

Ref: APPM/SES/UFR/12

Dt : 23rd October, 2012

Department of Corporate Services,
B S E Ltd.,
14th Floor, P.J.Towers,
Dalal Street,
MUMBAI :: 400 001.

Listing Department,
National Stock Exchange of India Ltd.
"Exchange Plaza",
Bandra-Kurla Complex,
Bandra (E),
MUMBAI :: 400 051.

(BSE Scrip Code No.502330)

(Symbol – APPAPER; Series - EQ)

Dear Sir (s),

Pursuant to Clause 41 of the Listing Agreement, we send herewith the Unaudited Financial Results for the quarter and nine months ended 30th September, 2012 which were approved by the Board of Directors at their Meeting held on 23rd October, 2012 together with Limited Review Report dt.23rd October, 2012 issued by Deloitte Haskins & Sells, Auditors of the Company.

Please acknowledge the receipt.

Thanking you,

Yours faithfully,
For THE ANDHRA PRADESH PAPER MILLS LTD.,



C. Prabhakar

C.PRABHAKAR
SR.VICE PRESIDENT (CORPORATE AFFAIRS) &
COMPANY SECRETARY

Encl: as above.

THE ANDHRA PRADESH PAPER MILLS LIMITED

(A Subsidiary of IP Holding Asia Singapore Pte. Ltd.)

Corp. Office: Krishe Sapphire Building, 8th Floor, 1-89/3/B40 to 42/KS/801,
Hi-tech City Main Road, Madhapur, Hyderabad – 500 081 (A.P.) India.

Tel: +91-40-33121000 Fax: +91-40-33121010 Website: www.andhrapaper.com

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

An ISO 9001, ISO 14001 and OHSAS 18001 Certified Company

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 30.09.2012

All amounts in Indian Rupees lakhs

Sl. No	Particulars	Three months ended			Nine months ended		Previous financial year ended
		30.09.2012 (Unaudited)	30.06.2012 (Unaudited)	30.09.2011 (Unaudited)	30.09.2012 (Unaudited)	30.09.2011 (Unaudited)	31.12.2011 (Audited)
	(Refer Notes Below)					(Refer Note 7)	(Refer Note 6)
1	Income from operations						
	(a) Net sales / income from operations (Net of excise duty)	23,901.11	18,658.27	20,293.96	72,473.04	64,758.42	58,856.01
	(b) Other operating income	295.95	317.22	138.05	882.62	1,341.09	906.04
	Total income from operations (net)	24,197.06	18,975.49	20,432.01	73,355.66	66,099.51	59,762.05
2	Expenses						
	(a) Cost of materials consumed	7,228.56	5,701.20	6,968.78	19,551.15	18,023.02	19,215.39
	(b) Purchase of stock-in-trade	26.54	78.21	12.27	331.44	39.56	76.75
	(c) Changes in inventories of finished goods and work-in-progress	93.83	462.80	(3,492.27)	6,671.49	(663.43)	(7,991.61)
	(d) Stores and spares consumed	5,808.90	5,149.68	5,425.03	16,438.78	14,698.54	16,797.69
	(e) Power and fuel expense	2,597.14	2,271.59	2,573.68	7,083.80	8,049.19	7,783.64
	(f) Employee benefits expense	2,275.08	2,196.10	2,109.48	6,537.25	6,649.20	6,566.08
	(g) Depreciation and amortisation expense	1,750.02	1,683.56	1,734.69	5,062.89	5,093.75	5,062.13
	(h) Loss on discarded assets	11.72	220.09	2,650.62	246.36	2,728.36	3,112.02
	(i) Other expenses	2,481.73	2,544.85	2,458.39	7,361.55	6,672.53	7,167.33
	Total expenses	22,273.52	20,308.08	20,440.67	69,284.71	61,290.72	57,789.42
3	Profit/(Loss) from operations before other income and finance costs (1-2)	1,923.54	(1,332.59)	(8.66)	4,070.95	4,808.79	1,972.63
4	Other income	343.78	134.74	68.22	637.02	409.18	321.46
5	Profit/(Loss) from ordinary activities before finance costs (3+4)	2,267.32	(1,197.85)	59.56	4,707.97	5,217.97	2,294.09
6	Finance costs	1,056.34	1,209.15	1,098.78	3,591.92	3,078.03	3,610.34
7	Profit/(Loss) before tax (5-6)	1,210.98	(2,407.00)	(1,039.22)	1,116.05	2,139.94	(1,316.25)
8	Tax expense/(credit)	456.14	(825.80)	8,229.79	369.99	8,936.22	8,464.97
9	Net Profit/(Loss) for the period (7-8)	754.84	(1,581.20)	(9,269.01)	746.06	(6,796.28)	(9,781.22)
10	Paid - up equity share capital (face value Rs. 10/- each)	3,977.00	3,977.00	3,977.00	3,977.00	3,977.00	3,977.00
11	Reserves excluding revaluation reserve	-	-	-	-	-	44,074.51
12	Earnings per share (Basic & Diluted) of Rs 10/- each	1.90	(3.98)	(23.31)	1.88	(17.09)	(24.59)
	See accompanying notes to the financial results	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	



