



July 19, 2024

BSE Limited,
14th Floor, P.J. Towers,
Dalal Street,
MUMBAI - 400 001
(Scrip Code No. 502330)

National Stock Exchange of India Ltd.
"Exchange Plaza",
Bandra-Kurla Complex,
Bandra (E), MUMBAI - 400 051
(Symbol – ANDHRAPAP; Series – EQ)

Dear Sirs/Madam

Sub: Regulation 34 (1) of the SEBI (LODR) Regulations, 2015

In continuation of our Letter dated July 18, 2024, wherein, the Company had informed that the 60th Annual General Meeting is scheduled to be held on Monday, August 12, 2024 at 11.30 A.M. through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM"), in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

In terms of the requirement of Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company including the Notice of AGM for the Financial Year 2023-24. The Company has sent the same today i.e. on July 19, 2024, through electronic mode to the Members who have registered their E-Mail IDs with the Company's R&TA/Depository Participant.

The Annual Report for the Financial Year 2023-24 is also available on the website of the Company viz. www.andhrapaper.com.

You are requested to kindly take the above information on record.

Thanking you,

Yours faithfully,

For ANDHRA PAPER LIMITED

BIJAY KUMAR SANKU
COMPANY SECRETARY



Encl: As above

ANDHRA PAPER LIMITED

(Corporate Identity Number: L21010AP1964PLC001008)

Regd. Office: Rajamahendravaram – 533 105, East Godavari District, India. Tel: +91-883-2471831

Corp. Office: 31, Chowringhee Road, Park Street, Kolkata – 700 016, India. Tel: +91-33-71500500

Website: www.andhrapaper.com; Email: info@andhrapaper.com

An ISO 9001:2015, ISO 14001:2015, ISO 45001:2018 Certified Company



Andhra Paper Limited

Serving you with pride..



**EMBRACING INNOVATION
ROOTED IN TRADITION**

60th Annual Report 2023-24

Six-year Highlights

	UOM	FY24	FY23	FY22	FY21	FY20	FY19
PAPER PRODUCTION	MT	2,35,749	2,50,292	2,35,155	1,64,408	2,27,600	2,38,700
PAPER SALES	MT	2,33,480	2,50,238	2,40,479	1,75,659	2,13,600	2,38,700
OPERATING RESULTS							
Turnover	₹/Lakhs	1,78,326	2,08,306	1,36,692	87,949	1,25,722	1,40,950
EBITDA	₹/Lakhs	52,593	78,674	26,581	7,611	31,702	39,317
EBITDA	%	29%	38%	19%	9%	25%	28%
Finance Costs	₹/Lakhs	441	718	544	451	532	855
Gross Profit (PBDT)	₹/Lakhs	52,152	77,956	26,037	7,160	31,170	38,462
Depreciation & Amortisation	₹/Lakhs	6,587	6,320	7,201	7,338	7,590	6,787
Exceptional items	₹/Lakhs	-	-1,538	-	-441	-	-543
Taxation	₹/Lakhs	11,079	18,644	5,603	549	6,790	11,330
Deferred Tax	₹/Lakhs	511	-792	-741	-709	-4,502	-205
Net Profit/Loss	₹/Lakhs	33,974	52,246	13,973	-460	21,292	20,008
FINANCIAL POSITION							
Gross Block	₹/Lakhs	1,41,177	1,04,676	97,510	94,291	92,672	91,436
Depreciation	₹/Lakhs	50,842	44,733	39,082	32,804	26,080	19,847
Net Block	₹/Lakhs	90,335	59,943	58,428	61,487	66,592	71,588
Paid up Capital	₹/Lakhs	3,977	3,977	3,977	3,977	3,977	3,977
Reserves & Surplus	₹/Lakhs	1,85,343	1,54,240	1,05,432	93,545	93,608	72,404
Networth	₹/Lakhs	1,89,320	1,58,217	1,09,409	97,522	97,585	76,381
Borrowings*	₹/Lakhs	10,864	4,856	5,159	3,349	1,282	1,480
Capital Employed	₹/Lakhs	2,00,184	1,63,073	1,14,568	1,00,870	98,867	77,860
OTHER KEY PARAMETERS							
Earnings per share(FV ₹ 10)	₹	85.43	131.37	35.14	-1.16	53.54	50.31
Book Value per share	₹	476.04	397.83	275.10	245.21	245.37	192.06
Dividend	%	100	125	75	50	-	-
Dividend	₹/Lakhs	3,977	4,971	2,983	1,989	-	-
Debt Equity Ratio		0.06	0.03	0.05	0.03	0.01	0.02

Note:

* Borrowings include Current, Non Current Debt & Current maturities of long term debt

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Notice



Scan above QR code to know more about us

Forward-looking statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

Our legacy of half a century has stood the test of time with a consistent focus on adapting to change. While we remained rooted to tradition and demonstrated significant strength in the face of a changing business ecosystem, we were also open to embracing new-age processes. At Andhra Paper, we believe in making way for novel methods of doing business. This drives our Research and Development efforts and breathes life into our innovative spirit.



Despite operating in a resource intensive sector such as the paper manufacturing industry, we have strived to fulfil our commitment to ensure environmental stewardship. Along with the adoption of modern machinery, advanced technology for introducing innovative products to the market, we were also keen on adopting eco-friendly raw material and processes to limit our ecological footprint. Our emphasis on the farm forestry programme is perhaps the greatest example of our thrust on shaping a sustainable future.

As we complete five decades of our existence, we are now primed to explore new avenues of growth and broaden the path for sustainable development through conscious efforts that make a difference to people as well as the planet.

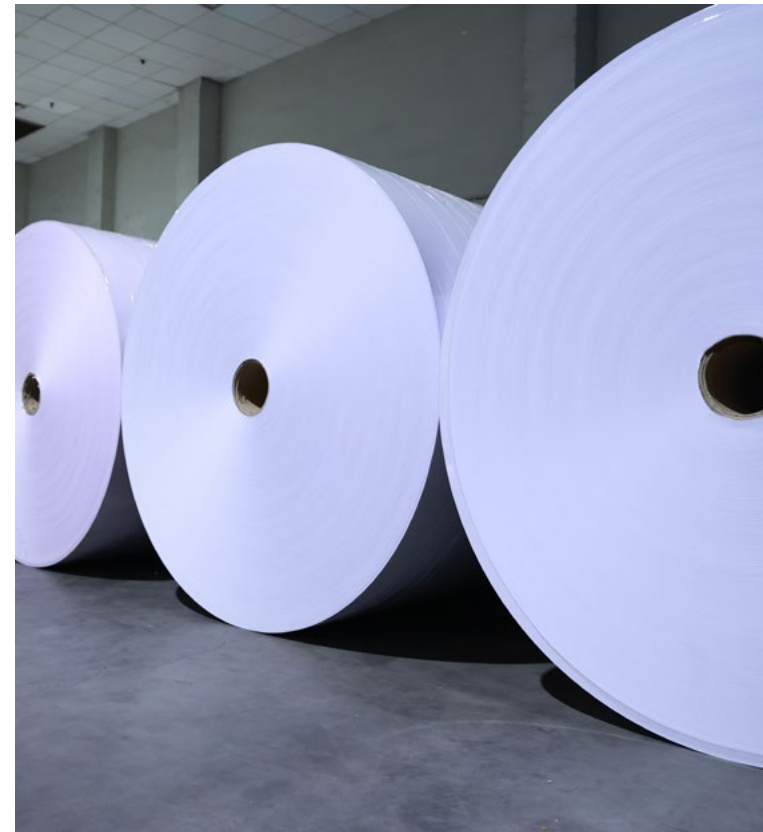


About Us

Enabling innovation and excellence

As a leading manufacturer of paper and pulp in India, we offer a comprehensive range of superior grade writing and printing paper as well as paper boards. Our extensive product portfolio offers essentials like writing and printing paper along with convenient cut-size options and specialty papers for different use cases such as photo printing or packaging solutions.

Prioritising environmental sustainability, we continue to introduce eco-friendly Elemental Chlorine Free (ECF) pulp technology to our paper manufacturing process. With two state-of-the-art mills in Rajahmundry and Kadiyam Andhra Pradesh, we continue to ensure manufacturing excellence and consistently deliver the finest quality products.

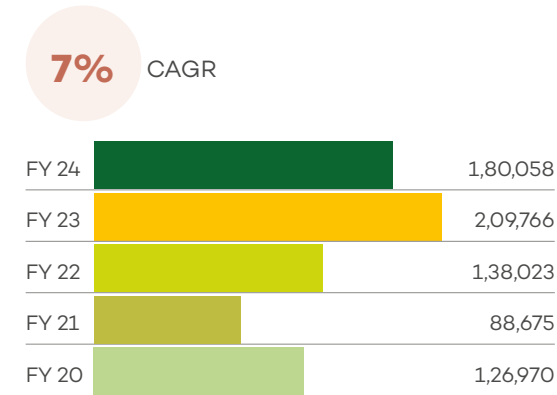


Business Objectives

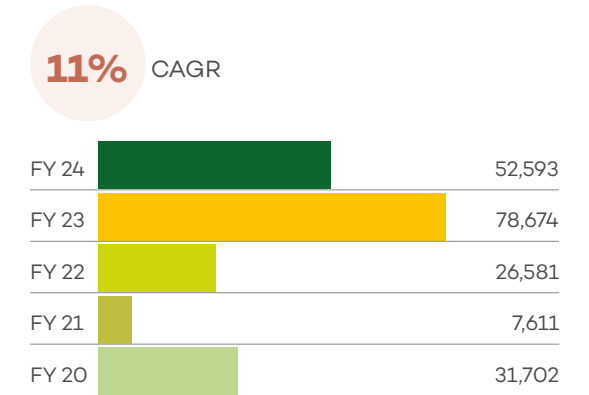


Key Highlights

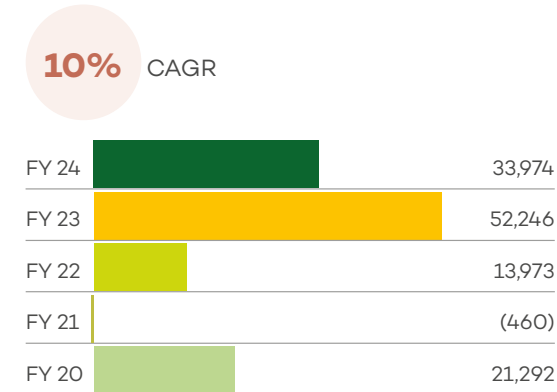
Trend in Revenue ₹ in lakhs



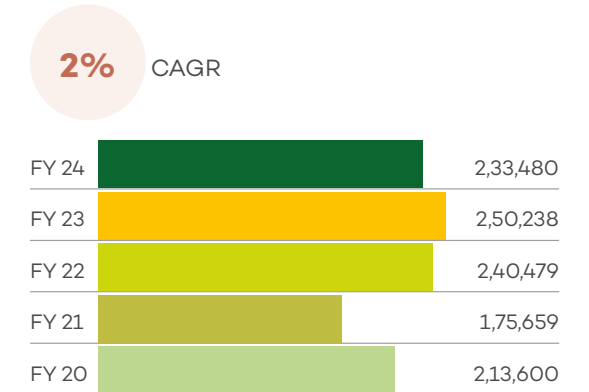
Trend in EBITDA ₹ in lakhs



Trend in net profit ₹ in lakhs



Trend in sales volume Metric Tons



Chairman's message



“

The strong performance of the domestic economy provided a favourable environment for our continued growth.

Dear Shareholders,

Reflecting on the past year and the initiatives we undertook, I am filled with a sense of optimism. The efforts we put in have positioned us on a trajectory that seems poised to propel us to the next level of success. It is encouraging to see how far we've come and the positive impact our initiatives have had. As we move forward, I believe we are well-equipped to tackle new challenges and seize opportunities for growth... The year gone by had its share of challenges and opportunities both domestic and global front and the Company navigated them with right strategy and resilience. I am happy to share with you the Annual Report for the FY 2023-24—a year that has been marked by substantial progress. Last year witnessed global economic uncertainties, geopolitical tensions which resulted in businesses worldwide facing multitude of headwinds, accelerating climate emergency, supply chain disruptions, escalating commodity prices and more, which added to the challenging operating environment. However, the Indian economy, buoyed by its robust macroeconomic fundamentals, has achieved remarkable growth.

The strong performance of the domestic economy provided a favourable environment for our continued growth. This has enabled us to maintain our growth momentum, ensuring that our financial performance for the year under review remains consistent and robust.

Notwithstanding the long annual outage, During the reporting year, our revenue from operations was ₹1,80,058 lakhs. Our EBITDA for the year was ₹52,593 lakhs and our Profit After Tax stood at ₹33,974 lakhs. On the operational front, we recorded a production volume of 2,35,749 MT and a sales volume of 2,33,480 MT during

the last fiscal year. This performance reinforces our strong market presence and the growing demand for our offerings.

Going forward, we will continue to focus on sustaining the strength of our balance sheet by judiciously managing our debt. Our persistent focus on client satisfaction, cost competitiveness, machine optimisation and enhanced operational efficiencies have helped us sustain our robust financial performance this year. Prioritising these areas helped us expand our production volumes and serve our clients better. "The Board had approved a capital expenditure of ₹520 crores for upgrading its production facilities in phases starting last year. Out of which ₹301 Crores has been expended by FY 2023-24 and the remaining work is expected to be completed by this financial year. The benefits of this upgradation will be realised in the long term and will enhance shareholders value in the years to come.

Our steadfast commitment to environmental sustainability is reflected in our Vision 2030 strategy. We manufacture our products responsibly and actively work to reduce our environmental impact by promoting sustainable operations. To ensure the seamless supply of our raw materials, we have planted 906 lakhs saplings under the forestry programme. This has helped us become 'wood positive' and offered farmers an additional source of income.

Moreover, we are upgrading our facilities to minimise waste and emissions while improving energy efficiency. We utilise water recycling and reuse techniques to minimise our water footprint.

Additionally, we recycle wastepaper in our manufacturing process as part of our ongoing environmental stewardship efforts.

To address the pressing issue of environmental pollution, a major concern for the paper industry, we have adopted greener technologies that significantly reduce energy consumption during the manufacturing process and minimise the use of steam, coal and power.

Our commitment to sustainability encompasses not only our responsibility towards the planet but also our deep dedication to enhancing the quality of life for the communities we serve. To contribute to holistic community development, we undertake several initiatives focused on education, healthcare, the provision of safe drinking water and women's empowerment. For our team members, we prioritise providing them with a conducive work environment, one that drives their personal and professional growth. We adhere to stringent safety standards

“

Our commitment to sustainability encompasses not only our responsibility towards the planet but also our deep dedication to enhancing the quality of life for the communities we serve.

to ensure that our workplace is free from hazards and accidents.

Throughout our journey thus far, we have remained steadfast in our commitment to conducting business with fairness, transparency and accountability. This strategy has earned the trust and confidence of both investors and other stakeholders. We believe that good governance has been and will remain the cornerstone of success, enabling us to maximise value creation through ethical business conduct.

As this message draws to a close, I would like to reaffirm our continuous endeavour to integrating sustainable business practices into our operations. This commitment not only reflects our values but also positions us to thrive in a dynamic and interconnected global economy.

We anticipate that our future journey will be driven by factors such as rising per capita paper consumption in India, opportunities arising from the ban on single-use plastic and the growing demand for paper products in the domestic education and e-commerce sectors.

Before I conclude, I want to extend my heartfelt gratitude to all our shareholders for their continued support. I am confident that with your trust and cooperation, we will be able to capitalise on emerging opportunities and make this a fulfilling journey for all our stakeholders.

Warm Regards,

Shree Kumar Bangur
Chairman & Managing Director

Business model

Poised to drive sustainable growth

Vision

To become the top performing and most respected paper company in India

Values

- We fulfil our commitments with the highest ethical standards
- We focus on superior results to create value for our shareholders
- We are responsible towards our environment and our community

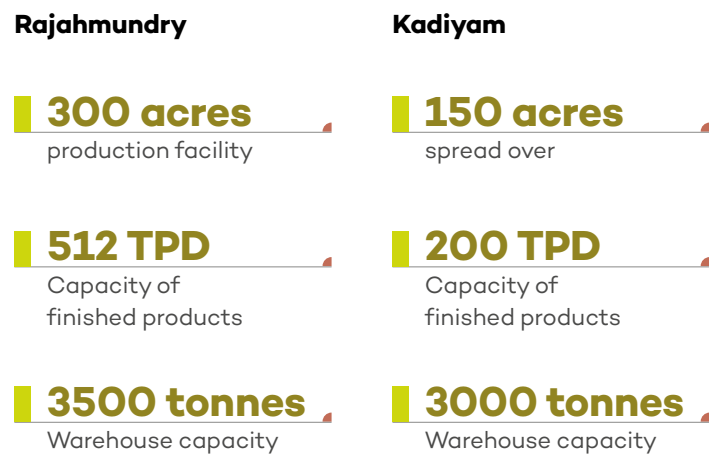
Our performance



Finance



Operational



Innovation

High quality papers with niche applications

Human



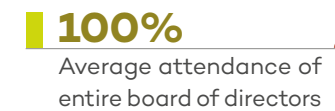
Environment



Social



Governance

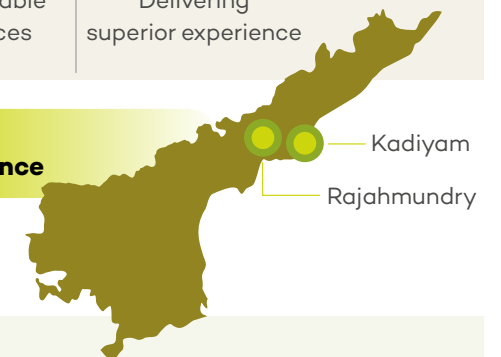


Value creation

We focus on

- Innovation
- Value creation
- Community upliftment
- Sustainable practices
- Delivering superior experience

Our presence



Our stakeholders

- Farmers
- Distributors & traders
- Suppliers
- Shareholders
- Employees
- Local Communities
- Government Bodies & Regulator
- Industry Bodies

Our Portfolio

A wide selection of value-added products

We produce a diverse range of writing and printing papers, packaging boards and specialty papers. These products are available in a variety of grades and finishes to perfectly suit writing, printing or packaging needs. By focusing on recyclability and eco-friendly materials, we aspire to reduce our impact on the environment



Writing and Printing

As a one-stop shop for premium writing and printing paper solutions, our focus lies on crafting exceptional quality paper. Our papers are used in notebooks, diaries and for vibrant colour printing. We also have a diverse range of paper specifically designed for professional applications, for use in journals, textbooks and reference books. Additionally, our papers are ideal for printing calendars and fulfilling other commercial printing needs.

Note book papers



- 1 Starwhite
- 2 Skytone
- 3 Write Choice

Multicolour printing



- 1 Primavera
- 2 Primavera White
- 3 TruPrint Ivory

Publishing Paper



- 1 Truprint ultra
- 2 CCS

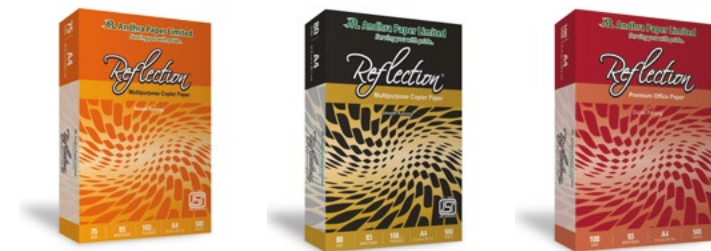
Copier

We offer a complete range of office papers, from budget-friendly options for everyday use to premium grades for a luxurious touch. Our papers provide exceptional brightness for crisp, professional quality documents. It is also engineered to run flawlessly through any office equipment, from photocopiers to multi-functional devices, enabling high-volume printing with ease.

Reflection



Reflection 65 GSM Reflection 70 GSM Reflection 70 GSM – White



Reflection 75 GSM Reflection 80 GSM Reflection 100 GSM

Carton & Wrapper 3D



Reflection 65 Reflection 70 Reflection White 70

Specialty Papers

We offer high-quality specialty grade paper. These custom-engineered varieties cater to diverse applications and can be used for printing high resolution photos to creating innovative and functional packaging solutions.



Andhra Cup Stock Andhra Carry Bag



Andhra Pharma Print Andhra Thermal Base Paper



Andhra Colour Poster Paper Andhra Plain Kraft NS



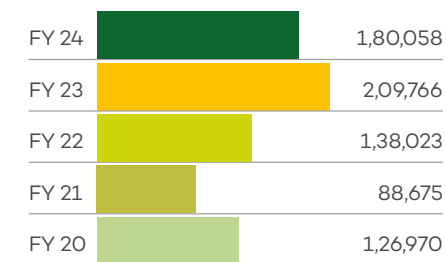
Andhra Straw Paper Andhra Sketch Choice

Financial Performance

Revenue

₹ in lakhs

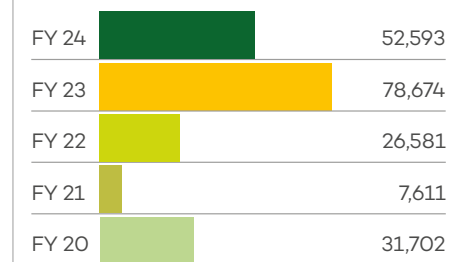
1,80,058



EBITDA

₹ in lakhs

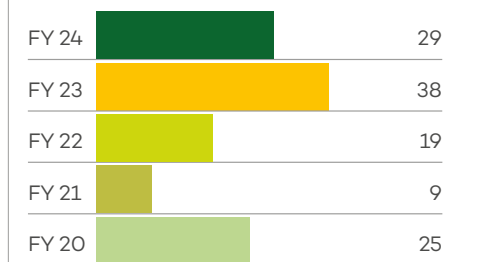
52,593



EBITDA margin

in %

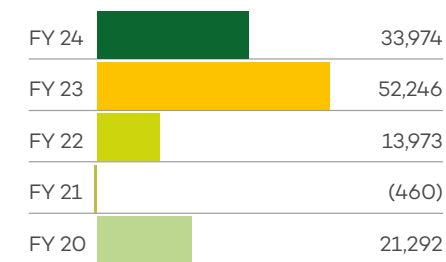
29



PAT

₹ in lakhs

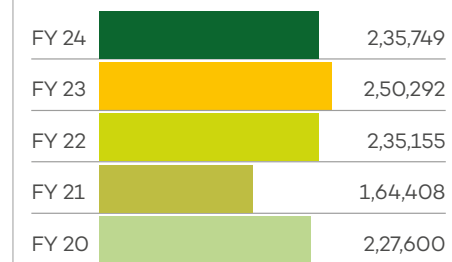
33,974



Production volume

in MT

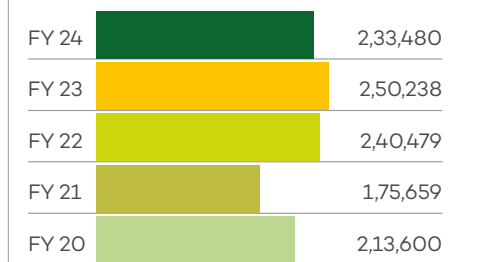
2,35,749



Sales volume

in MT

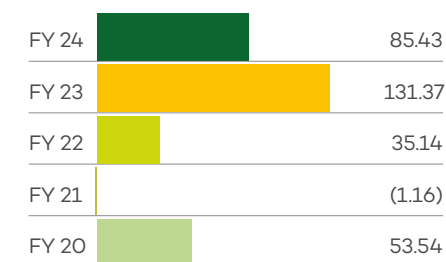
2,33,480



EPS

In ₹

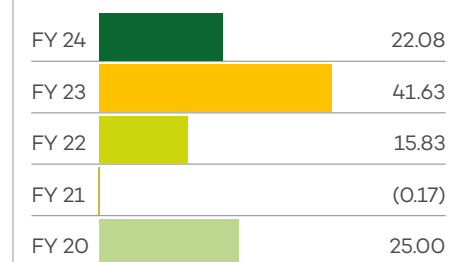
85.43



ROCE

in %

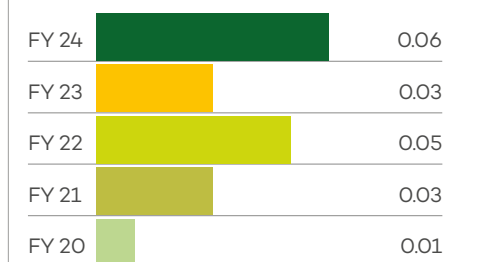
22.08



Debt-Equity ratio

In times

0.06



Our People

Fostering a diverse and inclusive workforce

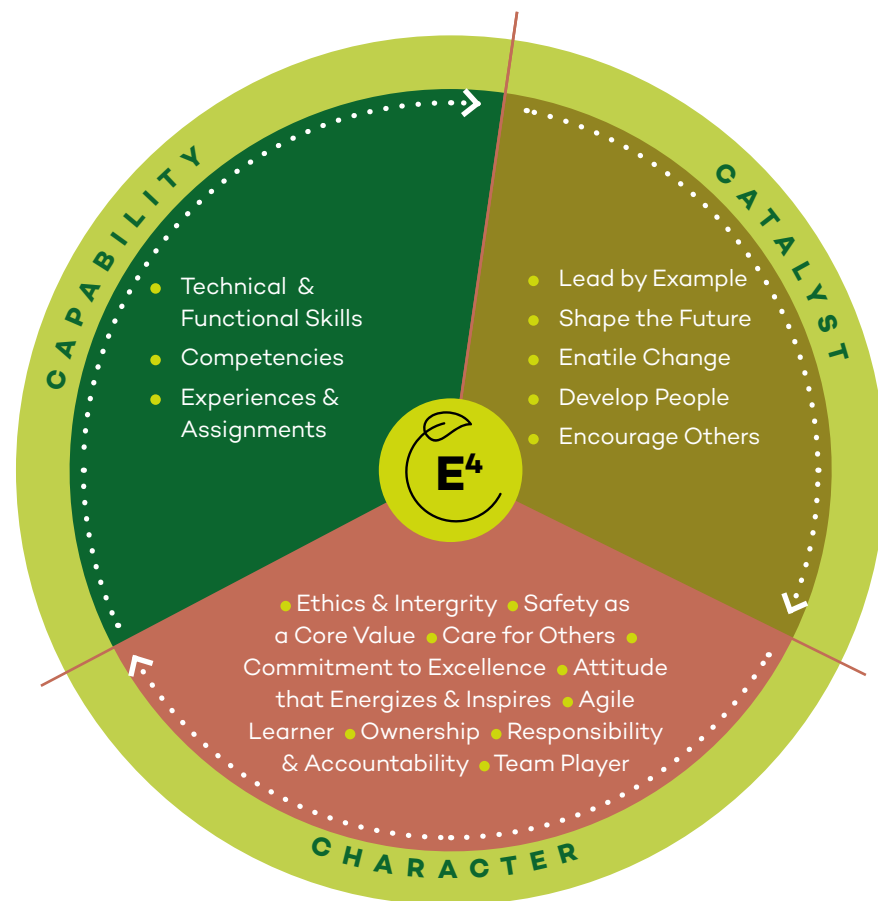
We believe in fostering a conducive working environment for our people. With an emphasis on promoting an inclusive and diverse work culture, we offer multiple opportunities of growth and development within the organisation.

To recognise the dedication and hard work of our people, we have a Performance Appraisal System for acknowledging high performance candidates. It goes beyond a simple annual review. We utilise regular feedback mechanisms and goal-setting discussions to provide ongoing development opportunities and track progress of set objectives. We also offer performance bonus, career advancement opportunities and other benefits.

Leadership development

A dedicated leadership development programme offers training to aspiring and senior leaders within the organisation. Aspiring leaders benefit from programmes designed to improve their skills and prepare them for future leadership roles. Meanwhile, senior leaders participate in programmes that hone their skills and expertise for strategic thinking, ensuring appropriate skill development for a future-focused working environment. It allows us to create a steady pipeline of leaders to drive the success of Andhra Paper.

