

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

Website: www.andhrpaper.com

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2011

Amounts in Rupees Lakhs

SL No.	Particulars	Quarter Ended		Year Ended
		30.06.2011	30.06.2010	31.03.2011 (Audited)
1	(a) Net Sales / Income from operations	19,820.66	17,566.04	78,181.27
	(b) Other Income	191.34	174.16	1,680.81
	Total Income	20,012.00	17,740.20	79,862.08
2	Expenditure			
	a] (increase) / decrease in stock	(1,481.62)	27.22	1,385.99
	b] Consumption of Raw Materials	5,257.14	4,190.15	20,104.30
	c] Stores	4,919.84	3,861.03	17,092.10
	d] Power and Fuel	2,785.55	1,925.25	9,402.62
	e] Personnel Costs	2,157.07	1,854.05	7,976.24
	f] Other Expenditure	1,707.60	1,517.08	7,507.08
	Total	15,345.58	13,374.78	63,468.33
3	EBIDTA	4,666.42	4,365.42	16,393.75
4	Interest	947.26	809.55	3,988.43
5	Depreciation and amortisation	1,673.20	1,532.64	6,696.72
6	Profit before Tax	2,045.96	2,023.23	5,708.60
7	Tax Expense	415.05	406.00	1,214.38
8	Net profit for the period/year	1,630.91	1,617.23	4,494.22
9	Paid - up equity share capital (face value Rs.10/- each)	3,977.00	3,275.18	3,977.00
10	Reserves (Excluding revaluation reserve)	-	-	53,855.73
11	Earnings per share for the period (in Rupees) per Rs.10/- each			
	- Basic	4.10	4.94	12.82
	- Diluted	4.10	4.07	12.82
12	Public share holding			
	-Number of shares (Face value Rs.10/- each)	18,510,031	15,618,768	18,510,031
	-Percentage of share holding	46.54	47.69	46.54
13	Promoters and promoter group Shareholding			
a	Pledged/Encumbered			
	- Number of shares	1,499,330	971,115	1,499,330
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	7.05	5.67	7.05
	- Percentage of shares (as a % of the total share capital of the company)	3.77	2.97	3.77
b	Non-encumbered			
	- Number of shares	19,760,678	16,161,914	19,760,678
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	92.95	94.33	92.95
	- Percentage of shares (as a % of the total share capital of the company)	49.69	49.34	49.69

Notes:

- 1 The Company had achieved highest ever bleached pulp production of 15,006 BDMT in Unit:APPM during June, 2011.
- 2 During the current quarter, planned mandatory maintenance shutdown of pulp mill for 6 days was taken up in Unit:APPM. A one time Boiler 4 and Turbine shutdown for 20 days in Unit:CP was also taken up during this period.
- 3 The Company is in the business of manufacture and sale of pulp, paper and paper board. As sale of surplus power is less than 10% of the total sales, it has not been considered as a reportable segment.
- 4 The Company has since the inception of Accounting Standard 22 on Accounting for Taxes on Income, recognised the deferred tax expense, which arises primarily from depreciation on tangible fixed assets on the basis of the currently applicable enacted Minimum Alternate Tax rate rather than the regular tax rates specified by paragraph 21 of Accounting Standard 22. The Company has challenged the provisions of Accounting Standard 22, insofar as it relates to the above matter and has accordingly filed a writ petition in June 2003 before the Andhra Pradesh High Court. The case has subsequently transferred to Calcutta High Court. The writ petition has been admitted and is currently pending resolution. The quantification of the deferred tax liability, and consequential impact on the accompanying Statement, which may arise due to the above, has been held in abeyance pending disposal of the writ petition. The Auditors have drawn attention to this matter in their report.
- 5 The Promoters of the Company, LN Bangur Group informed the Company on 29 March 2011 that they had entered into an agreement to sell their entire shareholding of 2,12,60,008 equity shares of Rs. 10 each held by them in the Company to IP Holding Asia Singapore PTE Ltd. (Acquirer), a subsidiary of International Paper Company, USA. The transfer of the aforesaid shares will take place after receiving the necessary approvals from regulatory authorities in India by the Acquirer. The Acquirer is an unlisted company incorporated under the Laws of Singapore. International Paper Company, USA is a global paper and packaging company and is listed on the New York Stock Exchange.
- 6 The Statutory Auditors have carried out limited review of the above financial results.
- 7 The above Financial Results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 8th August 2011.
- 8 The figures for the previous periods/ year have been re-grouped/re-classified, wherever necessary, to conform to the current period presentation.
- 9 During the quarter ended on 30th June 2011, the company received 2 investor complaints which have been resolved. There were no complaints pending at the beginning and end of the quarter.

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

Place : Secunderabad

M.K. TARA

Date: 08th August, 2011

Managing Director & CEO