THE ANDHRA PRADESH PAPER MILLS LIMITED

(A Subsidiary of IP Holding Asia Singapore Pte.Ltd.)

Corp. Office : Krishe Sapphire Building, 8th Floor, 1-89/3/B40 to 42/KS/801,
Hi-tech City Main Road, Madhapur, Hyderabad - 500081 (A.P.) India.

Tel: +91-40-33121000 Fax: +91-40-33121010 Website: www.andhrapaper.com
Regd. Office : Rajahmundry - 533 105, East Godavari Dist., Andhra Pradesh, India.
An ISO 9001, ISO 14001 and OHSAS 18001 Certified Company

Part II
SELECT INFORMATION FOR THE QUARTER AND NINE MONTHS ENDED 30.09.2012

Sl. No	Particulars	Three months ended			Nine months ended		Previous financial year ended
		30.09.2012	30.06.2012	30.09.2011	30.09.2012	30.09.2011	31.12.2011
A	PARTICULARS OF SHAREHOLDING						
1	Public shareholding						
	- Number of shares	9,942,510	9,942,510	18,510,031	9,942,510	18,510,031	9,942,510
	- Percentage of share holding	25.00	25.00	46.54	25.00	46.54	25.00
2	Promoters and Promoter Group Shareholding						
	a) Pledged/Encumbered						
	- Number of shares	-	-	1,499,330 *	-	1,499,330 *	-
	- Percentage of shares (as a % of the total shareholding of Promoter and Promoter group)	-	-	7.05 *	-	7.05 *	-
	- Percentage of shares (as a % of the total share capital of the Company)	-	-	3.77 *	-	3.77 *	-
	b) Non-encumbered						
	- Number of shares	29,827,529 #	29,827,529 #	19,760,678 *	29,827,529 #	19,760,678 *	29,827,529 #
	- Percentage of shares (as a % of the total shareholding of Promoter and Promoter group)	100.00 #	100.00 #	92.95 *	100.00 #	92.95 *	100.00 #
	- Percentage of shares (as a % of the total share capital of the Company)	75.00 #	75.00 #	49.69 *	75.00 #	49.69 *	75.00 #

* The number of shares and the percentages represent the shareholding of erstwhile promoter group viz., L.N. Bangur Group.
The number of shares and the percentages represent the shareholding of present promoter viz., IP Holding Asia Singapore Pte Ltd consequent to acquisition of shares from the erstwhile promoter group and public shareholders.