To further improve our leadership parameters, we recognise individuals who embody the 'Three C's of leadership:



Management Excellence Training Program

Health and safety

We prioritise the safety and well-being of our people and have implemented a comprehensive health and safety policy to prevent untoward incidents and protect their best interests. The programme includes Near Miss Reporting, encouraging employees to report unsafe incidents and enable proactive hazard identification. Additionally, we have an Unsafe Act/Unsafe Condition Identification Process to identify potential risks at the workplace. Furthermore, a SAP-based Safety Notification Process allows efficient reporting and redressal of identified hazards. We have also implemented the Safe Work Observation Programme to ensure monitoring of work practices and eliminate unsafe operations.



Fire Fighting Training

CSR

Making a lasting impact on communities

Our focus on CSR drives us to engage in initiatives that promote environmental sustainability, social equity and economic development. From reducing our carbon footprint and supporting local communities, we strive to make a positive impact on lives.

CSR Vision

To take proactive steps and embrace opportunities to make positive, long-term, and meaningful contributions to the communities that are located around the Company's manufacturing facilities and farm forestry areas



Equipment Support to ESI Hospital, Rajahmundry



Laid pipelines in Kadiyam Village



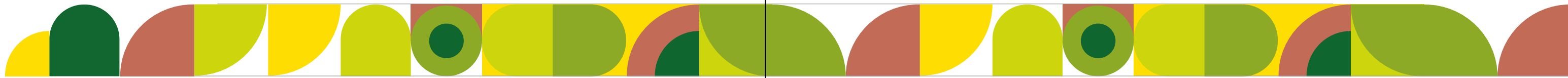
Laid 3 Kms. pipeline providing drinking water facility to the villagers of Kadiyam, East Godavari District



Culvert construction for paddy drainage and road bridge, Kadiyam Mandal, East Godavari



Infra Support to Skill Development Centre, Jegurupadu, Kadiyam Mandal, East Godavari



Constructed shed for Mid-day Meal for school children in Kadiyam Mandal Parishad primary school at Ippanpadu



Infrastructure support to Zilla Parishad High School, Kadiyam



Infrastructure support to working womens Hostel, Rajahmundry



Constructed community toilets for under privileged in Kadiyam



Infrastructure support to Science Lab to APPM Model School, Sriram Nagar, Rajahmundry

Sustainability

Strengthening the foundation for environmental stewardship

We focus on sustainable forestry, reduced water usage and energy-efficient production processes. By integrating cutting-edge technologies and adhering to stringent environmental standards, we strive to minimise our ecological footprint and secure a better future for generations to come.

Waste management

We take concerted efforts to ensure proper waste management across our production process. At our Kadiyam unit, recycled paper is reused to manufacture high-quality printing and writing paper, like black liquor, wood waste and sludge. Notably, our Rajahmundry unit utilises biofuel to generate steam and power for a almost 65% of its needs. We have implemented an innovative responsible handling of wastewater generated from our facilities. We strictly adhere to regulations for electronic waste (E-waste) disposal and partner with authorised recyclers to ensure proper disposal. Plastic waste is also repurposed as fuel for the cement industry, while organic and inorganic sludge from our wastewater treatment plant is used for the production of egg trays. Fly ash from our operations is utilised in brick manufacturing and paper waste generated during manufacturing is reintegrated into our pulping process.



Waste Paper recycling plant

Reducing carbon emission

We have significantly reduced our reliance on fossil fuel by substituting reuse initiatives throughout our paper-making process. Machine Biofuel include renewable sources like black liquor, wood waste and from evaporators and even treated sludge. Notably, our Rajahmundry unit utilises biofuel to generate steam and power for a almost 65% of its needs. We have implemented an innovative project that captures carbon dioxide emissions from our kilns. This captured carbon is then transformed into precipitated calcium carbonate (PCC), a material reused as a filler in the paper-making process.



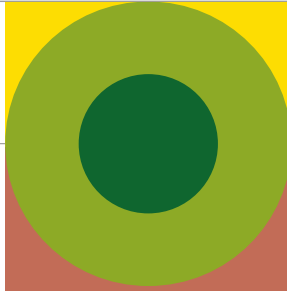
Emission process

Water management

We implement various water reuse initiatives throughout our paper-making process. Machine backwater, secondary condensate from evaporators and even treated sludge. Notably, our Rajahmundry unit utilises biofuel to generate steam and power for a almost 65% of its needs. We have implemented an innovative project that captures carbon dioxide emissions from our kilns. This captured carbon is then transformed into precipitated calcium carbonate (PCC), a material reused as a filler in the paper-making process.



Treated effluent water reused for Agriculture



86,000

Rural farmers supported

Farm Forestry

Through our 'Farm Forestry' programme, we partner with farmers within a 150 km radius of our mills to grow trees specifically for paper production. This ensures a sustainable source of raw material for paper while improving economic opportunities for rural communities. We provide farmers with free saplings and advise them on best practices, to promote sustainable agricultural practices. Our programme now encompasses nearly 690,442 acres of land.



Cross-learning between farmers on growing Subabul Plantation

2.062 billion

Saplings & Seeds planted

Research and development

Our dedicated research and development focuses on yield enhancement, with a clear objective of increasing farmer income from pulpwood plantations. Through 10 established R&D trial plots, we explore various methods to improve the growth of trees. These methods include genetic improvement to develop faster-growing trees, advanced silvicultural practices for optimised planting and care and the adoption of new-age agroforestry models. Furthermore, we focus on improving clonal plant production processes to ensure better sapling survival rates.



Multilocation field trials of Casuarina and Leucaena in different soil to study growth and yield of new clones

Governance

Built on trust and transparency

We focus on upholding the highest standards of transparency, accountability and ethical conduct in all our operations. Our governance framework ensures that decision-making processes are clear and equitable, fostering trust among our stakeholders. By implementing rigorous oversight mechanisms and promoting a culture of responsibility, we not only safeguard our organisation against risks but also enhance our long-term resilience and sustainability.

Transparency and Accountability

To ensure the effectiveness of our internal controls, we conduct regular audits, both internally and by external auditors. Additionally, we maintain clearly defined standard operating procedures (SOPs) for both our manufacturing and business activities. These SOPs provide a clear roadmap for our employees, ensuring consistent and efficient operations. Furthermore, all sales and purchase transactions undergo a formal approval process established by our board. This multi-layered approach guarantees that all transactions adhere to regulatory standards and reflects our efforts to ethical business practices.

Whistleblower policy

We strive to build a culture of transparency and ethical conduct. We achieve this through our Whistleblower Policy. This policy empowers employees and directors to confidentially report concerns regarding unethical behaviour, suspected fraud or violations of our Code of Conduct. The policy prioritises the safety of whistleblowers by providing adequate safeguards to prevent retaliation.

Board Composition

We recognise the value of a diverse and experienced leadership team. Our board benefits from a judicious mix of executive, non-executive and independent directors. This combination enables us to benefit from different perspectives and insights. Besides, Andhra Paper has made a conscious effort to include women representation in the board, reflecting our efforts to develop an inclusive leadership structure. This diversity allows us to effectively navigate the complexities of the modern business environment.

Board of Directors



Mr. Shree Kumar Bangur

Chairman & Managing Director



Mr. Virendraa Bangur

Vice Chairman



Mr. Arun Kumar Sureka

Independent Director



Mr. Sudarshan V. Somani

Independent Director



Mr. Virendra Sinha

Independent Director



Mr. Sitaram Sharma

Independent Director



Mrs. Papia Sengupta

Independent Director



Mr. Saurabh Bangur

Joint Managing Director



Mr. Mukesh Jain

Executive Director

SENIOR LEADERSHIP TEAM

Mr. Mukesh Jain

Executive Director

Mr. Rajesh Bothra

Chief Financial Officer

Mr. Sura Reddy Mallidi

Sr. Vice President (Mill Operations)

Mr. Shyam Srivastava

Vice President (Purchase & Forestry)

Mr. Sandeep Rao Thallapalli

Vice President (Sales & Marketing)

Mr. Bijay Kumar Sanku

Company Secretary

CORPORATE INFORMATION

Registered Office

Rajahmundry – 533 105
East Godavari District
Andhra Pradesh, India
Phone: +91 883 247 1831 to 1835
Website: www.andhraper.com
CIN: L21010AP1964PLC001008

Works

Unit: RAJAHMUNDRY

Rajahmundry – 533 105
East Godavari District,
Andhra Pradesh, India
Phone: + 91 883 247 1831 to 1835

Unit: KADIYAM

Industrial Area,
M.R. Palem – 533 126
Kadiyam Mandalam,
East Godavari District,
Andhra Pradesh, India
Phone: +91 883 245 4651

Statutory Auditors

MSKA & Associates,
Chartered Accountants,
Hyderabad

Cost Auditors

Narasimha Murthy & Co.,
Cost Accountants,
Hyderabad

Internal Auditors

Batliboi & Purohit
Chartered Accountants,
Mumbai

Secretarial Auditors

D. Hanumanta Raju & Co.,
Company Secretaries,
Hyderabad

Bankers

State Bank of India
Axis Bank Limited
HDFC Bank Limited
Standard Chartered Bank
IDBI Bank Limited

Management Discussion and Analysis

Forward-looking statements

The Company has included forward-looking information in this Annual Report to help investors analyse its future goals and make educated investment decisions. This report, as well as other written statements issued by the Company regularly, includes forward-looking statements that outline expected results based on management's plans and assumptions. The Company has sought to identify such statements wherever feasible by using terminology such as 'anticipate,' 'estimate,' 'intends,' 'plans,' 'believes,' and similar expressions in conjunction with any discussion of future performance. The Company cannot guarantee that any forward-looking statements will be fulfilled, but it believes that its assumptions were reasonable. Results are susceptible to risks, uncertainties and even incorrect assumptions. Actual results may differ considerably from those anticipated, estimated, or projected if known or unknown risks or uncertainties materialise, or underlying assumptions prove to be erroneous. Readers should keep this in mind. Except as required by applicable regulations or by law, the Company disclaims any responsibility to publicly update any forward-looking statements, whether as a result of new information, future events, or otherwise.

Global economy¹

In CY 2023, the global economy maintained a growth of 3.2% and showed resilience amidst concerns of global recession and high interest rates, flaring geopolitical tensions, sluggish economic activity and tight monetary policies by the central banks. The reported year also recorded supply chain disruptions due to the Middle East and Red Sea conflict, causing commodity prices to exhibit volatility. However, the global transportation cost remained below the 2021-22 level.

On the other hand, inflation fell from its peak in CY 2022 to 6.8% in CY 2023. Calibrated interest rate hikes by central banks have been instrumental to rein in inflation. With the decrease in global inflation, economic activities are steadily gaining momentum. Despite the predictions, most indicators are predicting a soft landing and the global economy is expected to avoid recession as well.

Outlook

The global economy is expected to grow by 3.2% in 2024 and 2025. While the advanced economies are expected to grow by 1.7% in CY 2024, emerging market and developing economies (EMDEs) are expected to grow steadily at 4.2% in CY 2024. On the other hand, global inflation is expected to fall to 5.9% in CY 2024 and subsequently decline further in CY 2025 owing to

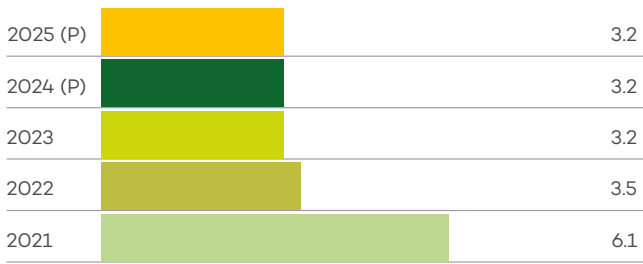
decline in energy prices, easing of supply-chain frictions as well as decline in Chinese export prices.

With the global inflation rate reaching its target, policy rates are expected to decline in the second half of CY 2024, providing much needed impetus to the global economic activities to grow. Looking forward, fiscal consolidation is projected to resume, exerting a material drag on near-term growth in advanced economies and a modest headwind in EMDEs.



¹<https://www.imf.org/en/Publications/WEO/Issues/2024/04/16/world-economic-outlook-april-2024>

Growth in the Global GDP (in %)



P- projected

Source: World Economic Outlook April 2024, IMF

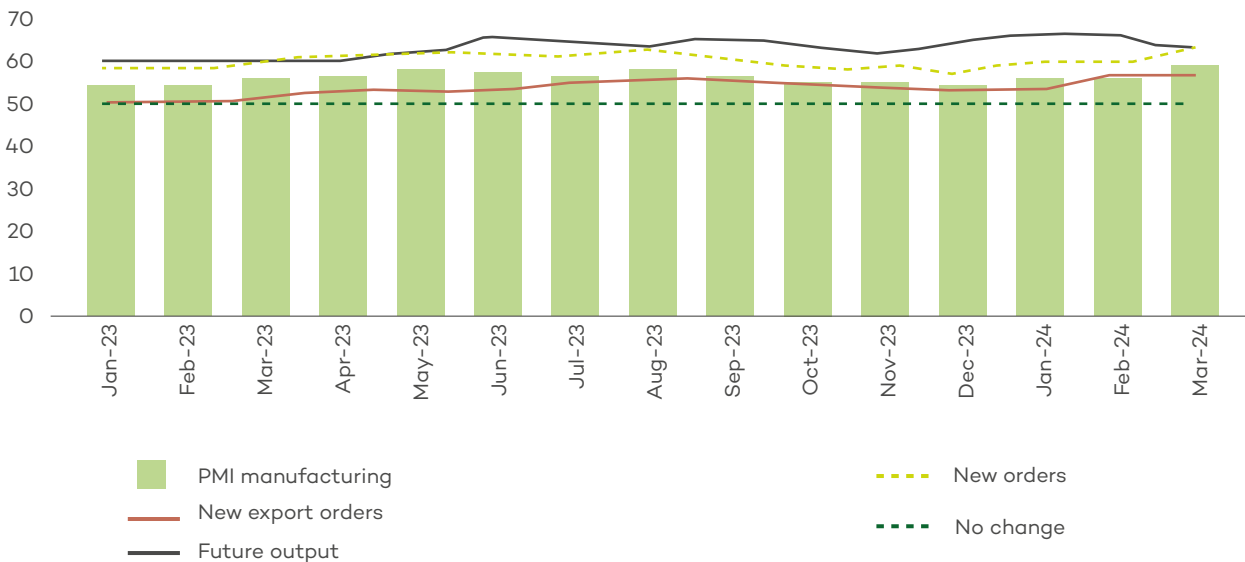
Indian economy

Despite a challenging global economy, India maintained its position as one of the world’s fastest growing economies in FY 2023-24, with GDP growing by 8.2%². The Indian economy recorded an increase in disposable income, followed by a strong surge in private consumption. This enabled sustaining the demand for goods and services and augmenting the growth of the country further. Additionally, the strong domestic consumption cushioned the impact of the global headwinds on the Indian economy.

Strong domestic demand for consumption and investment, along with the Government’s continued emphasis on capital expenditure were the key drivers of the GDP in FY 2023-24. On the supply side, industry and services sectors played an instrument role to propel growth. The robust growth of the Indian economy can be largely attributed to the timely intervention of the Reserve Bank of India (RBI) and the Government of India (GOI). The Indian government is making consistent efforts to develop India as an attractive investment destination. With the aim to transform the business environment of the country by attracting foreign direct investment (FDI), India witnessed resilient growth in the gross FDI inflow, amounting to USD 70.95 billion in FY 2023-24. In addition to this, the total FDI equity inflows stands at USD 44.42 Bn³.

The Indian rupee emerged as the third most stable Asian currency against USD in FY 2023-24⁴, reflecting the strength of the Indian economy. Furthermore, the GoI has allocated 3.3% of GDP to the development of infrastructure to bolster the growth of the economy⁵. In FY 2023-24 the Purchasing Managers’ Index (PMI) displayed that the manufacturing sector grew by 9.9%⁶, marked by favourable demand conditions. This has significantly contributed to the manufacturing sector’s emergence as a primary growth driver of the Indian economy.

a: PMI Manufacturing



Source: Reserve Bank of India Bulletin April 2024, RBI

²<https://pib.gov.in/PressReleaseDetailm.aspx?PRID=2022323>

³<https://www.investindia.gov.in/foreign-direct-investment#:~:text=Total%20FDI%20inflows%20in%20the%20country%20in%20the%20FY%202023,into%20India%20FY%202023%2D24.>

⁴https://www.business-standard.com/markets/news/rupee-most-stable-asian-currency-in-fy24-after-singapore-hong-kong-124032900392_1.html

⁵<https://www.investindia.gov.in/team-india-blogs/indias-push-infrastructure-development>

⁶<https://pib.gov.in/PressReleaseIframePage.aspx?PRID=2022323#:~:text=This%20GVA%20growth%20has%20been,23%20for%20Mining%20%26%20Quarrying%20sector.>

Outlook

The Indian economy is projected to become the third-largest economy with a GDP of over USD 5 trillion by FY 2027-28⁷. To achieve this, the Indian Government is curating specific policies to support the growth of different sectors. In the Interim budget FY 2024-25, the corporate tax for some new manufacturing companies is reduced followed by an increase in employment opportunities in the manufacturing industry. These initiatives are expected to aid in the development of the manufacturing sector and support the target to make India a manufacturing hub. Further, the digital transformation of India that is currently underway is expected to accelerate the growth of e-commerce, changing the retail consumer market landscape over the next decade. Additionally, the Interim Budget 2024-25 also focuses on improving the education in India. With budget allocation of ₹73,498 crore⁸, it is expected that the initiative will not only improve the literacy rate but also facilitate the growth of the paper industry. The capital expenditure allocation for the upcoming year has seen an 11% rise which is anticipated to sustain the growth momentum.

Global Paper Industry

The global pulp and paper industry overcame difficulties including the constant evolution of customer preferences, market fluctuations rapid technological advancements and sustainability imperatives in CY 2023. The global paper and pulp industry grew attained a market size of USD 357.21 billion in CY 2023⁹. Additionally, the global pulp prices declined on account of excess production of pulp in the global markets. The industry can mainly be divided into pulping process, bleaching process, etc., depending on the manufacturing process. The bleaching process dominated the manufacturing process by 51.47% in FY 2023-2024.¹⁰ Paper is an environment-friendly packaging material. Its affordability, coupled with the advantage to recycle and reuse, makes it a preferred alternative over plastic as a packaging material. The global paper packaging industry attained a market size of USD 164.04 billion in CY 2023.¹¹ Several key players in

the industry have leveraged this opportunity to innovate and develop paper-based packaging solutions. They also embraced sustainability in their operations which further contributed to the success of the paperboard packaging industry.

Outlook

The demand for paper is expected to rise in the coming years. This growth is expected to be supported by the long-term growth in the paperboard market owing to its increased application in various industries. The global paper board packaging market is expected to grow at a CAGR of 4% from 2024-2030 and attain a market size of USD 209 billion by 2030¹². The demand for paper is expected to be contributed from regions such as the United States (US), the European Union (EU) and China. Asia is expected to contribute majorly to the anticipated capacity expansion in the coming years. The global pulp production is expected to rise in CY 2024 as compared to CY 2023. Along with this, the paper prices are expected to remain stable for CY 2024 and CY 2025. The industry players are embracing innovative technologies and incorporating sustainable practices to continue the growth of the industry in the upcoming years.

India's Paper Industry

India is the world's the 5th largest paper-producing country¹³ and the per capita paper consumption is around 15-16 kilograms in FY 2024. India's paper industry is highly fragmented and has a large number of companies with small capacities. The industry needs to have regular access to raw materials including wood-based pulp, waste paper and agricultural residue, at a strategic price level to maintain its operational efficiency and profitability. The paper industry in India is divided into various categories including writing and printing (W&P), paperboard and newsprint. The paperboard accounted for the major share of the market in volume terms. In addition to this, the W&P dominated the market in terms of value.

⁷<https://economictimes.indiatimes.com/news/india/india-to-be-a-usd-5-trillion-economy-by-fy28-reach-usd-30-trillion-by-2047-fm/articleshow/106697419.cms?from=mdr>

⁸https://www.education.gov.in/sites/upload_files/mhrd/files/dsel_feb24.pdf

⁹<https://www.fortunebusinessinsights.com/pulp-and-paper-market-103447>

¹⁰<https://www.extrapolate.com/chemicals-and-advanced-materials/pulp-and-paper-market/87446#:~:text=Description-,Market%20Perspective,2.35%25%20between%202024%20and%202031.>

¹¹<https://www.stellarmr.com/report/Paper-Packaging-Market/147>

^{7a} <https://ipmaindia.org/overview-2/>

¹²<https://www.industryarc.com/Report/15969/paperboard-packaging-market.html>

¹³<https://www.infomeric.com/admin/uploads/Paper-industry-apr23.pdf>



Opportunities

- The retail market in India is expected to attain a market size of USD 1.1 trillion by 2027¹⁴ thus increasing the demand for paper, paper packaging and paper boards. This is anticipated to significantly contribute to the growth of the paper industry in India.
- The e-commerce industry is expected to grow at a CAGR of 18%¹⁵ by 2025. The consumption of paper and paper packaging materials are expected to rise with the growing popularity of the e-commerce industry.
- Fast-moving consumer goods (FMCG) Revenue is expected to grow at a CAGR of 27.9% in FY 2024-2030¹⁶. This is anticipated to increase the demand of paper packaging materials.
- The Government of India has undertaken various initiatives to mitigate the adverse effects caused in the environment due to littered plastic waste. The paper industry can record an increase in sales with the elimination of single-use plastics. This paradigm shift towards eco-friendly solutions is expected further to augment the growth of this industry.
- The Government of India's initiatives to promote education has proven to be beneficial for the growth of the paper industry. Initiatives such as Samagra Shiksha aims to promote education and improve students' learning outcomes. The revised Samagra Shiksha scheme is extended upto FY 2025-26. This scheme is expected to increase literacy rate and support the growth of the paper industry.



Threats

- The pulp and paper industry is subjected to stringent environmental regulations. Evolving regulatory landscape on waste management and recycling targets pose compliance challenges for the paper industry.
- There is a scarcity of raw material for paper mills with the waning forest resources and limitations on man-made forests.
- The paper mills have been constrained to adjust their prices due to the volatility in imported materials, currency fluctuations, increase in production costs, logistics, chemicals and raw materials. This is due to the inflationary pressure of the economy.
- The shift towards utilising digital resources can reduce the demand for paper materials.
- The ASEAN-Korean Free Trade Agreement and Asia-Pacific Trade Agreement (APTA) have resulted in the rise of paper imports in India during FY 2023-24. This rise has proven to be a noteworthy threat for the growth of the country's paper manufacturing sector.

¹⁴<https://www.investindia.gov.in/sector/retail-E-commerce>

¹⁵<https://www.investindia.gov.in/sector/retail-e-commerce/e-commerce>

¹⁶<https://www.maximizemarketresearch.com/market-report/indian-fast-moving-consumer-goods-fmcg-market/29038/>

Outlook

As per the industry reports, the revenue-generating ability of the industry is expected to rebound by 6-9% in FY 2025, highlighting the probable growth in the industry¹⁷. The domestic paper consumption is poised to grow significantly. As per the statistics, the domestic consumption of paper and paper products are expected to grow by 23.5 million TPA and the production of the industry is anticipated to touch 22.0 million TPA by FY 2025¹⁸. This expansion is anticipated to be supported by the growth in industrial activities, spending on office stationery and advertisements. Several factors such as increased enrolment of students in academic institutions and New Education Policies (NEP) are expected to support the growth of the paper industry in India. In addition to this, the increased focus on innovation is further expected to drive sustainable growth in the industry in the coming years.

Risks and Mitigation Measures

Risks	Risk definition	Risk Impact (Low, Medium, High)	Mitigation strategy
Economic risk	The Company is exposed to a variety of economic risks, including changes in political and economic scenarios which can affect the operations of the Company.	High/Medium	The Company closely assesses and monitors the activities in the domestic and global landscape. This aids in prediction of risks that can impact the Company.
Foreign exchange risk	Fluctuations in foreign exchange transactions such as trade payables, credit notes and trade receivables can affect the Company's financial performance.	Medium	A professional team surveys the financial market. Certain risk mitigation tools such as hedging are leveraged to mitigate the risks that can weaken the financial stability of the Company.
Procurement risk	Any obstruction in the availability of raw materials can cause a surge in the input price thus disrupting the Company's performance.	High	To mitigate this risk, Andhra Paper Limited has partnered with local communities for a consistent supply of fresh wood. The effective management of inventory and integration of market intelligence have enhanced production capabilities to meet the dynamic market demand.
Market risk	The increase in imports, owing to trade agreements, can hinder the sustainable growth of the domestic industry. This can intensify the competition in the domestic market.	High	The Company has always remained ahead of the curve, owing to its superior quality products and effective branding techniques.
Product substitution risk	The shift towards digital technologies can negatively impact paper consumption.	Medium	Andhra Paper Limited undertakes proactive assessment strategies to analyse the market demand and forecast the potential threats and employs proper initiatives to mitigate this risk.
Change in industry dynamics	The cyclical demand for paper can hamper the sales of the Company which can adversely impact the profitability.	Medium	Efforts are made to enhance the operational efficiency, increase the scope of operations and expand product portfolio. The Company also focuses on reducing the fixed cost each metric tonne of paper.
Human resource risk	Labour-related issues and lawsuits can hamper the reputation of the Company.	Low	The Company focuses on attracting the right people to the organisation. It adheres to laws and regulations to reduce any labour risks.
Technological risk	Absence of recent technology can be a risk to the Company as it provides a competitive edge against both domestic and international competitors.	High/Medium	Andhra Paper Limited leverages cutting-edge technology to optimise resource utilisation and improve the production process. It also embraces advanced technology to minimise its input cost and enhance the quality of its products.

Risks	Risk definition	Risk Impact (Low, Medium, High)	Mitigation strategy
Environment sustainability risk	It is essential for the Company to align itself with the regulatory compliances of the environment, otherwise, it can impede the Company's growth.	High	The Company abides by regulatory compliances and actively contributes to the protection of the environment. It also uses technology to reduce emission of harmful gases into the atmosphere.
Health and safety risk	Ensuring occupational health and safety is necessary for the Company to avoid any serious injuries that can result in loss of life.	Medium/High	The Company acknowledges the importance of health and safety of its workers and ensures building an accident-free workplace. It also adheres to the Environment, Health and Safety (EHS) requirements and provides suitable instruction and assessment procedures.
Credit risk	Failure to fulfil a financial obligation can create stress on the financial management of the Company, leading to mismanagement in cash flow and revenue loss.	Medium	The Company regularly monitors and updates financial transactions to ensure proper management. It also makes necessary interventions to maintain operational efficiency.

Human Resources

The Company recognises the value of an efficient workforce. Andhra Paper Limited invests in hiring and retaining individuals that can effectively contribute to the growth of the Company. It undertakes effective talent management strategies, leadership succession, planning initiatives and organisational assessments to maintain the skill and competency of its human capital.

The Company follows the 3C rule-Character, Capability and Catalyst. This rule is integrated into the process and tools for employee development, ensuring the employees are aligned with the Company goals. The Company also uses career planning and training and skill development initiatives to strengthen its human capital and build a strong organisation.

Andhra Paper Limited prioritises the safety of its employees. The Company fosters a positive work environment that does not discriminate on any grounds. It also ensures no sexual harassment at work.

4835

Total number of employees as of March 31, 2024.

Operational Highlights

The Company is present in all segments of paper ranging from writing, printing, industrial and copier papers. The Company's share in the export was approximately 8% in FY 2024. It remained focused on producing value-added products with higher Net Sales Realisations to increase profitability including cup stock, pharma print and Hi BF Virgin Kraft.

The Company consistently makes efforts to improve its existing products to stay aligned with the industry trends. Feedbacks are gathered from the customers and channel partners to provide with personalised and market-relevant products. Through its 'Think Customer', the Company focuses on offering its customers with 'right products for the right applications' that meet the customer requirements. Initiatives including the commissioning of a state-of-the-art Precipitated Calcium Carbonate (PCC) Plant, the relocation of outside conversion facilities within the mill, installation of a new Marushi Wrapmatic machine have further helped the organisation meet market demand in a timely manner.

