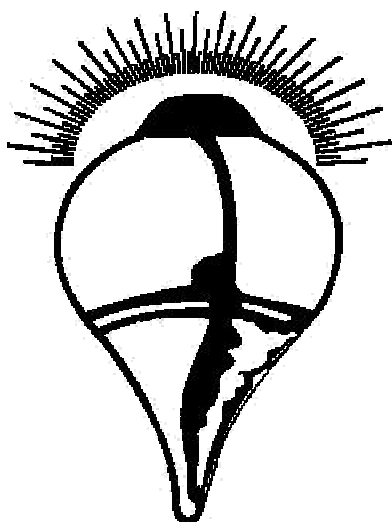


SREE SAKTHI PAPER MILLS LIMITED

26TH ANNUAL REPORT
2016-2017



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BOARD OF DIRECTORS

Dr. S. Rajkumar (Vice Chairman & Managing Director)
 Mr. A. Padmanabhan (Executive Director)
 Mr. S. Subramoniam, Non- Executive Director
 Mr. S. Giridhar, Non-Executive Director
 Mrs. E. Kamalam, Women Director
 Mr. G. Raghavan, Independent Director
 Mr. N. Subramanian, Independent Director
 Mr. U. Gururaja Bhat, Independent Director
 Mr. Akhilesh Agarwal – Additional Director (from 24-06-2017)

CHIEF FINANCIAL OFFICER

Mr. V.N. Sridharan

COMPANY SECRETARY

Mr. R. Ponnambalam

AUDITORS

M/s. Balan & Co.
 31/181 D, Anantha, Mahakavi G. Road
 Karikkamuri, Cochin - 682 011

BANKERS

Federal Bank Limited
 IDBI Bank Limited
 Bank of India
 State Bank of Travancore
 Punjab National Bank

REGISTERED OFFICE

57/2993, "Sree Kailas" Paliam Road
 Ernakulam, Cochin - 682 016, Kerala
 Tel: 0484-3002000, 2373230, 2371085, 2380497 Fax:
 0484-2370395
 E-mail:secretary@sreekailas.com Web:
 www.sreekailas.com

FACTORIES

Kraft Paper Unit 1 and 2 (Closed in June 2016)
 Industrial Development Area
 Muppathadom, Edyar, Aluva - 683 102
 Tel: 0484-3002100, 2540622, 2555451
 Fax: 0484-2555835

FINANCIAL HIGHLIGHTS (8 YEARS)								
Particulars	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Sales (Gross)	14753.18	19081.81	20837.99	21766.94	21554.41	16405.45	10698.82	2400.67
Sales (Net)	14152.04	18292.83	19792.31	20505.57	20306.81	15559.7	10140.09	2782.31
Total Income	14312.82	18356.74	19837.31	20565.49	20443.01	15660.39	10212.02	2894.05
Profit before tax	706.96	1052.75	1023.57	702.9	143.26	-1528.71	-1762.8	-4244.94
Profit after tax	464.43	701.333	660.33	469.12	116.08	-1178.14	-1694.95	-3658.14
Earnings per Share	2.83	4.27	4.02	2.85	0.071	-7.79	-11.14	-23.08
Dividend Rate (%)	18	21	21	15	6	0	0	0
Reserve & Retained Earnings	2008.77	2309.61	2568.79	2749.47	2750.18	1509.61	-185.33	-3843.47
Share Capital	1643.62	1643.62	1643.62	1643.62	1643.62	2643.62	2643.62	2643.62
Shareholders' Funds	3654.39	3953.24	4212.41	4393.09	4393.08	4253.23	2458.29	-1199.85
Fixed Assets(Gross Block)	6918.93	7748.46	10357.61	10838.2	10985.32	11182.37	9192.51	1638.7
Fixed Assets(Net Block)	4826.66	5287.67	7472.88	7451.11	7145.04	5835.68	5502.81	965.8

NOTICE

Notice is hereby given that the 26th Annual General Meeting of the Company will be held on Friday 29th December, 2017 at 2.00 p.m, at Hotel Abad Plaza M.G.Road, Ernakulam, Cochin - 35 to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Statement of Profit and Loss for the year ended on 31st March, 2017 and the Balance Sheet as at that date together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. S Giridhar (DIN- 00362916), Director, who retires by rotation in accordance with section 152 of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mrs. E. Kamalam (DIN- 01791001) Director, who retires by rotation in accordance with section 152 of the Companies Act, 2013 and being eligible, offers herself for re-appointment.

4. Appointment of Auditors

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies

(Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s.KPR & CO., Chartered Accountants, Cochin (Registration No.: 005326S) be and is hereby appointed as the Statutory Auditor of the Company in place of M/s. Balan & Co., Chartered Accountants, Cochin (Registration No.: 000340S), the retiring Statutory Auditor, to hold office from the conclusion of this Annual General Meeting until the conclusion of the 31st Annual General Meeting of the Company, subject to ratification by the Members at every Annual General Meeting till the 30th Annual General Meeting, at such remuneration plus service tax as applicable and reimbursement of out-of pocket expenses in connection with the audit as the Board.”

