 9) <i>(Comprising Profit and other Comprehensive income for the period)</i>	54.66	76.15	109.40	297.38	385.75	58.75	79.67	111.10	312.09	395.14
11	Paid-up Equity Share Capital <i>(Face value Rs. 2)</i>	12.04	12.04	12.04	12.04	12.04	12.04	12.04	12.04	12.04	12.04
12	Reserves, excluding Revaluation Reserves, as per the Audited Balance Sheet				1825.49	1564.25				1899.27	1623.32
13	Earnings Per Share of Rs. 2 each <i>(not annualised)</i>										
	(a) Basic (in Rs.):	8.83	10.92	19.23	43.06	64.18	9.44	11.45	19.54	44.96	65.72
	(b) Diluted (in Rs.):	8.83	10.92	19.23	43.06	64.18	9.44	11.45	19.54	44.96	65.72

STATEMENT OF ASSETS AND LIABILITIES:

(Rs. crores)

	Particulars	Standalone		Consolidated	
		As at 31 03 2024	As at 31 03 2023	As at 31 03 2024	As at 31 03 2023
		(Audited)	(Audited)	(Audited)	(Audited)
A	ASSETS				
1	Non-Current Assets				
	(a) Property, Plant and Equipment	774.49	793.70	774.49	793.70
	(b) Capital Work in Progress	35.06	19.87	35.06	19.87
	(c) Other Intangible Assets	1.50	1.93	1.50	1.93
	(d) Investment Property	--	--	1.18	1.22
	(e) Financial Assets				
	(i) Investments	188.68	151.97	248.12	196.74
	(ii) Other Financial Asset	153.72	176.26	153.77	176.30
	(f) Goodwill on Consolidation	--	--	11.78	11.78
	(g) Other Non-Current Assets	115.75	19.06	115.75	19.06
	Sub-total - Non Current Assets	1269.20	1162.79	1341.65	1220.60
2	Current Assets				
	(a) Inventories	287.91	240.88	287.91	240.88
	(b) Financial Assets				
	(i) Trade Receivables	119.00	95.19	119.20	95.36
	(ii) Cash and cash equivalents	8.56	50.47	8.63	50.56
	(iii) Bank balances other than (ii) above	598.54	445.48	599.83	446.70
	(iv) Others	1.46	1.39	1.46	1.39
	(c) Current Tax Assets (Net)	0.75	--	0.75	--
	(d) Other Current Assets	31.98	23.34	31.98	23.34
	Subtotal - Current Assets	1048.20	856.75	1049.76	858.23
	TOTAL - ASSETS	2317.40	2019.54	2391.41	2078.83

(Rs.crores)

	Particulars	Standalone		Consolidated	
		As at 31 03 2024 (Audited)	As at 31 03 2023 (Audited)	As at 31 03 2024 (Audited)	As at 31 03 2023 (Audited)
B	EQUITY AND LIABILITIES				
1	EQUITY				
	(a) Equity Share Capital	12.04	12.04	12.04	12.04
	(b) Other Equity	1825.49	1564.25	1899.27	1623.32
	Subtotal – Equity	1837.53	1576.29	1911.31	1635.36
2	Non-Current Liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	--	--	--	--
	(ii) Other financial liabilities	17.60	16.69	17.60	16.69
	(b) Provisions	20.32	21.88	20.32	21.88
	(c) Deferred Tax Liabilities(Net)	127.66	121.56	127.66	121.56
	Sub-total- Non Current Liabilities	165.58	160.13	165.58	160.13
3	Current Liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	21.00	--	21.00	--
	(ii) Trade Payables				
	I. Dues to Micro and Small Enterprise (MSE)	19.01	8.00	19.01	8.00
	II. Other than MSE Dues	240.34	224.97	240.35	224.98
	(iii) Other financial liabilities	21.80	22.75	22.01	22.96
	(b) Other current liabilities	7.78	5.99	7.79	5.99
	(c) Provisions	4.36	12.85	4.36	12.85
	(d) Current Tax Liabilities	--	8.56	--	8.56
	Sub-total – Current Liabilities	314.29	283.12	314.52	283.34
	TOTAL– EQUITY AND LIABILITIES	2317.40	2019.54	2391.41	2078.83

CASH FLOW STATEMENT:

(Rs. crores)

Particulars	Standalone		Consolidated	
	Year ended		Year ended	
	31 03 2024	31 03 2023	31 03 2024	31 03 2023
	(Audited)	(Audited)	(Audited)	(Audited)
A CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before Tax	345.40	516.14	343.96	514.94
Adjustments for : Add / (Less)				
Assets Discarded	0.05	0.06	0.05	0.06
Depreciation	43.81	45.25	43.85	45.29
Imputed Finance Charge on Interest Free Sales Tax Deferral Loan (IFSTD)	--	0.27	--	0.27
Interest and financing charges	2.14	2.22	2.14	2.22
Interest income from Term Deposits	(-) 42.02	(-) 23.25	(-) 42.10	(-) 23.28
Dividend Income from Investments	(-) 3.29	(-) 2.57	(-) 1.76	(-) 1.27
Deferred income arising from IFSTD	--	(-) 1.10	--	(-) 1.10
(Profit) / Loss on sale of assets	(-) 3.53	(-) 0.19	(-) 3.53	(-) 0.19
Operating profit before Working Capital changes	342.56	536.83	342.61	536.94
(Increase) / Decrease in working capital:				
(Increase) / Decrease in Inventories	(-) 47.03	(-) 116.76	(-) 47.03	(-) 116.76
(Increase) / Decrease in Sundry Debtors	(-) 23.81	6.09	(-) 23.84	6.09
(Increase) / Decrease in Other Assets	(-) 1.52	(-) 2.13	(-) 1.53	(-) 2.12
Increase / (Decrease) in Liabilities and Provisions	27.62	33.56	27.63	33.55
Income Tax paid	(-) 95.62	(-) 129.13	(-) 95.67	(-) 129.15
NET CASH FROM OPERATING ACTIVITIES	202.20	328.46	202.17	328.55