In the reported year, Andhra Paper Limited received a 96% OTIF delivery rate (on-time-in-full) and improved complaint closure by 90%, making it top-tier in the Indian paper industry. The strong distribution network of the Company within the domestic market has helped it to cater to the domestic demand. In the reported year, despite the long annual outage of 41 days, the total sales made by the Company was 2,33,480 metric tones.

The Company completed projects including pulp mill upgradation of 100 tones per day (TPD) and surface sizing a large paper machine and is anticipating to leverage on these projects and enhance its productivity and efficiency in delivering to the customers in the coming years. These will additionally help in increasing value in terms of profitability and shareholder returns of the Company.

Initiatives undertaken by the Company under its operations in FY 2024



Installation of Tissue Paper Machine

The Company received consent from the State Pollution Board for installation of a tissue paper machine with capital outlay of INR 270 crores. The Company has signed an agreement with a globally reputed vendor for the supply and commissioning of the tissue paper machine with 129 TPD capacity. This is expected to be operational in next year. This is anticipated to add to the existing capacity by 35,000 metric tones per annum and help diversify into the speciality paper segment where the growth is in double digits with opportunities in the domestic market.



Upgrading and rebuilding of pulp mill

The approved planned capex by the Board was utilised to rebuilt and upgrade the manufacturing facilities at Rajahmundry and Kadiam in phases starting from 2023 and most of the work was undertaken during the long annual outage. The rebuilt and upgrade is expected to get completed by 2024-25. The investment in rebuilt and upgrade aligned with new technological advancements is expected to yield significant benefits on long term basis by increase in operational efficiency, reduction in breakdowns and increase in machine reliability, productivity and competitiveness.



Installation of PCC Plant

The Company undertook various sustainability initiatives, such as installation of PCC plant for efficient carbon capture and reuse. This reduces carbon emission for the Company's existing lime kiln stacks by 54 metric tones per day i.e. 19,000 tones per annum (TPA). This process also lowers production costs and improves paper capacity, bulk and brightness.

Financial Highlights

In FY 2023-24, revenue from operations stood at INR 1801 crore compared to ₹2098 crore in the previous year, reflecting a decline of 14% over FY 2023-24. EBITDA stood at ₹526 crore compared to ₹787 crore in FY 2023-24. Profit after tax dropped to ₹340 crore compared to ₹522 crore in the previous year.

The profitability declined on account of an extended period of planned maintenance shutdown for 41 days. The long maintenance period was utilised to integrate the Board approved capital expenditure to rebuild and upgrade the plant and machinery at certain units within the manufacturing facilities to increase the efficiency and reliability of manufacturing operations.

The annual outage along with the increase in the cost of raw materials such as pulp, wood, coal, chemicals and volatility in import materials coupled with low volume

output and lower realisations had negatively impacted the overall profitability of the Company.

For FY 2023-24, the CARE ratings reaffirmed the ratings of CARE AA; stable for long-term facilities and CARE AA; Stable/ CARE A1+ for short-term facilities. The ratings took into consideration the Company's balanced capital structure and strong liquidity profile with the availability of surplus liquid investments amidst low debt levels and cushion in the fund-based working capital limits utilisation.

The India Rating assigned IND AA (Stable ratings for long-term facilities) and IND AA/Stable/IND A1+ for Andhra Paper Limited. The affirmation reflects the continued strong consolidated business profile led by a robust market position, moderately diversified portfolio within the paper industry, healthy operating performance with robust margins and a strong financial position with a net cash position.

Although there are lot of challenges in the coming years owing to geopolitical friction, increasing supply chain disruptions and rising input costs, the Company's proven capability of swinging between the domestic market and exports to balance supply and demand situations and the noteworthy flexibility of each machine to manufacture an array of products will help mitigate such challenges. The management is confident that the capital investment in manufacturing facilities coupled with other initiatives taken during the year will yield positive results in the coming years.

Ratios

Particulars	31 st March 2024	31 st March 2023	Variance
i. Debtors Turnover	17.27	16.78	3%
ii. Inventory Turnover	8.77	13.16	-33%
iii. DSCR	7.20	4.88	48%
iv. Current Ratio	3.06	3.40	-10%
v. Debt Equity Ratio	0.06	0.03	92%
vi. Net Profit Margin (%)	18.87%	24.91%	-24%
vii. Return on ROCE	22.08	41.63	-47%

For further information and detailed explanations on ratios, please refer Note No. 51 of the Financial Statements.

Internal control systems and their adequacy

Andhra Paper's management is in charge of implementing and maintaining effective internal control over financial reporting. Internal control over financial reporting is designed under the supervision of the Chairman & Managing Director, Joint Managing Director and Chief Financial Officer and implemented by the Board of Directors, Audit Committee, Management and other personnel to provide reasonable assurance about the reliability of financial reporting and the preparation of financial statements for external purposes.

All internal control systems have inherent limitations, including the possibility of control circumvention and override and so can only provide reasonable certainty of meeting the control objectives. The Company's internal control system is based on written rules and procedures, includes self-monitoring measures and is audited by outside auditors. Management takes appropriate corrective actions as problems are detected. The Company has a procedure in place to continuously monitor the processes, identify gaps and implement new and/or better controls where the impact of such gaps would be material to the Company's operations. The Company fully supports Internal Auditors, an external and independent audit firm, in this ongoing process.

The Company evaluated and assessed the sufficiency and effectiveness of its internal financial controls as of March 31, 2024. Based on this assessment, Management believes that the Company's internal controls over financial reporting were effective as of March 31, 2024 and our Statutory Auditors have expressed an unmodified opinion on the adequacy and operational

effectiveness of the Company's internal financial controls over financial reporting, as stated in their report.

The internal control environment includes a corporate-wide attitude of integrity and control consciousness, which creates a positive 'tone at the top'. This is demonstrated by our ethics programme, which contains long-standing principles and policies on ethical business behaviour that demand employees to uphold the highest ethical and legal standards in the conduct of Andhra Paper Company and has been provided to all employees.

The internal control system also includes careful selection and training of supervisory and management personnel, appropriate delegation of authority and division of responsibility, widespread dissemination of accounting and business policies and an extensive programme of internal audits with management oversight. The Board of Directors, with the assistance of the Audit Committee, oversees the integrity of the Company's financial statements and financial reporting systems, as well as the performance of the Company's internal audit function and independent auditors, as specified in its charter. The Committee, which is made up of the majority of Independent Directors, meets on a regular basis with management representatives, independent auditors and internal auditors to examine their actions, both with and without management representatives present.

The Committee reviewed and discussed the financial accounts for the fiscal year ended March 31, 2024, with Management and the independent auditors, including internal control systems, major accounting policies and significant Management judgements.

BOARD'S REPORT

Dear Members,

The Board of Directors has the pleasure in presenting its 60th Report along with the Audited Accounts for the year ended March 31, 2024.

Performance Review

During FY 2023-24, the Domestic Paper market encountered challenges from cheaper imported paper and unfavourable global supply demand imbalances situation resulting in significant price drop and lower sales realisations as against favourable market conditions and buoyant for most varieties / grades of Writing & Printing (W&P) during the entire FY 2022-23.

The decline in net profit during FY 2023-24 is mainly on account of (i) Significant increase in the cost of wood, a key input material for the Company, and wood procurement prices have become almost doubled during the year; (ii) Reduction in the average sales realisations in Domestic Market due to intense competition from Imported Paper, available at Cheaper prices and (iii) Lower production and sales volumes, owing to 41 days of planned maintenance shutdown in the last quarter. Impacts from the above were partially negated by reduction in prices of imported Coal, imported pulp, waste paper and chemicals.

Despite the challenges, the Company's strong distribution network and its proven capability of swinging between the domestic market and exports to balance supply and demand situations, the total sales made by the Company was 2,33,480 metric tones with an increment in domestic sales by 3% on a YoY basis. Andhra Paper made efforts to neutralise these effects by the support of the production vertical with improved performance of Pulp mill and recovery operations.

The management is confident that the capital investment in manufacturing facilities coupled with other initiatives taken during the year will yield positive results in the coming years. Andhra Paper Limited ("the Company", "APL") continued to focus on important initiatives for improving safety and environmental compliance as well as improving the customer experience and operational efficiencies.

Summary of Financial Results

(₹. in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from Operations	1,800.58	2,097.65
Earnings before interest, depreciation and taxation (EBITDA)	525.93	786.73
Finance costs	4.41	7.17
Depreciation	65.87	63.20
Profit / (Loss) before exceptional items	455.64	716.37
Exceptional items	-	(15.38)
Profit / (Loss) before tax	455.64	700.98
Tax expense	115.90	178.52
Profit / (Loss) for the year	339.74	522.46

There was no change in the nature of business during the year.

Transfer to reserves

The Company does not propose to transfer any amount to reserves.

Dividend

The Board of Directors at their Meeting held on May 14, 2024 recommended a dividend of ₹10 per equity share of ₹10 each, for approval of the Shareholders at the forthcoming Annual General Meeting, and is in compliance with the Dividend Distribution Policy of the Company.

The said Policy is disclosed on the Company's website: <https://andhraper.com/wp-content/themes/andhraper/uploads/investors/1645517957Dividend%20Distribution%20Policy.pdf>.

Markets, Customers and Commercial Excellence

The Company sustains its core belief in "**Customer First**" and its endeavour to create value for the customers, "**Serving you with Pride**".

The Customers choose Company's products for quality applications of Printing, Publishing and Converting. With market being volatile throughout the year on account of supply and demand returning from peak levels after recovery from Covid to Pre-Covid levels, the Company was able to use its inherent strength of product mix flexibility across machines to meet changing Customer preferences both in Writing & Printing and Value Added application products. This resulted in incremental sales of Sketch Choice (441% YOY), Stiffener (120% YOY), Straw Paper (94% YOY) and Azurelaid (3% YOY).

APL remains focused on delivering high-quality products with installation of a new Precipitated Calcium Carbonate (PCC) plant during the year, thereby creating a colossal distinguish from the competition offering products up the value chain to the Customers. Apart from improving existing Critical to Quality parameters of existing product offering, continuous endeavour is done to develop new products based on feedback from customers and channel partners to make our products suit the changing end application requirements.

With the volatile demand environment as the year began because of supply/demand imbalances and geopolitical issues that were contrary to the previous year, the Company with its strong Distribution Network across the Country was able to swing supplies to Domestic Customer requirements with 3% incremental domestic sales as a percentage of the overall sales YOY. The delivery schedule adherence helped Company to overcome volatile Trade Flows.

Although there was a long Annual Outage on account of various critical Capital Projects in Rajahmundry Mill for around 41 days, the Company achieved a staggering sales of **2,33,480 MTs**.

The Company's fundamental value of "Think Customer" continues to produce desired outcomes to augment customer value by way of offering '**right products for right applications**' at an amplified speed to meet customer requirements.

FY 2024 Highlights:

- Sales of 2,33,480 MTs
- Domestic Sales of 2,14,134 MTs
- Substantial growth in Value Added products like Sketch Choice (441%), Stiffener (120%), Straw Paper (94%) and Azurelaid (3%)
- OTIF Score – 96%, one of the best in the Paper Industry

Operational highlights

With the shifting market dynamics, the Company increased its participation in value-added products, including Sketch Choice, Stiffener, Straw Paper and Azurelaid.

Products	Y-o-Y sales growth
Sketch Choice	441 %
Stiffener Paper	120 %
Straw Paper	94%
Azurelaid	3%

The Company had put in its paramount efforts to achieve OTIF delivery rate (On-Time-In-Full) at 96%, forecast accuracy to 91%, and improved complaint closure to 90% that is uppermost tier in the Indian Paper Industry.

Operational Highlights keeping in mind "Customer First":

- Commissioning of state-of-the-art PCC Plant.
- Shifting of outside Conversion Facilities within the Mill Installation of a new Marushi Wrapmatic machine.
- Significant capital investment in rebuilt & upgradation of manufacturing facilities.

Mill Development and upgradation

The Board approved capex was integrated in rebuilt and upgradation of manufacturing facilities by replacement of obsolescent machinery and technology with new machinery with latest technologies. The Pulp Mill development was undertaken in phases at Rajahmundry unit starting from 2023 with critical areas of upgradation works in

- Fiberline Capacity upgrade to 630TPD
- Evaporation plant capacity upgrade to 275TPH
- Recovery boiler rebuild to 1500 TDS
- Install new lime kiln 3 of capacity 190 TPD
- Re-cuasticizer plant upgrade to supply 3200 M3/day white liquor
- New Ash-leaching plant and necessary Auxiliary systems like New Chipper
- Paper machine 5 Upgraded by installing new Size press (Voith film press) and Size kitchen to produce surface sized paper to improve print quality and paper strength

Additional capital equipment were installed in place of obsolete machinery to improve efficiency in production processes. In total, an aggregate amount of ₹520 crores was earmarked for investment in rebuilt and upgradation in critical capital projects, of which ₹301.81 crores has been spent and the rest of the capital projects for upgradation are in process which are expected to be completed by FY 2024-25. Post completion of some of the critical areas of upgradation and rebuilt, the annual installed capacity of Paper for Unit Rajahmundry

stood augmented to 182,400 Tones per annum and for unit Kadiam stood augmented to 73,150 Tones per annum. The capacity utilisation for FY 2023-24 at unit-Rajahmundry stood at 95.3% and at unit Kadiam the same was 102.3%.

Green Field Expansion Project

In January, 2023 the Board had given in-principle approval to exploit opportunities in Paper Board Segment through expansion and capacity addition by setting up an integrated Green Field Project at Unit Kadiyam, East Godavari District, Andhra Pradesh. Proposed Mill Expansion Plan (MEP) with Installation of 1,75,000 TPA Paper Board Machine, 1,60,000 TPA Writing & Printing Paper machine, 1,92,500 TPA New Chemical Wood Pulp mill and 87,500 BD TPA BCTMP connected along with Recovery Plant (1500 TPD of BLS) and Expansion of Co-generation Power Plant from 5.74 MW to 94 MW with New Coal fired Boiler and New TGs and auxiliary facilities in the Existing Paper Mill at Unit: Kadiyam. In this regard, the Company has filed the requisite application with the Ministry of Environment & Forest for Climate Change (MOEF) for Environment Clearance.

Tissue Paper Machine

Post execution of the critical capital projects like increase in ash and loading starch application from execution of other capital projects like on-site Precipitated calcium carbonate (PCC) plant, RJ5 size press and KA3 Size press installation and completion of the Mill development, there shall be a surplus bleached pulp of 80 TPD due to capacity augmentation.

The Company evaluated various options and identified tissue paper project which can efficiently utilise the surplus pulp considering the investment size, faster payback and growth prospects and accordingly the Board approved the tissue machine proposal in February 2024 to produce various grades of tissue paper such as facial, napkin, toilet and towel grade tissue papers which has optimum demand in market. the Company obtained the necessary approval (Consent to Establish) from APPCB dated January 5, 2024 for production of Tissue Paper with capacity up to 35,000 TPA and also signed an agreement with internationally reputed Vendor Valmet AB (Sweden) in May 2024 for supply and commissioning of Tissue paper production line of Capacity with a maximum 129 TPD to produce different grades of tissue Paper and the delivery lead-time would be 16 months from the date of order.

Andhra Pradesh Eastern Power Distribution Company vide their letter dated November 23, 2023 has given approval for enhancement of power transmission lines from existing 33KV to 132 KV potential with 7 MVA additional load for the said project. This will boost the presence of the Company in fast growing tissue paper segment and contribute to the sales volume

and Profitability. Tissue Machine ordered on Valmet and basic engineering work in progress. Construction work to start from Sept 2024 and start up scheduled for December 2025.

Raw Material Security

The Company has been continuing its focus on Forestry – Research & Development (R&D) to enhance farmer's income from pulp wood plantation by way of increasing wood yield per unit area and reducing input cost. The Company has again entered into MOU with Institute of Forest Genetics and Tree Breeding (IFGTB), Coimbatore for next five years i.e. from 2024 to 2028 to enhance its research programme in scientific way with the objective to execute its phase-II collaborative Forestry R&D projects. The first phase of R&D projects executed during 2018 to 2023 have concluded and results are very encouraging.

The Company's focus is to transform its Farm Forestry Programme from low yielding seeds origin plantation to high yielding clonal plantation in phased manner for which capacity building and infrastructure development are being expanded to increase clonal plants production in collaboration with partner nurseries in catchment areas. During 2023, Company has tied up with 30 partner nurseries to meet out the requirement of clonal plants. Farm Forestry extension is one of the key areas where the Company carryout village level meeting with farmers, imparting training to nursery growers and farmers, imparting best practices for pulp wood plantation development and also acting as facilitator to address the farmer's concern pertaining to wood resource development and procurement. The Company is supporting farmers by providing quality saplings at subsidised cost, technical know-how for raising plantation at their field, R&D support and ready market for purchase of wood produce.

The Company has facilitated distribution of 130 lakhs of Casuarina clones and 775 lakhs of Casuarina seedlings, covering 11,145 hectares of land and generated 55.7 lakh man-days of employment to the rural society under its farm-forestry program within the catchment area.

Employee Development and Engagement

The Company's agenda for engaging and developing its employees includes initiatives to attract, develop and retain talent. The key focus areas include diversity and inclusion, succession planning, developing a talent pool for critical positions, quality of life programs and leadership development.

The Company has taken a professional approach to industrial relations. The Company continued to treat people with dignity and respect as well as upheld important principles of labour relations.

We believe an engaged and motivated workforce is key to our success. As an employee centric organization, we remain committed to prioritise work life balance and encourage our employees to adopt a healthy lifestyle. To this end, we have organized a number of workshops and training programmes to improve the quality of life & leadership qualities as well. We also have a gym and recreation club for our employees, managed by our Staff Club Committee.

Various events such as Senior Management Team Get-Together, Garden Parties, Diwali Celebrations movies, and cricket telecasts are also organized to boost employee morale.

Leveraging the power of Information Technology

During the year under review, the Company achieved lot of IT effectiveness in business areas by replacing the previous applications with new applications keeping cost effectiveness and optimised use of technology.

IT division achieved economy in operational costs through innovations and consolidation with implementation of new applications replacing high-cost applications and introducing efficient vendors without compromising quality of service.

The following projects were implemented during the year and successfully rolled out:

1. Successfully migrated SAP servers from IBM Cloud to AWS Cloud. This achievement represents a significant milestone in our ongoing efforts to optimize our infrastructure, reduce costs, and enhance service reliability.
2. Replaced the Kronos Time & Attendance application and hardware with a more cost-effective solution, emSphere, integrated with face recognition devices for our permanent employees. Contract workers time & attendance including payroll application replacement is under progress.
3. Successfully integrated all wood depots weighbridges with our SAP system. This integration has enabled to streamline our processes and eliminate manual intervention, leading to greater efficiency and accuracy in the operations.
4. Successfully implemented multiple long-range WiFi devices in the mill areas. This initiative aims to improve operational efficiency and reduce the costs. The deployment of long-range WiFi devices allows us to extend WiFi coverage to areas where installing fiber optic cables would be costly or impractical. This provides cost-effective connectivity solutions without compromising on performance.
5. Successfully implemented in-house developed visitor management system. This system marks a significant milestone in the efforts to enhance security measures and streamline visitor-tracking processes at Unit: Rajahmundry. We are planning to roll out the same visitor management system at Unit: Kadiyam in the near future.
6. Successfully integrated the door lock and unlock system with face recognition devices, also captures employee attendance at the Admin. building in Rajahmundry. This integration represents a significant step forward in our ongoing efforts to enhance security measures and prevent unauthorized entry into the administrative facilities.
7. Successfully implemented Standard Chartered Bank integration with SAP for APL payments. This achievement marks a significant milestone in the ongoing efforts to streamline the Company's financial processes and enhance efficiency in payment management.
8. In-Progress: APL Multi Protocol Label Switching (MPLS) & Internet leased lines communication backbone change work is currently underway. We have worked diligently to identify alternative vendors and have issued purchase orders to ensure a cost-effective solution without compromising on service quality. We are confident that the changes being implemented will result in cost savings for APL without compromising on the quality of service provided.

Community Service and Engagement

The Company is committed to the cause of communities where it operates, by supporting Education, Health & Wellness and other genuine requirements of the people therein.

The Company considers the community as its key stakeholder and is one of the foremost proponents of inclusive growth and has continued to undertake projects for overall development and welfare of the society in the fields of health, education, rural development and livelihood interventions etc., and is sensitive to its needs. The Company also extended co-operation and assisted the local administration in development projects and programs.

The Company had adopted a CSR Policy which is placed on the Company's website: https://andhrapaper.com/wp-content/themes/andhra_paper/uploads/investors/1645611255CSR%20Policy.pdf The Members of Corporate Social Responsibility Committee as on March 31, 2024 comprised of:

Mr. Virendraa Bangur	–	Chairman
Mr. Saurabh Bangur	–	Member
Mr. Sudarshan V. Somani	–	Member
Mr. Rajendra Jain	–	Member

The Report on CSR activities is attached as Annexure – 1 to this report.

Awards

During the year, the Company secured SILVER AWARD in the chemical industries, paper category “Industrial Safety Leadership Award” at Confederation of Indian Industry Andhra Pradesh Industrial Safety excellence awards 2023 for Unit: Kadiyam.

Related Party Transactions

All related party transactions that were entered into during the financial year under review were at arm’s-length basis and also in the ordinary course of business. There were no material significant related party transactions entered into by the Company with the Promoters, Promoter group entities, Directors, Key Managerial Personnel which may have a potential conflict with the interests of the Company at large.

The Board of Directors approved a Policy on Related Party Transactions which is placed on the Company’s website: <https://andhrapaper.com/wp-content/uploads/2023/04/Policy-on-related-party-transactions-1.pdf>. The disclosures on related party transactions are given in Notes to the financial statements.

Remuneration Policy

The Company has adopted the Nomination and Remuneration Committee Charter which contains, inter alia, framework for Directors’ appointment and remuneration, criteria for determining the qualifications, positive attributes, independence of a director and other matters provided under Section 178(3) of the Companies Act, 2013 (“The Act”).

Pursuant to Section 178(4) of the Act, the Company also adopted Remuneration Policy relating to remuneration for the Directors, Key Managerial Personnel and Senior Executives in the rank of Vice President and above. The Remuneration Policy is placed on Company’s website: https://andhrapaper.com/wp-content/themes/andhra_paper/uploads/investors/1599824266Remuneration%20Policy.pdf.

Energy Conservation, Technology Absorption & Foreign Exchange earnings and outgo

Particulars of conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 134(3)(m) of the Act read with

Rule 8(3) of the Companies (Accounts) Rules, 2014 are given in Annexure - 2 attached to this Report.

Risk Management

The Company has a robust business risk management framework to identify and evaluate business risks and opportunities. This framework aims to create transparency, minimize adverse impact of risks on the business objectives and enhance the Company’s competitive advantage. Some of the critical risks that have been identified are Fibre Procurement, Competition risk, Occupational Health & Safety, environmental etc.

Directors

Mr. Rajendra Jain, Non-Executive Director resigned from the Company effective May 14, 2024. The Board placed on record its warm appreciation for the excellent contributions made by Mr. Rajendra Jain during his tenure as a Non-Executive Director of the Company.

Mr. Mukesh Jain, whole-time Director (designated as Executive Director) is liable to retire by rotation at the ensuing Annual General Meeting, as per the provisions of the Companies Act, 2013 and being eligible, offered himself for reappointment.

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, reappointed Mr. Mukesh Jain as whole-time Director (designated as Executive Director) of the Company for a further period of 3 (three) years effective November 10, 2024 subject to approval of shareholders at the ensuing Annual General Meeting.

The Board commends his reappointment

Independent Directors

Mr. Virendra Sinha, Mr. Sitaram Sharma, Mrs. Papia Sengupta, Mr. Arun Kumar Sureka and Mr. Sudarshan Vijaynarain Somani are Independent Directors of the Company.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149 (6) of the Act and Regulations 16(1) (b) and 25(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the SEBI Listing Regulations”) and that they are independent from the Management of the Company and they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his ability to discharge his duties with an objective independent judgment and without any external influence. Further, all the Independent Directors have given declarations that they complied with the provisions of Companies (Appointment and Qualifications of Directors) Rules,

2014. Further, they have given declarations that they have complied with the Code for Independent Directors prescribed in Schedule IV to the Act and the Code of Business Conduct and Ethics of the Company.

A separate Meeting of Independent Directors was held on March 08, 2024. All the Independent Directors of the Company attended the said Meeting.

Details of Key Managerial Personnel

As on March 31, 2024, Mr. Shree Kumar Bangur, Chairman & Managing Director, Mr. Saurabh Bangur, Joint Managing Director, Mr. Mukesh Jain, whole-time Director(Executive Director), Mr. Rajesh Bothra, Chief Financial Officer and Mr. Bijay Kumar Sanku, Company Secretary are the Key Managerial Personnel of the Company.

Meetings of the Board

During the year under review, four Board meetings and four Audit Committee meetings were held. The maximum interval between any two meetings did not exceed 120 days, as prescribed by the Companies Act, 2013. The details of the meetings held are given in the Corporate Governance Report forming part of this Report.

Performance Evaluation

Pursuant to the provisions of the Act and SEBI Listing Regulations, the Annual performance evaluation of Board, its Committees, Chairman & Managing Director, Joint Managing Director and Executive Director has been carried out based on various parameters.

A separate exercise for the financial year 2023-24 was carried out to evaluate the performance of all individual directors including Independent Directors who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interests of the Company and its minority shareholders etc.

Board Training and Induction

At the time of appointing a Director, a formal letter of appointment is given to him/her, which inter alia explains the role, function, duties and responsibilities expected of him/her as a Director of the Company. The Director is also explained in detail the compliances required from him/her under the Act, the SEBI Listing Regulations and other relevant Laws and Regulations. Details of Familiarization of Directors are disclosed on the Company's website <https://andhrpaper.com/wp-content/uploads/2024/06/Familiarization-Programme-during-the-year-2023-24.doc>.

Audit Committee

The Audit Committee as on March 31, 2024 comprised of Mr. Sudarshan V. Somani as Chairman and Mr. Virendra Sinha, Mr. Arun Kumar Sureka and Mr. Saurabh Bangur as other Members. All the recommendations made by the Audit Committee were accepted by the Board.

Particulars of Employees

The information required pursuant to Section 197 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, is provided in Annexure-3. Having regard to the provisions of the second proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the members of the Company. If any Member is interested in obtaining information on Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, such Member may, write to the Company Secretary at the Registered Office in this regard or can inspect the related documents/information at the Registered Office of the Company.

Vigil/Whistle Mechanism

The Company has adopted Whistle Blower Policy to deal with instance of fraud or any unethical or improper practices. A copy of this Policy is placed on the Company's website https://andhrpaper.com/wp-content/themes/andhra_paper/uploads/investors/1658382966Whistle%20Blower%20Policy%20modified%20on%2021.07.2022.

Internal Financial Controls

The Company established internal financial control(s) commensurate with the size, scale and complexity of the operations. Internal audit function is being handled by a professional firm of chartered accountants. The main function of Internal Audit is to monitor and evaluate adequacy of internal control system in the Company, its compliance with the operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners take corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions are reported to the Audit Committee.

Statutory Auditors audited the Internal Financial Controls (IFC) over financial reporting of the Company as of March 31, 2024 in conjunction with audit of the financial statements of the Company for the year ended on that date. Unmodified opinion on IFC was given by them.

Statutory Auditors

The Report of Auditors for the fiscal year 2024 does not have any qualifications, reservations or adverse remarks. The Report is enclosed with the financial statements in this Annual Report.

Messrs MSKA & Associates, Chartered Accountants, Statutory Auditors of the Company have been appointed, for a term of five years, to hold office from the conclusion of 58th Annual General Meeting till the conclusion of 63rd Annual General Meeting corresponding to the financial years from 2022-23 to 2026-27.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed Messrs D. Hanumanta Raju & Co., a firm of Company Secretaries to undertake the secretarial audit of the Company for the financial year 2023-24. Secretarial Audit Report under Section 204(1) of the Act issued by Messrs D. Hanumanta Raju & Co., Practicing Company Secretaries, in respect of financial year 2023-24 is attached as Annexure - 4 to this Report.

