



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

November 04, 2023

Dear Shareholders,

Sub: Unaudited Financial Results for the quarter / half year ended September 30, 2023.

At the Board Meeting held on November 04, 2023, the Board of Directors has approved the unaudited Financial Results of the Company for the quarter / half year ended September 30, 2023. 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 / half year ended September 30, 2023 are as under:

Sl No.	Description	Unit	Jul - Sep 2023	Jul - Sep 2022	Apr - Sep 2023	Apr - Sep 2022
1	Production	(t)	56682	61120	112438	121701
2	Sales	(t)	43641	61131	91167	116320
3	Closing Stock	(t)	20526	5820	20526	5820
4	Exports	(t)	6531	10160	11179	19438
5	Revenue from Operation (RFO)	Rs. crs	362.29	522.84	788.79	953.68
6	Profit Before Interest, Depreciation and Tax (EBIDTA)	Rs. crs	103.70	148.22	211.28	240.71
7	Profit before Tax (PBT)	Rs. crs	92.19	135.98	187.83	216.08
8	Profit after Tax (PAT)	Rs. crs	69.11	101.60	140.48	161.26



PRODUCTION

Production during the current half-year was lower when compared to the corresponding period in the previous year, on account of

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

PROFITABILITY

The net profit was lower by Rs.20.78 crores in H1 of current year compares to H1 of previous year mainly due to :

- (i) Significant increase in the cost of wood, the largest input material for the company.
- (ii) Lower production & sales volumes of Paper.
- (iii) Shuts and outages in Boilers (Recovery and Power Boilers) resulting in higher variable costs.

The above were partially negated by

- (i) average realisations per t of paper being higher in current year than previous year.
- (ii) Reduction in prices of imported Coal.

MARKET

- ☐ Market for Paper, especially uncoated Printing and writing grades, manufactured by Domestic Paper mills met with stiff challenge from mid-May 2023, 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 to meet the unfair competition from imports, despite escalating costs of input materials such as wood.
- ☐ Export Markets also remained weak during H1.



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 our company has received Sales Certificate and has taken possession of the Unit.
- ☐ A few appeals challenging Hon'ble NCLT's order have been filed in Hon'ble NCLAT, which are being contested by the company.

MILL DEVELOPMENT PLAN – IV (MDP-IV)

- ☐ Project Mill Development Plan – IV (MDP – IV), which will help the company to increase its Pulp and Paper capacities in its Erode unit by about 40%, is expected to be implemented in phases. Phase-I, planned at a Project Cost of about Rs. 700 crores, will be implemented over 24-30 months from the date the environmental clearance is secured.
- ☐ EIA (Environment Impact Assessment) Study is in progress for the project.
- ☐ Application for environment clearances is expected to be resubmitted, along with the EIA Study, in November 2023.

CURRENT QUARTER

- ☐ Market, particularly for Printing & Writing Grades, is expected to improve after the festival season.
- ☐ Increase in prices of Pulp and Coal is expected to push-up the variable cost of manufacture. However, this is expected to increase the prices of paper in the international market as well, reducing the competitiveness of imports into India.

Thanking you,
Yours Sincerely,


(N. GOPALARATNAM)
Chairman

Encl.: a/a


SESHASAYEE PAPER AND BOARDS LIMITED

CIN: L21012TZ1960PLC000364

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STATEMENT OF STANDALONE AND CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER/HALF YEAR ENDED SEPTEMBER 30, 2023

(₹ crores)

