



Seshasayee Paper and Boards Limited



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N GOPALARATNAM
Chairman and Managing Director

2009 01 24

Dear Shareholders,

Sub: Un-audited Financial Results (Provisional) for the Quarter October - December 2008.

Let me wish you all a Happy, Prosperous, Peaceful and Healthy New Year.

At the Board Meeting held on January 24, 2009, the Board of Directors have approved the Un-audited Financial Results (Provisional) of the Company for the Quarter October - December 2008. We enclose the statement for your reference and records.

The said statement has been posted in the Company's website www.spbtd.com as well as in EDIFAR website maintained by SEBI.

The highlights of operations of the Company during the Quarter October - December 2008 are as under :

Sl. No.	Description	Unit	Oct - Dec 2008	Oct - Dec 2007	Apr - Dec 2008	Apr - Dec 2007
1	Production	(t)	30161	31142	89663	93812
2	Sales	(t)	30327	30556	86930	90976
3	Closing Stock	(t)	2483	2765	2483	2765
4	Exports	(t)	1126	2385	5230	6915
5	Turnover	Rs lakhs	14703	13537	41044	40047
6	Profit Before Interest, Depreciation and Tax (PBIDT)	Rs lakhs	1648	2473	4634	6726
7	Profit before Tax (PBT)	Rs lakhs	77	1875	1787	5012
8	Profit after Tax (PAT)	Rs lakhs	42	1357	1133	3910
9	Cash Profit	Rs lakhs	897	2395	3569	5797

Major factors that impacted the profitability were :

- ◇ Increase in prices of wood, bagasse, imported pulp and imported coal.
- ◇ Depreciation of Rupee vis-à-vis US Dollar impacting the profit for the quarter to the extent of Rs 886 lakhs and Rs 1917 lakhs for the nine month period April - December 2008.

- ◇ Increase in Interest and Financing charges and provision for Depreciation consequent to capitalisation of Mill Development Plan assets and
- ◇ Lower production.

The above adverse factors were partially neutralised by higher realisation for Company's end products and higher in-house Wood Pulp production.

MARKET

India is no exception to the Global economic turmoil. Indian Industry, including Paper Industry, is witnessing downward trend in demand for its products. There is pressure on prices and the Industry is resorting to price correction to boost demand.

The Government, on its part, reduced the Excise Duty across-the-board by 4% with effect from December 7, 2008. The benefit of the said 4% was passed on to the market in full by the Paper Industry.

MILL DEVELOPMENT PLAN

Erection and commissioning of the Chlorine Dioxide Plant was completed during the Quarter and all the equipment that formed part of the Mill Development Plan are in continuous operation.

Thanking you,

Yours Sincerely



N GOPALARATNAM

Enc.: a/a