The Report of Secretarial Auditors does not have any qualifications, reservations or adverse remarks.

Cost Auditors

In terms of Section 148 of the Act read with the Companies (Audit & Auditors) Rules, 2014, the Board at their Meeting held on May 14, 2024, on the recommendation of Audit Committee, appointed M/s. Narasimha Murthy & Co., Cost Accountants as Cost Auditors of the Company for the financial year 2024-25, at a remuneration of ₹4.00 lakhs plus applicable taxes and reimbursement of out-of-pocket expenses and their remuneration is being submitted for ratification by the Members at the forthcoming Annual General Meeting.

Cost Accounting Records and Cost Audit

Cost accounting records for the financial year under review were maintained as per the Companies (Cost Records and Audit) Rules, 2014. M/s. Narasimha Murthy & Co., Cost Accountants were appointed as Cost Auditors of the Company to audit the Cost Records for the year ended March 31, 2024. The Cost Audit Report for the financial year ended March 31, 2023 was filed with the Ministry of Corporate Affairs in August, 2023.

The Cost Audit Report for the year ended March 31, 2024 will be filed within the due date.

Public Deposits

During the year under review, the Company has not invited, accepted or renewed any deposits under chapter V of Companies act, 2013.

Particulars of loans, guarantees, security or investments

The particulars of loans, guarantees, and investments covered under the provisions of Section 186 of the Act have been disclosed in the financial statements.

Subsidiary Company

The Company made an investment of ₹5.00 lakhs by way of share capital in Andhra Paper Foundation ("Foundation"), incorporated under Section 25 of the Companies Act, 1956, wherein the excess of income over expenditure will be applied for promoting its objectives. Accordingly, the accounts of Andhra Paper Foundation were not consolidated, since the holding Company will not derive any economic benefit from its investment in Foundation.

The Company undertakes that annual accounts of Foundation and the related information will be made available to the members of holding company seeking such information at any point of time. The annual accounts of Foundation are placed on the Company's website: <https://andhrapaper.com/investors-subsiary-company/> and are also available for inspection by any member at the Registered Office of the Company during business hours on all working days of the Company. A statement containing salient features of the financial statement of Foundation for the financial year ended March 31, 2024 is attached as Annexure - 5 to this Report.

Annual Return

In terms of Section 92(3) of the Act, the Annual Return for the financial year ended March 31, 2023 is displayed on the Company's website: https://andhrapaper.com/wp-content/uploads/2024/06/Form_MGT_7-for-the-year-ended-31.03.2024.pdf.

Business Responsibility and Sustainability Report ('BRSR')

Pursuant to Regulation 34 of the SEBI Listing Regulations, 'Business Responsibility and Sustainability Report' forms part of this Report as Annexure -6, which describe the initiatives taken by the Company from an environment, social and governance perspective.

Material changes and commitments affecting the financial position of the Company which occurred between end of financial year and date of the Report

Operations of the Manufacturing plant situated at Unit: Rajahmundry was disrupted due to illegal strike of the workers called by the Workers Trade Unions w.e.f. April 2, 2024 to April 25, 2024 resulting in Loss of production of ₹ 1.6 crores per day of strike approximately. the operations at unit: Kadiyam were also disrupted due to shortage of pulp which is the main input from Rajahmundry unit and resumed operations with the call off of illegal strike by Rajahmundry unit workers.

Directors' Responsibility Statement

The Board of Directors hereby confirms and declares that:

- In the preparation of final accounts for the year ended March 31, 2024 the applicable accounting standards had been followed;
 - they had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the financial year end March 31, 2024 and of the profit and loss of the Company for the year;
 - they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
 - they had prepared the accounts for the year ended March 31, 2024 on a 'going concern' basis;
 - they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
 - they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- During the year under review, neither the statutory auditors nor the secretarial auditor has reported to the audit committee, under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees.
 - The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints of sexual harassment at workplace. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All women employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year, no complaints were received by the Company under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
 - There is no application or proceeding pending under Insolvency and Bankruptcy Code, 2016
 - The company has complied with all the applicable laws, rules, regulations and secretarial standards
 - All Policies as required under the Act or the SEBI Listing Regulations are available on the website of the Company: <https://andrapaper.com/investors-policies/>.

Acknowledgements

The Board of Directors wish to place on record their gratitude to the Central Government, Government of Andhra Pradesh, Government of Telangana and Banks for their continued support during the year.

The Board of Directors wish to convey their thanks to the valued customers and dealers for their continued patronage and place on record their appreciation of the contribution made by all the employees during the year under review.

For and on behalf of the Board

Shree Kumar Bangur
Chairman & Managing Director

Place: Rajahmundry
Date: May 14, 2024

General

- During the year under review, the Chairman & Managing Director of the Company has not received any remuneration or commission from the subsidiary company.
- There were no significant and material orders passed by the regulators or courts or tribunals which would impact the going concern status of the Company and its future operations.

ANNEXURE - 1

REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

1. Brief outline on CSR Policy of the Company

CSR vision of the Company is to support, enhance and respect the communities and stakeholders wherever the Company operates its businesses. The focus areas of Company's CSR activities are Education, Health & Wellness and Community Engagement, which make positive contributions to communities around the Company's manufacturing facilities and farm forestry areas. The Company is continually refining its programs and seeking opportunities to make difference in the communities where they live and operate.

2. Composition of CSR Committee as on March 31, 2024

Sl. No.	Particulars	No. of meetings of CSR Committee held during the year	No. of meetings of CSR Committee attended during the year
1	Mr. Virendraa Bangur, Chairman Non-Executive Non-Independent Director	1	1
2	Mr. Saurabh Bangur, Member Joint Managing Director	1	1
3	Mr. Sudarshan V. Somani, Member Non-Executive Independent Director	1	1
4	Mr. Rajendra Jain, Member Non-Executive Non-Independent Director	1	1

3. Web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company: <https://andhrpaper.com/investors-csr-information/>

4. The executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: **Not applicable**

(₹ in lakhs)

5	(a) Average net profit of the company as per sub-section (5) of section 135	:	29,974.86
	(b) Two percent of average net profit of the company as per sub-section (5) of section 135	:	599.50
	(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years	:	0.00
	(d) Amount required to be set-off for the financial year, if any	:	24.71
	(e) Total CSR obligation for the financial year [(b)+(c)-(d)]	:	574.79

(₹ in lakhs)

6	(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	:	431.40
	(b) Amount spent in Administrative overheads	:	21.57
	(c) Amount spent on Impact Assessment, if applicable	:	0
	(d) Total amount spent for the Financial Year [(a)+(b)+(c)]	:	452.97
	(e) CSR amount unspent for the Financial Year 2023-24	:	121.82

Total Amount Spent for the Financial Year	Amount Unspent (₹ in lakhs)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount	Date of transfer	Name of the Fund	Amount.	Date of transfer.
452.97	121.82	29/04/2024	NA	0	NA

(f) Excess amount for set-off, if any: **Not applicable**

Sl. No. (1)	Particulars (2)	Amount (₹ in lakhs) (3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	-
(ii)	Total amount spent for the financial year	-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	-
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	-

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: (₹ in lakhs)

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135	Balance Amount in Unspent CSR Account under sub-section (6) of section 135	Amount Spent in the Financial Year	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years	Deficiency, if any
					Amount	Date of Transfer		
1	2020-21	235.00	235.00	0	0	NA	235.00	NA
2	2021-22	162.00	162.00	235.00	0	NA	162.00	NA
3	2022-23	0	0	162.00	0	NA	0	NA

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **No**

If Yes, enter the number of Capital assets created/ acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **Not Applicable**

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135.

Not applicable

Shree Kumar Bangur

Chairman & Managing Director
DIN: 00053237

Virendraa Bangur

Chairman CSR Committee
DIN: 00237043

ANNEXURE - 2

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

[Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014]

(A) Conservation of energy-

I. The steps taken or impact on conservation of energy:

At Unit: Rajahmundry -

1. RB 4 ESP 3 Field -1 to 4 was replaced along with replacement of ductings/cone/casing repair which resulted in reduction of infiltration of air and decrease in stack emissions, Meeting the environment norms. Achieved Power saving of 50 KW as renewal of ductings/cone/casing and also resulted in reduction in infiltration in turn reduction of ID fan Load.
2. Reuse /recycle of Vacuum pump water resulted saving of mill water by 13 m3/h.
3. Missing /damaged, ECO -1 inlet flue gas baffle was replaced, Resulting more heat transfer, reduction of flue gas temp, increase Feed water temp by 5 Deg, resulting increase in RB-4 steam production by 24 T/D.
4. Segregation of Condensate A and B at 4F evaporator plant resulting increase of secondary Condensate temperature by 10 Deg with a saving of LP steam at pulp mill by 36 T/ Day.
5. RJ1 NASH Vacuum Pump (160 KW) & SLM Vacuum Pump (185 KW) were replaced with New KAKATI Make Vacuum Pump (200 KW) achieving Energy saving of 123.6 KW/ hr.
6. RJ1 150 kw refiner was replaced with 110 kw refiner resulting power saving of 35.3 kw / hr.
7. Air Compressor-2 screw elements were replaced, HP & LP Screw elements were changed. A decrease in motor load from 562 Amps to 504 Amps is noticed and the , saving in energy is 29 KW benefitting to ₹16.06 Lakhs per annum.
8. Air Compressor-3 screw elements were replaced. Over the year's wear & tear took place with increased power consumption. The HP & LP Screw elements were changed. A decrease in motor load from 548 Amps to 502 Amps is noticed, and the saving in energy is of 26 KW benefitting to ₹14.47 lakhs per annum.
9. RJ6 PAPER MACHINE Drives DC to AC Conversion: RJ#6 Machine which runs with 33 numbers of DC motors & 7 numbers of AC motors powered by

Siemens make 6RA 70 DC drives for DC motors & 6SE Simover master drives for AC motors for speed and operation control of the machine.

Project Benefits:

- a. Energy saving to the tune of approximately 80 KW
 - b. Improvement of the PF from 0.6 to 1.
 - c. Reduction of HARMONICS
 - d. Elimination of BRUSH consumption & consumables.
 - e. Ease of maintenance.
10. a. Dyno drives replaced with VFD in ICF Accura cutter 1 & 2 under technology upgradation.
 - b. ESP controller's upgradation under technology upgradation & efficient operations.
 - c. Installation high mast towers & replacement of conventional light fixtures with LED
 - d. LED Lighting installation in place of Conventional Lighting – 15 KW Savings
 - e. Old series motors replacement with new series & trimming of pumps.

At Unit: Kadiyam -

- At KA#3, constant flow regulation box system was removed and GSM of the paper is controlled through Machine chest pump speed control through Variable Frequency Drive. Results in Power saving.
- KA#1 sheet cutter Electrical system was modified to PLC automation and PIV gear box was replaced with Servo Motor and Drive. Results in Quality & Productivity improvement and waste reduction.
- KA#3 seal pit water is taken into polish water tank by laying separate lines from Seal pit to polish water tank. Results in reduction of load on HRT and fibre recovery.
- KA#3 Pick-up felt life was improved by 20 days from 50 days to 70 days (average) with on-line cleaning and double doctor installed in suction press in the year 2022.
- KA#3 oscillation showers operation and water valve operation are taken through DCS. ON/OFF of the showers is programmed in PLC to operate along

with the connected machine equipment resulting power and water saving.

- Diversion of KA#2 backwater to KA#2 pulper to reduce fresh water consumption from 11 cu.m/t ton 8.0 cu.m/t during Cupstock run on KA#2.
- Nature Switches for Auto Lighting Switch Over to avoid Manual ON & OFF resulting power saving.

II. The steps taken by the company for utilising alternate sources of energy:

- The Company considered and analysed the possibility to shift to renewable energy sources, but the analysis showed current energy source is most cost efficient than the alternate energy source, so the management continuing with the current system.

III. The capital investment on energy conservation equipment's:

At Unit: Kadiyam –

- At KA#2, Vacuum pump#2 was replaced with new Energy Efficient Vacuum pump and Motor. It contributes to power saving of 20KW/Hr.

(B) Technology absorption-

I. Efforts made towards technology absorption:

Unit: Rajahmundry

1. Precipitated Calcium Carbonate Plant:

The PCC plant installed at Rajahmundry Mill is a green initiative to reduce carbon emission by carbon capture and reuse as raw material in paper production. The plant utilizes CO₂ gas and lime mud from limekiln, which reduces CO₂ emission to the environment as well as solid waste generation. This PCC process yields lower paper production costs, improves the paper quality like, opacity, bulk, and brightness, and ensures sustainable sourcing of high quality filler.

GCC (Ground Calcium Carbonate) has been replaced with PCC (Precipitated Calcium Carbonate which is a mix of Quick Lime and carbon dioxide lime sludge) for improving the property of paper and increasing in Ash% in the paper there by reducing usage of fiber in Paper. Mixing of Lime sludge along with Quick Lime for making the PCC is a step towards the recycle of waste for product manufacturing and moving towards green initiative. This will save around 14 MT/day of lime sludge disposal. The use of Lime Sludge in making PCC has reduced cost of PCC & also saved disposal of about 12 - 13 TPD Lime Sludge. Thus, it is both environmental positive and also giving tangible benefit to the Company.

2. Replacement of existing bag filter dust collecting system with new water scrubbing Technology at Chipper House:

In APL Wood handling area two (2 No.) pallmann drum chippers are running for wood chips production which were installed in 2006 Mill Development Plan. During wood logs chipping, dust will generate and carries with chips & as well as carries with air and pollutes surrounding air at wood handling area. 3 Nos. bag filters were installed in 2006 to collect dust generating from both chippers and chips transport conveyors discharge locations Dust inherent moisture of 30-50% causing corrosion of internal parts of bag filters and choking in piping.

Wet scrubber technology for dust collection to avoid corrosion issues in bag filter elements installed in 2023.

3. Liquor Fired Boiler 4 upgradation

The existing 1300 TDS/day chemical recovery boiler (LFB 4), is in operation at Unit: Rajahmundry since 2006. The boiler was designed as per IBR 1950, with the main steam pressure at 64 kg/cm²(g) and temperature at 460(+10, -0) °C. Subsequently, in the year 2012, some recommendations were made to increase the firing capacity to 1500 TDS/day, accordingly, modifications were done, but capacity trials were not done. In the year 2019, replaced the lower furnace and modified the primary and secondary airports, and the start-up oil burners were replaced. APL has considered the feasibility for capacity upgrade.

Based on feasibility studies and reports, changed the design of the Secondary & Tertiary Super Heater Coils, modified Bank Zone Tubes & provided two extra shoot blowers to avoid jamming. Chloride removal plant (Ash Leaching Plant) shall be installed to reduce the Cl & K levels in virgin BL to ≤ 0.45% and ≤ 2.0% respectively.

4. Integrated Converting Facility

At APL, Rajahmundry, Paper converting (sheeting and packing) and warehousing operations were carried out at 2 different locations SN Palem (2000 MT/month) and Kesavaram (about 700Mt/month) other than RJY due to the shortage of in-house sheeting capacity and ware- house capacity. Average in house Sheetting at RJ1-5 finishing house was about 1524 MT/per month and the remaining rolls are wrapped and transferred to S.N Palem and Kesavaram for sheeting, packing and warehousing. Because of the multiple processing, we used to have Underutilization of Sheeter Deckle, reels transportation issues, additional Packing cost, Transportation Cost & more losses due to reels'

damage during transit loading and unloading operations etc.

In order to overcome the above issues & to further strengthen the objective of Right product to Customer at Right time, APL shifted all the sheet converting facility inside the mills under one roof for better control on operation with maximum efficiency and minimise loses by Relocating 3 Sheeters and all the connected auxiliary equipment from S.N Palem, do necessary small upgrades to Improve capacity utilization and installed at RJY mills.

Further, Manual **Ream Wrapping** process was carried out for finished reams packing at all the 4 facilities. To minimise manual operations and to improve packing quality to compete with other players in the market having Automated ream wrappers, we have installed New Folio Ream Wrapper of capacity about 120 MT/day (3 shift operation) to Improve Packing quality there by better presentation to the customer, competitive with other players using Automated ream wrappers, it is fast, continuous operation & with the man power reduction by 50% for ream packing.

Shifting of PCS unit to In-House & Ream Wrapping Machine, Automation in packing, Increased RJY In-House Sheeting Capacity approximately 1500 MT to 3600MT, increase in Shrink Bundling from 1180MT to 2900 plus MT.

5. Replacement of Grease Lubricated rolls with Oil Lubricated rolls.

RJ3 paper machine +3 mtr. level dryer part felt rolls (26 nos.) grease lubricated bearings & housings were replaced with oil lubricated bearings & bearing housings with centralized oil lubrication system.

- a) Resultant benefits are of: Reduction in Felt Rolls' Journal Failures, felt rolls' bearing failures Vibration levels and elimination of Grease spots on paper.
- b) RJ5 paper machine +3 mtr. Level dryer part felt rolls (26 nos.) Grease lubricated bearings & housings replaced with oil lubricated bearings & bearing housings with centralized oil lubrication system.

Resultant benefits of: Reduction in Felt Rolls' Journal Failures, felt rolls' bearing failures Vibration levels and elimination of Grease spots on paper.

6. Replacement of old inefficient equipment with new effective one.

- 6.1 14 nos. Of old and obsolete design pumps were replaced with new design pumps.

- 6.2 Horizontal split casing system was replaced with back-pull-out system.

- 6.3 2 Nos. Belt driven system were replaced with directed coupled system.

- 6.4 The resultant benefits are of; Fiber Saving, Easy Maintenance, Easy Replacement, Spares Standardization & Availability and Reliability Improvement.

RJ3 machine top press, bottom press & 1st group uniscreen stretchers replaced with new design stretchers. (technology upgradation)

Advantages:

- a) Manual operating system was replaced with electrical operated gear-drive system.
- b) Single Barrel bearing housing mounting system was replaced with balanced dual mounting system, which eliminates the axial movement of stretcher roll.
- c) Easy Operation & Easy Maintenance
- d) Trouble Free System

7. 2003 Logic implementation in TG

34 MW TG Trip interlocks were reviewed and most of the existing Instruments which are connected with TG trip logic were working with the logic 1 out of 1 (Single measurement). Detailed study was conducted with OEM and incorporated 2 out of 3 logic for Turbine Safety interlocks. Malfunctioning of single measurement fault will not impact the TG operations and at the same time protection will be initiated if more than 2 or 3 instruments readings simultaneously beyond the limits, then TG protection trip will be executed. This will eliminate nuisance trips and improve the likelihood of the plant.

8. Redundancy Enhancement of ABB DCS Controllers

ABB DCS Controllers repeated failures were observed in TG & Recovery Boiler due to fault generated in Communication Expansion Bus and was triggered both primary and Secondary controllers in to fault mode. Considering the criticality of the equipment, Bus Coupler modules (BC810) were installed in RB4, CF6, TG & Evaporator DCS previously and during 2023-24 Cooking Plant, Bleach Plant, ClO2 Plant, RLK2 BMS, DC Conveyors & HVLC and Causticizing plant DCS were implemented as failure in any one of these areas will impact the total mill production.

9. RJ-6 MCS Software and Windows based Systems upgrade

Windows 2003 based Servers and Windows XP based Engineering station & Operating stations

were became obsolete. Hence, all Systems including servers, Engineering station, Operating stations and HMI of RJ-6 MCS were upgraded with latest operating system (OS) as below.

ES Station and Client Stations WINDOWS XP to WINDOWS 10 LTSC, Operating Servers WINDOWS Server 2003 to WINDOWS Server 2019 and PLC supporting software PCS V7.1 is upgraded to PCS V 9.0 to eliminate the Risk of operation of RJ-6 with Obsolete Systems.

10. RB-4 Soot Blow PLC upgrade

RB-4 Soot Blow PLC controller upgraded from SLC5 / 5 Model Allen Bradly PLC to Compact logix 5370L3 Model and Windows XP-based operating system upgraded to Windows 10 pro edition with Factory talk view studio Supervisory Control and Data Acquisition, RS linx classic gateway and studio 5000 mini Software's. As existing PLC controller and Operating Systems are obsolete.

11. Upgradation of Press Hydraulic System in RJ-5

Existing Hydraulic Controls equipment's were eroded and end of their service life. Total operator desk has been upgraded version of Rexroth make Hydraulic Valves, Regulators, Accessories and Controls have been replaced with new. The Risk of operating with internal leak and eroded components will be eliminated and reliability of control is improved.

12. Replacement of Obsolete Consistency Transmitters in RJ-6

Replacement of 2 Nos. of BTG rotary type consistency transmitters are of obsolete model MEK 2300 have been replaced with latest compatible models MEK 2500 consistency transmitters from BTG for RJ-6 Recovery fibre consistency transmitter and RJ-6 Virgin pulp refined feed consistency transmitter.

13. Environment

- 1) Adapted new technology in aeration tanks to enhance dissolved oxygen in order further reduce pollutants in waste water by installation of **JET AERATORS of 8 Nos.** by replacing existing diffused aeration system.
- 2) To reduce inlet effluent temperature so as to improve biological treatment process, existing Cooling Tower revamped with increase Fan capacity from 50 HP to 100 HP and increase surface area.
- 3) Additionally two more Ambient Air Quality Monitoring stations were installed at various locations to check and adjust air quality on continues basis.

- 4) Lime Kiln No. 2 stack was provided with new Online continuous Hydrogen Sulphide analyser.
- 5) Magnetic flow meter was provided to measure recycled / reused reclaimed back water in process.

Unit: Kadiyam

- **KA#1 sheet cutter operation through PLC**

KA#1 sheet cutter electrical system was modified to PLC. PIV gear box was replaced with Servomotor and Servo Drive. Cutter is operated through HMI. Size variation of the paper is also reduced.

- **Operation of KA#3 Machine chest pump through DCS**

VFD was arranged to Machine chest pump and control was taken through DCS. Constant flow regulation box was removed and GSM is controlled through speed variation of Machine chest pump through DCS.

- **Static Bar for KA#1**

Static bar was installed in KA#1 calendar section to eliminate static current from the paper which in turn gives better sheet release property during printing operation.

- **STP plant in operation**

Sewage Treatment Plant (STP) was kept in operation and the water is used for watering of plants inside the Mill.

- **New Doctor blades for Dryers at KA#3**

New doctor blades are arranged for No#14 and 17 Dryer cylinders at KA#3 for better surface cleaning.

- **New Doctor blade for MG Cylinder at KA#2**

New doctor blade was arranged for MG cylinders at KA#2 for better surface cleaning.

Benefits derived like product improvement, cost reduction, product development or import substitution:

Unit - Rajahmundry:

PCC Plant:

The PCC plant, a green initiative to reduce carbon emission, reduces CO2 emission to the environment as well as solid waste generation, yields lower paper production costs, improves the paper quality like, opacity, bulk, and brightness, and ensures sustainable sourcing of high quality filler.

Integrated Converting Facility:

Avoidance of multiple processing, transportation costs additional packing costs damages thereby derived the resulting benefits. Improve in packing quality, fast and continuous operation, reduced manual intervention. Fiber Saving, Easy Maintenance, Easy Replacement, Spares Standardization & Availability and Reliability improvement with reduced packing cost.

Unit - Kadiyam:

- Usage of 100% PCC at KA#3 to improve the quality and reduce the OBA consumption.
- Service tank was arranged for Starch at KA#2 to avoid settling and improve the quality of paper.
- Highest Mill production was achieved in the month of January 2024 (6887 MTs against 6841 MTs in the month March 2024).
- Highest KA#2 production was achieved in the Month of December 2023 (1840.1 MTs)
- Highest production achieved at KA#3 in the month of March 2024 (4879 MTs against 4778 MTs in the month January 2024)
- Arrangement of Monorail at Electrical Workshop for shifting of Motors to improve safety.

- Road crossing cable protector was introduced to protect the cable from damage during movement of vehicle on road.
- Quality (Bulk/opacity/smoothness) Improvement in KA#3 all Products by using PCC

New Product developments at Unit – Rajahmundry

Please refer the head “Research & Development, Unit: Rajahmundry” below

New Product developments at Unit – Kadiyam

- i. Developed New Product MG Cover -250Gsm in KA#2
- ii. New Product Cupstock-135 Gsm introduced in the market in lower Gsm Segment with Better stiffness & Stretch
- iii. Export Order Manilaboard-90gsm & Andhra Sapphire 54 first made.
- iv. First time Thermal base made with wide range of Gsm's 42,47,50,52 & 65 to cater the new segments in the market.
- v. Introduced 50 Gsm in ADMLRS & Streamlined 50 gsm on continuous month basis.
- vi. Developed low Cobb Product in star white variety for Thermal applications.

I. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) -

The details of these imported technologies are as under.