SPECIAL BUSINESS

5. Change in name of the company

To consider & if thought fit, to pass, with or without modification(s), following resolution as SPECIAL RESOLUTION:

“RESOLVED THAT pursuant to Section 13 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force) and Rule 29 of the Companies (Incorporation) Rules, 2014, subject to approval of the Central Government (power delegated to Registrar of Companies) and any other Regulatory Authorities as may be necessary, consent of the members be and are hereby accorded to change the name of the Company from **“SREE SAKTHI PAPER MILLS LIMITED”** to **“SHRI KAILASH LOGISTICS KOCHI LIMITED”** or any other name as may be approved by the Central Government, Registrar of Companies, Kerala and other Regulatory Authorities, whether under the Companies Act, 2013 or any other Rules, Laws, Acts, Statutes or Regulations as may be applicable to the Company.

FURTHER RESOLVED THAT the Name Clause being Clause I in the Memorandum of Association of the Company be altered accordingly and substituted by the following clause:

I. The Name of the Company is **SHRI KAILASH LOGISTICS KOCHI LIMITED**.

FURTHER RESOLVED THAT in terms of Section 14 of the Companies Act, 2013 the Articles of Association of the Company be altered by deleting the existing name of the Company wherever appearing and substituting it with the new name of the Company.

FURTHER RESOLVED THAT the Board of Directors or any Committee thereof be and is hereby authorized to accept any other name approved by the relevant Regulatory Authorities and seek approval for the change in the name of the Company accordingly without making any further reference to the members for their approval.”

6. Appointment of Mr. Gopalakrishnan Raghavan (DIN 03630043) as an Independent Director in terms of Section 149 of the Companies Act, 2013

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT, pursuant to the provisions of section 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Gopalakrishnan Raghavan (DIN 03630043), who was appointed as an additional director of the company categorized as Independent, by the board of directors with effect from 23rd February, 2017, and whose term expires at this AGM, and in respect of whom the Company has received a notice in writing along with requisite deposit from a member proposing his candidature for the office of an Independent Director not liable to retire by rotation, be and is hereby appointed as an Independent Director of the Company to hold office for a period of five years with effect from 23rd February, 2017."

7. Appointment of Mr. N. Subramanian (DIN: 03602858) as an Independent Director in terms of Section 149 of the Companies Act, 2013

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT, pursuant to the provisions of section 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. N. Subramanian (DIN 03602858), who was appointed as an additional director of the company categorized as Independent, by the board of directors with effect from 23rd February, 2017, and whose term expires at this AGM, and in respect of whom the Company has received a notice in writing along with requisite deposit from a member proposing his candidature for the office of an Independent

Director not liable to retire by rotation, be and is hereby appointed as an Independent Director of the Company to hold office for a period of five years with effect from 23rd February, 2017."

8. Appointment of Mr. Akhilesh Agarwal (DIN: 00918838) as Director of the Company.

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and Articles of Association of the company, Mr. Akhilesh Agarwal (holding DIN: 00918838) who was appointed as an Additional Director at the meeting of the Board of Directors of the Company held on 24th June, 2017 and who holds office up to the date of ensuing Annual General Meeting of the Company and in respect of whom a notice has been received from the member in writing, under section 160 of the Companies Act, 2013 along with

requisite deposit proposing his candidature for the office of Non-Executive Director be and is hereby appointed as the Non- Executive Director of the Company whose office is liable to retire by rotation."

9. Approval for related party transactions

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 read with the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to enter into the related party transactions by the Company with the following related party and for the maximum amounts per annum for the financial year 2017-18 as mentioned herein below:

Particulars of Parties	Nature of Transaction	Nature of Relationship	Annual Amount (Rs. Lacs)
Aditya Papers	Sale of Paper	Firm in which a Director is a partner.	100.00

10. To re-appoint Dr. S. Rajkumar (DIN 01790870) as Managing Director.

To consider and if thought fit, to pass, with or without modification the following resolution as an Ordinary Resolution

RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, the consent of the Company, be and is hereby accorded to the re- appointment of Dr. S. Rajkumar (holding DIN 01790870) as Managing Director of the Company for a period of One (1) year effective from 14th August 2017 to 13th August 2018 by the Board of Directors at their meeting held on 24th June, 2017 and are detailed in the Explanatory Statement to this item annexed to this notice as per section 102 of the Companies Act, 2013, and the Board of Directors be and is hereby authorised to alter and vary such terms of appointment and remuneration so as to not exceed the limits specified in Schedule V to the Companies Act, 2013, as may be agreed to by the Board of Directors and Dr. S. Rajkumar (holding DIN 01790870)."

**By order of the Board of Directors
For Sree Sakthi Paper Mills Limited
Sd/-**

**Cochin -16
September 27, 2017**

**R. Ponnambalam
Company Secretary**

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE, AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

2. The instrument appointing proxy (duly completed, stamped and signed) in order to be effective must be deposited at the registered office of the company not less than 48 hours before the commencement of the 26th Annual General Meeting of the Company.

