



Seshasayee Paper and Boards Limited

Regd. Office : 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

N GOPALARATNAM

Chairman

2021 02 06

Dear Shareholders,

Sub: Un-audited Financial Results for the quarter ended December 31, 2020 and the nine months ended on that date.

At the Board Meeting held on February 06, 2021, the Board of Directors has approved the Un-audited Financial Results of the Company for the quarter ended December 31, 2020 and the nine months ended on that date. 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 / nine months ended December 31, 2020 are as under:

SI No.	Description	Unit	Oct - Dec 2020	Oct - Dec 2019	Apr - Dec 2020	Apr - Dec 2019
1	Production	(t)	36579	51165	120691	149498
2	Sales	(t)	30382	45722	76949	134386
3	Exports	(t)	6998	9946	15785	25699
4	Revenue from Operation	₹ crores	164.46	285.40	453.97	863.72
5	Profit Before Interest, Depreciation and Tax (PBIDT)	₹ crores	17.18	73.62	89.71	221.37
6	Profit before Tax (PBT)	₹ crores	7.02	63.33	59.54	187.95
7	Profit after Tax (PAT)	₹ crores	4.54	43.49	38.82	129.05

PRODUCTION

Production during the period April - December 2020 was lower than corresponding period in the previous year, due to following:

- Operations remained shut for 2 to 4 weeks in Erode & Tirunelveli units due to lock-down imposed by Government in Q1.
- The Company had to avail frequent shuts of Paper Machines, on account of lack of market orders in the 9 months period under review. Wherever possible, these shuts were gainfully used by undertaking upgradation works under Project Mill Development Plan-III.



MARKET

The gradual relaxation of lock down initiated by the Government in Q2 was widely expected to trigger a pickup in demand for the paper industry in Q3. This unfortunately did not materialise for the printing and writing segment.

Demand for Maplitho and Creamwove grades, the segments which represent major share of the company's revenue, continued to remain low in Q3 mainly due to large sections of educational sector still remaining closed, dearth of orders from publishing industry and most institutions skipping printing of calendars / diaries for the current year.

The outlook for the Q4-2020-21 appears more positive than hitherto.

PROFITABILITY

Major factors that contributed to lower profitability during the nine months ended December 2020 were:

- ◇ Lower production and sales volumes, and
- ◇ Lower net Sales realisations, resulting from lean demand

The impact of the above adverse factors was partially offset by reduction in Variable Costs per tonne of Paper, in both the units of the Company.

Thanking you,

Yours Sincerely,



N GOPALARATNAM

Enc.: a/a



SESHASAYEE PAPER AND BOARDS LIMITED

CIN: L21012TZ1960PLC000364

Regd. Office : Pallipalayam, Namakkal District, Cauvery RS PO, Erode 638 007

Ph : 04288 240221 - 228, Fax : 04288 240229, Email : investor@spbtd.com Web : www.spbtd.com

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND 9 MONTHS ENDED DECEMBER 31, 2020

(₹ crores)

Sl. No.	Particulars	Standalone						Consolidated					
		3 months ended			9 months ended		Year ended	3 months ended			9 months ended		Year ended
		31 12 2020	30 09 2020	31 12 2019	31 12 2020	31 12 2019	31 03 2020	31 12 2020	30 09 2020	31 12 2019	31 12 2020	31 12 2019	31 03 2020
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Revenue from Operations												
	a) Revenue from Operation	164.46	150.35	285.40	453.97	863.72	1183.98	164.52	150.42	285.46	454.17	863.92	1184.25
	b) Other Income	3.33	7.08	5.84	16.43	19.26	23.87	3.34	6.16	5.86	15.53	18.84	23.46
	Total Income	167.79	157.43	291.24	470.40	882.98	1207.85	167.86	156.58	291.32	469.70	882.76	1207.71
2	Expenses												
	a) Cost of Materials consumed	88.49	117.70	151.34	322.50	456.10	600.89	88.49	117.70	151.34	322.50	456.10	600.89
	b) Purchase of Stock-in-Trade	4.84	5.97	6.24	17.65	21.52	30.48	4.84	5.97	6.24	17.65	21.52	30.48
	c) Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(-) 4.17	(-) 75.15	(-) 27.76	(-) 162.57	(-) 71.67	(-) 53.05	(-) 4.17	(-) 75.15	(-) 27.76	(-) 162.57	(-) 71.67	(-) 53.05
	d) Employee benefits expense	17.00	23.47	21.81	62.00	66.07	82.32	17.00	23.47	21.81	62.00	66.07	82.32
	e) Finance Costs	0.71	0.88	1.13	2.31	6.04	6.89	0.71	0.88	1.13	2.31	6.04	6.89
	f) Depreciation and amortization expense	9.45	9.26	9.16	27.86	27.38	35.00	9.46	9.27	9.16	27.89	27.40	35.03
	g) Cost of Power and Fuel	22.97	25.62	38.84	75.27	107.70	140.93	22.97	25.62	38.84	75.27	107.70	140.93
	h) Other expenses	21.48	24.73	27.15	65.84	81.89	115.57	21.59	24.78	27.16	66.01	81.95	115.74
	Total expenses	160.77	132.48	227.91	410.86	695.03	959.03	160.89	132.54	227.92	411.06	695.11	959.23
3	Profit / (Loss) from Ordinary Activities after Finance Costs but before Exceptional items	7.02	24.95	63.33	59.54	187.95	248.82	6.97	24.04	63.40	58.64	187.65	248.48
4	Share of Profit / (Loss) of Associate	--	--	--	--	--	--	0.17	3.32	2.31	4.88	6.05	8.52
5	Exceptional Items	--	--	--	--	--	--	--	--	--	--	--	--
6	Profit / (Loss) from Ordinary Activity Before Tax (3+4+5)	7.02	24.95	63.33	59.54	187.95	248.82	7.14	27.36	65.71	63.52	193.70	257.00
7	Tax expenses												
	Current Tax	--	5.45	10.92	12.99	32.53	45.17	0.01	5.47	10.93	13.03	32.57	45.22
	Deferred Tax	2.48	3.08	8.92	7.73	26.37	29.05	2.48	3.08	8.92	7.73	26.37	29.05
	Total Tax Expenses	2.48	8.53	19.84	20.72	58.90	74.22	2.49	8.55	19.85	20.76	58.94	74.27
8	Net Profit / (Loss) from Ordinary Activities After Tax (6-7)	4.54	16.42	43.49	38.82	129.05	174.60	4.65	18.81	45.86	42.76	134.76	182.73
9	Other Comprehensive Income (OCI)												
A	(i) Items that will not be reclassified to Statement of Profit and Loss												
	(a) Remeasurement benefit of the defined benefit Plans	--	--	--	--	--	(-) 1.30	--	--	--	--	--	(-) 1.30
	(b) Net Fair Value Gain on investment in Equity Instruments through OCI	28.63	4.90	12.02	37.28	11.73	(-)10.98	28.63	4.90	12.02	37.28	11.73	(-) 10.98
	(c) Share of OCI of Associate	--	--	--	--	--	--	0.63	0.53	0.08	1.17	0.02	(-) 0.18

