

**UNAUDITED FINANCIAL RESULTS FOR THE
QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2009**

(Rs.Lacs)

SL No.	Particulars	QUARTER ENDED		NINE MONTHS ENDED		YEAR ENDED
		31.12.2009	31.12.2008	31.12.2009	31.12.2008	31.03.2009 (Audited)
1	(a) Net Sales / Income from operations	16177.37	14128.64	44625.58	48508.07	62794.85
	(b) Other Income	45.56	184.38	478.69	518.00	1023.29
	Total Income	16222.93	14313.02	45104.27	49026.07	63818.14
2	Expenditure					
	a] (increase) / decrease in stock	463.34	(2091.42)	(1665.95)	(3090.73)	(3086.52)
	b] Consumption of Raw Materials	3982.42	4612.70	11836.26	14893.84	18857.55
	c] Stores	3803.78	4279.05	10899.10	13732.46	17355.63
	d] Power & Fuel	1635.51	2076.95	4611.64	4927.29	6473.05
	e] Employee Cost	1363.34	1248.86	4090.75	3973.34	5507.65
	f] Other Expenditure	1707.13	1761.52	4533.11	4761.30	6173.77
	Total	12955.52	11887.66	34304.91	39197.49	51281.13
3	EBIDTA	3267.41	2425.36	10799.36	9828.58	12537.01
4	Interest	752.25	1784.47	2483.27	4109.28	4937.09
5	Depreciation	1385.75	1340.89	4169.62	3985.22	5411.19
6	Profit/(Loss) from Ordinary activities before tax	1129.41	(700.00)	4146.47	1734.09	2188.73
7	Tax Expense	192.00	(49.75)	623.83	37.60	293.34
8	Net Profit/(Loss) from Ordinary activities after tax	937.41	(650.25)	3522.64	1696.49	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)	3.64	(2.53)	13.69	6.59	7.37
12	Public Shareholding					
	Number of Shares	12655352	12679442	12655352	12679442	12679442
	Percentage of Shareholding	49.18	49.27	49.18	49.27	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	12107088		12107088		12082998
	- Percentage of shares (as a % of the total share holding of the promoter and promoter group)	92.57		92.57		92.56
	- Percentage of shares (as a % of the total share capital of the company)	47.05		47.05		46.96
	* Previous period(s) figures are not required to be furnished					

NOTES

1. **PBT and PAT have increased by 139% and 108% respectively during the current nine months period over the corresponding previous period.**
2. Paper Machine No.6 with annual capacity of 67000 tonnes per annum is nearing completion.
3. 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 each equity share allotted in the rights issue to be converted into equity shares of Rs.10/- each at a premium of Rs.40/- per share. In principle approval for listing of these shares has been received from BSE and NSE while observation letter is awaited from SEBI.
4. Following the Company opting for amended Accounting Standard (AS 11) with effect from 1st April 2007, the value of Fixed Assets has been reduced in the current quarter by Rs.517.40 lacs and charge for depreciation is less by Rs.27.92 lacs and consequently, profit for current quarter is less by Rs.489.48 lacs.
5. Exceptional items of gain/(loss) amounting to Rs.216.87 lacs recognized in the corresponding previous quarter and (Rs.1679.93 lacs) for the corresponding previous nine months period ended 31st December, 2008 is not considered as the same was reversed at the end of the financial year ended 31st March, 2009 in accordance with the notification dated 31.03.2009 issued by Ministry of Corporate Affairs, Government of India. The consequent effect on tax expense for the corresponding periods is also not adjusted.
6. Tax expense comprises of Income-tax (MAT) and Deferred Tax.
7. The Company operates in one reportable segment of manufacture and sale of pulp, paper and paperboards. The generation and sale of power is not a reportable segment since, sale of power is less than 10% of the total turnover.
8. The Statutory Auditors have carried out the limited review of the above financial results and in their report, attention has been drawn regarding providing deferred tax at effective rate, which matter is subjudice before the Calcutta High Court.
9. Impairment of income producing fixed assets will be assessed and considered in the annual accounts for the year ending 31st March, 2010.
10. Previous year/period figures have been regrouped/reclassified wherever necessary.
11. Three investor complaints were received during the current quarter, which have been resolved and no complaint was pending at the beginning and at the end of the quarter.
12. The above Financial Results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 30th January, 2010.

For THE ANDHRA PRADESH PAPER MILLS LIMITED

Place : Secunderabad
Date : 30th January, 2010

M.K. TARA
MANAGING DIRECTOR