

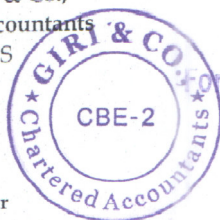
M/s.SHREE KARTHIK PAPERS LIMITED
N.25,50 Feet Road,Krishnasamy Nagar
Ramanathapuram,
Coimbatore - 641 012

Amt in Rs.

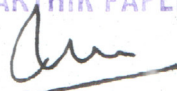
BALANCE SHEET AS AT		NOTE	31.03.2017	31.03.2016
I EQUITY AND LIABILITIES				
(1) SHAREHOLDER'S FUND				
(a) Share Capital		2.1	9,55,50,000	9,55,50,000
(b) Reserves & Surplus		2.2	2,69,04,209	47,86,511
(c) Money received against share warrants			Nil	Nil
(2) SHARE APPLICATION MONEY PENDING ALLOTMENT				
			Nil	Nil
(3) NON CURRENT LIABILITIES				
(a) Long Term Borrowings		2.3	11,64,03,177	11,90,49,162
(b) Deferred Tax Liabilities (Net)		2.4	42,89,425	42,89,425
(4) CURRENT LIABILITIES				
(a) Short Term Borrowings		2.5	15,46,25,174	13,02,88,621
(b) Short Term Provisions		2.6	62,83,963	-
(c) Trade Payables		2.7	3,79,80,034	2,16,39,790
(d) Other Current Liabilities		2.8	96,97,373	80,21,020
TOTAL			45,17,33,355	38,36,24,529
II ASSETS				
NON CURRENT ASSETS				
(1) (a) Fixed Assets				
(i) Tangible Assets		2.9	15,44,06,342	12,98,78,627
(ii) Intangible Assets			Nil	Nil
(iii) Capital Work in progress			Nil	Nil
(iv) Intangible Assets under development		2.10	8,500	8,500
(b) Non-Current Investments				
(c) Deferred Tax Assets(Net)		2.4	Nil	Nil
(d) Long-Term loans and advances		2.11	1,20,81,406	1,32,88,280
(e) Other Non current Assets			Nil	Nil
(2) CURRENT ASSETS				
(a) Current Investments		2.12	Nil	Nil
(b) Inventories		2.13	20,19,32,053	18,01,87,442
(c) Trade Receivables		2.14	5,25,56,871	5,07,79,671
(d) Cash and Cash equivalents		2.14	6,31,277	5,652
(e) Short Term Loans and Advances		2.15	3,01,16,906	94,76,357
(f) Other Current Assets			Nil	Nil
TOTAL			45,17,33,355	38,36,24,529
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS		1&2		

"As per our Report Attached"
For M/s. Giri & Co.,
Chartered Accountants
FRN : 006702 S


R Giri
Senior Partner
M.No. 025458
Date :30.05.2017
Place:Coimbatore



SHREE KARTHIK PAPERS LTD


Managing Director

Director

M/s.SHREE KARTHIK PAPERS LIMITED
N.25,50 Feet Road,Krishnasamy Nagar
Coimbatore-641021

AUDITED STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2017

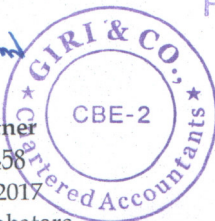
Amt in Rs.

