



**Orient Paper
& Industries Limited**

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January 30, 2012

The Secretary
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The Manager
Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block G, 5th Floor,
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Dear Sir,

Pursuant to Clause 41 of the Listing Agreement entered into with you, we enclose herewith a statement showing Unaudited Quarterly Financial Results and Segment wise Revenue Results and Capital employed of the Company for the quarter ended 31st December, 2011 in the prescribed format along with review report of S.R. Batliboi & Co., Chartered Accountants the Auditors of the Company. The results were approved and taken on record by the Board of Directors of the Company at its meeting held on date.

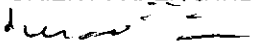
The Board of Directors at its meeting held today also declared interim dividend of 100% (Rs. 1 per share) to the Equity shareholders of the company.

As regards Auditor's qualification in respect of Water Tax Demand from Govt. of Madhya Pradesh, the Company's request for waiver of unadmitted liability with compound interest and penalty amounting to Rs.205.65 crores is under consideration of Govt. of Madhya Pradesh.

Necessary publication of the results is being arranged in the newspapers also, which please note.

Thanking you,

Yours faithfully,
For ORIENT PAPER & INDUSTRIES LTD.,


(P. K. Sonthalia)
President (Finance) & CFO
Encl: as above

**Limited Review Report to
The Board of Directors of
ORIENT PAPER & INDUSTRIES LIMITED**

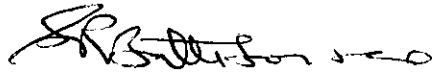
1. We have reviewed the accompanying statement of unaudited financial results of ORIENT PAPER & INDUSTRIES LIMITED ('the Company') for the quarter ended 31st December, 2011, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from the disclosures made by the management and have not been audited by us. 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 these financial results based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the 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 financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. *Attention is drawn to Note No.4 on the accompanying statement of unaudited financial results regarding non-provision of Water Tax demand amounting to Rs. 20,565.04 lacs since the Company's application for waiver thereof is under consideration by the Government of Madhya Pradesh. Had the above liability been considered, there would have been a loss of Rs. 9,653.10 lacs (after considering tax impact) as against the reported profit of Rs. 4,239.62 lacs for the quarter ended 31st December, 2011.*

In respect of above, our review report for the quarter ended 30th June, 2011 & 30th September, 2011 and audit report for the year ended 31st March, 2011 was similarly modified.

S.R. BATLIBOI & Co.

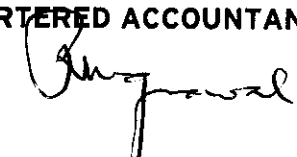
Chartered Accountants

4. Based on our review conducted as above, *except for the possible impact of our comments on the matter stated in para (3) above*, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting", [notified pursuant to the Companies (Accounting Standards) Rules, 2006] and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.


For S. R. BATLIBOI & CO.

Firm Registration No. 301003E

CHARTERED ACCOUNTANTS


Per RAJ AGRAWAL

Partner

Membership No. 82028

Place: New Delhi

Date: 30th January, 2012



ORIENT PAPER & INDUSTRIES LTD.

[Regd. Office : Unit VIII, Plot 7, Bhoinagar, Bhubaneswar - 751012 (Orissa)]

Unaudited Financial Results for the Quarter / Nine Months ended 31st December,2011

(Rs. in lacs)