Sl. No.	Particulars	Standalone						Consolidated						
		3 months ended			6 months ended			Year ended	3 months ended			6 months ended		Year ended
		30 09 2023	30 06 2023	30 09 2022	30 09 2023	30 09 2022	31 03 2023	30 09 2023	30 06 2023	30 09 2022	30 09 2023	30 09 2022	31 03 2023	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)		
1	Income													
	a) Revenue from Operation	362.29	426.50	522.84	788.79	953.68	2082.53	362.36	426.57	522.91	788.93	953.82	2082.80	
	b) Other Income	14.30	12.53	8.60	26.83	13.33	30.52	14.31	11.02	7.32	25.33	12.06	29.29	
	Total Income	376.59	439.03	531.44	815.62	967.01	2113.05	376.67	437.59	530.23	814.26	965.88	2112.09	
2	Expenses													
	a) Cost of Materials consumed	241.20	248.37	236.89	489.57	457.66	955.22	241.20	248.37	236.89	489.57	457.66	955.22	
	b) Purchase of Stock-in-Trade	6.52	6.44	5.72	12.96	12.24	24.30	6.52	6.44	5.72	12.96	12.24	24.30	
	c) Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(-96.65)	(-57.60)	0.68	(-154.25)	(-17.94)	13.75	(-96.65)	(-57.60)	0.68	(-154.25)	(-17.94)	13.75	
	d) Employee benefits expense	25.10	24.65	23.17	49.75	47.21	97.90	25.10	24.65	23.17	49.75	47.21	97.90	
	e) Finance Costs	0.50	0.50	0.60	1.00	1.21	3.19	0.50	0.50	0.60	1.00	1.21	3.19	
	f) Depreciation and amortization expense	11.01	11.44	11.64	22.45	23.42	45.25	11.02	11.45	11.65	22.47	23.44	45.29	
	g) Cost of Power and Fuel	62.89	73.43	69.56	136.32	136.91	282.49	62.89	73.43	69.56	136.32	136.91	282.49	
	h) Other expenses	33.83	36.16	47.20	69.99	90.22	174.81	33.89	36.18	47.25	70.07	90.29	175.01	
	Total expenses	284.40	343.39	395.46	627.79	750.93	1596.91	284.47	343.42	395.52	627.89	751.02	1597.15	

(₹ crores)

Sl. No.	Particulars	Standalone						Consolidated					
		3 months ended			6 months ended		Year ended	3 months ended			6 months ended		Year ended
		30 09 2023	30 06 2023	30 09 2022	30 09 2023	30 09 2022	31 03 2023	30 09 2023	30 06 2023	30 09 2022	30 09 2023	30 09 2022	31 03 2023
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
3	Profit / (Loss) from Ordinary Activities after Finance costs but before Exceptional items	92.19	95.64	135.98	187.83	216.08	516.14	92.20	94.17	134.71	186.37	214.86	514.94
4	Share of Profit / (Loss) of Associate	--	--	--	--	--	--	4.10	1.86	5.97	5.96	6.58	10.54
5	Exceptional Items	--	--	--	--	--	--	--	--	--	--	--	--
6	Profit /(Loss) from Ordinary Activity Before Tax(3+4+5)	92.19	95.64	135.98	187.83	216.08	516.14	96.30	96.03	140.68	192.33	221.44	525.48
7	Tax expenses												
	Current Tax	23.06	24.62	34.02	47.68	53.80	129.94	23.08	24.63	34.03	47.71	53.83	129.99
	Deferred Tax	0.02	(-) 0.35	0.36	(-) 0.33	1.02	(-) 0.34	0.02	(-) 0.35	0.36	(-) 0.33	1.02	(-) 0.34
	Total Tax Expenses	23.08	24.27	34.38	47.35	54.82	129.60	23.10	24.28	34.39	47.38	54.85	129.65
8	Net Profit /(Loss) from Ordinary Activities After Tax (6-7)	69.11	71.37	101.60	140.48	161.26	386.54	73.20	71.75	106.29	144.95	166.59	395.83
9	Other Comprehensive Income												
	A (i) Items that will not be reclassified to Statement of Profit and Loss												
	a) Remeasurement of the defined benefit Plans	--	--	(-) 3.02	--	(-) 3.02	(-) 11.69	--	--	(-) 3.02	--	(-) 3.02	(-) 11.69
	b) Net Fair Value Gain on investment in Equity Instruments through OCI	(-) 2.71	32.16	12.81	29.45	1.15	9.45	(-) 2.71	32.16	12.81	29.45	1.15	9.45
	c) Share of OCI of Associate	--	--	--	--	--	--	0.31	2.32	0.80	2.63	0.29	0.10

(₹ crores)

