Huhtamaki-PPL

18th February, 2019

The Department of Corporate Services
**BSE Limited**
P J Towers, Dalal Street,
MUMBAI – 400 001
Fax No.: (022) 2272 3121/3719/2037
corp.relations@bseindia.com
Ref: Security Code No.: 509820

Listing Department,
**National Stock Exchange of India Limited**
Exchange Plaza, Plot no. C/1, G Block
Bandra-Kurla Complex, Bandra (E)
Mumbai - 400 051
Fax. No. (022) 26598237 / 8
cmlist@nseindia.com
Ref: PAPERPROD

**Sub: Audited Financial Results of the Company for the Financial year ended 31st December, 2018**

Dear Sir/Madam,

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please note that the Board of Directors of the Company at its meeting held on Monday, 18th February, 2019, inter-alia, considered and approved the Audited Financial Results of the Company for the Financial year ended 31st December, 2018. Copy of the same along with Report of Auditors thereon and declaration in respect of Audit Report with unmodified opinion for the Financial Year ended on 31st December, 2018, is annexed herewith.

The aforesaid board meeting commenced at 4.00 PM and concluded at 7.25 PM

Kindly take the same on your records.

Thanking you,

Yours faithfully,
**For Huhtamaki PPL Ltd.,**

Huhtamaki PPL LTD.

**D V Iyer**
**Company Secretary & Head – Legal**

Encl: a/a

Huhtamaki – PPL

(Formerly The Paper Products Ltd.)

**Huhtamaki PPL Ltd (Formerly known as " The Paper Products Ltd")**

Regd Office: 12A-06 B-Wing, 13th Floor, Parinee Crescenzo, C-38/39, G-Block, Bandra Kurla Complex, Bandra (E), Mumbai-400 051

Central Headquarters: L. B. Shastri Marg, Majiwade, Thane - 400 601

CIN - L21011MH1950FLC145537, Phone No.: (022) 2653 1320, Fax No.: (022) 2653 1310

**AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2018**

Rs. in lacs

| Sr.No. | Particulars | Quarter ended 31.12.2018 (Audited) - Refer Note F | Quarter ended 30.09.2018 (Unaudited) | Quarter ended 31.12.2017 (Audited) - Refer Note F | Year ended 31.12.2018 (Audited) | Year ended 31.12.2017 (Audited) |
|---|---|---|---|---|---|---|
| 1 | **Revenue from Operations** | | | | | |
| | a) Sale of Products & Services (inclusive of excise duty and exclusive of GST) (Refer Note D) | 60,358 | 59,516 | 55,356 | 2,33,211 | 2,19,904 |
| | b) Other Operating Revenue | 949 | 1,235 | 835 | 3,696 | 3,065 |
| | **Total Revenue from Operations** | **61,307** | **60,751** | **56,191** | **2,36,907** | **2,22,969** |
| 2 | Other Income | 391 | 356 | 303 | 1,421 | 1,358 |
| 3 | **Total Income** | **61,698** | **61,107** | **56,494** | **2,38,328** | **2,24,327** |
| 4 | **Expenses** | | | | | |
| | a) Cost of Materials Consumed | 40,908 | 41,713 | 37,004 | 1,61,934 | 1,42,500 |
| | b) Changes in Inventories of Finished Goods and Work-in-Process | 78 | 33 | 631 | (1,164) | 330 |
| | c) Excise Duty (Refer Note D) | - | - | - | - | 9,874 |
| | d) Employee Benefits Expense | 5,757 | 6,409 | 5,308 | 23,517 | 20,912 |
| | e) Finance Costs (Refer Note E) | 823 | 1,661 | 684 | 3,915 | 3,177 |
| | f) Depreciation and Amortisation Expense | 2,203 | 2,259 | 2,116 | 8,536 | 8,525 |
| | g) Other Expenses | 7,870 | 7,737 | 7,025 | 30,479 | 27,260 |
| | h) Foreign Exchange Loss / (Gain) | 117 | (208) | 188 | (246) | 252 |
| | **Total Expenses** | **57,756** | **59,604** | **52,956** | **2,26,971** | **2,12,830** |
| 5 | **Profit from Operations before Tax (3-4)** | **3,942** | **1,503** | **3,538** | **11,357** | **11,497** |
| 6 | **Tax expense** | | | | | |
| | Provision for - Current taxes | 2,171 | 950 | 1,503 | 5,809 | 5,360 |
| | - Deferred taxes | (25) | (42) | 127 | (48) | (39) |
| | - Adjustment of Tax relating to earlier periods (Refer Note E) | - | 2,107 | (186) | 2,107 | (186) |
| 7 | **Profit/(Loss) for the period (5-6)** | **1,796** | **(1,512)** | **2,094** | **3,489** | **6,362** |
| 8 | **Other Comprehensive Income (OCI)** | | | | | |
| | Other Comprehensive Income/(Expenses) not to be reclassified to Profit and Loss | | | | | |
| | Re-measurement gains/(losses) on defined benefit plans | (83) | - | 40 | (52) | 101 |
| | Income Tax Effect | 29 | - | (14) | 18 | (35) |
| | **Other Comprehensive Income (OCI) (Net of Tax)** | **(54)** | **-** | **26** | **(34)** | **66** |
| 9 | **Total Comprehensive Income/(Loss) (7+8)** | **1,742** | **(1,512)** | **2,120** | **3,455** | **6,428** |
| 10 | Paid Up Share Capital - Equity Face Value Rs.2 each | 1,511 | 1,511 | 1,511 | 1,511 | 1,511 |
| 11 | Other Equity | | | | 54,137 | 53,396 |
| 12 | Earnings per share of Rs.2 each (not annualised) | | | | | |
| | Basic & Diluted EPS | **2.38** | **(2.00)** | **2.77** | **4.62** | **8.42** |