Sl. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31-12-2011 (Unaudited)	30.09.2011 (Unaudited)	31-12-2010 (Unaudited)	31-12-2011 (Unaudited)	31-12-2010 (Unaudited)	31.03.2011 (Audited)
1	Gross Sales/Income from Operations Less : Excise duty	63872.58 6302.98	56260.95 5604.88	48429.81 4588.43	179514.42 17894.81	140339.48 14047.43	217500.75 21603.21
	(a) Net Sales/Income from Operations	57569.60	50656.07	43841.38	161619.61	126292.05	195897.54
	(b) Other Operating Income	273.67	604.02	221.62	2180.63	1662.06	3038.56
	Total Income	57843.27	51260.09	44062.99	163800.24	127954.11	198936.10
2	Expenditure	50648.04	47285.70	38508.35	143289.86	118823.88	174834.86
	(a) Increase (-) / decrease (+) in Stock in trade and work-in-progress	(4081.48)	(282.64)	(3962.29)	(8362.04)	(5090.60)	397.43
	(b) Purchases of Traded Goods	2233.42	1927.98	1496.42	7007.51	5363.44	9068.61
	(c) Consumption of raw materials	18958.20	14651.78	14868.66	51262.97	40444.14	60923.89
	(d) Consumption of Stores , Chemicals & Spares	2032.98	1976.71	1822.91	5396.73	4236.07	6094.52
	(e) Power & Fuel	11584.33	9314.15	8162.81	29398.42	24543.41	32993.39
	(f) Employees Cost	3715.10	3577.02	3024.52	10808.34	8691.26	11914.09
	(g) Packing, Freight & Forwarding Charges	8086.81	6957.16	5983.00	22329.02	17405.30	25683.63
	(h) Depreciation	2202.24	2175.99	2077.42	6510.05	5997.96	8148.20
	(i) Other Expenditure	6116.44	6971.55	5032.90	18947.86	14232.97	19311.20
3	Profit from Operations before Other Income, Interest & tax (1-2)	6995.23	3974.39	5554.65	20510.38	12130.16	24401.14
4	Other Income	146.68	338.34	135.52	635.81	549.71	727.59
5	Profit before Interest & tax (3+4)	7141.91	4312.73	5690.17	21146.19	12679.87	25128.73
6	Interest	916.84	906.96	1072.88	2753.25	2839.75	4177.61
7	Profit from Ordinary Activities before tax (5-6)	6225.07	3405.77	4617.29	18392.94	9840.12	20951.12
8	Tax Expenses						
	Current Tax	1761.00	854.21	922.00	5264.21	1966.11	4239.97
	MAT Credit (Entitlement) / Reversal	-	25.59	9.00	25.59	(405.00)	(107.00)
	Deferred Tax	224.45	135.66	598.07	510.55	1715.81	2507.70
9	Net Profit from Ordinary Activities after tax (7-8)	4239.62	2406.31	3090.22	12583.69	6553.20	14310.45
10	Paid-up Equity Share Capital (Face Value per share : Re.1/-)	1928.79	1928.77	1928.76	1928.79	1928.76	1928.77
11	Reserves excluding Revaluation Reserve						85670.60
12	Earning per share (EPS) (Face value of Re.1/- each)						
	Basic	2.20	1.25	1.60	6.52	3.40	7.42
	Diluted	2.16	1.23	1.60	6.42	3.40	7.41
13	Aggregate of Public Shareholding						
	- Number of shares	128054848	128054848	128054848	128054848	128054848	128054848
	- Percentage of shareholding	66.39%	66.39%	66.39%	66.39%	66.39%	66.39%
14	Promoters and Promoter Group Share Holding						
a)	Pledged / Encumbered						
	Number of shares	Nil	Nil	Nil	Nil	Nil	Nil
	Percentage of shares (as % of the total shareholding of promoter and promoter group)	Nil	Nil	Nil	Nil	Nil	Nil
	Percentage of shares (as % of the total share capital of the company)	Nil	Nil	Nil	Nil	Nil	Nil
b)	Non- Encumbered						
	Number of shares	64829922	64829922	64829922	64829922	64829922	64829922
	Percentage of shares (as % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%	100%
	Percentage of shares (as % of the total share capital of the company)	33.61%	33.61%	33.61%	33.61%	33.61%	33.61%

For Orient Paper & Industries Ltd.