Particulars	Three months ended 30.09.2012
B	
INVESTOR COMPLAINTS	
Pending at the beginning of the quarter	-
Received during the quarter	8
Disposed of during the quarter	8
Remaining unresolved at the end of the quarter	-

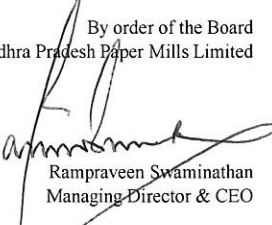
Notes:

- The above Unaudited Financial Results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on 23.10.2012.
- The above Unaudited Financial Results have been subjected to Limited Review by the Statutory Auditors of the Company.
- The previous statutory auditors have included an emphasis of matter paragraph with respect to:
 - In Limited Review Report for the quarter and period ended 30.09.2011:
 - Deferred Tax Liability of Rs. 8,046 lakhs
 - Provision for impairment/writeoff of Rs. 2,650.62 lakhs
 - In Audit report for the previous financial year ended 31.12.2011:
 - Deferred Tax Liability of Rs. 8,046 lakhs
 - Provision for impairment/writeoff of Rs. 3,112.02 lakhs
 - Management Response:
These have been accounted and included in the results of the respective periods.
- The previous statutory auditors in their audit report for the previous financial year ended 31.12.2011 have qualified with respect to the managerial remuneration paid in excess of the maximum limits specified in the Schedule XIII to the Companies Act, 1956 to the extent of Rs. 194.64 lakhs.
 - Management response:
The Shareholders of the Company at the Annual General Meeting held on 22.03.2012 passed a special resolution according their approval subject to consent of Central Government for waiver of recovery of excess remuneration of Rs. 194.64 lakhs paid to the erstwhile Promoter, Directors and Director (Operations). The Company made necessary application to Central Government on 17.04.2012 and await approval.
- 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 Company in it's Board meeting held on 06.12.2011 approved the change of financial year from 31.03 to 31.12 every year. Pursuant to such change, the previous financial year is for a period of Nine months ended 31.12.2011.
- The figures for the nine months ended 30.09.2011 are derived by aggregating the unaudited figures in respect of the quarters ended 31.03.2011, 30.06.2011 and 30.09.2011.
- The figures for the previous periods/year have been re-grouped/re-classified, wherever necessary, to conform to the current period presentation.

Place : Hyderabad
Date: 23.10.2012



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


Rampraveen Swaminathan
Managing Director & CEO

THE ANDHRA PRADESH PAPER MILLS LIMITED

(A Subsidiary of IP Holding Asia Singapore Pte.Ltd.)

Corp. Office : Krishe Sapphire Building, 8th Floor, 1-89/3/B40 to 42/KS/801,
Hi-tech City Main Road, Madhapur, Hyderabad - 500081 (A.P.) India.
Tel: +91-40-33121000 Fax: +91-40-33121010 Website: www.andhrapaper.com
Regd. Office : Rajahmundry - 533 105, East Godavari Dist., Andhra Pradesh, India.
An ISO 9001, ISO 14001 and OHSAS 18001 Certified Company

**AUDITORS' REPORT
TO THE BOARD OF DIRECTORS OF
THE ANDHRA PRADESH PAPER MILLS LIMITED**

1. We have reviewed the accompanying Statement of Unaudited Financial Results for the quarter and nine months ended 30.09.2012 ("the Statement") of **THE ANDHRA PRADESH PAPER MILLS LIMITED** ("the Company"). This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatements. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Our review of Statement of Unaudited Financial Results has been restricted to the figures shown in the columns headed "Three months ended 30.09.2012", "Three months ended 30.06.2012", "Nine months ended 30.09.2012". The figures shown in the columns headed "Three months ended 30.09.2011", "Nine months ended 30.09.2011" and "Previous financial year ended 31.12.2011" have been traced from the respective results reviewed/audited by previous statutory auditor.
4. Based on our review conducted as stated in paragraphs 2 and 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the stock exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements and the particulars relating to undisputed investor complaints from the details furnished by the Registrar.

For DELOITTE HASKINS & SELLS

Chartered Accountants
(Registration No. 008072S)


GANESH BALAKRISHNAN
Partner
(Membership No. 201193)

HYDERABAD, October 23, 2012