

**AUDITED FINANCIAL RESULTS FOR THE
QUARTER AND HALF YEAR ENDED 30th SEPTEMBER, 2009**

Rs. In lacs

SL No.	Particulars	QUARTER ENDED		HALF YEAR ENDED		YEAR ENDED
		30.09.2009 (Audited)	30.09.2008 (Unaudited)	30.09.2009 (Audited)	30.09.2008 (Unaudited)	31.03.2009 (Audited)
1	(a) Net Sales / Income from operations	14114.71	16527.13	27889.05	34379.42	62794.85
	(b) Sale of Power	468.01	0.00	559.16	0.00	0.00
	(b) Other Income	105.97	180.20	433.13	333.61	1023.29
	Total Income	14688.69	16707.33	28881.34	34713.03	63818.14
2	Expenditure					
	a) (increase) / decrease in stock	(1391.91)	(904.18)	(2129.29)	(999.31)	(3086.52)
	b) Consumption of Raw Materials	4100.77	4822.56	7853.84	10281.14	18857.55
	c) Stores	3478.19	5011.78	7095.32	9453.43	17355.63
	d) Power & Fuel	1549.79	1450.93	2976.13	2850.34	6473.05
	e) Employees Cost	1297.42	1461.12	2727.41	2724.48	5507.65
	f) Other Expenditure	1410.82	1568.95	2825.98	2999.74	6173.77
	Total Expenses	10445.08	13411.16	21349.39	27309.82	51281.13
3	EBIDTA	4243.61	3296.17	7531.95	7403.21	12537.01
4	Interest	769.77	1127.53	1731.02	2324.80	4937.09
5	Depreciation	1387.42	1327.71	2783.87	2644.33	5411.19
6	Profit/(Loss) from Ordinary activities before tax	2086.42	840.93	3017.06	2434.08	2188.73
7	Tax Expenses	321.83	273.55	431.83	277.55	293.34
8	Net Profit/(Loss) for the period	1764.59	567.38	2585.23	2156.53	1895.39
9	Paid-up Equity Share Capital (Face Value - Rs.10/- per share)	2573.36	2573.36	2573.36	2573.36	2573.36
10	Reserves, excluding Revaluation Reserves					39224.40
11	Earnings per share - Basic/ Diluted (Rs.) (not annualised)	6.86	2.20	10.05	8.38	7.37
12	Aggregate of Public Shareholding					
	Number of Shares	12660892	12695395	12660892	12695395	12679442
	Percentage of Shareholding	49.20	49.33	49.20	49.33	49.27
13	Promoters and Promoter Group Share holding					
	a) Pledged / Encumbered					
	- Number of Shares	971115	-	971115	-	971115
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	7.43	-	7.43	-	7.44
	- Percentage of shares (as a % of the total share capital of the company)	3.77	-	3.77	-	3.77
	b) Non-encumbered					
	- Number of Shares	12101548	13038160	12101548	13038160	12082998
	- Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	92.57	100.00	92.57	100.00	92.56
	- Percentage of shares (as a % of the total share capital of the company)	50.8	50.67	50.8	50.67	46.96

EBIDTA Up 29%

PBT Up 124%

PAT Up 115%

NOTES

1. The increase in performance over the first Quarter of the current Financial year in terms of EBIDTA is 29%, PBT is 124% and PAT is 115%.
2. Paper Machine No.6 with an annual capacity of 67000 tonnes per annum is planned to be commissioned by the end of financial year 2009-10.
3. Pursuant to the notification dated 31st March 2009 of the Ministry of Corporate Affairs, Government of India, the Company had opted for accounting the exchange differences arising on reporting of long term foreign currency monetary items in line with the Companies (Accounting Standards) Amendment Rules 2009, on Accounting Standard AS 11 with effect from 1st April 2007. Due to change in the Accounting Policy, the value of Fixed Assets has been reduced by Rs.963.69 Lakhs and charge for depreciation is less by Rs.27.27 Lakhs and consequently, profit for the current period is less by Rs.936.42 Lakhs.
4. Tax expense comprises of Income-tax (MAT) and Deferred Tax.
5. The Company operates in one reportable segment of manufacture and sale of pulp, paper and paper boards. The generation and sale of power is not considered as a reportable segment since, sale of power is less than 10% of the total turnover.
6. With regard to Audit observation on deferred tax for the period ended 30th September, 2009, the matter is subjudice before the Calcutta High Court and deferred tax has been provided at the effective income-tax rate applicable to the Company, pending disposal of the writ petition.
7. At the Annual General Meeting held on 25th September, 2009, the shareholders approved rights issue of 7018242 Equity Shares of Rs.10/- each at a premium of Rs.40/- per share in the ratio of 3:11 aggregating to Rs.3509.12 Lakhs along with equivalent number of warrants in the ratio of 1:1 to each equity share allotted in the rights issue to be converted into equity shares at Rs.10/- each at a premium of Rs.40/- per share.
8. One investor complaint was received during the current quarter, which has been resolved and no complaint was pending at the beginning and at the end of the quarter.
9. Previous year/period figures have been regrouped wherever necessary.
10. The above Audited Financial Results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 23rd October, 2009.

For THE ANDHRA PRADESH PAPER MILLS LIMITED,

Place : Secunderabad
Date : 23rd October, 2009

M.K. TARA
MANAGING DIRECTOR