1.	a.	Details of technology imported	IGT-GLOSS METER G75 Imported from Sweden The IGT Gloss Meter G75 is the version for the 75degree TAPPI Method. To measure the Gloss of Paper & Paper Board. It is especially suitable for low to moderate gloss, coated & uncoated papers, Printed Sheets
	b.	Year of import	2024
	c.	Has the technology been fully absorbed?	Yes
	d.	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not Applicable

2.	a.	Details of technology imported	Chip pumps: Pulp throughput enhancement to 630 TPD Two New Chip pumps supplied by Valmet (Sweden) in place of existing 3 stage chip pumps to meet the additional demand of 630 TPD Bleached Pulp.
	b.	Year of import	2023
	c.	Has the technology been fully absorbed?	Yes
	d.	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not Applicable
3.	a.	Details of technology imported	Combi delta (DC10): Pulp throughput enhancement to 630 TPD Combi delta (DC10) supplied by Valmet to handle the screen of the required unbleached pulp for 630 TPD Bleached pulp along with existing secondary & tertiary screens after ODL. Pulp screened via, primary, secondary & tertiary screens sent to post ODL washing.
	b.	Year of import	2023
	c.	Has the technology been fully absorbed?	Yes
	d.	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not Applicable
4.	a)	Details of technology imported	Twin Roll-E press including pro stream: To improve pulp washing efficiency & Reduced COD levels in pulp feeding to bleaching Valmet supplied the TRPE to wash the Screened pulp reducing the carry over residual chemicals, making easy to bleach to meet the 630 TPD bleached pulp. Washed pulp goes to Bleaching.
	b)	Year of import	2023
	c)	Has the technology been fully absorbed?	Yes
	d)	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not Applicable
5.	a.	Details of technology imported	Wash Liquor cooler: To maintain wash liquor temperature to digester bottom under production enhancement purpose. Valmet supplied the Wash Liquor cooler which reduces the temperature of BSW wash liquor from 95OC to 85OC & supply it to digester bottom washing to process the required unbleached pulp from digester to meet 630 TPD Bleached Pulp.
	b.	Year of import	2023
	c.	Has the technology been fully absorbed?	Yes
	d.	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not Applicable
6.	a)	Details of technology imported	D Hot: To optimize CLO2 bleaching chemical consumption in bleaching The D Hot technology with twin towers supplied by Valmet to dissolve the Hexauranic acids formed in unbleached pulp in the digester & make the unbleached pulp to get easily bleached in the DO-EOP – DnD three stages there by reducing the Chlorine Dioxide .
	b)	Year of import	2023
	c)	Has the technology been fully absorbed?	Yes
	d)	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not Applicable

7.	a)	Details of technology imported	Digester Screens: To increase the extraction capacity of digester for capacity enhancement Valmet supplied new screens in the Wash Stage of digester to increase extraction of liquor from digester separating it from unbleached pulp to meet the 630 TPD bleached pulp production with the existing digester.
	b)	Year of import	2023
	c)	Has the technology been fully absorbed?	Yes
	d)	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not Applicable
8.	a)	Details of technology imported	EOP Mixer: Pulp throughput enhancement to 630 TPD Valmet supplied a New high Shear Mixer to Mix the Oxygen properly with pulp at high temperature provided by steam to meet the additional bleaching required to meet 630 TPD Bleached Pulp.
	b)	Year of import	2023
	c)	Has the technology been fully absorbed?	Yes
	d)	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not Applicable
9.	a)	Details of technology imported	Valmet G3 Green Liquor Settling System Valmet supplied G3 Green Liquor Settling System for handling the green liquor 3700 m ³ /day @ 1500 ppm of dregs in raw green liquor generated from the 630 TPD Bleach pulp (present capacity of 2800 m ³ /day). This technology involves the addition of polymer to the raw green liquor which In turn increase the particle settling rate by reducing its velocity by coagulation of polymer with dregs particle & increase the capacity of green liquor clarification with the same rate of settling.
	b)	Year of import	2023
	c)	Has the technology been fully absorbed?	Yes
	d)	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not Applicable
10.	a)	Details of technology imported	CD Filter Shaft for processing Green Liquor to Produce required White Liquor for 630 TPD pulp
	b)	Year of import	2023
	c)	Has the technology been fully absorbed?	Yes
	d)	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not Applicable
11.	a)	Details of technology imported	Additional one (1) tube evaporator Body. Additional one (1) tube evaporator effect by provided by Valmet to upgrade the present 7 effect plant capacity of 275 TPH to 280 TPH water evaporation with product solids of 75% Black Liquor. This is to handle the additional black liquor that will be generated by increasing the bleached pulp from 550 TPD to 630 TPD .
	b)	Year of import	2023
	c)	Has the technology been fully absorbed?	Yes
	d)	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not Applicable

12	a)	Details of technology imported	L&W Elrepho SPECTROPHOTOMETER-SWEDEN Brightness, Opacity & Colour tester Code 070, Part No.04LB0701052 Including, computer with L&W Colour Brightness Software .L&W Elrepho is the paper industry's own spectrophotometer measures Brightness, Opacity and whiteness of paper, Paper board.
	b)	Year of import	2023
	c)	Has the technology been fully absorbed?	Yes
	d)	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not Applicable
13	a)	Details of technology imported	Advanced Process Control System for RLK#2. ABB Ability Advanced Process Control is globally proven advanced controlled system. It is implemented using the PPC platform, which provides multi-variable feedback control and optimizes the process
	b)	Year of import	2022
	c)	Has the technology been fully absorbed?	Yes
	d)	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not Applicable
14.	a)	Details of technology imported	Head Box for KA#3 KA#3 is provided with New Intellijet hydraulic head box from Valmet with slice controls of both vertical and horizontal, lamella for micro turbulence, attenuator to avoid pressure pulsation on jet, more slice actuators for fine control of flow from slice and thus the CD profile correction
	b)	Year of import	2022
	c)	Has the technology been fully absorbed?	Yes
	d)	If not fully absorbed, areas where absorption has not taken place and reasons thereof	Not Applicable

Research and Development –

Unit: Rajahmundry

- Specific areas in which R&D carried out by the company.
 - New Product Development**
 - Cup stock high GSM ranging from 140-200 with the addition of 10% soft wood pulp on RJ#2 machine.
 - Developed OGR (Oil & Grease Resistant) paper with barrier coating chemical.
 - Thermal Base paper of 45 Gsm made on RJ#1 machine.
 - Metallic base, carbon less & sublimation papers being made on RJ#1, 3, 4, 5 & 6 machines.
 - Dark shade of Deluxe Ribbed Kraft of 60-90 Gsm on RJ#1 machine.
 - Barrier Coating Cups for Beverages on RJ#2 & 5 machines through offline. Trials are successful.
 - Higher Gsm Boards (200+ Gsm) on RJ#2 machine for food bowls with Barrier coating. To be explored for higher Gsm as per market requirement.
 - Product quality improvement**
 - Introduction of PCC in place of GCC as filler to improve the smoothness & bulk of paper and ash increase in paper.

Process optimization studies

- Introduction of oxidizing biocide in place of non-oxidizing biocide to reduce the slime in RJ#6 machine.
- Trial manufacture of Poster Paper (W) 150 Gsm with pigment dyes in place of basic dyes on RJ# 2 machine. For better shade control and reduce shade variation.

- **Identification of functional additives and plant trials for cost reduction /quality improvement.**

- Introduction of multifunctional oil additive Green Mix-O of M/s. Green Tech India, to reduce the furnace oil consumption in RLK plant.
- Replacement of Ivax sizing chemicals with Sri Lakshmi Rosin sizing chemicals for alternate vendor & cost reduction activities on RJ#2, 3 & 5 machines.
- Use of pitch control chemical "Micron talc 2 micron" of M/s. 20 Microns Limited at pulp mill for alternate vendor development.
- Use of Bleach booster additive "Adolite 6030" of M/s. Adval Specialty chemicals to reduce the ClO₂ consumption at pulp mill.
- Use of wet end defoamer Amidefoam 5821 of M/s. Amazon Chemicals at paper machine for alternate vendor development & cost reduction program.

- **Evaluation of new fibrous raw materials**

- Evaluation of APFDC debarked eucalyptus wood for its suitability to our process.

2. Future plan of action

- **New Product Development**

- Developing a new copier brand as "Better" to position as a higher value product in the market, above reflection which will be derived by achieving better brightness and like colorlok technology and intend to edge over main competition with other mills.

- **Evaluation of alternate fibrous raw materials.**

- **Process optimization studies**

- Study on the reduction of fluff and dusting on RJ#5 machine.

- **Identification of functional additives/ chemicals for Product development, Process / quality improvement and Cost reduction.**

- Plant trial With Heubach Pigment Dyes for alternate vendor development.
- Steam Reduction Trails on RJ#6 machine.

Unit: Kadiyam

1. Specific areas in which R&D carried out by the company

- **New Product Development –**

In KA#3 Andhra Sapphire Shade developed with Sudafine violet & blue, exactly shade matched with Std.

ADMLRS Stage wise brightness carried to improve the paper final brightness to Min90.

KA#3 Andhra Sapphire Shade Develop with Sun Pulp Violet MSR2H Dye (M/s Vipul Organics) & Irgalite Blue (M/s Irgalite).

Alternate defoamer Akofoam - 6111 (M/s Akoskem Pvt Ltd.,) developed.

- **Process optimisation**

Developed alternate supplier of dyes for KA#1,& KA#3.Products are sustained.

In Reductive bleaching & in oxidative bleaching temperature & duration trials taken for better brightness

- **Identification of functional additives and plant trials for cost reduction /quality improvement**

Alternative defoamer, PAC reduction in HRT & ETP clarifier with Polymer, XeloroX for ash retention improvement in KA#3.. Identified alternate defoamer of IVAX, DTPANa5, alternate surfactants from S.G Corporation, M/s Amazon Papyrus, Epygen, Akoskem etc. trial to be planned. Surfactant trials conducted at DIP for Improvement of Poor cleanliness. Evaluation of alternate vendors for Caustic SS Powder, Dyes (Sun pulp violet, Direct red etc.) has carried & established at Lab scale

2. Benefits derived as a result of the above R&D.	<ul style="list-style-type: none"> • Sudafine Violet taken in Andhra Sapphire • Papyrase ILL taken in DIP, without caustic, for better cleanliness & Caustic reduced • misperse AP8138 taken in DIP for better cleanliness. Identified additives for quality improvement and cost reduction • Identified alternate fibrous raw materials like Softwood, Hard wood from April International, Fibrosource USA, Elofhanson, Korab International, Ekman Pulp & Paper
3. Future plan of action	<p>- Product Development</p> <p>KA#3 Size Press Products with better Wax pick to cater 4 colour Printing Jobs in the market</p> <p>Quality Improvement</p> <ul style="list-style-type: none"> • DIP Project <p>DIP Project for Cleanliness Improvement is under Progress.</p> <p>Reliability Improvement</p> <ul style="list-style-type: none"> • KA#3 1st& 2nd Press part frames strengthening for reliability improvement. <p>Process optimisation,</p> <ul style="list-style-type: none"> • OBA optimization & cost reduction with Identified suppliers. • Reduction in Fibre loss. • Dye Trials to be taken for Sun Pulp Violet,

(C) Expenditure incurred on Research and Development:

		(₹ in lakhs)
a.	Capital	0
b.	Recurring	116.60
c.	Total	116.60
d.	Total R & D expenditure as percentage of total turnover (%)	0.07

(D) Foreign exchange earnings and Outgo-

		(₹ in lakhs)
Foreign Exchange earned in terms of actual inflows		11,264.83
Foreign Exchange outgo in terms of actual outflows		16,287.72

ANNEXURE-3

The information required pursuant to Section 197 (12) read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the financial year 2023-24

Sl. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for the financial year 2023-2024 (₹ in lakhs)	% increase / (decrease) in the remuneration	Ratio of remuneration of each director to median remuneration of employees
i.	Shree Kumar Bangur Chairman & Managing Director	-	N.A	N.A
ii.	Virendraa Bangur Vice Chairman	2.50	0.00	0.44
iii.	Saurabh Bangur Joint Managing Director	885.30!	169.63	156.14
iv.	Sudarshan V. Somani Independent Director	4.00	(11.11)	0.71
v.	Arun Kumar Sureka Independent Director	3.50	(12.50)	0.62
vi.	Rajendra Jain Non-Executive Director	2.50	0.00	0.44
vii.	Virendra Sinha Independent Director	3.50	(7.69)	0.62
viii.	Sitaram Sharma Independent Director	1.75	(41.67)	0.31
ix.	Mrs. Papia Sengupta Independent Director	2.00	100.00	0.35
x.	Mukesh Jain Executive Director	117.89*	42.00	20.79
xi.	Rajesh Bothra Chief Financial Officer	-	N.A	N.A
xii.	Bijay Kumar Sanku Company Secretary	31.86*	48.12	5.62

!Includes commission paid during the year

*Includes perquisites value under Income Tax Act, 1961

The percentage increase in the median remuneration of employees in the financial year

The number of permanent employees on the rolls of the Company

Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification need to be given for increase in the remuneration thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

The median remuneration of employees in the current financial year registered an increase of 3.95% over the previous financial year

There were 1,991 employees as on March 31, 2024

The average increase in salary/wages of the employees was 7.69% (other than managerial personnel) whereas average percentile remuneration to managerial personnel increased by 70.54% during the year.

It is hereby affirmed that the remuneration paid is as per Remuneration Policy of the Company.

For and on behalf of the Board

Place: Rajahmundry

Date: May 14, 2024

Shree Kumar Bangur
Chairman & Managing Director

ANNEXURE-4

Form No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
ANDHRA PAPER LIMITED
Rajahmundry – 533 105,
East Godavari District,
Andhra Pradesh.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ANDHRA PAPER LIMITED** having **CIN: L2101OAP1964PLCOO1008** and having registered office at Rajahmundry, East Godavari District, Andhra Pradesh – 533 105 (hereinafter called the ‘**Company**’). Secretarial Audit was conducted in accordance with the guidance note issued by the Institute of Company Secretaries of India and in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024, according to the provisions of:

- (i) The Companies Act, 2013 (‘the Act’) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (d) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - (Not applicable to the company during the period under review);
- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021- (Not applicable to the company during the period under review);
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - (Not applicable to the company during the period under review);
- (h) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - (Not applicable to the company during the period under review);
- (i) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021- (Not applicable to the company during the period under review); and

- (j) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
- (vi) Other laws **specifically** applicable to the Company include:
- A. Factories Act, 1948 and the Rules made thereto;
 - B. Labour Laws & other incidental and allied laws;
 - C. Acts and Rules prescribed under prevention and control of pollution;
 - D. Acts and Rules relating to Environment Protection, energy conservation and Hazardous Substances and Chemicals;
 - E. Acts and Rules relating to boilers, electricity, explosives, fire etc.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified under Companies Act, 2013.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited;

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and requisite number of Independent Directors. There are no changes in the composition of the Board of Directors during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda

were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions are carried through while the dissenting Board members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that company has subscribed to an Online Compliance Management System whereby system generated reports are submitted quarterly to the members of the Board about non-compliance and delayed compliance, if any, with respect to all laws and rules that are applicable to the Company. The Board in their meetings takes note of this report and suggests corrective action if deemed necessary.

We further report that during the audit period, the Company has no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For D.HANUMANTA RAJU & CO
COMPANY SECRETARIES

CS DATLA HANUMANTA RAJU
PARTNER

FCS: 4044, CP NO:1709

UDIN: F004044F000368177

PR NO: 699/2020

Place: Hyderabad

Date: 14.05.2024

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

'Annexure A'

To
The Members,
ANDHRA PAPER LIMITED,
Rajahmundry – 533 105,
East Godavari District,
Andhra Pradesh.

Our report of even Date is to be read along with this letter:

1. Maintenance of Secretarial Records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For D.HANUMANTA RAJU & CO
COMPANY SECRETARIES

CS DATLA HANUMANTA RAJU
PARTNER
FCS: 4044, CP NO:1709
UDIN: F004044F000368177
PR NO: 699/2020

Place: Hyderabad
Date: May 14, 2024

SECRETARIAL COMPLIANCE REPORT OF ANDHRA PAPER LIMITED FOR THE YEAR ENDED 31.03.2024

To
The Members,
ANDHRA PAPER LIMITED
Rajahmundry – 533 105,
East Godavari District,
Andhra Pradesh.

We, D. Hanumanta Raju & Co, Company Secretaries, having our office at B-13, F-1, P.S.Nagar, Vijayanagar Colony, Hyderabad – 500 057 have examined:

- a) all the documents and records made available to us and explanation provided by **ANDHRA PAPER LIMITED**, (“the Listed Entity”),
- b) the filings/ submissions made by the listed entity to the Stock Exchanges,
- c) website of the Listed Entity,
- d) any other documents/filing, as may be relevant, which has been relied upon to make this Report, for the financial year ended 31st March, 2024 (“Review Period”) in respect of compliance with the provisions of:
 1. the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
 2. the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable to the Listed Entity during the review period)

- c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Listed Entity during the review period)
- e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable to the Listed Entity during the review period)
- f) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- h) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021- (Not applicable to the Listed Entity during the review period); and
- i) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and circulars / guidelines issued thereunder; and based on the above examination, We hereby report that, during the Review Period:
 - (a) The Listed Entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder.
 - (b) The Listed Entity has taken the following actions to comply with the observations made in previous reports: **Not applicable for the period under review.**

- I. We hereby report that, during the Review Period the compliance status of the listed entity with the following requirements:

Sl. No.	Particulars	Compliance Status (Yes/No/NA)	Observations / Remarks by PCS
1.	Secretarial Standard: The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI).	Yes	NIL
2.	Adoption and timely updation of the Policies: <ul style="list-style-type: none"> All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities. All the policies are in conformity with SEBI Regulations and have been reviewed & updated on time as per the regulations/ circulars/ guidelines issued by SEBI. 	Yes	NIL
3.	Maintenance and disclosures on Website: <ul style="list-style-type: none"> The Listed entity is maintaining a functional website. Timely dissemination of the documents/ information under a separate section on the website. Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re- directs to the relevant document(s)/section of the website. 	Yes	NIL
4.	Disqualification of Director: None of the Director(s) of the Company is/are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.	Yes	NIL
5.	Details related to Subsidiaries of listed entities have been examined w.r.t.: (a) Identification of material subsidiary companies. (b) Disclosure requirement of material as well as other subsidiaries.	Not Applicable Yes	Provisions with regard to material subsidiaries are not applicable to the company.
6.	Preservation of Documents: The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	NIL
7.	Performance Evaluation: The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations.	Yes	NIL
8.	Related Party Transactions: (a) The listed entity has obtained prior approval of Audit Committee for all related party transactions. (b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the audit committee.	Yes Not Applicable	NIL There are no such transactions.
9.	Disclosure of events or information: The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	NIL
10.	Prohibition of Insider Trading: The listed entity is in compliance with Regulation 3(5) & 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	NIL

Sl. No.	Particulars	Compliance Status (Yes/No/NA)	Observations / Remarks by PCS
11.	Actions taken by SEBI or Stock Exchange(s), if any: No action(s) has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder.	Yes	NIL
12.	Resignation of statutory auditors from the listed entity or its material subsidiaries: In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and / or its material subsidiary(ies) has / have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the LODR Regulations by listed entities.	Not Applicable	NIL
13.	Additional Non-Compliances, if any: No additional non-compliance observed for any SEBI regulation/ circular/ guidance note etc.	Yes	NIL

Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

For D.HANUMANTA RAJU & CO
COMPANY SECRETARIES

CS DATLA HANUMANTA RAJU
PARTNER
FCS: 4044, CP NO:1709
UDIN: F004044F000368199
PR NO: 699/2020

Place: Hyderabad
Date: 14.05.2024

ANNEXURE-5

Form AOC- I

[Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]

Statement containing salient features of the financial statement of Subsidiaries or associate companies or joint ventures

Part "A": Subsidiaries

Name of the subsidiary	Andhra Paper Foundation
The date since when subsidiary was acquired	20-06-2013 (incorporated as a wholly subsidiary of the Company)
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable
Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	Not Applicable
Share capital	₹5,00,000
Reserves & surplus	(₹2,51,773)
Total assets	₹2,71,827
Total Liabilities	₹2,71,827
Investments	NIL
Turnover/ Income	₹62,107
Excess of Expenditure over Income, before taxation	₹15,46,958
Provision for taxation	NIL
Excess of Expenditure over Income, after taxation	₹15,46,958
Proposed Dividend	Not applicable
Extent of shareholding (in percentage)	100

- Names of subsidiaries which are yet to commence operations - Nil
- Names of subsidiaries which have been liquidated or sold during the year - Nil

Part B: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate companies and Joint Ventures

The Company does not have any Associates/Joint Ventures

For and on behalf of the Board

Place: Rajahmundry
Date: May 14, 2024

Shree Kumar Bangur
Chairman & Managing Director

ANNEXURE - 6

Business Responsibility and Sustainability Reporting

About The Company

Andhra Paper Limited is a leading integrated paper and pulp manufacturer in India, known for its commitment to sustainability and quality. With a rich heritage spanning several decades, the Company produces a diverse range of high-quality paper products. Central to its operations is a focus on innovation and efficiency, supported by advanced manufacturing facilities and responsible sourcing practices. Andhra Paper is dedicated to minimizing its environmental impact through water conservation and waste management initiatives. The Company prioritizes customer satisfaction and actively supports social initiatives in education, healthcare, and environmental conservation. With a strong foundation built on integrity, quality, and sustainability, Andhra Paper Limited continues to be a trusted name in the paper industry, driving innovation and excellence.

On these lines, the directors present the 'Business Responsibility & Sustainability Report' (BRSR) of the Company for FY 23-24, pursuant to Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In an endeavour to align itself with United Nation's Sustainability Development Goals, the Company has listed out its initiatives after this report. The data presented in this report for previous years has been rationalised wherever necessary.

In this report, the words – 'The Company', 'Andhra Paper', 'We', 'Our' are used interchangeably to denote Andhra Paper Limited.

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity:

1	Corporate Identity Number (CIN) of the Listed Entity	L21010AP1964PLCO01008
2	Name of the Listed Entity	Andhra Paper Limited
3	Year of incorporation	1964
4	Registered office address	Sri Ram Nagar, Rajahmundry, East Godavari District, Andhra Pradesh – 533 105
5	Corporate address	31, Chowringhee Road, Park Street, Kolkata – 700 016, India.
6	Email Address	Bijaykumar.sanku@andhrapaper.com
7	Telephone	91-883-2471831
8	Website	www.andhrapaper.com
9	Financial year for which reporting is being done	2023-24
10	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited BSE Limited
11	Paid-up Capital	₹3977 (in Lakhs)
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report –	Mr. Bijay Kumar Sanku Company Secretary & Compliance Officer Tel: +91-883-2471831 Email: Bijaykumar.sanku@andhrapaper.com

13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together). -	The disclosures under this report are made on a standalone basis for Andhra Paper Limited
14	Name of assurance provider	Not Applicable for the reporting period as per SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dt. 12 July, 2023
15	Type of assurance obtained	Not Applicable for the reporting period as per SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dt. 12 July, 2023

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

Sl. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacture	Manufacture of Paper, Paperboard and pulp	100.00

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sl. No.	Product/Service	NIC Code	% of total turnover contributed
1.	Paper, Paperboard and pulp	17011, 17016 and 17093	100.00

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	2	7	9
International	-	-	-

19. Markets served by the entity:

a. Number of locations

Location	Number
National (No. of States & UTs)	25
International (No. of Countries)	29

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Total contribution of exports is 6.29% of the total turnover of the Company.

c. A brief on types of customers:

The Company manufactures writing, printing, and copier papers for both domestic and global markets. Its customer base includes printers, publishers, notebook converters, wholesalers, stationers, and corporations..

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	841	825	98.10	16	1.90
2.	Other than Permanent (E)	0	0	0.00	0	0.00
3.	Total employees (D + E)	841	825	98.10	16	16.31
WORKERS						
4.	Permanent (F)	1,150	1,147	99.74	3	0.26
5.	Other than Permanent (G)	2,844	2,733	96.10	111	3.90
6.	Total workers (F+G)	3,994	3,880	97.15	114	2.85

b. Differently abled Employees and workers:

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)					
2.	Other than Permanent (E)					
3.	Total differently abled employees (D + E)				NIL	
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)					
5.	Other than Permanent (G)					
6.	Total differently abled workers (F + G)				NIL	

21. Participation/Inclusion/Representation of women

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	10	1	10.00
Key Management Personnel*	5	0	0.00

*KMP also includes members of the Board

22. Turnover rate for permanent employees and workers (in percent)

Particulars	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	13.53	13.79	13.66	12.84	29.63	21.23	9.00	91.89	50.45
Permanent Workers	3.48	28.57	16.03	23.89	93.33	58.61	6.55	16.67	11.61

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

Sl. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding / Subsidiary / Associate / Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	West Coast Paper Mills Limited	Holding	72.31	No
2.	Andhra Paper Foundation	Subsidiary	100.00	No

VI. CSR Details

- 24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes
- (ii) Turnover (in Rs.): 17,83,25,79,300
- (iii) Net worth (in Rs.): 18,93,20,08,000

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes - https://andhraper.com/wp-content/themes/andhraper/uploads/investors/1645517930CSR%20Policy.pdf	NIL	NIL	NA	NIL	NIL	NA
Investors (other than shareholders)	N.A	NIL	NIL	NA	NIL	NIL	NA
Shareholders	Yes - https://andhraper.com/wp-content/uploads/2023/04/17_Investor-Grievance-Handling-Policy.pdf	NIL	NIL	NA	NIL	NIL	NA
Employees and workers	Yes - Handled thro' Industrial relations dept	NIL	NIL	NA	NIL	NIL	NA
Customers	Yes - Covered in contracts and agreements entered into with the distributors (Indentors), dealers, agents and customers of the Company	89	0	N.A	63	7	NA

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Value Chain Partners	Yes - https://andhrapaper.com/wp-content/themes/andhra_paper/uploads/investors/1658382966Whistle%20Blower%20Policy%20modified%20on%2021.07.2022	NIL	NIL	NA	NIL	NIL	NA

26. Overview of the entity's material responsible business conduct and sustainable issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications¹

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Greenhouse Gas Emissions	Risk	The manufacturing of pulp and paper products generates direct greenhouse gas (GHG) emissions associated with the combustion of fossil fuels and biomass in stationary and mobile engines, cogeneration boilers, and other processing equipment. Companies in this industry also typically use significant amounts of carbon-neutral biomass for their energy needs, the use of which may reduce the costs associated with purchasing fossil fuels,	Andhra Paper is actively mitigating greenhouse gas emissions through a multifaceted approach. This includes substituting fossil fuels with various biofuels in coal-fired boilers, exclusively operating the Recovery Boiler on 100% biofuel derived from black liquor, and maximizing internal power generation efficiency, with 65-68% of power needs met by the Recovery Boiler. Additionally,	Negative *There was no negative financial impact for the reporting year 2023-24

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
			as well as mitigate regulatory risk associated with carbon emissions. Emissions associated with fossil fuel sources may add regulatory compliance costs, depending on the magnitude of emissions and the prevailing emissions regulations. Entities that cost-effectively manage GHG emissions through greater energy efficiency, alternative fuels use or manufacturing process improvements may benefit from improved operating efficiency and reduced regulatory compliance costs.	the Company repurposes CO2 emissions from the Rotary Lime Kiln stack to produce Precipitated Calcium Carbonate, reducing emissions while adding value to the production process. Complementing these efforts is a substantial farm forestry program distributing 1,30,49,150 clones and 7,75,84,000 seedlings in FY 2023-34, contributing to carbon sequestration and ensuring sustainable wood sourcing.	
2	Air Quality	Risk	Air emissions, including sulphur oxides, nitrogen oxides, and particulate matter, are generated by pulp and paper product mills. These emissions stem from multiple sources within the mills, such as cogeneration fuel boilers, pulp and paper pressure chambers, wood chip pulping, pulping chemical recovery, and process engines. Although there has been a significant decline in industry emissions in recent years, the costs associated with emissions abatement measures could be substantial.	Andhra Paper has taken a proactive approach to mitigate environmental risks through infrastructure upgrades. By expanding the Recovery Boiler ESP to four fields and replacing 90 electrode plates in the coal-fired boiler's Electrostatic Precipitators, dust collection efficiency has significantly improved. Additionally, the installation	Negative *There was no negative financial impact for the reporting year 2023-24

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
			Furthermore, the continuous evolution of air-quality regulations introduces regulatory uncertainty for these mills.	of an extra Ambient Air Monitoring Station enhances monitoring capabilities, demonstrating the Company's commitment to environmental stewardship and regulatory compliance.	
3	Energy Management	Risk	The production of pulp and paper products requires significant energy input. Typically, energy is generated within facilities through the combustion of biomass and fossil fuels, although some facilities also rely on purchased electricity. Choices regarding whether to generate electricity on-site or procure it from the grid, as well as the utilization of biomass and renewable energy sources, can introduce trade-offs concerning the cost and reliability of energy supply for operations. Additionally, these decisions may impact the level of regulatory risk associated with Scope 1 emissions and other air pollutants.	To mitigate the risks associated with energy-intensive operations, Andhra Papers Limited can diversify its energy sources by investing in additional renewable sources like solar or wind power. This reduces reliance on any single method of electricity generation, increasing resilience to potential supply chain disruptions and regulatory risks. Additionally, continuous investment in energy efficiency measures within the cogeneration plant can optimize energy usage and minimize environmental impact.	Negative *There was no negative financial impact for the reporting year 2023-24

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4	Water Management	Risk	Pulp and paper manufacturing relies heavily on water for material processing, cooling, and energy production. This process generates substantial wastewater, necessitating treatment before discharge. Water scarcity can lead to higher costs, supply disruptions, or conflicts.	The Company has implemented a range of water conservation initiatives to address the high water usage inherent in pulp and paper manufacturing. These initiatives include reusing backwater and secondary condensate in paper machines, as well as using treated water for gardening. We also repurpose reject from the water treatment plant, upgrade paper machine showers, and reuse white water within machines. Furthermore, we have optimized cooling systems for RLK bearings and transitioned from fresh to hot water in showers. These efforts have led to a significant reduction in specific water consumption per ton of product, from 68 m3 to 53.5 m3, demonstrating our commitment to sustainable water management.	Negative *There was no negative financial impact for the reporting year 2023-24

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Supply Chain Management	Risk	<p>Pulp and paper product entities source wood and fiber from forestry management entities, paper recyclers, and self-managed forests. Risks in the supply chain include decreased forest productivity due to management or climate issues, sustainable forest management regulations, and reputational impacts. There's a rising demand for products with recycled content, offering a way to stand out in the market. Using recycled fiber can reduce the need for virgin fiber and is seen as environmentally beneficial.</p>	<p>To mitigate risks associated with sourcing wood and fiber for pulp and paper production, the Company has implemented a comprehensive farm forestry program. In FY 2023-24 alone, the program distributed 1,30,49,150 clones and 7,75,84,000 seedlings. This initiative aims to reduce reliance on external sources by fostering sustainable forestry practices and increasing the availability of raw materials from self-managed forests. Additionally, the Company actively monitors and adapts to changing climate conditions to mitigate productivity risks in forestlands.</p>	<p>Negative</p> <p>*There was no negative financial impact for the reporting year 2023-24</p>