Sl. No.	Particulars	Standalone						Consolidated					
		3 months ended			6 months ended		Year ended	3 months ended			6 months ended		Year ended
		30 09 2023	30 06 2023	30 09 2022	30 09 2023	30 09 2022	31 03 2023	30 09 2023	30 06 2023	30 09 2022	30 09 2023	30 09 2022	31 03 2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	
	(ii) Income Tax relating to items that will not be reclassified to Statement of Profit and Loss	0.37	(-) 3.69	(-) 0.65	(-) 3.32	0.70	1.92	0.37	(-) 3.69	(-) 0.65	(-) 3.32	0.70	1.92
	B (i) Items that will be reclassified to Statement of Profit and Loss	(-) 0.14	0.09	--	(-) 0.05	(-) 0.68	(-) 0.63	(-) 0.14	0.09	--	(-) 0.05	(-) 0.68	(-) 0.63
	(ii) Income Tax relating to items that will be reclassified to Statement of Profit and Loss	0.03	(-) 0.02	--	0.01	0.17	0.16	0.03	(-) 0.02	--	0.01	0.17	0.16
	Total Other Comprehensive Income	(-) 2.45	28.54	9.14	26.09	(-) 1.68	(-) 0.79	(-) 2.14	30.86	9.94	28.72	(-) 1.39	(-) 0.69
10	Total Comprehensive Income for the period(8 + 9)	66.66	99.91	110.74	166.57	159.58	385.75	71.06	102.61	116.23	173.67	165.20	395.14
	<i>(Comprising Profit and other Comprehensive income for the period)</i>												
11	Paid-up Equity Share Capital <i>(Face value ₹ 2)</i>	12.04	12.04	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						1564.25						1623.32
13	Earnings Per Share of ₹ 2 each <i>(not annualised)</i>												
	(a) Basic (in ₹):	11.47	11.85	16.87	23.32	26.77	64.18	12.15	11.91	17.65	24.07	27.66	65.72
	(b) Diluted (in ₹):	11.47	11.85	16.87	23.32	26.77	64.18	12.15	11.91	17.65	24.07	27.66	65.72

STATEMENT OF ASSETS AND LIABILITIES:

(₹ crores)

Particulars	Standalone			Consolidated		
	As at 30 09 2023	As at 31 03 2023	As at 30 09 2022	As at 30 09 2023	As at 31 03 2023	As at 30 09 2022
	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)
A ASSETS						
1 Non-Current Assets						
(a) Property, Plant and Equipment	782.23	793.70	799.30	782.23	793.70	799.30
(b) Capital Work in Progress	18.97	19.87	19.37	18.97	19.87	19.37
(c) Other Intangible Assets	1.71	1.93	1.17	1.71	1.93	1.17
(d) Investment Property	--	--	--	1.20	1.22	1.22
(e) Financial Assets						
(i) Investments	181.42	151.97	143.68	233.25	196.74	184.68
(ii) Other Financial Asset	141.71	176.26	362.25	141.75	176.30	362.29
(f) Goodwill on Consolidation	--	--	--	11.78	11.78	11.78
(g) Other Non-Current Assets	21.79	19.06	7.32	21.79	19.06	7.32
Sub-total - Non Current Assets	1147.83	1162.79	1333.09	1212.68	1220.60	1387.13
2 Current Assets						
(a) Inventories	300.91	240.88	164.59	300.91	240.88	164.59
(b) Financial Assets						
(i) Trade Receivables	67.60	95.19	56.68	67.86	95.36	56.89
(ii) Cash and cash equivalents	46.05	50.47	89.46	46.07	50.56	89.53
(iii) Bank balances other than (ii) above	542.74	445.48	88.17	543.99	446.70	89.36
(iv) Others	1.36	1.39	0.96	1.36	1.39	0.96
(c) Current Tax Assets (Net)	--	--	--	--	--	--
(d) Other Current Assets	29.33	23.34	30.85	29.33	23.34	30.85
Subtotal - Current Assets	987.99	856.75	430.71	989.52	858.23	432.18
TOTAL - ASSETS	2135.82	2019.54	1763.80	2202.20	2078.83	1819.31

(₹ crores)