3. Corporate Members intending to send their authorised representatives to attend the Meeting are requested to send a duly certified copy of Board Resolution on the letterhead of the Company, signed by one of the Directors or Company Secretary or any other authorized signatory and / or duly notarized Power of Attorney, authorizing their representatives to attend and vote on their behalf at the Meeting.

4. With effect from 1st April 2014, inter alia, provisions of Section 149 of Companies Act, 2013 has been brought into force. In terms of the said section read with section 152 (6) of the Act, the provisions of retirement by rotation are not applicable to Independent Directors. Profile of directors seeking re-appointment as stipulated in terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the stock exchanges is provided in the report on corporate governance, which forms an integral part of this annual report.

5. The Register of Members and Share Transfer books of the Company will remain closed from 22-12-2017 to 29-12-2017 (both days inclusive).

6. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.30 am to 5.30pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

7. Shareholders are requested to bring their copy of the Annual Report to the meeting.

8. Members/Proxies should fill the attendance slip for attending the Meeting.

9. Members who hold shares in dematerialized form are required to write their client ID and DPID numbers, and those who hold shares in physical form are requested to write their Folio number in attendance slip for attending the meeting.

10. The information on the Directors appointment or reappointment is provided as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is given in the Corporate Governance Section of this Annual Report.

11. Under the provisions of the Companies Act, 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. The details of Unclaimed Dividend/Interest transferred to IEPF for the last ten years are as below;

Year	Dividend / interest(Rs.)	Date/Due date of transfer to IEPF a/c	Date of filing of form INV-1/IEPF-1
2006-07	97,291	21-11-2014	29-12-2014
2007-08	1,34,835	04-12-2015	04-12-2015
2008-09	1,50,087	04-05-2017	11-05-2017
2009-10			
Interim	1,63,742	29.06.2017	21-07-2017
Final	91,098	09.10.2017	NA
2010-11			
Interim	1,02,524	01.01.2018	NA
Final	1,12,650.2	02.10.2018	NA
2011-12	2,15,111.7	02.09.2019	NA
2012-13	1,49,506.5	12.10.2020	NA
2013-14	1,05,349.2	31.10.2021	NA
2014-15	Not declared.		NA
2015-16	Not declared.		NA

Those members who have not encashed their dividend warrants for the financial year 2010-11 onwards may lodge a claim with the Company immediately especially relating to the year 2010-11 as the unpaid dividend for the said year is due to be remitted into IEPF by 01st January, 2018.

12. Copies of the Annual Report 2017 are being sent by electronic mode only to all the members whose email addresses are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report 2017 are being sent by the permitted mode.

13. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Company / M/s. Bigshare Services Pvt. Ltd

14. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their

address or bank mandates immediately to the Company / M/s. Bigshare Services Pvt. Ltd.

15. A Statement pursuant to Section 102 (1) of the Companies Act, 2013 relating to Special Business to be transacted at the meeting is annexed hereto.

16. Information and other instructions relating to e-voting are as under:

(i) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').

(ii) The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.

(iii) The Company has engaged the services of Central Depository Services Limited ("CDSL") as the Agency to provide e-voting facility.

(iv) The Board of Directors of the Company has appointed Mr. N Ganesh, as Scrutinizer to scrutinize the Venue Voting and remote e-voting process in a fair and transparent manner and they has communicated their willingness to be appointed and will be available for same purpose.

(v) Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. 22/12/2017

(vi) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. 22/12/2017 only shall be entitled to avail the facility of remote e-voting / Venue Voting.

(vii) The voting period begins on 26/12/2017 at 09.00 AM and ends on 28/12/2017 at 05.00 PM. During this period shareholders' of the Company, holding shares

either in physical form or in dematerialized form, as on the cut-off date (record date) of 22/12/2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(viii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(ix) The Scrutinizer, after scrutinizing the votes cast at the meeting and through remote e-voting, will, not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.sreekailas.com and on the website of CDSL www.evotingindia.com. The results shall simultaneously be communicated to the Stock Exchanges.

(x) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. 29th December, 2017.

(xi) Instructions and other information relating to remote e-voting:

- a) The shareholders should log on to the e-voting website www.evotingindia.com.
- b) Click on Shareholders.
- c) Now Enter your User ID
 - i. For CDSL: 16 digits beneficiary ID,
 - ii. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - iii. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- d) Next enter the Image Verification as displayed and Click on Login.
- e) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- f) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank

- g) After entering these details appropriately, click on "SUBMIT" tab.
- h) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- i) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- j) On successful login, the system will prompt you to select the E-Voting Sequence Number for Sree Sakthi Paper Mills Limited.
- k) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- l) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- m) After selecting the resolution you have decided to vote on, click on "SUBMIT". A

confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

- n) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- o) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- p) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xiii) Note for Non – Individual Shareholders and Custodians

- a) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- b) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- c) After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- d) The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com

and on approval of the accounts they would be able to cast their vote.

- e) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- f) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or

write an email to helpdesk.evoting@cdslindia.com / Toll Free No: 18002005533.

**By order of the Board of Directors
For Sree Sakthi Paper Mills Limited**

**Cochin -16
September 27, 2017**

**Sd/-
R. Ponnambalam
Company Secretary**