

THE ANDHRA PRADESH PAPER MILLS LIMITED

(An ISO 9001 & 14001 and OHSAS 18001 Company)

Regd Office: Rajahmundry-533 105, East Godavari Dist., Andhra Pradesh.

Corporate Office: Krishi Sapphire Building, 8th Floor, 1-89/3/B/40 to 42/KS/801, Hi-tech City Main Road, Madhapur, Hyderabad - 500 081

Website: www.andhrapaper.com

Part I

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND FIFTEEN MONTHS PERIOD ENDED MARCH 31, 2013

(In Indian rupees lakhs, except per share data and unless otherwise stated)

Sl. No	Particulars	Three months ended			Fifteen months period ended	Nine months period ended
		March 31, 2013 (Audited) (Refer Note 8)	December 31, 2012 (Unaudited)	March 31, 2012 (Unaudited)	March 31, 2013 (Audited) (Refer Note 6)	December 31, 2011 (Audited) (Refer Note 7)
	(Refer Notes Below)					
1	Income					
	(a) Net Sales / Income from operations (Net of Excise duty)	26,156.42	24,420.89	29,913.66	123,050.35	59,522.76
	(b) Other Income	348.38	443.24	427.95	2,311.26	637.50
	Total Income	26,504.80	24,864.13	30,341.61	125,361.61	60,160.26
2	Expenditure					
	a) Cost of materials consumed	10,613.06	8,684.79	6,848.08	40,531.16	20,893.62
	b) Purchase of stock-in-trade	36.41	234.50	-	602.35	76.75
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(16.10)	1,080.34	6,114.86	7,735.73	(7,991.61)
	d) Stores and spares consumed	5,000.94	5,230.40	5,480.20	24,987.96	15,196.21
	e) Power and Fuel expenses	1,943.38	2,451.08	2,215.07	11,478.26	7,783.64
	f) Employee benefits expense	2,347.85	2,408.18	2,066.07	11,233.85	6,566.08
	g) Loss on discarded assets	1.07	24.78	14.55	272.21	3,112.02
	h) Other expenses (Refer Note 4)	3,107.51	4,114.93	2,334.97	14,643.42	7,167.33
	Total	23,034.12	24,229.00	25,073.80	111,484.94	52,804.04
3	EBIDTA	3,470.68	635.13	5,267.81	13,876.67	7,356.22
4	Finance costs	901.27	1,043.06	1,326.43	5,536.25	3,610.34
5	Depreciation and amortisation expense	1,897.17	1,833.66	1,629.31	8,793.72	5,062.13
6	Profit/(Loss) from ordinary activities after finance costs but before Exceptional items & Tax expense	672.24	(2,241.59)	2,312.07	(453.30)	(1,316.25)
7	Exceptional items (Refer Note 3)	-	1,619.32	-	1,619.32	-
8	Profit/(Loss) from Ordinary activities before tax	672.24	(3,860.91)	2,312.07	(2,072.62)	(1,316.25)
9	Tax Expense	973.86	(1,046.24)	739.65	297.61	8,464.97
10	Net Profit/(Loss) for the period	(301.62)	(2,814.67)	1,572.42	(2,370.23)	(9,781.22)
11	Paid - up equity share capital (face value ₹ 10/- each)	3,977.00	3,977.00	3,977.00	3,977.00	3,977.00
12	Reserves (Excluding revaluation reserve)	-	-	-	41,704.28	44,074.51
13	Earnings per share - Basic (₹) (Not annualised)	(0.76)	(7.08)	3.95	(5.96)	(24.59)
14	Earnings per share - Diluted (₹) (Not annualised)	(0.76)	(7.08)	3.95	(5.96)	(24.59)
	See accompanying notes to the financial results					

Part II

SELECT INFORMATION FOR THE QUARTER AND FIFTEEN MONTHS PERIOD ENDED MARCH 31, 2013

Sl. No.	PARTICULARS	Three months ended			Fifteen months period ended	Nine months period ended
		March 31, 2013	December 31, 2012	March 31, 2012	March 31, 2013	December 31, 2011
A	PARTICULARS OF SHAREHOLDING					
1	Public share holding					
	- Number of shares	9,942,510	9,942,510	9,942,510	9,942,510	9,942,510
	- Percentage of share holding	25.00	25.00	25.00	25.00	25.00
2	Promoters and promoter group Shareholding					
	Non-encumbered					
	- Number of shares	29,827,529	29,827,529	29,827,529	29,827,529	29,827,529
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00
	- Percentage of shares (as a % of the total share capital of the company)	75.00	75.00	75.00	75.00	75.00

