



Seshasayee Paper and Boards Limited

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N GOPALARATNAM
Chairman and Managing Director

2009 10 24

Dear Shareholders,

Sub: Un-audited Financial Results (Provisional) for the Quarter July - September 2009.

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

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

The highlights of operations of the Company during the quarter July - September 2009 are as under :

SI No	Description	Unit	Jul - Sep 2009	Jul - Sep 2008
1	Production	(t)	30691	30286
2	Sales	(t)	30294	30306
3	Closing Stock	(t)	2727	2743
4	Exports	(t)	1333	2486
5	Turnover	Rs lakhs	13338	14332
6	Profit before Interest, Depreciation and Tax (PBIDT)	Rs lakhs	3102	1443
7	Profit before Tax (PBT)	Rs lakhs	1702	727
8	Profit after Tax (PAT)	Rs lakhs	1107	462
9	Cash Profit	Rs lakhs	2559	1231

Major factor that contributed to better profitability was the full utilisation of the facilities created under the Mill Development Plan, commissioned during last year and consequent higher production of in-house pulp and reduction in use of imported pulp.

However, the benefits realised on account of the above factors could not be retained fully, mainly due to :

- ◇ Drop in prices of paper, due to depressed paper market conditions.
- ◇ Higher Interest and Financing charges and provision of higher Depreciation, consequent to capitalisation of Mill Development Plan assets during last year whose impact for full year is charged during the current year.

MARKET

During the quarter under review, market conditions remained subdued. Over supply in the market with its depressed demand, resulted in drop in prices and offering of additional incentives. This trend is likely to continue in the coming months as well.

Thanking you,

Yours Sincerely

A handwritten signature in blue ink, appearing to read 'N. S. Gopalratnam', written in a cursive style.

N GOPALARATNAM

Enc.: a/a