



June 16, 2020

Department of Corporate Services,  
BSE Limited,  
14<sup>th</sup> Floor, P.J. Towers,  
Dalal Street,  
**MUMBAI – 400 001**  
**(BSE Scrip Code No.502330)**

Listing Department,  
National Stock Exchange of India Ltd,  
"Exchange Plaza",  
Bandra-Kurla Complex, Bandra (East)  
**MUMBAI - 400 051**  
**(Symbol – ANDHRAPAP Series -EQ)**

Dear Sirs,

**Sub: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Disclosure relating to impact of CoVID–19 pandemic on the Company**

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20th May 2020 and further to our earlier disclosure on the subject dated March 24, 2020, an update relating to the impact of the COVID-19 pandemic and the resultant lockdown, on the operations of the Company and the current status is attached.

This is for your information and record.

Thanking You,

Yours faithfully,  
For ANDHRA PAPER LIMITED

Sd/-  
**C. PRABHAKAR**  
**SR. VICE PRESIDENT (CORPORATE AFFAIRS) &**  
**COMPANY SECRETARY**  
Mobile No. 98480 20823

Encl: As above

**ANDHRA PAPER LIMITED**

**(Formerly known as International Paper APPM Limited)**  
**(Corporate Identity Number: L21010AP1964PLC001008)**

Regd. Office: Rajahmundry – 533 105, East Godavari District, Andhra Pradesh, India.  
Corp. Office: 8<sup>th</sup> Floor, Krishe Sapphire Building, 1-89/3/B40 to 42/KS/801,  
HITEC City Main Road, Madhapur, Hyderabad - 500 081  
Tel: +91-40-6810-1200 Fax: +91-40-6810-1255  
Website: [www.andhrapaper.com](http://www.andhrapaper.com)

**An ISO 9001, ISO 14001, ISO 45001 and FSC® Certified Company (FSC® - C119477)**



## **COVID-19 Pandemic Situation- Update**

### **A. Impact on the business**

The lockdowns and restrictions imposed on various activities due to COVID – 19 pandemic have posed challenges to the business of Andhra Paper Limited (the “Company”).

The Company’s operations were hit substantially from 23<sup>rd</sup> March 2020 till the 1st week of May 2020, when lockdown was gradually lifted. Corporate office, regional offices and manufacturing facilities were fully shut during the period.

### **B. Ability to maintain operations including the factories/units/office spaces functioning and closed down**

As stated earlier, the manufacturing facilities of the Company were shut down entirely during the lockdown phase as the Company was not part of Government denominated essential services. Corporate and regional offices were also shut, but the Company adopted the work from home policy during the entire duration of the lockdown.

### **C. Schedule, if any, for restarting the operations and steps taken to ensure smooth functioning of operations**

With the gradual lifting of the lockdown restrictions, the Company has started its operations after establishing thorough and well-rehearsed safety protocols. The Company is following Covid-19 guidelines, rules and regulations issued by central and state governments.

Employees: Amidst the crisis, the safety of our employees has been our top-most priority and the Company has taken several measures to ensure their well-being. Employee count at our manufacturing facilities, Corporate Office and Regional sales offices were restricted to permitted limits. The safety of employees who are now required to step out for work is being ensured and they have been mandated to use protective gear and take all safety precautions. We have curtailed the number of employees working at all manufacturing facilities and the office spaces at a time.

### **D. Estimation of the future impact of CoVID-19 on its operations**

The key drivers of the paper demand are economic growth, educational institutions, offices etc. With the lock down, these drivers have weakened the demand and the situation may continue till the restrictions are relaxed/completely lifted. With lower demand, our mills are operating at 50%-60% capacity. With the phased relaxation, we expect the demand to improve gradually and serve our customers by ramping up our supplies.

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The Company is looking forward to stabilise the operations with all safety measure while working on the demand factors to improve the top line. The Company is confident about adapting to the changing business environment and respond suitably to fulfil the needs of its customers.

**E. Impact of COVID-19 on capital and financial resources, profitability, liquidity position, ability to service debt, assets and internal financial reporting and control**

The COVID 19 situation is expected to significantly affect the profitability during the first half of the year. The Company does not see incremental risk to recoverability of assets (Inventories, investments, Receivables, etc.) given the measures being taken to mitigate the risks. There is also no impact on internal financial controls due to the COVID-19 situation.

We have strong balance sheet and good cash reserve which will help wither this outbreak.

The Company has visibility to adequate resources to sustain the Covid-19 related impact in the interim period and we do not foresee any continued adverse impact over the medium to long term.

We believe that the wider ecosystem, including our partners in the value chain, are reasonably equipped to participate in the gradual scale up of operations in the near term and consequently this is not seen to a continuing challenge.

**F. Impact of COVID-19 on supply chain**

There is minimum disruption in the supply chain as most of the vendors have re-started their production and are ready to provide required supplies.

**G. Existing contracts/agreements where non-fulfilment of the obligations by any party will have significant impact on the listed entity's business**

The Company is well positioned to fulfil its obligations and also does not foresee any significant impact on the business due to non-fulfilment of the obligations by any party.

**H. Outlook**

The Company has recalibrated its priorities and identified deliverables, both short term and long term, to overcome the challenging times.

The Board of Directors and its Committees have actively continued to engage and monitor the developments.

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