	Particulars	Three months ended March 31, 2013
B	INVESTOR COMPLAINTS	
	Pending at the beginning of the quarter	-
	Received during the quarter	6
	Disposed of during the quarter	6
	Remaining unresolved at the end of the quarter	-

(In Indian rupees lakhs, except per share data and unless otherwise stated)

C	STATEMENT OF ASSETS AND LIABILITIES	As at March 31, 2013	As at December 31, 2011
a	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	(a) Share Capital	3,977.00	3,977.00
	(b) Reserve and Surplus	41,704.28	44,074.51
	Sub-total - Shareholders' fund	45,681.28	48,051.51
2	Non-current liabilities		
	(a) Long-term borrowings	32,184.35	35,209.54
	(b) Deferred tax liabilities (Net)	12,431.63	12,166.70
	(c) Other long-term liabilities	98.94	254.23
	(d) Long-term provisions	18.51	-
	Sub-total - Non-current liabilities	44,733.43	47,630.47
3	Current liabilities		
	(a) Short-term borrowings	5,480.53	3,279.58
	(b) Trade payables	10,705.81	12,227.38
	(c) Other current liabilities	14,155.40	14,365.01
	(d) Short-term provisions	-	176.60
	Sub-total - Current liabilities	30,341.74	30,048.57
	TOTAL - EQUITY AND LIABILITIES	120,756.45	125,730.55
b	ASSETS		
1	Non-current assets		
	(a) Fixed assets		
	Tangible assets	81,621.56	80,648.07
	Intangible assets	465.66	12.52
	Capital work-in-progress	2,237.18	6,121.36
	(b) Non-current investments	1,602.64	1,605.34
	(c) Long-term loans and advances	8,700.73	5,529.67
	Sub-total - Non-current assets	94,627.77	93,916.96
2	Current Assets		
	(a) Inventories	14,479.31	21,191.77
	(b) Trade receivables	4,557.88	3,525.95
	(c) Cash and bank balances	1,656.40	2,415.41
	(d) Short-term loans and advances	5,338.67	4,524.11
	(e) Other current assets	96.42	156.35
	Sub-total - Current assets	26,128.68	31,813.59
	TOTAL - ASSETS	120,756.45	125,730.55

Notes:

- The audited results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on April 23, 2013.
- During the previous period ended December 31, 2011, the Company accrued ₹ 415.99 Lakhs towards managerial remuneration paid to the erstwhile Directors, which was in excess of the maximum limits specified in Schedule XIII to the Companies Act, 1956. The excess remuneration amounted to ₹ 194.64 Lakhs. The members at the Annual General Meeting held on March 22, 2012 approved the remuneration payable to the Directors, subject to the Central Government approval. The requisite application was made to the Central Government on April 17, 2012 and the Company received approvals towards remuneration paid to certain directors aggregating to ₹ 52.81 Lakhs. The management is awaiting the Central Government approval for the balance remuneration of ₹ 141.83 Lakhs.
- Exceptional Items:
During the quarter ended December 31, 2012, the Company based on its internal assessment of certain disputed matters relating to prior years and based on the legal opinion obtained on such matters, made a provision of ₹ 1,619.32 Lakhs, being ₹ 1,561.31 Lakhs towards interest and ₹ 58.01 Lakhs towards taxes.
- The Company entered into an arrangement with a fellow subsidiary, pursuant to which professional services were rendered. The company made an application on July 3, 2012 to the Regional Director, Ministry of Corporate Affairs for approval and pending such approval, the Company recognized and accounted a provision of ₹ 1,400.00 lakhs in the books during the quarter/ twelve months period ended December 31, 2012. Subsequently, the Company had withdrawn the application on February 6, 2013 and the provision was reversed in the books during the quarter ended March 31, 2013.
- The Company is in the business of manufacture and sale of pulp, paper and paper board. Management views manufacture and sale of pulp, paper and paper boards as a single reportable business segment.
- The Board of Directors at their meeting held on January 22, 2013 had approved the extension of the financial year from January 1, 2012 to December 31, 2012 till March 31, 2013. Hence, the current financial results is for a period of fifteen months ended March 31, 2013.
- The Board of Directors at their meeting held on December 6, 2011, had approved the change of the financial year ending March to December every year. Pursuant to the change, the previous financial year, is for a period of nine months ended December 31, 2011.
- The figures of the three months ended March 31, 2013 are the balancing figures between the audited figures in respect of the full financial year (fifteen months period ended March 31, 2013) and the published year to date figures upto the twelve months period ended December 31, 2012.
- The figures of the previous periods have been regrouped / reclassified, wherever considered necessary to correspond with the current period's classification / disclosure.

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

Place : Hyderabad
Date: April 23, 2013

Rampraveen Swaminathan
Managing Director & CEO