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND 9 MONTHS ENDED DECEMBER 31, 2020 (Contd.)

(₹ crores)

Sl. No.	Particulars	Standalone						Consolidated						
		3 months ended			9 months ended			Year ended	3 months ended			9 months ended		Year ended
		31 12 2020	30 09 2020	31 12 2019	31 12 2020	31 12 2019	31 03 2020	31 12 2020	30 09 2020	31 12 2019	31 12 2020	31 12 2019	31 03 2020	
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	
B	(ii) Income Tax relating to items that will not be reclassified to Statement of Profit and Loss	(-) 2.34	--	(-) 1.35	(-) 2.34	(-) 1.38	0.50	(-) 2.34	--	(-) 1.35	(-) 2.34	(-) 1.38	0.50	
	(i) Items that will be reclassified to Statement of Profit and Loss	(-) 0.96	0.96	(-) 0.09	--	(-) 2.42	(-) 2.63	(-) 0.96	0.96	(-) 0.09	--	(-) 2.42	(-) 2.63	
	(ii) Income Tax relating to items that will be reclassified to Statement of Profit and Loss	0.34	(-) 0.34	0.04	--	0.85	0.92	0.34	(-) 0.34	0.04	--	0.85	0.92	
10	Total Other Comprehensive Income	25.67	5.52	10.62	34.94	8.78	(-) 13.49	26.30	6.05	10.70	36.11	8.80	(-) 13.67	
11	Total Comprehensive Income for the period (8+9) (Comprising Profit and other Comprehensive income for the period)	30.21	21.94	54.11	73.76	137.83	161.11	30.95	24.86	56.56	78.87	143.56	169.06	
12	Paid-up Equity Share Capital (Face value ₹ 2)	12.61	12.61	12.61	12.61	12.61	12.61	12.61	12.61	12.61	12.61	12.61	12.61	
13	Reserves, excluding Revaluation Reserves, as per the Audited Balance Sheet						985.85						1019.14	
14	Earnings Per Share of ₹ 2 each (not annualised). (Refer Note 3)													
	(a) Basic	0.72	2.60	6.90	6.16	20.46	27.68	0.74	2.98	7.27	6.78	21.36	28.97	
	(b) Diluted	0.72	2.60	6.90	6.16	20.46	27.68	0.74	2.98	7.27	6.78	21.36	28.97	

Notes:

- Paper is the only reportable segment of operation of the Company.
- The lockdown imposed in multiple phases by Central / State Governments in India, to contain the spread of COVID-19 pandemic, had resulted in closure of commercial establishments, schools, colleges and educational institutions. Consequent slowdown in the Indian economy, coupled with poor offtake in export markets resulted in significant reduction in demand for Printing and Writing Paper, key segment in which the Company operates. Due to these factors, Company witnessed significant drop in Revenue and profits, during the quarter / nine months ended December 31, 2020.
- The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of Property, Plant and Equipment, Investments, Inventories, Receivables and other Current Assets. The Company has performed sensitivity analysis on these current estimates and expects that the carrying amount of these assets will be recovered.
- 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 February 05, 2021 and February 06, 2021.

(By Order of the Board)
For Seshasayee Paper and Boards Limited

N GOPALARATNAM
Chairman

Place : Erode
Date : February 6, 2021