M. K. S. S.

Managing Director

Notes :-

- 1 Limited Review of the above quarterly results has been carried out by the statutory auditors of the company.
- 2 The Board of Directors at its meeting held today has declared an interim dividend of Rs.1/- (100%) per equity shares of Rs.1/- each for the Financial year 2011-12.
- 3 There were no exceptional and extraordinary items during the quarter / nine months ended 31st December, 2011.
- 4 Provision against demand for Water Tax, which had been referred to by the auditors in their report on accounts for the year ended 31st March, 2011 and subsequent Limited Review Reports for the quarter ended 30th June 2011 and 30th September, 2011, has been paid / provided to the extent of liability admitted by the Company for the period upto April, 2009 i.e. the period prior to new agreement effective from May, 2009 entered into with the Water Resources Department. No provision against the balance demand of Rs. 20565.04 lacs has been made since the Company's application for waiver thereof is under consideration by the government of Madhya Pradesh.
- 5 The Board of Directors of the Company had decided to demerge the Cement undertaking of the Company by transferring the same on a going concern basis to a newly formed wholly owned subsidiary namely Orient Cement Limited through a scheme of arrangement w.e.f. 1st April, 2012, which is subject to approval of the court.
- 6 Previous period figures have been regrouped / rearranged wherever necessary.
- 7 The above results were reviewed by the Audit Committee and taken on record by the Board of Directors of the Company at their respective meetings held on 30th January, 2012.
- 8 There were no investor complaints at the beginning and the close of the quarter. The company had received three complaints during the quarter, which were resolved during the quarter.

Segment wise Revenue, Results and Capital Employed under Clause 41 of the Listing Agreement

(Rs. In lacs)

Sl. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31-12-2011	30.09.2011	31-12-2010	31-12-2011	31-12-2010	31.03.2011
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Segment Revenue :						
	a) Cement	34505.61	29262.84	22861.38	95436.62	69900.15	103324.13
	b) Paper & Board	9413.29	7664.25	8908.31	22153.78	17964.19	27736.48
	c) Electrical Consumer Durables	13443.38	13524.09	11893.66	43452.74	38006.21	64226.21
	d) Others	207.32	204.89	178.03	576.47	421.50	610.72
	Total	57569.60	50656.07	43841.38	161619.61	126292.05	195897.54
	Less : Inter Segment Revenue	-	-	-	-	-	-
	Net Sales/Income from Operations	57569.60	50656.07	43841.38	161619.61	126292.05	195897.54
2	Segment Results : (Profit (+)/Loss(-) before interest & Tax from each segment) :						
	a) Cement	8387.69	5621.47	4664.57	24927.45	12952.01	23310.68
	b) Paper & Board - Amlai	(1401.38)	(1445.21)	360.74	(5,014.79)	(2036.80)	(2849.64)
	- Brajrajnagar *	(124.93)	(47.54)	(116.60)	(292.44)	(355.99)	(480.23)
		(1526.31)	(1492.75)	244.14	(5,307.23)	(2392.79)	(3329.87)
	c) Electrical Consumer Durables	426.75	252.67	1003.46	1886.42	2638.62	5731.15
	d) Others	13.53	13.61	23.44	37.47	50.89	70.79
	Total	7301.66	4395.00	5935.61	21544.11	13248.73	25782.75
	Less :						
	(i) Interest	916.84	906.96	1072.88	2753.25	2839.75	4177.61
	(ii) Other un-allocable expenditure						
	net of un-allocable income	159.75	66.27	243.44	406.92	568.86	654.02
	Profit Before Tax	6225.07	3421.77	4619.29	18383.94	9840.12	20951.12
3	Capital Employed :						
	a) Cement	103009.46	100347.52	94925.21	103009.46	94925.21	93600.01
	b) Paper & Board	38147.88	35009.40	32788.45	38147.88	32788.45	32733.64
	c) Electrical Consumer Durables	19965.77	18573.90	15730.61	19965.77	15730.61	20493.06
	d) Others	135.33	122.21	106.63	135.33	106.63	98.99
	Total	161258.44	154053.03	143550.90	161258.44	143550.90	146925.70

* Shown separately since the unit is non - operational.

NEW DELHI
January 30th, 2012



By Order of the Board
for ORIENT PAPER & INDUSTRIES LTD.