Statement of Profit and Loss for the		Note	Year Ended 31st March 2017	Nine Months ended 31st March 2016
INCOME				
I	Revenue from Operations	2.15	47,49,05,636	26,34,76,352
II	Other Income	2.16	13,42,906	12,67,457
III	Total Revenue		47,62,48,542	26,47,43,809
EXPENSES				
IV	Cost of material consumed	2.17	30,05,55,500	15,67,26,449
	Changes in Inventories of Finished Goods, WIP & Stock - in - Trade	2.18	28,57,890	(64,81,748)
	Employee Benefits Expenses	2.19	1,51,40,245	1,03,64,275
	Finance Costs	2.20	71,49,758	89,51,467
	Depreciation and amortisation expenses	2.9	81,15,417	67,07,877
	Other Expenses	2.21	11,46,47,572	6,99,48,118
	Total Expenses		44,84,66,381	24,62,16,438
IV	PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX		2,77,82,161	1,85,27,372
VI	Exceptional Items		-	-
VII	PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX		2,77,82,161	1,85,27,372
VIII	Extraordinary Items		-	-
IX	PROFIT BEFORE TAX		2,77,82,161	1,85,27,372
X	Tax expense:			
	Current tax		56,64,463	-
	Deferred tax(Net)		-	-
	Prior period Adjustments-Net		-	-
XI	PROFIT FOR THE PERIOD		2,21,17,698	1,85,27,372
EARNINGS PER EQUITY SHARE				
	Equity shares of par value ` .10/-each			
	Basic		1.16	0.97
	Diluted		1.16	0.97
	Number of shares used in computing earnings per share			
	Basic		1,91,10,000	1,91,10,000
	Diluted		1,91,10,000	1,91,10,000

"As per our Report Attached"
For M/s. Giri & Co.,
Chartered Accountants
FRN : 006702 S

For SHREE KARTHIK PAPERS LTD

R Giri
Senior Partner
M.No. 025456
Date :30.05.2017
Place :Coimbatore



[Signature]
Managing Director

Director

M/s.SHREE KARTHIK PAPERS LIMITED
N.25,50 Feet Road,Krishnasamy Nagar
Coimbatore - 641021
2. NOTES ON ACCOUNTS

The previous period figures have been regrouped/reclassified, wherever necessary to conform to the current presentation.

2.15 - Revenue from Operations :

Particulars	As at	
	Year ended 31st March 2017	Nine Months ended 31st March 2016
Sale of Products	474,905,636	263,476,352
TOTAL	474,905,636	263,476,352

Particulars	As at	
	Year ended 31st March 2017	Nine Months ended 31st March 2016
Sale of Product comprises Paper	474,905,636	263,476,352
Total Sale of Manufactured Goods	474,905,636	263,476,352

2.16 Other Income

Particulars	As at	
	Year ended 31st March 2017	Nine Months ended 31st March 2016
Other Income Comprises		
Transit Insurance	490,193	273,319
Insurance - claimed	-	34,153
Interest - Eb	752,960	851,324
Misc. Income	99,753	108,661
Total Other Income	1,342,906	1,267,457

2.17 - : Cost of Raw Materials Consumed :

Particulars	As at	
	Year ended 31st March 2017	Nine Months ended 31st March 2016
Opening Stock	79,926,560	54,436,194
Add : Purchases and Expenses	337,924,063	182,216,815
	417,850,623	236,653,009
Less : Closing Stock	117,295,123	79,926,560
Total	300,555,500	156,726,449

2.18: Changes in Inventories of Finished Goods, WIP & Stock - in - Trade:

Particulars	As at	
	Year ended 31st March 2017	Nine Months ended 31st March 2016
<u>Inventories at the end of the year:</u>		
Finished goods	35,140,713.00	36,569,658.00
Work-in-progress	33,838,105.00	35,267,050.00
	68,978,818.00	71,836,708.00
<u>Inventories at the beginning of the year:</u>		
Finished goods	36,569,658.00	38,564,909.60
Work-in-progress	35,267,050.00	26,790,050.00
	71,836,708.00	65,354,959.60
Net (Increase)/ Decrease	2,857,890.00	(6,481,748.40)

2.19: Employee Benefits Expenses:

Particulars	As at	
	Year ended 31st March 2017	Nine Months ended 31st March 2016
Salaries and Wages	14,054,560	9,744,409
Contributions to provident and other funds	406,280	342,171
Bonus & Ex-gratia	351,580	234,304
Staff Welfare	247,825	43,301
Total	15,140,245	10,364,275

2.20: Finance Costs:

Particulars	As at	
	Year ended 31st March 2017	Nine Months ended 31st March 2016
(a) Interest expense on:		
(i) Term Loan- Car Loan/Jeep/Ruc	278,170	107,770
(ii) Working Capital Interest	5,336,847	4,106,936
(iii) Interest on delayed /Payment	352,912	473,992
(iv) loan processing chg - bank	1,103,945	-
(v) Bank Charges	77,884	-
(b) Other borrowing costs (Smt SS Velu & Mr vignesh velu)	-	4,180,746
(c) Net (gain) / loss on foreign currency transactions and translation (considered as finance cost)	-	-
Total	7,149,758	8,951,467

2.21: Other Expenses:

Particulars	As at	
	Year ended 31st March 2017	Nine Months ended 31st March 2016
Stores, spares, tools dye stuffs	17,006,600	6,666,535
Machinery Maintenance	14,428,168	5,818,135
Office Maintenance	16,893	19,365
Office Equipment Maintenance	91,678	22,843
Electrical Maintenance	13,527	144,015
Vehicle Maintenance, Travelling & Etc	1,070,357	560,843
Rent	1,149,213	478,000
Power, fuel and water charges	67,582,076	49,648,875
Insurance paid	129,107	147,032
Rates and Taxes	289,720	169,424
Rebate, Commission and Discount	468,793	141,847
Packing and Forwarding	9,264,270	5,103,662
Advertisement	227,100	64,930
Postages, Telegrams and Telephone	224,124	367,706
General Expenses, Printing & Stationary ect	2,574,947	483,906
Remuneration to Auditors	111,000	111,000
Total	114,647,572	69,948,118

Notes:-

Particulars	As at	
	Year ended 31st March 2017	Nine Months ended 31st March 2016
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
As auditors - statutory audit	80,000	80,000
For taxation matters	25,000	25,000
For company law matters	-	-
For management services	-	-
For other services	6,000	6,000
Reimbursement of expenses	-	-
Total	111,000	111,000

M/s.SHREE KARTHIK PAPERS LIMITED
N.25,50 Feet Road,Krishnasamy Nagar
Coimbatore-6941021

2. NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH, 2017

The previous period figures have been regrouped/reclassified, wherever necessary to conform to the current period figures.

2.1 - SHARE CAPITAL

Particulars	As at	
	31.03.2017	31.03.2016
AUTHORISED 2,00,00,000 Equity Shares of Rs.5/- each	10,00,00,000	10,00,00,000
ISSUED, SUBSCRIBED AND PAID UP 1,91,10,000 Equity Shares of Rs.5/- each fully paid up. The Capital includes 10,00,000 Equity Shares of Rs.5/- each issued to IDBI in lieu of payment of interest to IDBI as per BIFR order dated 07.02.2007. The value of the shares are reduced by 50% as per the order of the BIFR dated 07.02.2007	9,55,50,000	9,55,50,000

DETAILS OF SHARE HOLDING MORE THAN 5% AS ON BALANCESHEET DATE:-

Name of the Share Holder	No. of Equity Shares	No. of Equity Shares
M.S Velu	97,19,120	51%
Selvambal	42,56,580	22%
Industrial Development Bank of India	10,00,000	5%

RECONCILIATION OF THE NUMBER OF SHARES OUTSTANDING:

Particulars	As at	
	31.03.2017	31.03.2016
Number of Shares at the beginning	1,91,10,000	1,91,10,000
Add / (Less) : Share issued / Transfer	-	-
Number of Shares at the end	1,91,10,000	1,91,10,000

