



The Paper Products Ltd.

Regd. Office: Regent Chambers, 13th Floor, Nariman Point, Mumbai - 400 021
Corporate Office: L.B. Shastri Marg, Majlwade, Thane 400 601.

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31.12.2010

(Rs. In Lacs)

	Quarter Ended 31.12.2010 (Unaudited)	Quarter Ended 31.12.2009 (Unaudited)	Year Ended 31.12.2010 (Audited)	Year Ended 31.12.2009 (Audited)
Gross Sales	20,589	13,867	76,133	61,796
Less: Excise & Sales Tax	1,602	830	5,732	4,027
Net Sales / Income from Operations	18,987	13,037	70,401	57,769
Other Operating Income	178	116	653	657
Total Income	19,165	13,153	71,054	58,426
Expenditure	207	(769)	(642)	(277)
(Increase)/ Decrease In Stock In Trade & Work in Process	13,351	9,411	50,297	38,531
Consumption of Raw & Packing Materials	1,420	1,001	5,910	4,933
Staff Costs	786	829	3,240	3,115
Depreciation & Amortisation	1,898	1,872	8,022	7,461
Other Expenditure	17,662	12,344	66,827	53,763
Total Expenditure	20	84	280	154
Foreign Exchange Gain/(Loss)	1,523	893	4,507	4,817
Profit from Operations before Other Income, Financial Expenses & Exceptional items	64	33	179	254
Other Income (Refer Note B)	1,567	926	4,686	5,071
Profit before Financial Expenses and Exceptional items	12	16	59	114
Financial Expenses	1,575	910	4,627	4,957
Profit after Financial Expenses but before Exceptional items	(170)	-	1,226	-
Exceptional Income / (Expenses) - (Net) (Refer note C)	1,405	910	5,855	4,957
Profit from Ordinary Activities Before Tax	438	160	1,528	1,219
Provision for - Current Taxes (Refer Note D)	(96)	26	(180)	(12)
- Deferred Taxes	-	-	-	12
- Fringe Benefits Tax	1,063	724	4,507	3,738
Net Profit from Ordinary Activities After Tax	305	-	305	-
Extraordinary Income / (Expenses) (Net of Tax) (Refer Note E)	1,368	724	4,812	3,738
Net Profit for the Period			2.20	3.00
Dividend Paid / recommended per Equity Share (Rs.)	1,254	1,254	1,254	1,254
Paid Up Share Capital - Equity face Value Rs. 2			27,837	24,825
Reserves (Excl. Revaluation Reserve)	2.19	1.15	7.68	5.96
Basic & Diluted EPS Including Extraordinary & Exceptional Items (Not Annualised) (Rs.)	1.70	1.15	7.19	5.96
Basic & Diluted EPS Excluding Exceptional Items (Not Annualised) (Rs.)	1.88	1.15	5.60	5.96
Basic & Diluted EPS Excluding Extraordinary & Exceptional Items (Not Annualised) (Rs.)				
Public Shareholding	22,641,258	22,641,258	22,641,258	22,641,258
- Number of Shares	36.12%	36.12%	36.12%	36.12%
- Percentage of Shareholding				
Promoters & Promoter Group Shareholding				
a. Pledged/Encumbered - Number of Shares	Nil	Nil	Nil	Nil
- Percentage of Shares (as a % of total Shareholding of the promoter & promoter group)	Nil	Nil	Nil	Nil
- Percentage of Shares (as a % of total share capital of the company)	Nil	Nil	Nil	Nil
b. Non-Encumbered - Number of Shares	40,045,932	40,045,932	40,045,932	40,045,932
- Percentage of Shares (as a % of total Shareholding of the promoter & promoter group)	100.00%	100.00%	100.00%	100.00%
- Percentage of Shares (as a % of total share capital of the company)	63.88%	63.88%	63.88%	63.88%

NOTES:

- The company's sole business segment is consumer packaging & all other activities of the company are incidental to this business segment.
- Other income includes interest received on income tax refunds, interest received on income tax refunds for Q4-10 and Y-10 is Nil and Q4-09 & Y-09 is Rs. Nil & Rs. 109 Lacs.
- Exceptional income / (Expenses) - (Net) comprises of:
 - Income of Rs. 1,395 Lacs in Y-10 being net gain realised on sale of Nagpur factory assets, (Current tax for Y-10 includes Rs. 236 Lacs relating to the said gain).
 - Expense of Rs. 170 Lacs incurred in Q4-10 on Voluntary Retirement Scheme (VRS) at Hyderabad Plant.
- Current tax is net of write back of excess provision / includes additional provision for earlier years. There was a write back of excess income tax provision in Q4-09 & Y-09 of Rs. Nil & Rs. 100 Lacs respectively. Q4-10 & Y-10 include a charge for additional income tax provision for earlier periods of Rs. 53 Lacs.
- Extraordinary Income / (Expenses) comprises of:
 - The Company has reversed balance provision amounting to Rs. 279 Lacs (Net of Nil tax) created in earlier year towards repairs of certain machines damaged in floods in 2005, as the same is no longer required.
 - The Company has reversed balance provision amounting to Rs. 100 Lacs has been received pending final settlement. A surplus of Rs. 26 Lacs net of Income tax of Rs. 29 Lacs cost.
 - Against an insurance claim for fire at Thane Plant during the year an advance payment of Rs. 100 Lacs has been received pending final settlement. A surplus of Rs. 26 Lacs net of Income tax of Rs. 29 Lacs cost.
- There were no investor complaints pending at the beginning & at the end of the quarter. No investor complaint was received during the quarter.
- The Board of Directors has proposed a dividend of Rs. 2.20 Per share subject to the approval from the shareholders at the forthcoming AGM, the same will be paid / dispatched on 20th May 2011.



H. STATEMENT OF ASSETS AND LIABILITIES

	(Rs. in Lacs)	
	Year Ended 31.12.2010 (Audited)	Year Ended 31.12.2009 (Audited)
SHAREHOLDERS' FUNDS		
a) Capital	1,254	1,254
b) Reserves and Surplus	28,112	24,901
LOAN FUNDS	2,253	2,394
DEFERRED TAX LIABILITY (NET)	526	678
TOTAL	32,145	29,227
FIXED ASSETS	17,869	20,335
INVESTMENTS	3,945	3,104
CURRENT ASSETS, LOANS AND ADVANCES		
a) Inventories	8,920	7,593
b) Sundry Debtors	11,883	9,720
c) Cash & Bank Balances	1,084	408
d) Other Current Assets	1,232	1,099
e) Loans & Advances	1,975	2,121
LESS: CURRENT LIABILITIES & PROVISIONS		
a) Liabilities	12,491	12,452
b) Provisions	2,272	2,701
TOTAL	32,145	29,227

I. The above results were reviewed by the audit committee & taken on record by the board at its meeting held on 28th January 2011.

J. Previous period figures are appropriately reclassified to conform with current year's classification.

Mumbai, 28th January 2011
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For The Paper Products Ltd.
Suresh Gupta - Chairman & Managing Director