M. Pachisia
M.L. PACHISIA
(Managing Director)



Orient Paper & Industries Limited

Explanatory notes on results for the quarter & period ended 31st December 2011

Financial results for and up to the 3rd quarter FY 2011-12

Orient Paper & Industries Ltd. achieved a growth of 30% in its Net Sales and 37% in Net profits after tax for the quarter compared to the corresponding quarter last year.

For 9 months ended December 2011, its Net sales turnover increased by 28% and Net profit after tax by 92% compared to the same periods last year.

The Board has recommended payment of interim dividend @ 100% (Rs. 1 per share) to the equity shareholders of the company.

Summarized results are as follows:

Rs. in crores

	Quarter ended			9 months ended	
	31.12.11	31.12.10	30.09.11	31.12.11	31.12.10
Net sales	575.70	438.41	506.56	1616.20	1262.92
PBIDT	93.44	77.70	65.05	276.47	186.78
PAT	42.40	30.90	24.06	125.84	65.63

EPS for the quarter has been Rs. 2.20 (against Rs.1.60 last year) and that for 9 months Rs. 6.52 (against Rs.3.40 last year).

Segmental performance

Cement division

Orient cement's sales volumes for the quarter increased by 25% over the same period last year.

Net sales value for the quarter was significantly higher at Rs. 345 cr. as against Rs.229 cr. last year. For 9 months up to December, net sales value increased to Rs. 954 cr as against Rs 699 cr last year.

PBIT of the cement business also improved from Rs. 46.65 cr last year to Rs.83.88 cr for the quarter and from Rs. 129.52 cr. to Rs. 249.27 cr for 9 months this year.

During the quarter, Orient cement received Environment excellence award (Gold category) from Greentech Foundation.

Paper division

Paper division faced tremendous cost pressures due to all round increases in prices of pulpwood, coal and other major inputs. Paper prices were also depressed.

Paper production for the quarter was only marginally lower than last year but much higher for 9 months than same period last year.

Net sales value for the quarter was higher at Rs. 94 cr as against 89 cr last year, while for 9 months it was Rs 222 cr against Rs. 180 cr for the same period last year.

Yet, because of high cost pressures, the division registered negative PBIT of Rs. (14.01) cr for the quarter as against positive PBIT of Rs. 3.61 cr last year. For 9 months also the division's negative PBIT increased from Rs. (20.36) cr to Rs. (50.15) cr.

On the positive side, the new power plant of 55 MW capacity is now at an advance stage of completion and is expected to become operational in the next 3 months. This project will result in substantial reduction in the division's costs.

Electricals division

This division continues to maintain its growth momentum. Fan volumes increased by 3% while lighting volumes went up by 19% for the quarter.

The division also launched a range of domestic electrical appliances like geysers, mixer/grinders, electric irons etc. under "Orient Actus" brand in select cities. Initial response from the trade has been very positive. The product range will be

gradually expanded and launched in other parts of the country within the next couple of months.

Net sales value for the quarter increased to Rs 134 cr from 119 cr last year and for 9 months to Rs. 435 cr against Rs 380 cr last year.

PBIT of the division PBIT of the division was however lower at Rs 4.27 cr for the quarter and Rs. 18.86 cr for 9 months compared to Rs. 10.03 cr and Rs. 26.39 cr for the same periods last year, due a one-time cost of Rs. 7.9 cr incurred during these periods on a new initiative which is expected to yield substantial long term benefits.

Financial position

The company continues to maintain strong financials with a debt equity ratio of only 0.28:1, in spite of having invested Rs 164 crores on new projects during the year.

Outlook

We expect better volumes for all the divisions of the company during the last quarter of the year. Once commissioned, the new power plant at the paper division should go a long way in turnaround of the paper division.

However, significant cost pressures remain an area of major concern for all businesses. Energy cost, in particular, is expected to further escalate because of changes in pricing mechanism and higher prices announced by Coal India Limited w.e.f. 1st January 2012. Margins could therefore come under pressure.

For further information / clarifications, please contact pks@orientpaperindia.com.