Particulars	Standalone			Consolidated		
	As at 30 09 2023	As at 31 03 2023	As at 30 09 2022	As at 30 09 2023	As at 31 03 2023	As at 30 09 2022
	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)
B EQUITY AND LIABILITIES						
1 EQUITY						
(a) Equity Share Capital	12.04	12.04	12.04	12.04	12.04	12.04
(b) Other Equity	1692.98	1564.25	1337.37	1759.14	1623.32	1392.65
Subtotal – Equity	1705.02	1576.29	1349.41	1771.18	1635.36	1404.69
2 Non-Current Liabilities						
(a) Financial Liabilities						
(i) Borrowings	--	--	--	--	--	--
(ii) Lease Liabilities	--	--	0.45	--	--	0.45
(iii) Other financial liabilities	16.65	16.69	15.38	16.65	16.69	15.38
(b) Provisions	21.87	21.88	18.86	21.87	21.88	18.86
(c) Deferred Tax Liabilities(Net)	124.54	121.56	124.13	124.54	121.56	124.13
(d) Other liabilities	--	--	--	--	--	--
Sub-total- Non Current Liabilities	163.06	160.13	158.82	163.06	160.13	158.82
3 Current Liabilities						
(a) Financial Liabilities						
(i) Borrowings	--	--	3.48	--	--	3.48
(ii) Lease Liabilities	--	--	0.25	--	--	0.25
(iii) Trade Payables						
I. Dues to Micro, Small and Medium Enterprise (MSME)	6.95	8.00	10.66	6.95	8.00	12.90
II. Other than MSME Dues	202.39	224.97	176.43	202.40	224.98	174.19
(iv) Other financial liabilities	29.29	22.75	34.93	29.50	22.96	35.14
(b) Other current liabilities	3.28	5.99	6.34	3.28	5.99	6.35
(c) Provisions	15.87	12.85	7.75	15.87	12.85	7.75
(d) Current Tax Liabilities	9.96	8.56	15.73	9.96	8.56	15.74
Sub-total – Current Liabilities	267.74	283.12	255.57	267.96	283.34	255.80
TOTAL– EQUITY AND LIABILITIES	2135.82	2019.54	1763.80	2202.20	2078.83	1819.31

CASH FLOW STATEMENT:

(₹ crores)

Particulars	Standalone			Consolidated		
	6 months ended		Year ended	6 months ended		Year ended
	30 09 2023	30 09 2022	31 03 2023	30 09 2023	30 09 2022	31 03 2023
	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Audited)
A CASH FLOW FROM OPERATING ACTIVITIES						
Net Profit before Tax	187.83	216.08	516.14	186.37	214.86	514.94
Adjustments for : Add / (Less)						
Property Plant and Equipment (PPE) discarded	--	--	0.06	--	--	0.06
Depreciation and Amortisation Expenses	22.45	23.42	45.25	22.47	23.44	45.29
Allowance for Doubtful debts	--	--	--	--	--	--
Finance charge on lease liability	--	0.02	--	--	0.02	--
Imputed Finance Charge on Interest Free Sales Tax Deferral Loan (IFSTD)	--	0.17	0.27	--	0.17	0.27
Interest and financing charges	1.00	1.02	2.22	1.00	1.02	2.22
Interest income from Term Deposits	(-) 19.45	(-) 10.00	(-) 23.25	(-) 19.49	(-) 10.03	(-) 23.28
Dividend Income from Investments	(-) 3.26	(-) 2.53	(-) 2.57	(-) 1.73	(-) 1.23	(-) 1.27
Deferred income arising from IFSTD	--	(-) 0.55	(-) 1.10	--	(-) 0.55	(-) 1.10
Interest income from Lease Deposit	--	(-) 0.01	--	--	(-) 0.01	--
(Profit) / Loss on sale of assets	(-) 3.50	(-) 0.18	(-) 0.19	(-) 3.50	(-) 0.18	(-) 0.19
Operating profit before Working Capital changes	185.07	227.44	536.83	185.12	227.51	536.94
(Increase) / Decrease in working capital:						
(Increase) / Decrease in Inventories	(-) 60.03	(-) 40.47	(-)116.76	(-) 60.03	(-) 40.47	(-)116.76
(Increase) / Decrease in Sundry Debtors	27.59	44.60	6.09	27.50	44.56	6.09
(Increase) / Decrease in Other Assets	(-) 12.96	(-) 7.85	(-) 2.13	(-) 12.96	(-) 7.84	(-) 2.12
Increase / (Decrease) in Liabilities and Provisions	(-) 16.88	(-) 1.15	33.56	(-) 16.88	(-) 1.16	33.55
Income Tax paid	(-) 46.28	(-) 45.82	(-)129.13	(-) 46.32	(-) 45.83	(-)129.15
NET CASH FROM OPERATING ACTIVITIES	76.51	176.75	328.46	76.43	176.77	328.55