Material issues identified are referred from the Sustainability Accounting Standards Board (SASB) 2023-24 version. SASB Standards are maintained and enhanced by the International Sustainability Standards Board (ISSB). This follows the SASB's merger with the International Integrated Reporting Council (IIRC) into the Value Reporting Foundation (VRF) and subsequent consolidation into the IFRS® Foundation in 2022.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

I. Details of the listed entity:

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	The Policies of Andhra Papers Limited are as follows:								

Sl. No.	Name of policy	Link to Policy	Which Principles each policies goes into
1	Code of Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons	https://andhraper.com/wp-content/uploads/2023/04/6_Code-of-Conduct-for-Regulating-Monitoring-and-Reporting-of-Trading-by-Designated-Persons.pdf	P1, P4, P7
2	Nomination & Remuneration Charter	https://andhraper.com/wp-content/uploads/2023/04/10_Nomination-and-Remuneration-Committee-Charter.pdf	P3, P4
4	Policy on Related Party Transactions	https://andhraper.com/wp-content/uploads/2023/04/Policy-on-related-party-transactions-1.pdf	P1, P4, P7
5	Policy on Material subsidiaries	https://andhraper.com/wp-content/themes/andhra_paper/uploads/investors/1645517984Policy%20on%20Material%20Subsidiaries.pdf	P1
6	Policy for disclosure of events or information to Stock Exchanges under SEBI Listing Regulations	https://andhraper.com/wp-content/uploads/2023/09/Policy-for-disclosure-of-events-or-information.pdf	P1, P4
7	CSR Policy	https://andhraper.com/wp-content/themes/andhra_paper/uploads/investors/1645517930CSR%20Policy.pdf	P4, P8
8	Code of Business Conduct and Ethics	https://andhraper.com/wp-content/themes/andhra_paper/uploads/investors/1599824151Code%20of%20Business%20Conduct%20and%20Ethics.pdf	P1
9	Whistle blower Policy	https://andhraper.com/wp-content/themes/andhra_paper/uploads/investors/1658382966Whistle%20Blower%20Policy%20modified%20on%2021.07.2022	P1
10	Prevention of Sexual Harassment (POSH)	https://andhraper.com/wp-content/themes/andhra_paper/uploads/investors/1598599964Protection%20of%20Women%20against%20sexual%20harassment%20Policy.pdf	P5
11	Policy on Supplier Code of Conduct	https://andhraper.com/wp-content/themes/andhra_paper/uploads/investors/1598599917Policy%20on%20Supplier%20Code%20of%20Conduct.pdf	P2, P3, P9
12	Sustainability	https://andhraper.com/wp-content/themes/andhra_paper/uploads/investors/1598600119Sustainability%20Policy.pdf	P2

Sl. No.	Name of policy	Link to Policy	Which Principles each policies goes into							
13	Quality, Environment, Health & Safety Policy (QEHS)	https://andhraper.com/wp-content/uploads/2024/02/QEHS-Policy-English-1.pdf	P2, P6							
14	Policy for preservation of documents under SEBI Listing Regulations	https://andhraper.com/wp-content/uploads/2023/04/5_Policy-for-Preservation-of-documents-under-SEBI-LODR-Regulations-2015.pdf	P1							
15	Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information	https://andhraper.com/wp-content/uploads/2023/04/7_Code-of-Practices-and-Procedures-for-Fair-Disclosure-of-UPSI.pdf	P1							
16	Controlled Wood Policy	https://andhraper.com/wp-content/themes/andhra_paper/uploads/investors/1598599886Controlled%20Wood%20Policy.pdf	P2, P6							
17	Investor Grievance Redressal Policy	https://andhraper.com/wp-content/uploads/2023/04/17_Investor-Grievance-Handling-Policy.pdf	P1							
18	Remuneration Policy	https://andhraper.com/wp-content/themes/andhra_paper/uploads/investors/1599824266Remuneration%20Policy.pdf	P3, P8							
19	Grievance Redressal at Workplace	Intranet	P3, P5							
20	Policy on Child and Forced Labour	Intranet	P5							
21	Gift Giving Policy	Intranet	P1, P4							
22	Gift Receiving Policy	Intranet	P1, P4							
23	Policy on Value & Ethics (Code of Conduct)	Intranet	P1							
24	Policy on Human Rights	Intranet	P5							
25	Policy on Prevention of discrimination in Employment and Occupation	Intranet	P1, P5, P8							
26	Freedom of Association	Intranet	P3, P7							
27	Information Security Policy and procedure	Intranet	P1, P2, P7							
2.	Whether the Company has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
4.	Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	<p>Andhra Paper production units have well-defined Environment, Health, and Safety (EHS), quality management and environment management systems in place that have been established in accordance with International Standards such as</p> <ul style="list-style-type: none"> - ISO 9001 (Quality Management System), - ISO 14001 (Environment Management System), - ISO 45001 (Occupational Health & Safety Management System), <p>FSC Controlled Wood Procurement Policy, BIS Standards. The certificates can be accessed in Company's website at https://andhraper.com/iso-cerificates/.</p>								

<p>5. Specific commitments, goals and targets set by the entity with defined timelines, if any.</p>	<p>Mill wide goals for the Financial year 2023-24</p> <p>Rajahmundry Mill:</p> <ol style="list-style-type: none"> To distribute for Planting 1,30,00,000 tree clonal saplings in 2023-24. To reduce Steam consumption by bringing it into the range of 7.3 - 7.8 (@7.55) T per ton of product. To cover an optimal area of 11,150 hectares for plantation of Subabul, Casuarina and Eucalyptus plantations to meet the projected hardwood demand. To Improve the overall chemical recovery efficiency to 97 % by maintaining same in the range of 96 - 98%. <p>Kadiyam Mill:</p> <ol style="list-style-type: none"> To reduce finishing losses from 6.8% to 6.58%. To reduce Water consumption from 23 m3 per ton of product to 21 m3 per ton of product. To reduce Steam consumption from 4.5 ton per ton of product to 4.34 ton per ton of product. To reduce Powers consumption from 933 KWH per ton of product to 917 KWH per ton of product
<p>6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.</p>	<p>Mill wide goals achieved for the Financial year 2023-24</p> <p>Rajahmundry Mill:</p> <ol style="list-style-type: none"> A Total of 1,30,49,150 clonal saplings were planted / distributed in 2023-24. Steam consumption reduced to 7.53 T per ton of product (varied between 6.85 to 7.76) against the target of 7.55 T per ton of product. A Total area of 11,150.30 hectares covered under planation of the Subabul, Casuarina and Eucalyptus plantations to meet the projected hardwood demand. Improved overall chemical recovery efficiency of 97% (ranging 96.15% to 97.88%) against the target of 97%. <p>Kadiyam Mill:</p> <ol style="list-style-type: none"> Overall Finishing losses reduced to 5.77%. Overall Water consumption reduced to 20.70 m3/ Ton of product. Overall Steam consumption reduced to 4.24 ton per ton of product. Overall Power consumption for the FY 2023-24 is 910 KWH per ton of product

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements

The Company's vision is to become the top performing and most respected paper company in India by integrating Environmental, Social and Governance (ESG) principles into its growth strategy which is central to improving the quality of life of the communities it serves. As an organisation, APL is committed to integrating ESG into the organisational culture. The environmental impacts cover Climate, Resources (Energy, Air & Water), Waste Management. The Company has committed to reduce its carbon emission and has established policy for Quality, Environment, Health and Safety.

The Company is committed to conducting fair business practices to the labour, human capital and to the community. It provides employees and business associates with working conditions that are clean, safe, healthy and fair. It strives to be neighbour of choice in the communities in which it operates and contributes to their equitable and inclusive development. To deliver these commitments, the Company has separate CSR Policy, Human Rights Policy, code of conduct, ethics policy. It is our constant endeavour to deliver products and services of the highest quality to our customers while ensuring minimal harm to the environment and society. Our robust business model, adoption of emerging technology and automation, brand strength, and customer-centric approach back our robust economic performance.

- Mr. Mukesh Jain, Executive Director

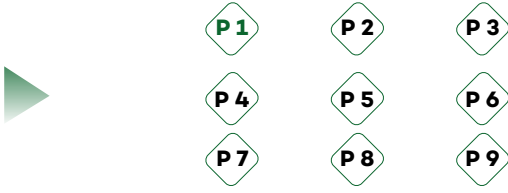
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Mukesh Jain Executive Director mukesh.jain@andhrapaper.com
9.	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, Mr. Mukesh Jain Executive Director mukesh.jain@andhrapaper.com DIN Number: 09380039 Ph: 0883-2471831

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was under taken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
Performance against above policies and follow up action	Yes, the Board of directors has reviewed the performance against all the above mentioned policies.									Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The compliance review has been carried out by The Board of directors and relevant committees.									Annually								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

Operationalisation and effectiveness of policies have been evaluated by Dhir & Dhir Associates, a Law Firm. Evaluation was conducted on effectiveness of the working of policies.



12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

Principle 1

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators:

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total Number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	4	During the year, the Board of Directors have invested time on various updates and presentations comprising matters relating to an array of issues pertaining to the business, operations, regulations, economy and environment, social and governance parameters, Risk Management, Market developments, new initiatives, community engagement, and so on.	100.00
Key Managerial Personnel	3	The Company periodically updates and familiarises the KMP's on topics like Prevention of Sexual Harassment, Compliance updates, Risk Management, Business operations.	100.00
Employees other than BoD and KMPs	5	The Company provides its employees and workers with awareness trainings and programmes on topics such as:	100.00
Workers	5	<ul style="list-style-type: none"> • Environment Related; • Behavioural & Managerial Related; • Technical Related; • System Related; • ISO Awareness Training; • Prevention of Sexual Harassment 	100.00

2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year (basis the materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website)**

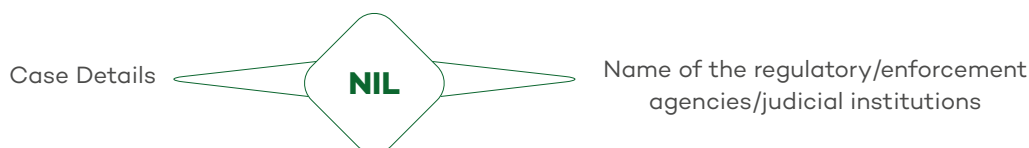
Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine					
Settlement					
Compounding fee					

The Company did not incur any fines or penalties throughout the year.

Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment					
Punishment					

The Company did not incur any fines or penalties throughout the year.

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**



4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes, the Company has adopted the 'Code of Conduct', to ensure ethics, transparency and accountability in all aspects of the business. All Directors and Senior Management personnel pledge compliance with Code on an annual basis. The Company's Supplier Code of Conduct addresses anti-corruption and anti-bribery issues.

In accordance with the stated Code of Conduct, the Company believes that it operates its business in a transparent manner and is not involved in bribery or corruption. Further, the Company's gifting policy restricts the giving and taking gifts, thereby placing control on anticorruption and anti-bribery. The Supplier Code of Conduct and policy on Giving Gifts for Andhra Paper is available on the Company's official website at <https://andhraper.com/investors-policies/>

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	FY 2023-24	FY 2022-23
Directors		
KMPs		
Employees	NIL	NIL
Workers		

6. Details of complaints with regard to conflict of interest:

	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of conflict of interest of the Directors	NIL	NA	NIL	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NA	NIL	NA

7. Provide details of any corrective action taken or underway on issues related to fines / penalties/ action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 2023-24	FY 2022-23
Number of days of accounts payables	40.38	38.19

9. Open-ness of Business

Provide details of concentration of purchases and sales with trading houses, dealers and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY24 (Current Financial Year)	FY23 (Previous Financial Year)
Concentration of Purchases	a. Purchases from Trading houses as % of total purchases	62.00	63.00
	b. Number of trading houses where purchases and made from	782	731
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	48.00	47.00
Concentration of Sales	a. Sales to dealers/distributors as % of total sales	89.66	86.66
	b. Number of dealers/distributors to whom sales are made	58	52
	c. Sales to top 10 dealers/ distributors as % of total sales to dealers/distributors	42.21	41.85
Share of RPTs in	a. Purchases (Purchases with related parties/Total Purchases)	0.46	0.00
	b. Sales (Sales to related parties/ Total Sales)	0.21	0.04
	c. Loans & advances (Loans & advances given to related parties/Total loans & advances)	0.00	0.00
	d. Investments (Investments in related parties/Total Investments made)	0.00	0.00

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topic/principles covered under the training	% age of value chain partners covered (by value of business done with such partners) that were assessed
2	Human Rights, Labour practices, Sustainability.	100% of Dealers /Distributors
2,624	Farm Forestry Best Practice, Agriculture Productivity, Plantation Management, Health & Safety	100% of Farmers
54	Health & Safety	100% of Contract workers

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No). If Yes, provide details of the same.



Yes, the Company has adopted a Code of Conduct specifically for the Directors of the Company and Members of Senior Management of the rank of Vice President and above (Covered Employee). The Code sets out that they should act in the best interests of the Company and avoid/abstain from situations, which gives to rise conflict of interest or potential conflict of interest.

Principle 2

Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators:

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively

Segment	2023-24	2022-23	Details of Improvements in environmental and social impacts
 R & D	100%	100.00%	The below mentioned environmental improvement and social impact projects were undertaken during FY 2023-24.
 Capex	100%	34.00%	

The said projects, enhance compliance with respect to water conservation, emission control, waste storage, fugitive dust control, waste water treatment improvement and employment & income generation to the stakeholders

Description	Project cost (In Lakhs)
ETP Tertiary Clarifier	0.36
RB4 ESP 1 & 2 Upgrade with Ducting	0.24
RB#4 ESP 1&2 Control Panel Readiness	1.21
RB4 ESP-3 ID FAN CASING REPLACEMENT	31.50
RB4 BOILER SCREWS REPLACEMENT	57.67
Dust extraction system at chipper house	46.17
ETP cooling tower revamping	16.51
ETP RCB water use in pulp mill D1 washer	25.00
ETP Jet aerators installation Phase 1	174.31
ESP3 Fields 1to4 renewal along with duct	1037.48

Description	Project cost (In Lakhs)
ETP – 2nd AAQMS replacement & H2S procurement for RLK-2 stack	49.36
Non-Condensable Gas (NCG) system	6.49
ETP – 2 No's OF AAQM Stations	86.11
ETP – VFD for ETP Cooling tower pump	6.86
ETP – Construction of shed for storage ETP Sludge	3.50

- Energy Savings initiatives by optimizing various process operations and switch on to LED Lighting, AC motors.
- During FY 2023-24, Jet Aerator technology was introduced in biological treatment process for more efficient to degradation of pollutants.
- Existing air pollution control equipment – ESPs in recovery Boiler, coal fired boilers were revamped and conditioned during FY 2023-24 to further control emission.
- Additionally, another two numbers of Continuous Ambient Air quality stations installed to check air quality in this region and to facilitate control actions.
- 19000 Tons per annum CO2 capture from existing lime kilns, thereby reducing the greenhouse gas to use it for DE carbonation to produce Precipitated Calcium Carbonate (PCC), which is in turn reused in paper making process. This reduces carbon dioxide emission to atmosphere from lime kiln vents / stacks and also eliminates procurement of Ground Calcium Carbonate from outside. 4.5 % of CO2 reduction due to utilization of CO2 in the PCC production. This is equivalent to planting trees in an area of 100 Ha in ten years.
- 50 KW saved by upgradation of ESP by stopping air ingress.
- 123 KW saved by installing a new energy efficient Vacuum PP.
- 35.3 KW saved by installing a new refiner.
- 55 KW saved by replacing the screw elements of the Air Compressors.
- 80 KW saving envisaged by replacing the DC Drives and motors with AC Drives and energy efficient AC Motors.
- 15 KW Saved by replacement of conventional lighting by Led Lighting.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

The Company has a policy called the “Controlled Wood Policy,” through which it refrains from procuring or sourcing wood from specific categories deemed illegal or unsustainable.

b. If yes, what percentage of inputs were sourced sustainably?

Overall, 100% of the Company’s inputs are sustainably sourced.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

The Company has established Standard Operating Procedures (SOPs) for the management of Hazardous & Non-Hazardous wastes, E-Waste, Batteries Waste, and Bio-Medical waste, ensuring consistent implementation and compliance across various sections.

(a) Plastics (including packaging): Andhra Paper Limited has registered with the Central Pollution Control Board (CPCB) for extended producer responsibility (EPR) under plastic waste rules (PWR) in 2016. Around 900 tones of plastic packages was collected from the market and recycled against EPR target of 900 Tones for the year 2023-24 for all locations of Andhra Paper. Certificates of recycling for this amount were issued by a third-party organization approved and registered by the CPCB under EPR.

(b) E-waste: APL is compliant with the authorization order of the State Pollution Control Board for E-waste disposal. The Company sends its E-waste to authorised dismantlers, recyclers and re-processors for proper disposal.

(c) **Hazardous waste:** Andhra Paper is authorized by the SPCB to reuse a part of their hazardous waste as a biofuel in their boilers, while the remaining hazardous waste is sent to external parties for recycling or disposal in accordance with the SPCB authorisation order.

(d) **Other waste:** The Company complies with the SPCB authorization order for non-hazardous waste disposal. A portion of the non-hazardous waste is sent to authorised external parties for beneficial usage, recycling or disposal, while another portion is reused internally in boilers as a biofuel in accordance with the SPCB authorisation.

Regular annual training sessions are organized for all employees involved in waste handling activities. Waste segregation, collection, storage, and disposal procedures strictly adhere to the conditions outlined in the Hazardous Waste Authorization issued by the State Pollution Control Board (SPCB). Additionally, the Company submits annual returns to the SPCB as required by regulations. All waste materials are securely stored in closed containers or under concrete platforms with sheds, minimizing any potential impact on the environment and human health. Furthermore, Transport Emergency Cards (TREM CARDS) are available for applicable waste materials, ensuring preparedness for transportation emergencies.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

The Company has registered with the Central Pollution Control Board (CPCB) for Extended Producer Responsibility (EPR) under the Plastic Waste Management Rules, 2016. In the fiscal year 2023-24, the defined targets for each category were achieved, with Category 1 reaching 114 tons, Category 2 reaching 446 tons, and Category 3 reaching 340 tons.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product/ Service	% of total Turnover Contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/ No) If yes, provide the web-link.
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The Company has not conducted Life Cycle Assessment during the Financial Year

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product/ Service	Description of the risk/ concern	Action Taken
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Not Applicable since the Company has not conducted Life Cycle Assessment during the Financial Year

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).





Unit - Rajahmundry

Indicate input material	Recycled or re-used input material to total material	
	FY 2023-24	FY 2022-23
Recycled Liq Salt used as % of Total Salt Cake (Sodium sulphate)	67.96	59.79
Recycled White Liquor Consumed as % Total white Liquor	97.00	96.80
RBC / Reclaimed Water / Se. Condensate use as % of Total	100.00	37.58
Knots reused as % of Total	0.25	0.16
Recycled Lime Consumed as % of Total Lime	89.64	93.06

Unit – Kadiam

Indicate input material	Recycled or re-used input material to total material	
	FY 2023-24	FY 2022-23
RBC / Reclaimed Water / Se. Condensate use as % of Total	38.50	33.20
Recycled Paper consumed to total raw material	40.43	43.84

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tones) reused, recycled, and safely disposed, as per the following format:

	FY 2024			FY 2023		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
 Plastics (including packaging)	900.00	900.00	0	0	337.50	337.45
 E-waste	0	23.00	0	0	21.88	0
 Hazardous waste	5,566.00	56,512.00	16.00	5,582.85	55,932.42	21.25
 Other waste	1,01,455.00	54,489.00	0	37,091.635	1,06,026.82	0

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable	

Principle 3

Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators:

1. a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	825	825	100.00	825	100.00	0	0.00	825	100.00	825	100.00
Female	16	16	100.00	16	100.00	16	100.00	0	0.00	16	100.00
Total*	841	841	100.00	841	100.00	16	100.00	825	100.00	841	100.00
Other than Permanent employees											
Male	0	0	0.00	0	0	0.00	0	0.00	0	0	0
Female	0	0	0.00	0	0	0.00	0	0.00	0	0	0
Total*	0	0	0.00	0	0	0.00	0	0.00	0	0	0

* Percentage of (D) – maternity benefit and paternity benefit is calculated as 100% as per FAQs on BRSR issued by NSE dt. May 10, 2024

b. Details of measures for the well-being of workers:

Category	Total (A)	% of workers covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	1,147	1147	100.00	1147	100.00	0	0	0	0	1147	100.00
Female	3	3	100.00	3	100.00	3	100.00	0	0	3	100.00
Total*	1,150	1150	100.00	1150	100.00	3	0.26%	0	0	1150	100.00
Other than Permanent workers											
Male	2,733	0	0.00	855	31.28	0	0.00	0	0.00	0	0.00
Female	111	0	0.00	48	43.24	111	100.00	0	0.00	0	0.00
Total*	2,844	0	0.00	903	31.75	111	3.90%	0	0.00	0	0.00

* Percentage of (D) – maternity benefit is calculated as 100% as per FAQs on BRSR issued by NSE dt. May 10, 2024

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

	FY 24 Current Financial Year	FY 23 Previous Financial Year
Cost incurred on well-being measures as a % of total revenue of the Company	0.12	0.12

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2024			FY 2023		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100.00	100.00	Y	100.00	100.00	Y
Gratuity	100.00	100.00	NA	100.00	100.00	NA
ESI	0.35	23.00	Y	2.00	19.00	Y

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard

The Company is committed to creating a more inclusive and accessible work environment for all its employees. The Company has installed Lifts and Portable ramps in the offices and has constructed special washrooms for the differently abled at the plants. The facilities and offices are designed to be accessible to differently abled employees, and management consistently strives to enhance infrastructure to remove accessibility barriers.





4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

The Company has enforced a thorough internal policy that forbids any form of discrimination related to disabilities. The Company offers reasonable accommodations to empower employees with disabilities to effectively fulfill their responsibilities. By advocating for respect and equal opportunities, it aims to foster a diverse and skilled workforce capable of contributing to its advancement and prosperity.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention Rate	Return to work rate	Retention Rate
Male	100.00	100.00	100.00	100.00
Female	100.00	100.00	100.00	100.00
Total	100.00	100.00	100.00	100.00

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
 Permanent workers	Yes, The Company's Grievance Redressal Policy is designed to facilitate employees in voicing their concerns freely, without apprehension of backlash. It endeavors to establish an equitable and efficient process for addressing individual grievances and fostering a conducive work environment conducive to productivity. Employees have the avenue to raise their concerns through the Grievance Redressal Committee, which thoroughly investigates all reported issues throughout the fiscal year and implements appropriate measures to resolve them.
 Other than permanent workers	
 Permanent employees	
 Other than permanent employees	

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 2023-24			FY 2022-23		
	Total employees / workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	841	0	0.00	768	0	0.00
Male	825	0	0.00	754	0	0.00
Female	16	0	0.00	14	0	0.00
Total Permanent Worker	1,150	1,150	100.00	1,242	1,102	88.73
Male	1,147	1,147	100.00	1,238	1,098	88.69
Female	3	3	100.00	4	4	100.00

8. Details of training given to employees and workers:

Category	FY 2023-24					FY 2022-23				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	825	588	71.27	645	78.18	754	422	55.97	232	30.77
Female	16	11	68.75	13	81.25	14	8	57.14	4	28.57
Total	841	599	71.22	658	78.24	768	430	55.99	236	30.73
Workers										
Male	3,880	1722	44.38	1789	46.11	4,431	644	14.53	511	11.53
Female	114	86	75.44	73	64.04	115	2	1.74	2	1.74
Total	3,994	1808	45.27	1862	46.62	4,546	646	14.21	513	11.28

9. Details of performance and career development reviews of employees and worker:

Category	FY 2023-24			FY 2022-23		
	No. (B)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	825	788	95.52	754	735	97.48
Female	16	14	87.50	14	14	100.00
Total	841	802	95.36	768	749	97.53
Workers*						
Male	3,880	0	0.00	4,431	261	5.89
Female	114	0	0.00	115	0	0.00
Total	3,994	0	0.00	4,546	261	5.74

*The Company has a Negotiated Long Term Wage Agreement with the workers which states the remuneration and the benefits the workers are entitled to during the term. Therefore, a formal performance appraisal is not being done for workers.

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes, the Company's dedication to safeguarding the safety and welfare of its employees is demonstrated through its adherence to ISO 45001:2018 standards. Additionally, the implementation of the LIFE (Life Changing Injury and Fatality Elimination) project – a Flagship Program for Health and Safety by the Company, underscores this commitment, featuring regular quarterly evaluations to assess its efficacy. This endeavour is geared towards bolstering the Company's safety standards and fostering a secure workplace environment for its staff. Furthermore, the Company employs the APL Safety Leading Indicator, a pivotal metric for gauging its safety performance. This indicator is tailored to track leading safety performance factors, offering valuable insights into areas necessitating enhancement. The Company leverages this metric to monitor its Health and Safety performance and make requisite adjustments

to its practices, further fortifying the safety of its employees.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company employs a range of procedures, audits, and initiatives to safeguard the safety and well-being of its employees. These include the Hazard Recognition and Risk Assessment program as part of its Integrated Management System. Additionally, the Company conducts an annual Safety Audit Program in line with IS 14489 standards, as well as a Hazard Identification and Risk Assessment (HIRA) and Job Safety Analysis Program. Furthermore, the Company carries out a Mill Wide Cross Functional Audit Program and conducts both internal and external health and safety audits.

The Company also organizes campaign programs such as National Safety Week, Electrical Safety Week, Fire Services Week, 5S Week, and APL Safety Month (LIFE month). Employees undergo training in hazard recognition and control strategies through the Competence Development program. Moreover,

the Company implements industrial best practices and programs like Personal Lock Out and Tag Out (LOTO), Group LOTO, permit-to-work systems, and Safe Work Observations to ensure employee safety.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes, the Company has instituted numerous initiatives aimed at bolstering workplace safety. These include a Near Miss Reporting Programme, which encourages employees to report incidents that narrowly avoided accidents. The Company also employs an "Unsafe Act/Unsafe Condition" Identification Process, a SAP-based Safety Notification Process, and a Safe Work Observation Programme. These endeavors are geared towards identifying potential hazards and

proactively preventing accidents, underscoring the Company's dedication to prioritizing the safety and welfare of its employees.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, the Company is committed to fostering the health and welfare of its employees and workforce. Recognizing the significance of access to non-occupational medical and healthcare services in sustaining a healthy workforce, the Company provides free health checkups for its employees regularly. Administered by qualified medical professionals, these checkups aim to detect and prevent potential health issues. Additionally, the Company extends medical facilities and first-aid services to both employees and workers as part of this commitment.

11. Details of safety related incidents, in the following format:



Safety Incident/Number	Category	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.56	0.80
	Workers	38.4	205.3
Total recordable work-related injuries	Employees	2	6
	Workers	7	5
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	1	2
	Workers	4	2

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

The Company has made significant strides in improving its safety performance over time, underscoring its commitment to ensuring a secure work environment. The Company's flagship safety initiative, LIFE (Life Changing Injury and Fatality Elimination), follows a PDCA approach and encompasses 15 core safety standards, subject to regular review and updating as part of an annual sustainability program. Additionally, the Company conducts routine HAZOP (Hazard Operability) studies on critical chemical processes to verify the effectiveness of control measures against identified hazards. Furthermore, the Company maintains a rigorous internal plant safety inspection regimen to ensure the proper functioning of established systems.

All employees and contractors undergo mandatory training, including basic hazard recognition and control strategies, annual safety refresher courses, and safety training as per the training calendar for all designated target employees. Alongside the LIFE program, the Company remains committed to initiatives focusing on near-miss identification and reporting, basic hazard recognition skills, control strategy programs, and the implementation of a permit-to-work system. With these proactive measures in place, the Company is well-positioned to sustain a safe and healthy work environment for its employees and contractors.

