

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2010

All amounts in Indian Rupees lakhs, except share data

Sl. No.	PARTICULARS	Quarter ended		Nine Months ended		Year ended 31.03.10 (Audited)
		31.12.10	31.12.09	31.12.10	31.12.09	
1	Gross Sales	17,654.57	16,198.05	53,503.62	44,994.81	65,432.39
	Less : Excise Duty	701.63	501.75	1,933.59	1,409.46	2,026.24
	Net Sales / Income from operations	16,952.94	15,696.30	51,570.03	43,585.35	63,406.15
2	Sale of surplus power	351.78	481.07	1,131.60	1,040.23	1,501.71
3	Other operating income	285.99	21.29	827.48	379.04	416.89
4	Total income	17,590.71	16,198.66	53,529.11	45,004.62	65,324.75
5	Total expenditure	15,563.60	14,341.27	46,349.51	38,474.53	56,015.40
	a) (Increase)/ decrease in stock	(2,139.27)	463.34	(2,865.45)	(1,665.95)	1,844.39
	b) Consumption of raw materials	5,260.07	3,982.42	14,220.89	11,836.26	15,618.33
	c) Stores	4,448.68	3,803.78	12,738.43	10,899.10	14,699.91
	d) Power and fuel	2,440.43	1,635.51	6,712.66	4,611.64	5,960.21
	e) Personnel costs	2,065.38	1,363.34	5,593.59	4,090.75	5,648.92
	f) Other expenditure	1,743.61	1,707.13	4,938.53	4,533.11	6,661.92
	g) Depreciation and amortisation	1,744.70	1,385.75	5,010.86	4,169.62	5,581.72
6	Profit from operations before other income, interest and exceptional items	2,027.11	1,857.39	7,179.60	6,530.09	9,309.35
7	Other income	123.54	24.27	336.51	99.65	411.63
8	Profit before interest and exceptional items	2,150.65	1,881.66	7,516.11	6,629.74	9,720.98
9	Interest	1,114.13	752.25	2,940.71	2,483.27	3,215.45
10	Profit before Exceptional items	1,036.52	1,129.41	4,575.40	4,146.47	6,505.53
11	Exceptional items	-	-	-	-	-
12	Profit from Ordinary activities before tax	1,036.52	1,129.41	4,575.40	4,146.47	6,505.53
13	Tax expense	217.00	192.00	923.00	623.83	1,086.19
14	Net Profit from ordinary activities after tax	819.52	937.41	3,652.40	3,522.64	5,419.34
15	Extra-ordinary Items	-	-	-	-	-
16	Net profit for the period / year	819.52	937.41	3,652.40	3,522.64	5,419.34
17	Paid - up equity share capital (face value Rs.10/- each)	3,977.00	2,573.36	3,977.00	2,573.36	3,275.18
18	Reserves (Excluding revaluation reserve)					47019.35
19	Earnings per share for the period (in Rupees) per Rs.10/- share					
	a) Before Extra-ordinary items					
	- Basic	2.46	3.64	10.96	13.69	21.03
	- Diluted	2.46	3.64	10.96	13.69	21.03
	b) After Extra-ordinary items					
	- Basic	2.46	3.64	10.96	13.69	21.03
	- Diluted	2.46	3.64	10.96	13.69	21.03
		(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	
20	Public share holding					
	-Number of shares (Face value Rs.10/- each)	18,509,881	12,655,352	18,509,881	12,655,352	15,687,201
	-Percentage of share holding	46.54	49.18	46.54	49.18	47.90
21	Promoters and promoter group Shareholding					
a	Pledged/Encumbered					
	- Number of shares	971,115	971,115	971,115	971,115	971,115
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	4.57	7.43	4.57	7.43	5.69
	- Percentage of shares (as a % of the total share capital of the company)	2.44	3.77	2.44	3.77	2.97
b	Non-encumbered					
	- Number of shares	20,289,043	12,107,088	20,289,043	12,107,088	16,093,481
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	95.43	92.57	95.43	92.57	94.31
	- Percentage of shares (as a % of the total share capital of the company)	51.02	47.05	51.02	47.05	49.13

THE ANDHRA PRADESH PAPER MILLS LIMITED

Corporate Office: # 501 - 509, Swapnalok Complex, 92/93, Sarojini Devi Road, Secunderabad - 500 003, India

Tel : +91-40-27813715 / 625, 30482614, Fax: +91-40-27813717 e-mail: apmcorp@andrapaper.com Website: www.andrapaper.com

Regd. Office: Rajahmundry - 533105, East Godavari Dist., Andhra Pradesh, India

An ISO 9001 & 14001 and OHSAS 18001 Company



Notes:

- 1 The Company registered its highest exports ever of 6,154 tons in this quarter
- 2 The company has been awarded two prestigious environmental awards:-
 - a) The Indian Paper Manufacturers Association (IPMA) Award of 2009-2010 for Environment
 - b) The Confederation of Indian Industry (CII) Environmental Best practices Award of 2010-2011
- 3 The Profit for the quarter is primarily impacted due to retrospective settlement of wage revision, following agreement with union at APPM unit amounting to Rs.385 lakhs (net of provision).
- 4 The Company has been recognising deferred tax expense / benefit at effective tax rate of the Company for the respective years and not at the enacted tax rates as at the balance sheet date as required by Accounting Standard – 22 on Accounting for Taxes on Income. The applicability of the effective tax rate instead of enacted tax rate is a matter of reference in a writ petition filed by the Company which is pending before the Hon'ble Calcutta High Court. Tax expense for the current quarter represents deferred tax charge for the quarter based on the effective tax rate for the year, which is the Minimum Alternate Tax. The statutory auditors have drawn attention to this matter in their report.
- 6 The Company is in the business of manufacture and sale of pulp, paper and paper board which according to management is a single reportable business segment.
- 7 The equity share capital has increased from Rs. 3,275.18 lakhs to Rs 3,977.00 lakhs upon conversion of 70,18,242 detachable warrants into equity shares on 2nd December 2010. Share premium @ Rs.40 per share amounting to Rs.2807.30 lacs has been credited to share premium account. The proceeds of warrants conversion issue have been fully utilised for the purposes stated in the letter of offer dated 22nd February 2010
- 8 Status of investor complaints during the quarter ended 31.12.2010, Pending at the beginning : Nil; Received during the Quarter :15; Redressed: 9; Pending at the end of the Quarter : 6 (since resolved).
- 9 The Statutory Auditors have carried out limited review of the above financial results.
- 10 The above Financial Results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 9th February 2011.
- 11 The figures for the previous periods/ year have been re-grouped/re-classified, wherever necessary, to conform to the current period/s presentation.

By order of the Board
For The Andhra Pradesh Paper Mills Limited



M. K. TARA
Managing Director & CEO

Place : Secunderabad
Date: 9th February, 2011

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