(₹ crores)

	Particulars	Standalone			Consolidated		
		6 months ended		Year ended	6 months ended		Year ended
		30 09 2023	30 09 2022	31 03 2023	30 09 2023	30 09 2022	31 03 2023
		(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Audited)
B	CASH FLOW FROM INVESTING ACTIVITIES						
	Purchase of Property, Plant and Equipment	(-) 9.86	(-) 13.59	(-) 31.96	(-) 9.86	(-) 13.59	(-) 31.98
	Outflow towards "Right to Use" Assets	--	(-) 0.15	(-) 0.02	--	(-) 0.15	(-) 0.02
	E-auction bid amount, paid in full, 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	3.50	0.25	0.26	3.50	0.25	0.26
	Dividend Income from Investments	3.26	2.53	2.57	3.26	2.53	2.57
	(Increase) / Decrease in Term Deposits	(-) 56.44	(-)184.87	(-)260.86	(-) 56.47	(-)184.90	(-) 260.92
	Interest income from Term Deposits	19.45	10.00	23.25	19.49	10.03	23.28
	NET CASH FROM INVESTING ACTIVITIES	(-) 42.09	(-)185.83	(-)371.76	(-) 42.08	(-)185.83	(-) 371.81
C	CASH FLOW FROM FINANCING ACTIVITIES						
	Increase / decrease in Unsecured Loans	--	(-) 0.79	(-) 4.37	--	(-) 0.79	(-) 4.37
	Increase / Decrease of non-current borrowings	--	--	--	--	--	--
	Dividend paid	(-) 37.84	(-) 15.77	(-) 15.76	(-) 37.84	(-) 15.77	(-) 15.76
	Interest and financing charges paid	(-) 1.00	(-) 1.02	(-) 2.22	(-) 1.00	(-) 1.02	(-) 2.22
	NET CASH FROM FINANCING ACTIVITIES	(-) 38.84	(-) 17.58	(-) 22.35	(-) 38.84	(-) 17.58	(-) 22.35
	Net increase in cash and cash equivalents (I)	(-) 4.42	(-) 26.66	(-) 65.65	(-) 4.49	(-) 26.64	(-) 65.61
	Cash and cash equivalents as at the beginning of the period (II)	50.47	116.12	116.12	50.56	116.17	116.17
	Cash and cash equivalents as at the end of the period (I + II)	46.05	89.46	50.47	46.07	89.53	50.56

Notes:

1. 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 our company has received Sales Certificate and has taken possession of the Unit. A few appeals challenging Hon'ble NCLT's order have been filed in Hon'ble NCLAT, which are being contested by the company.
3. 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 November 03, 2023 and November 04, 2023.

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

**NATARAJAN
GOPALARATNAM**

Digitally signed by NATARAJAN GOPALARATNAM
DN: c=IN, postalCode=638007, st=TAMIL NADU, street=1881 2101
SUPERINTENDENT QTRS ODAPALLI
AGRAHARAMNAMAKKAL CALIVERY RS POST 638007, l=NAMAKKAL,
o=Personal, title=9130,
serialNumber=6cdb2a776857ca31d22535e8ecd5902f4dd80f0b74c
777b3fc26306b8bbc45ab, pseudonym=913020220725161616194,
2.5.4.20=760aade3bc7e60c9c6654d91c2b3e5c6889499ca27001b46
89a7420154243a3e, email=GOPAL@SPBLTD.COM, cn=NATARAJAN
GOPALARATNAM
Date: 2023.11.04 14:01:01 +05'30'

**N GOPALARATNAM
Chairman**

**Place : Chennai
Date : November 04, 2023**

This is the Statement of Un-audited Financial Results referred to in our Limited Review Report dated November 04, 2023.

For SURI & CO
Firm Registration No.004283S

Sanjeev Digitally signed by
Sanjeev Aditya M
Aditya M Date: 2023.11.04
14:05:15 +05'30'

Sanjeev Aditya M
Membership No.229694
Partner
Chartered Accountants
UDIN : 23229694BGVKCT2970 / 23229694BGVKCU9795

**Place: Chennai
Date : November 04, 2023**