SIGNED FOR IDENTIFICATION BY

S R B C & CO LLP
MUMBAI

Huhtamaki PPL LTD.

Huhtamaki-PPL

(Formerly The Paper Products Ltd.)

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**AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2018**

**Rs. in lacs**

**Notes:**

A. The Company's business segment is primarily consumer packaging and all other activities of the Company are incidental to this business segment.

B. The above results were reviewed by the Audit Committee and approved by the Board of Directors at it's meeting held on February 18, 2019.

C. The Board of Directors have proposed a dividend of Rs.3 per share subject to approval from the shareholders at the forthcoming AGM.

D. Goods and Services Tax ("GST") has been implemented with effect from July 1, 2017 which replaces Excise Duty and other input taxes. According to the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Revenue for the year ended December 31, 2017 is reported inclusive of excise duty. As per Ind AS 18, Revenue for the year ended December 31,2018 is reported net of GST. In view of the aforesaid restructuring of indirect taxes, Revenue from Operations for the year ended December 31, 2018 is not comparable with that of year ended December 31, 2017. Following additional information is being provided to facilitate such comparison:

| Particulars | Quarter ended 31.12.2018 | Quarter ended 30.09.2018 | Quarter ended 31.12.2017 | Year ended 31.12.2018 | Year ended 31.12.2017 |
|---|---|---|---|---|---|
| Sale of Products & Services | 60,358 | 59,516 | 55,356 | 2,33,211 | 2,19,904 |
| Less : Excise Duty | - | - | - | - | 9,874 |
| **Sales of Products & Sevices on Comparable basis** | **60,358** | **59,516** | **55,356** | **2,33,211** | **2,10,030** |

E. In respect of a disputed Income tax matter of earlier years, the Company was pursuing appeals on the basis of expert advice and favourable judicial precedent. The Supreme Court has given in August 2018, a ruling in favour of the revenue authorities on a similar issue concerning other assessees. Consequent to this development, the Company has recognized a provision for income tax of Rs.2,107 lacs and interest thereon of Rs.1,000 lacs. The Company is evaluating further legal options on the matter.

F. The Figures for the quarter ended 31 December 2018 and 31 December 2017 are balancing figures between audited figures in respect of the full financial years then ended and the unaudited published year to date figures upto the third quarter.