(Rs. crores)

Particulars	Standalone		Consolidated	
	Year ended		Year ended	
	31 03 2024	31 03 2023	31 03 2024	31 03 2023
	(Audited)	(Audited)	(Audited)	(Audited)
B CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Property, Plant and Equipment	(-) 39.84	(-) 31.96	(-) 39.84	(-) 31.98
Investment in Equity Instruments	(-) 1.96	--	(-) 1.96	--
Outflow towards "Right to Use" Assets	--	(-) 0.02	--	(-) 0.02
Amount paid for acquisition of M/s Servalakshmi Paper Limited, Corporate Debtor in liquidation	(-) 2.00	(-) 105.00	(-) 2.00	(-) 105.00
Sale of Property, Plant and Equipment	3.96	0.26	3.96	0.26
Dividend Income from Investments	3.29	2.57	3.29	2.57
(Increase) / Decrease in Term Deposits	(-) 230.70	(-) 260.86	(-) 230.77	(-) 260.92
Interest income from Term Deposits	42.02	23.25	42.10	23.28
NET CASH FROM INVESTING ACTIVITIES	(-) 225.23	(-) 371.76	(-) 225.22	(-) 371.81
C CASH FLOW FROM FINANCING ACTIVITIES				
Increase / decrease in Unsecured Loans	--	(-) 4.37	--	(-) 4.37
Increase / Decrease of Current borrowings	21.00	--	21.00	--
Dividend paid	(-) 37.84	(-) 15.76	(-) 37.84	(-) 15.76
Interest and financing charges paid	(-) 2.04	(-) 2.22	(-) 2.04	(-) 2.22
NET CASH FROM FINANCING ACTIVITIES	(-) 18.88	(-) 22.35	(-) 18.88	(-) 22.35
Net increase / (Decrease) in cash and cash equivalents (I)	(-) 41.91	(-) 65.65	(-) 41.93	(-) 65.61
Cash and cash equivalents as at the beginning of the period (II)	50.47	116.12	50.56	116.17
Cash and cash equivalents as at the end of the period (I + II)	8.56	50.47	8.63	50.56

Notes:

- Paper is the only reportable segment of operation of the Company.

2. The Hon'ble NCLT, Chennai bench vide its order dated 12.05.2023 approved the e-auction sale of assets of M/s. Servalakshmi Paper Limited (Corporate Debtor in Liquidation) as a Going Concern, in favour of our company and consequently the Sales Certificate has been issued and the assets handed over to our company. Few appeals challenging Hon'ble NCLT's order have been filed in Hon'ble NCLAT, which are pending.
3. The figures for the last quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year.
4. The above results were reviewed by the Audit Committee of the Board and approved by the Board of Directors at the respective meetings held on April 26, 2024 and April 27, 2024.
5. The Board of Directors has recommended a dividend of Rs.5.00/- (Rupees five) per Equity Share of Rs. 2 each for the financial year 2023-24.

(By Order of the Board)
For Seshasayee Paper and Boards Limited
NATARAJAN
GOPALARATNAM
N GOPALARATNAM
Chairman

Digitally signed by NATARAJAN GOPALARATNAM
DN: cn=N, postalCode=638007, st=TAMIL NADU, street=1881 2101
SUPERINTENDENT QTRS ODAPALLI AGRAHARAMNAMAKKALCAUVERY
RS POST 638007, o=NAMAKKAL, ou=Personal, title=9130,
serialNumber=fcc2b2a776857ca31e22535e8ecc5902f4dd80fb74c777b
3fc2630688bfc45ab, pseudonym=91300220725161616194,
2.5.4.20=760aade3bc7e60c9c6654d91c2b3e5c6889499ca27001b4689a
7420154243a3e, email=GOPAL@SPBLTD.COM, cn=NATARAJAN
GOPALARATNAM
Date: 2024.04.27 13:21:27 +05'30'

Place : Chennai
Date : April 27, 2024

This is the Statement of Audited Financial Results referred to in our Audit Report on the Financial Results dated April 27, 2024.

For SURI & CO
Firm Registration No.004283S

Sanjeev Digitally signed by
Sanjeev Aditya M
Aditya M Date: 2024.04.27
13:26:34 +05'30'

Sanjeev Aditya M
Membership No.229694
Partner
Chartered Accountants
UDIN : 24229694BKARKU8153 / 24229694BKARKV4562

Place: Chennai
Date : April 27, 2024