2.2 - RESERVES & SURPLUS

Particulars	As at	
	31.03.2017	31.03.2016
PROFIT & LOSS ACCOUNT		
Opening Balance	34,06,511	(1,51,20,861)
Add: Current Year Profit transferred from Profit & Loss Account	2,21,17,698	1,85,27,372
Amount available for Appropriations	2,55,24,209	34,06,511
Less: Appropriations/ Adjustment of Depreciation	-	-
Closing Balance	2,55,24,209	34,06,511
Share Premium Account	-	-
	2,55,24,209	34,06,511
CAPITAL RESERVE		
Opening Balance	13,80,000	13,80,000
Add: Current Year Profit transferred from Profit & Loss Account	-	-
Amount available for Appropriations	13,80,000	13,80,000
Less: Appropriations	-	-
Closing Balance	13,80,000	13,80,000
TOTAL	2,69,04,209	47,86,511

2.3- LONG TERM BORROWINGS

Particulars	As at	
	31.03.2017	31.03.2016
<u>Loans and Advances from Others</u>		
Interest Free Sales Tax Loan	1,39,88,318	1,74,85,582
From related party Shri M S Velu	10,00,00,000	10,00,00,000
<u>Term Loan- From Bank</u>		
Axis Bank Bus Loan	9,84,152	12,79,136
HDFC - Indica Car Loan	3,58,675	-
Kotak Mahindra - Skoda Car	9,81,350	-
ICICI Bank Jeep Loan	90,682	2,84,444
TOTAL	11,64,03,177	11,90,49,162
2.4- DEFERRED TAX LIABILITIES (NET)		
Particulars	As at	
	31.03.2017	31.03.2016
Deferred Tax Assets	-	-
Deferred Tax Liabilities	42,89,425	42,89,425
TOTAL	42,89,425	42,89,425
2.5- SHORT TERM BORROWINGS		
Particulars	As at	
	31.03.2017	31.03.2016
<u>Secured</u>		
<u>(a) Loans repayable on demand</u>		
<u>From banks</u>		
Axis Bank , Avinashi Road CBE. CC Account	4,67,25,616	4,85,28,725
<u>(b) From Related Parties - Unsecured:-</u>		
M.S.Velu	3,93,61,288	1,81,02,287
Smt.S.S.Velu	3,95,21,430	3,06,89,603
Shri Vignesh Velu	2,90,16,840	3,29,68,006
TOTAL	15,46,25,174	13,02,88,621
2.6 - TRADE PAYABLES:-		
Particulars	As at	
	31.03.2017	31.03.2016
Due to Micro and Small Enterprises*	-	-
Sundry Creditors - Supplies	3,79,80,034	2,16,39,790
TOTAL	3,79,80,034	2,16,39,790

2.7 - OTHER CURRENT LIABILITIES:

Particulars	As at	
	31.03.2017	31.03.2016
Other Payables		
Expenses (rent payable)	94,750	-
Expenses(Eb+Salary+Pf+Rent+Director's salary)	-	54,89,827
Staff salary payable	11,52,640	-
Electricity Bill Payable	41,99,014	-
Excise Duty Payable	28,98,707	17,51,995
Sales Tax Payable	11,69,276	7,22,100
TDS Payable	99,480	57,098
PF Payable	83,506	-
TOTAL	96,97,373	80,21,020

2.8 - SHORT TERM PROVISIONS :

Particulars	As at	
	31.03.2017	31.03.2016
Provision for Exgratia & Bonus	6,19,500	-
Provision for Taxation	56,64,463	-
TOTAL	62,83,963	-

2.10 - NON CURRENT INVESTMENTS:

Particulars	As at	
	31.03.2017	31.03.2016
Government Securities		
Indra Vikas Patra	8,000	8,000
National Saving Certificate	500	500
Shares in Sree Ganesh Gears P Limited	-	-
TOTAL	8,500	8,500

2.11 - LONG TERM LOANS & ADVANCES:

Particulars	As at	
	31.03.2017	31.03.2016
Advances receivable in cash or kind	-	
Deposits-TNEB	1,08,67,470	1,11,81,600
Deposits with Central excise department	-	7,18,886
Sales Tax Advance	-	-
Deposit Others	12,13,936	13,87,794
TOTAL	1,20,81,406	1,32,88,280

2.12 - INVENTORIES:

Particulars	As at	
	31.03.2017	31.03.2016
Stores	1,44,22,156	2,62,50,506
Raw Materials	11,72,95,123	7,99,26,560
Work in process	3,38,38,105	3,52,67,050
Finished Goods (Other than acquired in Trading)	3,51,40,713	3,65,69,658
Fuel	12,35,956	6,88,760
Branch Stock	-	14,84,908
TOTAL	20,19,32,053	18,01,87,442

2.13 - TRADE RECEIVABLES:

Particulars	As at	
	31.03.2017	31.03.2016
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured	-	-
Other Trade Receivables Unsecured	5,25,56,871	5,07,79,671
TOTAL	5,25,56,871	5,07,79,671

2.14 - CASH & CASH EQUIVALENTS:

Particulars	As at	
	31.03.2017	31.03.2016
Cash on Hand	301	5,652
Balance with Banks		
Axis Bank	-	-
Yes Bank	6,20,977	-
Indian Bank - Ramanathapuram	10,000	-
TOTAL	6,31,278	5,652

2.15 - SHORT TERM LOANS & ADVANCES :

Particulars	As at	
	31.03.2017	31.03.2016
Advance to Suppliers	2,91,60,606	85,01,364
Advance to Staff	-	-
Others		
Advances (c.excise, Sales Tax - input)	8,81,004	8,89,861
TDS Receivable	75,296	85,132
TOTAL	3,01,16,906	94,76,357

SHREE KARTHIK PAPERS LIMITED

2.9- FIXED ASSETS

FIGURES IN RUPEES

ASSET DESCRIPTION	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As on 01.04.2016	Additions Rs.	(Deletions) Rs.	31.03.2017	Upto 01.04.2016	Withdrawn	For the Year Rs.	Upto 31.03.2017 Rs.	As on 31.03.2017 Rs.	As on 31.03.2016 Rs.
Land & Land Development	13,56,905	-	-	13,56,905	-	-	-	-	13,56,905	13,56,905
Garden Development	1,37,500	-	-	1,37,500	-	-	-	-	1,37,500	1,37,500
Building	4,68,23,067	-	-	4,68,23,067	1,92,83,953	-	22,84,783	2,15,68,736	2,52,54,331	2,75,39,114
Plant & Machinery	18,30,35,879	-	-	18,30,35,879	10,72,68,732	-	36,31,759	11,09,00,491	7,21,35,388	7,57,67,147
Electrical Installations & Fittings	3,60,91,751	-	-	3,60,91,751	1,74,80,453	-	12,56,779	1,87,37,232	1,73,54,519	1,86,11,298
River Pipeline	77,86,464	-	-	77,86,464	62,38,466	-	2,12,816	64,51,282	13,35,182	15,47,998
Furniture & Fittings	8,70,080	-	-	8,70,080	5,98,023	-	40,519	6,38,542	2,31,538	2,72,057
Office Equipments	16,32,520	82,760	-	17,15,280	7,98,883	-	52,674	8,51,557	8,63,723	8,33,637
Motor Vehicles	64,13,274	22,22,056	-	86,35,330	26,24,745	-	6,31,288	32,56,033	53,79,297	37,88,529
Miscellaneous Assets	73,637	-	-	73,637	49,194	-	4,797	53,991	19,646	24,443
TOTAL	28,42,21,077	23,04,816	-	28,65,25,893	15,43,42,449	-	81,15,417	16,24,57,866	12,40,68,027	12,98,78,628
Building	-	62,18,271	-	62,18,271	-	-	-	-	62,18,271	-
Plant & Machinery under Installati	-	2,41,20,044	-	2,41,20,044	-	-	-	-	2,41,20,044	-
TOTAL (A+B)	28,42,21,077	3,26,43,131	-	31,68,64,208	15,43,42,449	-	81,15,417	16,24,57,866	15,44,06,342	12,98,78,628

For SHREE KARTHIK PAPERS LTD



Managing Director