G. The Company, in relation to its Thane manufacturing facility, received a closure notice on 20th November, 2018 from Maharashtra Pollution Control Board ('MPCB'), pursuant to the provisions of Water & Air Pollution Act, against which the Company filed an appeal with the National Green Tribunal ('NGT'). The Company submitted documentary evidence of its compliance under the Plastic Waste Management Rules, 2016, (PWM Rules) to MPCB and on 14th December, 2018 withdrew its appeal before the NGT, with liberty to file a fresh appeal, which has been accepted by NGT. On 3rd January 2019, the Central Pollution Control Board ('CPCB') certified the Company as 'Producer' as per the PWM Rules, notified under the Environmental (Protection) Act, 1986 covering all its manufacturing sites. In view of the actions taken, the Company expects withdrawl of the closure notice by MPCB.

H. On March 23 2018, the Company had entered into a Business Transfer Agreement for acquisition of business of M/s. Ajanta Packaging, India on slump sale basis for an enterprise value of INR 10,030 lacs. The said acquisition has been completed with closing date being May 31, 2018. Accordingly results of acquired business for the period June 1, 2018 to December 31, 2018 have been included in the above results.

I. Figures for the previous periods have been regrouped/reclassified where necessary to conform to current period's presentation.

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CIN - L21011MH1950FLC145537, Phone No.: (022) 2653 1320, Fax No.: (022) 2653 1310

**AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2018**

**Rs. in lacs**

| **J. Statement of Assets and Liabilities.** | **As at 31.12.2018 (Audited)** | **As at 31.12.2017 (Audited)** |
|---|---|---|
| **Assets** | | |
| **Non-Current Assets** | | |
| a. Property, Plant and Equipment | 44,564 | 42,641 |
| b. Capital Work-in-Progress | 445 | 207 |
| c. Goodwill | 5,640 | 969 |
| d. Other Intangible Assets | 1,568 | 118 |
| e. Financial Assets | | |
| i. Investments | - | - |
| ii. Loans | 918 | 919 |
| iii. Other Financial Assets | 28 | 10 |
| f. Deferred Tax Assets (Net) | 491 | 1,019 |
| g. Non-current Tax Assets (Net) | 503 | 546 |
| h. Other Non-current Assets | 2,089 | 2,790 |
| **Total Non-Current Assets** | **56,246** | **49,219** |
| **Current Assets** | | |
| a. Inventories | 21,223 | 19,187 |
| b. Financial Assets | | |
| i. Investments | 2,112 | 13,750 |
| ii. Trade receivables | 57,019 | 52,652 |
| iii. Cash and Cash Equivalents | 4,764 | 4,436 |
| iv. Bank balances other than Cash and cash equivalents | 12 | 33 |
| v. Loans | 182 | 99 |
| vi .Other Financial Assets | 367 | 143 |
| c. Other Current Assets | 3,171 | 3,967 |
| **Total Current Assets** | **88,850** | **94,267** |
| **Total -Assets** | **1,45,096** | **1,43,486** |
| **Equity and Liabilities** | | |
| **Equity** | | |
| a. Equity Share Capital | 1,511 | 1,511 |
| b. Other Equity | 54,137 | 53,396 |
| **Total Equity** | **55,648** | **54,907** |
| **Liabilities** | | |
| **Non-Current Liabilities** | | |
| a. Financial Liabilities | | |
| i. Borrowings | 39,037 | 39,424 |
| ii. Other Financial Liabilities | 92 | 165 |
| b. Provisions | 335 | 324 |
| c. Other Non-Current Liabilities | 1,111 | 1,093 |
| **Total Non-Current Liabilities** | **40,575** | **41,006** |
| **Current liabilities** | | |
| a. Financial liabilities | | |
| i. Borrowings | 915 | - |
| ii. Trade Payables | 36,161 | 36,539 |
| iii. Other Financial Liabilities | 6,156 | 6,883 |
| b. Other Current Liabilities | 1,822 | 1,155 |
| c. Provisions | 2,093 | 1,839 |
| d. Current Tax Liabilities (Net) | 1,726 | 1,157 |
| **Total Current Liabilities** | **48,873** | **47,573** |
| **Total - Liabilities** | **89,448** | **88,579** |
| **Total - Equity and Liabilities** | **1,45,096** | **1,43,486** |

SIGNED FOR IDENTIFICATION BY
S R B C & CO LLP
MUMBAI

Huhtamaki PPL LTD.

**For Huhtamaki PPL Ltd.**

**Dr.Arup Basu - Managing Director**

Mumbai, February 18, 2019

Visit us at our website: www.ppl.huhtamaki.com

S R B C & CO LLP
Chartered Accountants

12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai - 400 028, India
Tel : +91 22 6819 8000

**Auditor's Report On Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**To**
**Board of Directors of**
**Huhtamaki PPL Limited,**

1. We have audited the accompanying statement of quarterly financial results of Huhtamaki PPL Limited ('the Company') for the quarter ended December 31, 2018 and for the year ended December 31, 2018 ('the Statement'), 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 financial results for the quarter ended December 31, 2018 and year ended December 31, 2018 have been prepared on the basis of the financial results for the nine-month period ended September 30, 2018, the audited annual Ind AS financial statements as at and for the year ended December 31, 2018, and the relevant requirements of the 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. 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 September 30, 2018 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 thereunder and other accounting principles generally accepted in India; our audit of the annual Ind AS financial statements as at and for the year ended December 31, 2018; and the relevant requirements of the Regulation and the Circular.

2. We 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 misstatement. 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.

3. In our opinion and to the best of our information and according to the explanations given to us, these quarterly financial results as well as the year to date results:

   i. are presented in accordance with the requirements of the Regulation read with the Circular, in this regard; and

   ii. give a true and fair view of the net profit including other comprehensive income and other financial information for the quarter ended December 31, 2018 and for the year ended December 31, 2018

S R B C & CO LLP MUMBAI CHARTERED ACCOUNTANTS

4. Further, read with paragraph 1 above, we report that the figures for the quarter ended December 31, 2018 represent the derived figures between the audited figures in respect of the financial year ended December 31, 2018 and the published year-to-date figures up to September 30, 2018, being the date of the end of the third quarter of the current financial year, which were subjected to a limited review as stated in paragraph 1 above, as required under the Regulation and the Circular.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Vinayak Pujare
Partner
Membership No.: 101143
Place of signature: Mumbai
Date: February 18, 2019



Huhtamaki-PPL

18th February, 2019

| | |
|---|---|
| The Department of Corporate Services<br>**BSE Limited**<br>P J Towers, Dalal Street,<br>MUMBAI – 400 001<br>Fax No.: (022) 2272 3121/3719/2037<br>corp.relations@bseindia.com<br>Ref: Security Code No.: 509820 | Listing Department,<br>**National Stock Exchange of India Limited**<br>Exchange Plaza, Plot no. C/1, G Block<br>Bandra-Kurla Complex, Bandra (E)<br>Mumbai - 400 051<br>Fax. No. (022) 26598237 / 8<br>cmlist@nseindia.com<br>Ref: PAPERPROD |

**Sub: Declaration pursuant to Regulation 33(3)(d) of SEBI (LODR) Regulations, 2015 for Financial Year ended 31st December, 2018.**

**Ref: SEBI Circular No. CIR/CFD/CMD/56/2016 dated 27th May, 2016**

Dear Sir/Madam,

In compliance with Regulation 33(3)(d) of SEBI (LODR) Regulations, 2015 as amended by SEBI Circular No. CIR/CFD/CMD/56/2016 dated 27th May, 2016, we hereby declare that S R B C & Co. LLP, Chartered Accountants, Statutory Auditors of the Company have issued an Audit Report with unmodified opinion on the Audited Financial Results of the Company for the year ended 31st December, 2018.

Kindly take the same on your records.

Thanking you,

Yours faithfully,
**For Huhtamaki PPL Ltd**

Huhtamaki PPL LTD.

**D V Iyer**
**Company Secretary & Head – Legal**