13. Number of Complaints on the following made by employees and workers:

Category	FY 2024			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
 Working Conditions	No complaints received by Safety department during the year.			No complaints received by Safety department during the year.		
 Health & Safety						

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health & Safety	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

The Company employs a systematic approach to managing safety-related incidents and mitigating significant risks associated with health, safety practices, and working conditions. The following measures are implemented:

Incident Investigation Process:

- Thorough incident investigations are conducted for all injuries and potential near misses as part of the LIFE program.
- Contributing factors and root causes are identified for each incident.

Corrective Actions:

- Tailored corrective actions are developed for each identified root cause of the incident.
- Compliance with corrective action plans is monitored and tracked to ensure effective implementation.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes, the Company offers compensation packages in case of death according to the long-term Agreement with workmen, ensuring coverage for workers. Furthermore, this benefit is also extended to employees, such as Group Personal Accident & Group Term Linked Insurance displaying the Company's dedication to providing support and care to its workforce.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company guarantees that all required statutory payments for its employees are promptly and completely deposited, employing regular audits and controls. The Company utilizes various systems to ensure adherence to legal obligations. Additionally, agreements with service providers outline specific statutory compliance requirements. As an extra precaution, internal controls, internal audit checklists, and scheduled internal audits are conducted to maintain balance and ensure compliance according to defined frequencies.

3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Category	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024	FY 2023	FY 2024	FY 2023
Employees	0	0	0	0
Workers	0	0	0	0

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Yes, the Company provides transition assistance programs to facilitate continued employability and career endings resulting from retirement or termination of employment.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100%, Upon entering into agreements/contracts, value chain partners are required to sign the Supplier Code of Conduct. Through which they affirm and guarantee their adherence to conducting business with honesty and integrity, treating all individuals with dignity and respect, ensuring health and safety standards, providing optimal working conditions, supporting communities, and complying with all the laws and regulations of the countries in which they operate.
Working Conditions	

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

During the year, there are no significant risk / concerns arising from assessments of the value chain partners

Principle 4**Businesses should respect the interests of and be responsive to all its stakeholders****Essential Indicators:****1. Describe the processes for identifying key stakeholder groups of the entity.**

The Company's network of stakeholders encompasses individuals and groups that exert influence on its operations. Stakeholders are identified according to the scope of activities and organizational requirements. Through stakeholder meetings, workshops, and similar events, we enhance dialogue and comprehension of significant societal, environmental, and regulatory concerns. This interaction fosters team skill development, encourages collaborative efforts, and cultivates trust and mutual respect. The engagement strategy acknowledges the distinctiveness of each stakeholder group and their specific priorities. Feedback and insights obtained from these engagements validate the Company's performance and contribute to evolving perspectives on challenges and opportunities.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community, Meetings, Notice Board, Website, Other)	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Farmers	Yes	Community meetings, others	Frequently	The Company engages with farmers, who form a part of the value chain directly or indirectly for training/awareness on good agricultural practices, helping them grow safe, high-quality raw materials, and develop resilient, sustainable farms.
Distributors & traders, suppliers supply chain Partners Aggregators	No	Emails, SMS, Community Meetings, website, others	As and when required	The Company engages and receives cooperation and unstinted support from the distributors, retailers, stockist, suppliers and others associated with the Company.
Shareholders	No	Emails/Websites	Quarterly	Informing the shareholders about the performance indicators of the Company and update them on Company's strategies
Employees	No	Notices/Meetings	Continuous	Appraisals and feedback, career management, building a safety culture and inculcating safe work practices, on-the-job training

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community, Meetings, Notice Board, Website, Other)	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Local Communities	No	Through interactions, meetings	Before and after undertaking CSR initiatives	Understand areas which need support, implementation of CSR initiatives
Government Bodies & Regulators	No	Meetings	As and when required	Understand areas which need support, implementation of CSR programmes and also for compliance and adherence to laws and for new project initiatives
Industry Bodies	No	Conference, Seminars, Meetings	As and when required	For discussion on issues concerning paper industry

Leadership Indicators

- 1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

While drafting policy documents, the Company meticulously assesses the rights and responsibilities of all stakeholders, adhering to industry-leading standards. Committed to corporate governance, the Company has enacted robust policies aimed at harmonizing stakeholder interests with its commercial prosperity. Pertinent details regarding key stakeholders are routinely communicated to the Company's Board of Directors. Through its committee reviews, the Board of Directors oversees and guides the Company's social responsibility commitments and other practices related to societal and sustainability endeavors.

- 2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

The Company actively seeks feedback and recommendations from a diverse range of stakeholders. By engaging with these stakeholders, the Company can identify important issues and draw upon these insights to develop additional

strategies, implement necessary policies, and set objectives and goals with a monitoring framework.

- 3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

The Company recognizes the needs of vulnerable and marginalized stakeholders and endeavors to address them through extensive CSR initiatives. Responding to requests from nearby communities, the Company has installed RO water plants and provided treated drinking water to neighboring villages free of charge, fulfilling the domestic water requirements of the residents. Furthermore, in collaboration with government schools, the Company has constructed toilets and supplied new equipment at zero cost to facilitate the operation of smart classrooms.

Moreover, the Company has donated furniture, RO water plants to Gram Panchayat Schools, and essential medical equipment to government hospitals and primary health centers as per their requests. Additionally, the Company has undertaken the construction of water storage sumps and pipelines, benefiting over 5,000 families. Furthermore, a skill development center has been established in a nearby village to enhance the employability of local youth by providing job-related training. Similarly, skill-training centers have been established in nearby villages to empower women through cluster tailoring centers and spoken English courses.

Principle 5

Businesses should respect and promote human rights

Essential Indicator:

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	841	391	46.49	768	233	30.34
Other than permanent	0	0	0.00	0	0	0.00
Total Employees	841	391	46.49	768	233	30.34
Workers*						
Permanent	1,150	523	45.48	1,242	642	51.69
Other than permanent	2,844	1287	45.25	3,304	1361	41.19
Total Workers	3,994	1810	45.32	4,546	2,003	44.06

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023-24					FY 2022-23				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent	841	0	0.00	841	100.00	768	0	0.00	768	100.00
Male	825	0	0.00	825	100.00	754	0	0.00	754	100.00
Female	16	0	0.00	16	100.00	14	0	0.00	14	100.00
Other than Permanent	0	0	0.00	0	0.00	0	0	0.00	0	0.00
Male	0	0	0.00	0	0.00	0	0	0.00	0	0.00
Female	0	0	0.00	0	0.00	0	0	0.00	0	0.00
Workers										
Permanent	1,150	0	0.00	1150	100.00	1,242	476	38.24	767	61.76
Male	1,147	0	0.00	1147	100.00	1,238	475	38.37	763	61.63
Female	3	0	0.00	3	100.00	4	0	0.00	4	100.00
Other than Permanent	2,844	0	0.00	2844	100.00	3,304	1,481	44.82	1,019	30.84
Male	2,733	0	0.00	2,733	100.00	3,193	1,459	45.69	972	30.44
Female	111	0	0.00	111	100.00	111	22	19.82	47	42.34

3. Details of remuneration/salary/wages, in the following format:

a. Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/ Salary/ Wages of respective category (INR in lakhs per Year)	Number	Median remuneration/ Salary/ Wages of respective category (INR in lakhs per Year)
Board of Directors (BoD)*	3	117.89	0	N.A
Board of Directors (BoD)**	6	3.00	1	2.00
Key Managerial Personnel [§]	5	117.89	0	N.A
Employees other than BoD and KMP	822	6.71	16	6.30
Workers	1147	5.23	3	5.32

*These Board of Directors consists of executive directors

**These Board of Directors consist of non-executive and independent directors

§KMP includes MD, JMD and executive director. Further MD and CFO do not draw any remuneration

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 24 Current Financial Year	FY 23 Previous Financial Year
Gross wages paid to females as % of total wages	0.84	0.74

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, the Company has established several policies and protocols to ensure a just and equitable workplace environment. These encompass the presence of a committee dedicated to addressing workplace conditions and a structured grievance resolution process. Furthermore, the Company has articulated policies concerning freedom of association and collective bargaining, grievance redressal, non-discrimination, women's protection, and the prevention of child and forced labour.

Moreover, the Company extends statutory benefits and leaves, alongside wage agreements that encompass various facets of human rights, such as ensuring safe and hygienic working conditions, protection against unjust terms, adherence to minimum wage laws, equitable pay for comparable work, and regulation of working hours. Employees are also empowered with the right to voice grievances or strike against unjust working conditions and are shielded from instances of sexual harassment.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues

The Company has adopted a Human Rights Policy to uphold and safeguard human rights, complemented by a range of other equitable and transparent policies across different domains including recruitment, compensation, gender equality, and performance management. The Company has also established a POSH committee to handle gender-related grievances, alongside a grievance redressal policy and a dedicated committee to address workplace issues. These policies collectively ensure equitable treatment for all employees and foster a safe and healthy work environment, devoid of discrimination or harassment.

6. Number of Complaints on the following made by employees and workers:

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment Discrimination at workplace Child Labour Forced Labour/ Involuntary Labour Wages Other Human rights related issues		NIL			NIL	

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY24 Current Financial Year	FY23 Previous Financial Year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	NIL	Nil
Complaints on POSH as a % of female employees / workers	0.00	0.00
Complaints on POSH upheld	NA	NA

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases

The Company has formed a Grievance Redressal Committee led by senior management. If an employee finds it difficult to address a grievance with their immediate supervisor or department head, they can approach the HR Department or IR Department, depending on the nature of the issue. The Grievance Redressal Committee comprises the Executive Director, Head of Operations, Head of Human Resources, Head of IR, and Head of Legal & Compliance. Employees also have the option to submit their grievances via email to grievance@andhrpaper.com, which is overseen directly by the Executive Director.

9. Do human rights requirements form part of your business agreements and contracts?

Yes, the Company incorporates appropriate provisions within the contracts established with both suppliers and buyers of its products and services prior to engaging in business transactions with them.

10. Assessments for the year:

	% of the Company's plants and offices that were assessed (by the Company or statutory authorities or third parties)
Child Labour	100%
Forced/involuntary labour	During the reporting year, the Company conducted internal evaluations through its HR and IR departments, in addition to compliance reviews by the Internal Auditor/ISO Auditor.
Sexual Harassment	
Discrimination at workplace	
Wages	

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

Not Applicable

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints

During the reporting year, the Company did not receive any human rights grievances/complaints, which suggests that the Company's business operations and workplace procedures are structured to uphold human rights standards

2. Details of the scope and coverage of any Human rights due-diligence conducted.

The Company does not undergo any specific due diligence conducted by specialized agencies. Nonetheless, regulatory authorities monitor all of its business activities and licenses, ensuring compliance with relevant laws set forth by local, state, central, and other statutory bodies or agencies, which encompass various human rights aspects. Additionally, the Internal Auditor/ISO Auditor conducts annual reviews to assess the Company's compliance.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

In its commitment to creating an improved and more inclusive work environment for all its employees, The Company's establishments and offices are designed to be accessible to employees with disabilities. Additionally, management consistently endeavors to enhance infrastructure to remove barriers to accessibility.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	100% (Workers/Farmers in Farm Forestry Programme) 100 %
Discrimination at workplace	(Contract workers)
Child Labour	The Company is currently in the process of conducting similar assessments for other value chain partners, despite these partners providing such declarations in contractual agreements and through the Suppliers' Code of Conduct.
Forced Labour / Involuntary Labour	
Wages	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

NIL

Principle 6

Businesses should respect and make efforts to protect and restore the environment

Essential Indicators:

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2023-24 (In Gigajoules)	FY 2022-23 (In Gigajoules)
From renewable sources		
Total electricity consumption (A)	0.00	0.00
Total fuel consumption (B)	0.00	0.00
Energy consumption through other sources (C)	0.00	0.00
Total Energy consumption from renewable sources (A+B+C)	0.00	0.00

Parameter	FY 2023-24 (In Gigajoules)	FY 2022-23 (In Gigajoules)
From non-renewable sources		
Total electricity consumption (D)	10,25,570.31	10,95,948.55
Total fuel consumption (E)*	78,66,164.96	84,69,084.03
Energy consumption through other sources (F)	0.00	0.00
Total Energy consumption from non-renewable sources (D+E+F)	88,91,735.27	95,65,032.58
Total energy consumed (A+B+C+D+E+F)	88,91,735.27	95,65,032.58
Energy intensity per rupee of turnover (Total energy consumption/ Revenue from Operations) – GJ/Rs	0.000494	0.000456
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP) – GJ/Rs	0.0111	0.0101
Energy intensity in terms of physical output – GJ/MT	37.7170	38.2155
Energy intensity (optional) – the relevant metric may be selected by the entity	0.00	0.00

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

There hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any

Yes, the Company falls under the purview of the Perform, Achieve, and Trade (PAT) program, which aims to enhance energy efficiency in industries. Andhra Paper Ltd. successfully achieved the targets set for Cycle 1 of this program, demonstrating its dedication to conserving and efficiently using energy. However, the Company faced challenges in meeting the targets for Cycle 2. To ensure compliance with the program and meet its requirements, the Company has taken proactive steps and obtained the necessary certifications. This reaffirms the Company's commitment to sustainability and its efforts to improve energy efficiency in alignment with the PAT program's goals.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2024	FY 2023
Water withdrawal by source (in kilolitres)		
(i) Surface water	1,29,74,868.68	1,42,81,553.53
(ii) Groundwater	2,60,603.00	3,03,681.00
(iii) Third party water	0.00	0.00
(iv) Seawater / desalinated water	0.00	0.00
(v) Others	0.00	0.00
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	1,32,35,471.68	1,45,85,234.53
Total volume of water consumption (in kilolitres)	29,42,393.68	33,67,782.53
Water intensity per rupee of turnover (Water consumed / Revenue from operations) – KL/Rs	0.00016	0.00016
Water Intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP) – KL/Rs	0.00366	0.00356
Water intensity in terms of physical output – KL/MT	12.48104	14.28546

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

There hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

4. Provide the following details related to water discharged

Parameter	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	96,85,172.00	1,06,64,096.00
- No treatment	0.00	0.00
- With treatment	96,85,172.00	1,06,64,096.00
(ii) To Groundwater	0.00	0.00
- No treatment	0.00	0.00
- With treatment	0.00	0.00
(iii) To Seawater	0.00	0.00
- No treatment	0.00	0.00
- With treatment	0.00	0.00
(iv) Sent to third-parties	0.00	0.00
- No treatment	0.00	0.00
- With treatment	0.00	0.00
(v) Others	6,07,906.00	5,53,356.00
Kadiyam – Water is used for irrigation by farmers		
Rajahmundry - Town Ship Sewage after treatment to public sewer		
- No treatment	0.00	0.00
- With treatment	6,07,906.00	5,53,356.00
Total water discharged (in kilolitres)	1,02,93,078.00	1,12,17,452.00

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, the Company conducts self-driven daily monitoring using fixed flow meters and engages a third-party expert annually to study its "Comprehensive Water Management Plan and Groundwater Quality Monitoring Plan." The most recent study was completed in March 2024.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

The Company has not implemented a Zero Liquid Discharge (ZLD) mechanism as it is not a viable option according to the Central Pulp & Paper Research Institute (CPPRI) assessment study. APL Effluent undergoes primary, secondary and tertiary treatment processes. The resulting treated water is released to Turupulanka Island sand shoals, following SPCB consent regulations and meeting prescribed standards. Some of the treated water is utilized in-house for gardening and floor cleaning purposes.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2023-24	FY 2022-23
NOx		-	-
SOx		-	-
Particulate matter (PM)#	Kg	1,34,959.42	1,46,400.46
Persistent organic pollutants (POP)		0.00	0.00
Volatile organic compounds (VOC)		0.00	0.00
Hazardous air pollutants (HAP)		0.00	0.00
Others – H2S	Kg	1,839.00	2,056.90

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, the Company has implemented self-driven online real-time monitoring systems and conducts sampling and testing once a month through third-party NABL and MOEFCC approved laboratories.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 1 emissions* (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tones of CO ₂ equivalent	7,34,040.08	7,90,235.69
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tones of CO ₂ equivalent	2,46,588.42	2,33,602.13
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tones of CO ₂ equivalent/ Rupees	0.000054	0.000049
Total Scope 1 and Scope 2 emissions per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Metric tones of CO ₂ equivalent/ Rupees	0.001220	0.001082
Total Scope 1 and Scope 2 emissions intensity in terms of physical output	Metric tones of CO ₂ equivalent/ MT	1.045979	0.990893
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	Nil	0.00	0.00

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, the Company conducts self-driven monitoring, calculation, and tracking without external party assessment.

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

The Company has aimed at reducing its Green House Gas emission with the following projects:

1. Various biofuels such as black liquor, ETP sludge, wood bark, chip dust and knots are utilized in coal-fired boilers to partially substitute fossil fuels.
2. Our Recovery Boiler exclusively operates on 100% biofuel, specifically black liquor derived from the pulp mill process.
3. The Cogeneration power plant generates 65-68% of its power needs from the Recovery Boiler itself.
4. The CO₂ emissions of 19,000 TPA from the stack of the Rotary Lime Kiln are repurposed to produce Precipitated Calcium Carbonate (PCC), a crucial filler in the papermaking process.
5. The Company has implemented a significant farm forestry program where, in FY 2023-24 - 13,049,150 clones and 775,84,000 seedlings were distributed.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24	FY 2022-23
Total Waste generated (in metric tonnes)		
Plastic waste (A)	5,593.25	3,331.45
E-waste (B)	13.18	21.88
Bio-medical waste (C)	0.06	0.12
Construction and demolition waste (D)	99.00	1,001.60
Battery waste (E)	0.00	10.70
Radioactive waste (F)	0.00	0.00
Other Hazardous waste. (G)	62,134.69	61,528.99
ETP Sludge	56,289.57	55,637.69
Used Lubricating oil	1.40	21.65
Empty Barrels	184.71	149.08
Cleaning of tanks	30.39	318.80
Oil Sludge	0.00	5.43

Parameter	FY 2023-24	FY 2022-23
Spent Ion Exchange Resin	1.30	3.30
Discarded Asbestos	9.88	19.26
Oil Contaminated Cotton	6.69	5.05
Waste Lime Cake	5,583.74	5,366.74
Discarded activated Alumina	21.29	0.00
Discarded Glass Wool	5.72	1.96
Discarded PPE	0.00	0.03
Other Non-hazardous waste generated (H).	1,51,148.51	1,53,774.65
Waste Lime Sludge + Slaker Stone	14,072.19	11,862.78
PVC/HDPE & Polythene Scrap	95.16	47.63
Chip dust	17,180.79	20,488.09
Wood Bark	18,114.62	15,551.28
Waste wood & logs	70.00	37.00
Knots from pulp mill	679.00	730.00
ESP Ash	2,453.50	1,699.36
Coal ash	97,392.89	1,02,148.93
Paper Cuttings waste kraft	420.05	285.27
Metal Waste (Ferrous & non Ferrous)	612.50	869.97
Discarded Machine clothing	25.42	5.15
Discarded Packing Wooden	26.88	18.07
Scrap Electrical & electronic	0.00	23.93
Waste Oil	5.51	7.19
Total (A+B + C + D + E + F + G + H)	2,18,988.68	2,19,669.38
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations) - MT/Rs	0.000012	0.000010
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP) - MT/Rs.	0.000272	0.000232
Waste intensity in terms of physical output - MT	0.928906	0.931793
Waste intensity (optional) - the relevant metric may be selected by the entity	0.00	0.00
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tones)		
Category of waste – All Waste		
(i) Recycled	1,576.35	1,311.20
(ii) Re-used	1,32,897.88	1,33,621.60
(iii) Other recovery operations	0.00	0.00
Total	1,34,474.23	1,34,932.80
For each category of waste generated, total waste disposed by nature of disposal method (in metric tones)		
Category of waste – All Waste		
(i) Incineration	0.00	0.00
(ii) Landfilling	15.60	8.81
(iii) Other disposal operations – Sent to third Party for Disposal	84,423.34	84,683.58
Total	84,438.94	84,692.39

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, the Company has established a self-assessment, monitoring, and tracking system. Hazardous wastes are managed according to regulations through a transport manifest system.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes

The Company has established Standard Operating Procedures (SOPs) for the management of Hazardous & Non-Hazardous wastes, E-Waste, Batteries Waste and Bio-Medical Waste, ensuring consistent implementation and compliance across various sections. Regular annual training sessions are organized for all employees involved in waste-handling activities. Waste segregation, collection, storage, and disposal procedures strictly adhere to the conditions outlined in the Hazardous Waste Authorization issued by the State Pollution Control Board (SPCB). Additionally, the Company submits annual returns to the SPCB as required by regulations. All waste materials are securely stored in closed containers or under concrete platforms with sheds, minimizing any potential impact on the environment and human health. Furthermore, Transport Emergency Cards (TREM CARDS) are available for applicable waste materials, ensuring preparedness for transportation emergencies.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Sl. No.	Location of operations/offices	Types of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not Applicable			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Serial Number	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective taken, if any action
Yes, the Company adheres to all relevant environmental laws and regulations.				

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area – N.A
- (ii) Nature of operations – N.A

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	-	-
Total volume of water consumption (in kilolitres)	-	-
Water intensity per rupee of turnover (Water consumed / Revenue from operations) - KL/Rs	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	-	-
- No treatment	-	-
- With treatment	-	-
(ii) Into Groundwater	-	-
- No treatment	-	-
- With treatment	-	-
(iii) Into Seawater	-	-
- No treatment	-	-
- With treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment	-	-
(v) Others - Town Ship Sewage after treatment to public sewer	-	-
- No treatment	-	-
- With treatment	-	-
Total water discharged (in kilolitres)	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

There hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tones of CO ₂ equivalent	251004.52	246285.78
Total Scope 3 emissions per rupee of turnover	Metric tones of CO ₂ Equivalent/ Rupees	0.000014	0.000012
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

*Scope 3 emissions are based on average emission factor for waste data in question 9 of essential indicators of this principle.

There hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sl. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Water & Effluent consumption reduction projects	The water conservation initiatives at our paper facility encompass several key strategies. These include the reuse of backwater in paper machines, secondary condensate from evaporators, and treated water for gardening purposes. Furthermore, we've implemented the reuse of backwater in our wet lab, repurposing the reject from the water treatment plant, and upgrading paper machine showers. White water reuse within paper machines, hot water reuse in CD filters, and enhancements to our paper machine disc filter are also integral parts of our water management efforts. Additionally, we've optimized the cooling systems for RLK (Rotary Lime Kiln) bearings 1 & 2, implemented vacuum sealing and barometric legs water recycling, and transitioned from fresh water to hot water in three HP showers on the RJ.5 machine.	As a result of our comprehensive water conservation efforts, we have achieved a significant reduction in specific water consumption per ton of product. From FY 2014-15 to FY 2023-24, we have successfully lowered our water usage from 68 m3 to 53.5 m3 per ton of product.
2	Improvement of effluent Treatment Plant	We have undertaken crucial upgrades to enhance the efficiency of our wastewater treatment system. This includes the installation of 8 JET Aerators in the aeration tank, which replace the existing diffusers, and these aerators have been successfully commissioned. Additionally, we have initiated a comprehensive renovation and rebuild of our ETP cooling tower, further strengthening our commitment to sustainable environmental practices.	As a direct result of these upgrades, we have achieved notable improvements in our wastewater treatment process. The installation of JET Aerators has significantly increased oxygen transfer efficiency, leading to enhanced quality of the final treated effluent, aligning with our sustainable objectives. Moreover, the renovation and rebuild of the ETP cooling tower have successfully lowered effluent temperature, further improving the overall quality of our treated effluent in line with sustainable practices.
3	Air emission control	The Company has recently completed significant upgrades to its infrastructure, particularly focusing on the renovation of the Recovery Boiler ESP expanding the number of fields from 1 to 4, enhancing its efficiency and performance. Additionally, 90 electrode plates for the 2nd and 3rd fields of the coal-fired boiler's Electrostatic Precipitators (ESP) were replaced. Furthermore, to bolster environmental monitoring efforts, an additional Ambient Air Monitoring Station has been installed, marking the establishment of the 3rd station, strategically located at the Sewage Treatment Plant site.	These enhancements have notably increased dust collection efficiency from flue gas stacks, thereby advancing towards a more sustainable operational model. Additionally, with the installation of an additional Ambient Air Monitoring Station, The Company now has enhanced capabilities to monitor and control ambient air quality, further underscoring its commitment to environmental stewardship and ensuring compliance with regulatory standards.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

The Company has established a thorough Emergency Response and Disaster Management Plan, including an Incident Reporting System (IRS) and an Evacuation Standard Operating Procedure. These measures are in place to effectively handle any potential disasters or emergencies. The Company regularly conducts onsite and offsite mock drills to educate employees and prepare them for quick action in case of an accident or emergency. Moreover, a team of safety professionals is available 24/7 to manage incidents and handle any disasters that may impact the production facilities at the Rajahmundry and Kadiyam plants.

To maintain uninterrupted business operations, the Company has implemented various systems and mechanisms. These include digital initiatives, a well-structured plan for cloud data backup, a comprehensive risk management strategy, and a reliable supply chain network. The supply chain network is designed to source core and non-core operations from trusted suppliers, ensuring smooth operations and minimizing potential disruptions.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

The Company has established a Controlled Wood Policy, Sustainable Policy, and Supplier Code of Conduct, all of which emphasize a strong commitment to fair treatment, human rights, good labour practices, environmental conservation, health, and safety. These policies are communicated to and acknowledged by all partners and service providers in the supply chain.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Wood suppliers, 100% of them, are covered under FSC audits, as mentioned earlier. Suppliers for other materials have not been formally assessed by the Company for environmental impacts.

Principle 7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators:

1. a) Number of affiliations with trade and industry chambers/ associations.

The Company is a part of 6 industry Chambers/Associations

b) List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Sl. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation of Indian Industry	National
2	The Federation of Telangana Chambers of Commerce and Industry	State
3	The Federation of Andhra Pradesh Chambers of Commerce and Industry	State
4	Indian Paper Manufacturers Association	National
5	Federation of Indian Export Organizations	National
6	Bharat Chamber of Commerce	National

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities

Name of the authority	Brief of the case	Corrective active taken
Competition Commission of India	Allegation, levelled against large paper manufacturers in India (including the Company) of simultaneous price increases during the period January 2012 - December 2013, is currently under evaluation by the Competition Commission of India	

Leadership Indicators

1. Details of public policy positions advocated by the entity:

Sl. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, If available
1.	The Company has laid down a policy framework for necessary interface with Government & Regulatory Authorities on various matters concerning the business sector in which the Company operates. The matters taken up are in line with national priorities to strengthen the domestic industry, promoting sustainable business practices.	The Company works with local & national institutions engaged in policy recommendations, like the Confederation of Indian Industry, Bharat Chamber of Commerce, Indian Paper Manufacturers Association & other forums. The engagement with the relevant authorities is guided by values of commitment, Mutual trust, integrity, transparency taking into consideration interests of all stakeholders.	No	Review by Top Management	N/A

Principle 8

Businesses should promote inclusive growth and equitable development

Essential Indicators:

- Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and Brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web Link
Not Applicable					

- Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

Sl. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (in INR)
Not Applicable						

- Describe the mechanisms to receive and redress grievances of the community.**

The Company displays its dedication to an efficient mechanism for addressing community grievances through its firmly established CSR initiatives. The CSR team actively engages with nearby villagers and government authorities to gather feedback on the efficacy of the Company's ESG initiatives and identify areas where support is needed. These inputs are formalized into the Company's CSR programs, which undergo review and approval by the CSR Committee/Directors.

- Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	51%	31%
Sourced directly from within India	93%	

- Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Location	FY 2023-24	FY 2022-23
Rural	0.00	0.00
Semi-Urban	22.08	21.64
Urban	73.97	74.33
Metropolitan	3.95	4.02

Leadership Indicators

- Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Sl. No.	State	Aspirational District	Amount spent (In INR)
Not Applicable			

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

No, The Company does not currently have a preferential procurement policy currently

(b) From which marginalized /vulnerable groups do you procure?

Not Applicable

(c) What percentage of total procurement (by value) does it constitute?

Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by the Company (in the current financial year), based on traditional knowledge:

Sl. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/ No)	Benefit shared (Yes/No)	Basis of calculating benefit share
Not Applicable				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the case	Corrective Action taken
Not Applicable		

6. Details of beneficiaries of CSR Projects:

Sl. No.	CSR Project	No. of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalized groups
1	Equipment support to ESI Hospital, Rajahmundry	5,000	100
2	Infrastructure & Equipment support to Primary Health Centre, Kadiyam	3,000	100
3	Maintenance of RO Plants installed by the Company, Rajahmundry & Kadiyam	5,000	100
4	Construction of Kitchen in Old Age Home, Rajahmundry (Jeevakarunya)	200	100
5	Construction of Goshala & related expenditure, Kadiyam	3,000	100
6	Infrastructure & equipment support to Gov. Schools, Rajahmundry & Kadiyam	1,000	100
7	Infrastructure & equipment support to APPM High School, Rajahmundry	1,000	100
8	Merit Scholarships to Grade X students	120/year	70
9	Infrastructure support to Working Women's Hostel, Rajahmundry	100	100
10	Running of tailoring Centres for Women, Rajahmundry & Kadiyam	25/year	100

Sl. No.	CSR Project	No. of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalized groups
11	Construction of water sump & pipeline at Kadiyam	3,000	100
12	Construction of Skill Development centre at Jegurupadu	3,000	100
13	Infra & Equipment Support to Girls College, Didwana	100	60

Principle 9

Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators:

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback

The Company provides the customers with Customer Quality Complaint Forms to lodge any complaints, which are managed through a manual process utilizing the Customer Quality Complaint Format (CQCF). Furthermore, customers can also address product-related grievances through the Company website at <https://andrapaper.com/enquiries-product-query-page/>.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	30%
Safe and responsible usage	Not Applicable
Recycling and/or safe disposal	Not Applicable

3. Number of consumer complaints in respect of the following:

	FY 2023-24		Remarks	FY 2022-23		Remarks
	Received during the Year	Pending resolution at end of year		Received during the Year	Pending resolution at end of year	
Data Privacy	0	0	NA	0	0	NA
Advertising	0	0	NA	0	0	NA
Cyber-security	0	0	NA	0	0	NA
Delivery of essential services	0	0	NA	0	0	NA
Restrictive Trade Practices	0	0	NA	0	0	NA
Unfair Trade Practices	0	0	NA	0	0	NA
Other - Customer	89	0	NA	63	7	NA
Total	89	0	NA	63	7	NA

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	NA	NA
Forced recalls	NA	NA

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/ No) If available, provide a web-link of the policy

Yes, the Company has crafted an extensive and resilient information security policy, coupled with corresponding procedures, to adeptly tackle cyber threats and safeguard data privacy. This policy is internally instituted and readily accessible to all Company personnel. Moreover, data privacy compliance extends to all agreements forged with third parties.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not Applicable.

7. Provide the following information relating to data breaches:**a. Number of instances of data breaches**

NIL, there have not been any such instances during the reporting period

b. Percentage of data breaches involving personally identifiable information of customers

NIL, there have not been any such instances during the reporting period

c. Impact, if any, of the data breaches

Not Applicable

Leadership Indicators**1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

Details regarding the Company's products can be found on its website, accessible at www.andhrapaper.com

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/ or services.

The Company conducts various initiatives to educate and inform distributors, customers, and other stakeholders about the safe and responsible use of its products. These initiatives encompass distributor interactions, road shows, technical meetings, and visits to the mill. Through organizing these events, the Company underscores its dedication to spreading awareness and advocating for the responsible utilization of its offerings.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

The Company has adopted both formal and informal channels, including the Company website and stock exchanges, as well as through distributors and dealers.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes, The Company provides website details for consumers to learn more about its activities. Additionally, it conducts an Annual Meet for all dealers and distributors, during which valuable feedback on its products is gathered. These initiatives reflect the Company's commitment to transparency and engagement with its stakeholders.



UN SDG INITIATIVES

The initiatives taken by Andhra Paper confer with many UNSDGs. The alignment of these initiatives with the NGRBC principles & UNSDGs is as follows:²



SDG 3: GOOD HEALTH AND WELL BEING (P3, P8)

- The Company ensures the health and safety of its employees through various initiatives such as Safety Leadership, Safe Work Observation Programmes, Near miss reporting and Campaign, National Safety Month Campaign, and LIFE month Campaigns.
- The Company conducts regular safety training programs, hazard recognition, and control strategy programs for all its employees.
- The Safety Sub-Committee Meetings and Central Safety Meetings ensure that safety measures are regularly reviewed and updated.
- The Company provides free health check-ups for its employees on a regular basis. These check-ups are conducted by qualified medical professionals to identify and prevent potential health issues.
- The Company provides medical facilities, first-aid services, and access to occupational as well as non-occupational medical and healthcare services for both employees and workers. The Occupational Health Centre (OHC) is staffed with qualified doctors and nursing personnel and is equipped with necessary equipment, including ambulance services, to provide appropriate medical support to its employees.
- The Company extends its health initiatives beyond its workforce by supplying essential medical equipment to government hospitals and primary health centres based on their requests.
- The Company also provides infra-support, furniture and RO Water Plants to Gram Panchayat Schools, promoting health and well-being in the broader community.
- APL's flagship safety program, LIFE (Life Changing Injury and Fatality Elimination), is based on a PDCA approach and consists of 15 core safety standards. This program ensures a safe work environment for all employees and contractors.
- APL has well-defined Environment, Health, and Safety (EHS), quality management, and environment management systems in place, adhering to International Standards such as ISO 9001, ISO 14001, ISO 45001, FSC Controlled Wood Procurement Policy, and BIS Standards.



SDG 4: QUALITY EDUCATION (P8)

- The Company provides infrastructure support to the APPM Model School in Rajahmundry, contributing to the improvement of educational facilities in the community.
- The Company provides merit scholarships to Grade X students in Rajahmundry, encouraging and supporting academic excellence among students.
- The Company extends the construction of a Skill Development Centre at Jegurupadu, providing opportunities for skill enhancement and vocational training to the local community.

²Global Reporting Initiative, GRITM and logo and GRI Sustainability Reporting Standards (GRI Standards) and logo are Intellectual Property of Stichting Global Reporting Initiative. The ISSBTM, IFRSTM, SASBTM and International Financial Reporting Standards are registered trademarks of the IFRS Foundation. SDG Logo, the SDG Wheel and any of the 17 UNSDGTM icons are Intellectual Property of United Nations



SDG 5: GENDER EQUALITIES (P3, P4, P5)

- The Company ensures gender diversity in its leadership by including female representation in its Board of Directors. This demonstrates a commitment to promoting gender equality at the highest levels of decision-making within the organization.
- The Company has implemented a range of policies aimed at promoting fairness and transparency, including those focused on recruitment, compensation, gender equality, and performance management. These policies ensure that there is no gender bias in any aspect of the organization's operations.
- The Company has formed a Prevention of Sexual Harassment (POSH) committee dedicated to addressing grievances related to sexual harassment. This committee ensures a safe and inclusive work environment by effectively handling and preventing instances of sexual harassment.
- The Company has implemented a Grievance Redressal policy and formed a committee specifically focused on addressing workplace conditions. This ensures that any grievances related to gender equality or any other issues are promptly addressed, contributing to a fair and respectful workplace environment.



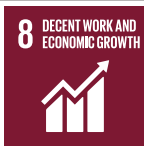
SDG 6: CLEAN WATER AND SANITATION (P6)

- The Company has invested in appropriate water recycling procedures to minimize its consumption of valuable natural resources. The Company recycles a significant amount of water in its manufacturing processes, returning the majority back to the environment following treatment. This contributes to the conservation of water resources and helps in maintaining clean water sources.
- The Company has implemented measures to conserve water across its operations. Through the installation of additional soot blowers, renovation of cooling towers, and optimization of processes, the Company has significantly reduced its water consumption. For example, the installation of additional soot blowers has reduced operational downtime and water wash frequency, resulting in substantial water savings.
- The Company is undertaking the construction of storm water drains and implementing rainwater-harvesting systems to further conserve water resources and prevent water scarcity.
- The Company supports communities by constructing water pipelines, storage sumps, and providing treated water to nearby villages. This helps in overcoming water scarcity, particularly during the summer months, and prevents diseases caused by water contamination.
- The Company effectively treats wastewater and reuses it in various processes, such as in paper manufacturing and for irrigation purposes. This reduces the demand for fresh water and minimizes environmental pollution.
- The manufacturing units have implemented various measures to reuse water efficiently. This includes reusing backwater, secondary condensate, treated wastewater, and other sources in different processes, reducing the overall water consumption and promoting water conservation.



SDG 7: AFFORDABLE AND CLEAN ENERGY (P2, P6)

- The Company has committed a substantial capital expenditure of more than INR 500 crores to revamp and upgrade its plants, aiming to make them energy efficient, reduce emissions, and minimize waste.
- The Company has adopted greener technologies such as Elemental Chlorine Free bleaching and the construction of a Precipitated Calcium Carbonate (PCC) Plant. This allows the utilization of CO₂ emissions from its plants, significantly reducing carbon emissions. Additionally, the use of PCC in paper production enhances paper properties.
- Energy-saving Equipment Upgrades:
 - Replacement of HP & LP Screw elements in Air Compressor-1 resulted in a decrease in motor load from 630 Amps to 560 Amps, with an anticipated energy saving of 43 KW, valued at Rs. 24 Lakhs per annum.
 - Replacement of HP & LP Screw elements installed in 2011 resulted in a decrease in motor load from 562 Amps to 504 Amps, with an anticipated energy saving of 29 KW, valued at Rs. 16.06 Lakhs per annum.
 - Changing the pump impeller in the Wetlap Machine from open to closed type and reducing the motor power from 37KW, 1440 RPM to 22KW, 990 RPM has reduced the motor load from 61 Amps to 30 Amps, with an anticipated energy saving of Rs. 8.00 Lakhs per annum.
 - Optimizing the evaporator surface condenser warm water temperature has resulted in a power saving of 147 kwh/hr and a steam saving of 1 TPH at the pulp mill.
 - Optimizing the WBL temperature from the pulp mill to 4F has resulted in a reduction of 5 degrees Celsius, leading to a net steam saving of 1.12 tph LP steam at the pulp mill.
 - Upgradation of RB 4 ESP 1 and 2 Field along with the replacement of ducting has resulted in a reduction of air infiltration and stack emissions, meeting environmental norms. This has led to a power saving of 114 KW/hr.



SDG 8: DECENT WORK AND ECONOMIC GROWTH (P3, P5, P8)

- The Company has implemented policies to prevent discrimination based on race, caste, creed, nationality, or gender, ensuring a fair and inclusive workplace. To attract and retain talent, the Company focuses on continuous training, leadership development, and effective succession planning.
- The Company has implemented a Performance Appraisal System and a performance pay culture, fostering a productive workforce.
- The Company has conducted numerous training sessions and workshops covering various areas such as health & safety, environmental awareness, behavioural training, corporate governance, POSH (Prevention of Sexual Harassment), and risk management.
- The Company has implemented comprehensive CSR projects, focusing on health, education, rural development, community engagement, and livelihood interventions.
- The Company engages in meaningful dialogues with stakeholders to identify and address material issues, and valuable insights obtained from these interactions are utilized to develop strategies and establish policies.



SDG 9: INDUSTRY, INNOVATION AND INFRASTRUCTURE (P3, P4, P8)

- The Company has provided infrastructure support to various projects aimed at improving the community's infrastructure:
 - Infrastructure support to a working women's hostel at Rajahmundry.
 - Infrastructure support to APPM Model School, Rajahmundry.
 - Infrastructure & Equipment support to Primary Health Centre, Kadiyam.



SDG 10: REDUCED INEQUALITIES (P2, P3, P5, P8)

- The Company has implemented a comprehensive policy document that strictly prohibits any discrimination based on disability. The Company provides reasonable accommodations to enable employees with disabilities to perform their duties efficiently.
- The Company promotes respect and equal opportunities within its workforce, striving to cultivate a diverse and talented workforce that can contribute to its growth and success.
- The Company has an internal policy document available and accessible to all employees and workers, ensuring transparency and equal access to information.



SDG 11: SUSTAINABLE CITIES AND COMMUNITIES (P3, P4, P7, P8)

- The Company has implemented impactful initiatives to provide assistance and support to neighbouring villages, such as the installation of state-of-the-art RO water plants, providing treated drinking water to nearby villages free of charge.
- The Company has constructed trash recycling facilities inside the manufacturing facility and interacts with the local community and workers to raise awareness about environmental conservation.
- The Company has established a well-defined Farm Forestry Programme, covered nearly 7,17,817 acres and provided economic survival for approximately 1,881 rural farmers and their communities. Nearly 2.06 billion saplings have been planted under this program.
- The Company has established skill development centres and training programs focused on enhancing the employability of local youth and empowering women through cluster tailoring centres and spoken English courses.
- These initiatives contribute to the socio-economic development of the community, foster empowerment, and promote self-sufficiency.
- The Company has proactively responded to requests from government schools by constructing toilets, supplying new equipment, and facilitating the operation of smart classrooms at zero cost.



SDG 12: RESPONSIBLE CONSUMPTION AND PRODUCTION (P2, P6, P9)

- The Company strives to recycle and use a significant amount of water in its manufacturing processes, returning the majority back to the environment following treatment using industry best practices. Waste paper is reused in paper production, which consumes less energy, less water, reduces emissions, and minimizes landfill.
- The Company has adopted green technologies like Elemental Chlorine Free bleaching and is constructing a Precipitated Calcium Carbonate (PCC) Plant to utilize CO₂ emissions from its plants, significantly reducing carbon emissions. These technologies help save significant amounts of energy during the manufacturing process and minimize consumption of steam, coal, and power, contributing to sustainable production practices.
- Efforts are being made to improve procedures and make the best use of resources to satisfy market demands. The Company is dedicated to continuously lowering production costs by implementing cutting-edge technologies while enhancing the quality of its finished goods.
- The Company employs necessary technologies to stop any emissions of dangerous gases into the atmosphere and routinely checks the emissions from the production process.



SDG 13: CLIMATE ACTION (P2, P6, P7, P8)

- The Company is utilizing biofuels such as black liquor, ETP sludge, wood bark, chip dust, and knots in coal-fired boilers to replace a portion of fossil fuels.
- The Company operates the chemical recovery boiler solely with biofuel, specifically black liquor, which generates steam and captive power. This biofuel usage contributes to 65% of the power requirements at the Rajahmundry unit, significantly reducing greenhouse gas emissions.
- The Company is undertaking a project to utilize the CO₂ emissions from the stack of a rotary lime kiln, approximately 19,000 tones per annum, to produce precipitated calcium carbonate (PCC). PCC is used as a filler in the paper-making process, further reducing greenhouse gas emissions.
- The Company has implemented a dedicated and extensive farm forestry programme wherein in FY 2023-24 alone, the program distributed 1,30,49,150 clones and 7,75,84,000 seedlings. This programme promotes carbon sequestration and sustainable forestry practices, contributing to climate change mitigation.



SDG 15: LIFE ON LAND

- The Company has implemented a well-defined Farm Forestry programme, enabling marginal farmers in nearby districts to grow trees, covering about 7,17,817 acres. The Company has planted 2.06 billion saplings, contributing to increased green cover and biodiversity, thus promoting life on land.
- The Company's Farm Forestry programme enables the Company to be wood positive, ensuring that it contributes more to tree plantation than the amount of wood it consumes. APL planted 906 lakh saplings in the fiscal year to support its farm forestry efforts, further enhancing its commitment to caring for nature and the environment.
- The Company continues its focus on forestry Research & Development (R&D) programs for the development of high-yielding virgin fibre clones, aimed at increasing yield and farmer income per unit area. The Company collaborates with the Institute of Forest Genetics & Tree Breeding, Coimbatore (IFGTB), to develop new generation clones that yield better and are disease-resistant, thus promoting sustainable forestry practices.



SDG 16: PEACE, JUSTICE AND STRONG INSTITUTIONS (P1, P3, P5, P7, P8)

- The Company's initiatives in health and preventive healthcare, education, rural development, community engagement, and livelihood interventions contribute to building stronger and more inclusive communities.
- The Company has formed a Prevention of Sexual Harassment (POSH) committee to address grievances related to gender-based issues and ensure a safe and inclusive work environment.
- The Company has implemented a Grievance Redressal policy and formed a committee dedicated to addressing workplace conditions, exemplifying its commitment to treating all employees with fairness and respect.



SDG 17: PARTNERSHIPS FOR THE GOALS (P1, P7, P8)

The Company is associated with the following trade and industry chambers/ associations:

1. Confederation of Indian Industry
2. The Federation of Telangana Chambers of Commerce and Industry
3. The Federation of Andhra Pradesh Chambers of Commerce and Industry
4. Indian Paper Manufacturers Association
5. Federation of Indian Export Organizations
6. Bharat Chamber of Commerce

Additionally, The Company collaborates with the Institute of Forest Genetics & Tree Breeding, Coimbatore (IFGTB), to develop new generation clones that yield better and are disease-resistant, thus promoting sustainable forestry practices

Abbreviations used

Sl. No.	Particulars
1.	ESG: Environmental, Social and Governance
2.	SDG: Sustainable Development Goals
3.	SASB: Sustainability Accounting Standards Board
4.	GRI: Global Reporting Initiative
5.	SEBI: Securities and Exchange Board of India
6.	BRSR: Business Responsibility & Sustainability Reporting

UNSDGs

Goal	Goal statement
Goal 1 : No Poverty	An aim to eradicate poverty in totality
Goal 2 : Zero Hunger	Eliminate starvation and deprivation; set foot towards nutritional health and promote viable
Goal 3 : Good Health & Well Being	Promotes a better and a healthy lifestyle along with well being
Goal 4 : Quality Education	Goal to achieve quality learning, that is open to everyone so that they can have a better future
Goal 5 : Gender Equality	Ensures no bar with respect to gender and focuses upon women/girl empowerment
Goal 6 : Clean Water & Sanitation	Validates water availability in all areas along with sanitation and utmost cleanliness
Goal 7 : Affordable & Clean Energy	Ensure access to affordable, reliable, sustainable and modern energy for all
Goal 8 : Decent Work & Economic Growth	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
Goal 9 : Industry, Innovation and Infrastructure	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
Goal 10 : Reduced Inequality	Reduce inequality within and among countries

Goal	Goal statement
Goal 11 : Sustainable Cities & Communities	Make cities and human settlements inclusive, safe, resilient and sustainable
Goal 12 : Responsible Consumption & Production	Ensure sustainable consumption and production patterns
Goal 13 : Climate Action	Take urgent action to combat climate change and its impacts
Goal 14 : Life below water	Conserve and sustainably use the oceans, seas and marine resources for sustainable development
Goal 15 : Life on land	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss
Goal 16 : Peace & Justice Strong Institutions	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
Goal 17: Partnerships to achieve the Goal	Strengthen the means of implementation and revitalize the global partnership for sustainable development

REPORT ON CORPORATE GOVERNANCE

1. Company's philosophy on Code of Governance

The Company's philosophy on Corporate Governance is aimed at assisting the management of the Company in the efficient conduct of the business and to meet its obligations to the stakeholders. The Company firmly believes that practice of Corporate Governance, inter alia, should aim at meeting the aspirations of the stakeholders and the expectations of the society at large. Accordingly, the Company believes in and has consistently practiced good Corporate Governance. In pursuance of this philosophy, the management adheres to transparency, professionalism and accountability in performance of its role.

2. Board of Directors

a. Composition of Board

We believe that our Board needs to have an appropriate mix of executive, non-executive and independent directors to maintain its independence,

and separate its functions of governance and management. The Listing Regulations mandate that every listed company shall have an optimum combination of executive and non-executive directors with at least one-woman director and not less than fifty percent of the board of directors shall comprise of non-executive directors.

As on March 31, 2024, the Board comprised ten members, consisting of one Chairman & Managing Director, one Joint Managing Director, one Executive Director (whole-time), two Non-Executive Non-Independent Directors, five Non-Executive Independent Directors including one Independent Woman Director. Independent Directors constitute 50% of the Board's strength complying with the requirements of the Companies Act, 2013 and Listing Regulations.

As on March 31, 2024, Independent Directors occupied the position of chairmanship for each of the audit committee, nomination and remuneration committee, stakeholders' relationship committee.

a) Composition and category of directors, number of other board of directors or committees in which the director is a member or chairman as on March 31, 2024 are as follows:

Name of the Director	Indian-listed companies	Category of Directorship	All companies around India ⁽¹⁾⁽³⁾	Committee membership ⁽²⁾⁽³⁾	Committee Chairmanship ⁽²⁾⁽³⁾
Executive Directors:					
Mr. Shree Kumar Bangur	Jayshree Chemicals Limited	Non-Executive, Promoter Non-Independent Director	10	1	-
	West Coast Paper Mills Limited	Executive, Promoter, Chairman & Managing Director			
	Andhra Paper Limited	Executive, Promoter, Chairman & Managing Director			
Mr. Saurabh Bangur	West Coast Paper Mills Limited	Non-Executive, Promoter Non-Independent Director	7	2	-
	Andhra Paper Limited	Executive, Joint Managing Director			

Name of the Director	Indian-listed companies	Category of Directorship	All companies around India ⁽¹⁾⁽³⁾	Committee membership ⁽²⁾⁽³⁾	Committee Chairmanship ⁽²⁾⁽³⁾
Mr. Mukesh Jain	Andhra Paper Limited	Executive, Whole-time Director	2	-	-
Non-Executive Non-Independent Directors:					
Mr. Rajendra Jain	West Coast Paper Mills Limited	Executive, Whole-time Director	2	3	-
	Andhra Paper Limited	Non-Executive, Non-Independent Director			
Mr. Virendra Bangur	West Coast Paper Mills Limited	Executive, Promoter Joint Managing Director	11	4	3
	Jayshree Chemicals Limited	Non-Executive, Promoter Non-Independent Director			
	Taparia Tools Limited	Non-Executive, Non-Independent Director			
	Andhra Paper Limited	Non Executive, Non-Independent Director			
Non-Executive Independent Directors:					
Mr. Sudarshan V. Somani	Andhra Paper Limited	Non-Executive, Independent Director	4	2	2
Mr. Arun Kumar Sureka	Andhra Paper Limited	Non-Executive, Independent Director	9	1	-
Mr. Virendra Sinha	Andhra Paper Limited	Non-Executive, Independent Director	6	3	2
	Electrosteel Castings Ltd	Non-Executive, Independent Director			
	Texmaco Rail & Engineering Limited	Non-Executive, Independent Director			
Mr. Sitaram Sharma	Andhra Paper Limited	Non-Executive, Independent Director	4	-	-
Mrs. Papia Sengupta	Andhra Paper Limited	Non-Executive, Independent Director	3	2	-
	The Investment Trust of India Limited	Non-Executive, Independent Director – Shareholders Director			
	Indian Bank	Non-Executive, Independent Director			

1. Directorship in companies around India (Listed Public, Unlisted Public, No Profit & Loss and Private Limited companies)

2. Disclosure includes membership / chairmanship of the audit committee and stakeholders' relationship committee in Indian public companies (listed and unlisted)

3. Including Andhra Paper Limited

b. Attendance of each director at the Meeting of the Board of Directors and the last Annual General Meeting:

Name of the Director	Last AGM dated August 11, 2023	Board Meetings		
		Held during the tenure	Attended	% of attendance
Mr. Shree Kumar Bangur (Chairman & Managing Director)	Yes	4	4	100.00
Mr. Saurabh Bangur (Joint Managing Director)	Yes	4	4	100.00
Mr. Rajendra Jain	Yes	4	4	100.00
Mr. Virendraa Bangur (Vice Chairman)	Yes	4	4	100.00
Mr. Sudarshan V. Somani	Yes	4	4	100.00
Mr. Arun Kumar Sureka	Yes	4	4	100.00
Mr. Mukesh Jain	Yes	4	4	100.00
Mr. Virendra Sinha	Yes	4	4	100.00
Mr. Sitaram Sharma	Yes	4	3	75.00
Mrs. Papia Sengupta	Yes	4	4	100.00

c. No. of meetings of the Board of Directors held and dates on which held:

During the financial year, four board meetings were held on May 08, 2023; August 03, 2023; October 30, 2023 and February 2, 2024.

d. Mr. Virendraa Bangur and Mr. Saurabh Bangur (sons) are related to Mr. Shree Kumar Bangur (father) and other Directors are unrelated to each other.

e. None of the Non-Executive Directors and Independent Directors hold equity shares and convertible instruments of the Company.

f. A meeting of the Independent Directors was held on 08-03-2024 and inter-alia, discussed on matters pertaining to review the performance of non-independent directors, Board as a whole and performance of Chairman and also assess the quality, quantity and time lines of flow of information between the management of the company and the Board.

g. The details of Familiarization Programme imparted to Independent Directors are placed on the Company's website viz., <https://andhraper.com/wp-content/uploads/2024/06/Familiarization-Programme-during-the-year-2023-24.doc>.

h. A chart or a Matrix for skills/attributes identified by the Board of Directors as required in the context of business and sectors to function effectively & those actually available with the Board is given in Appendix – 1.

i. In the opinion of the Board, the Independent Directors fulfill the conditions specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and are independent of the management.

j. None of the Independent Directors has resigned before expiry of his/her tenure.

3. Audit Committee

a. Brief description of terms of reference of Audit Committee as per the Charter approved by the Board are:

- i. Oversight of the Company's financial reporting process and disclosure of its financial information to ensure accuracy and correctness;
- ii. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- iv. Reviewing with the management of the annual financial statements before submission to the Board, with particular reference to the following:
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;

- Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions;
 - Modified opinion(s) in the draft audit report;
- v. Reviewing with the management quarterly financial statements before submission to the Board for approval;
- vi. Reviewing the functioning of the whistle blower mechanism;
- vii. Evaluation of internal financial controls and risk management systems.

b. Composition of Audit Committee

The composition of Audit Committee as on March 31, 2024 is as follows:

Name	Category	Designation
Mr. Sudarshan V. Somani	Non-Executive, Independent Director	Chairman
Mr. Virendra Sinha	Non-Executive, Independent Director	Member
Mr. Arun Kumar Sureka	Non-Executive, Independent Director	Member
Mr. Saurabh Bangur	Executive Director	Member

All Members of Audit Committee are financially literate and Mr. Sudarshan V. Somani have accounting and related financial management expertise.

There is no change in the composition of the Committee during the year.

c. Meetings and attendance during the year

During the financial year, four meetings of Audit Committee were held on May 08, 2023; August 03, 2023; October 30, 2023 and February 2, 2024.

All the 4 Committee Members have attended all the 4 meetings held during the financial year.

The Company Secretary acts as the Secretary to the Committee.

4. Nomination and Remuneration Committee

Brief description of terms of reference of Nomination and Remuneration Committee as per the Charter approved by the Board are:

a. Terms of reference

- Formulating criteria for determining the qualifications, positive attributes and independence of a director;
- Evaluate the balance of skills, knowledge and experience on the Board and based on such evaluation, prepare a description of the role and capabilities required of an Independent Director, recommend to the Board for appointment as an Independent Director who have the capabilities identified in such description;
- Identifying the persons who are qualified to become Executive Directors, Non-Executive Directors and Independent Directors and to recommend to the Board their appointment and removal;
- To extend or continue the term of appointment of Independent Directors;
- Identifying persons who may be appointed in Senior Management and to recommend to the Board their appointment and removal;
- Devising a policy on Board diversity;
- Succession Planning;
- Recommend to the Board, all remuneration, in whatever form, payable to senior management.

b. Composition of Nomination and Remuneration Committee

The composition of Nomination and Remuneration Committee as on March 31, 2024 is as follows:

Name	Category	Designation
Mr. Arun Kumar Sureka	Non-Executive, Independent Director	Chairman
Mr. Sitaram Sharma	Non-Executive, Independent Director	Member
Mr. Sudarshan V. Somani	Non-Executive, Independent Director	Member
Mr. Shree Kumar Bangur	Executive Director	Member

There is no change in the composition of the Committee during the year

c. Meetings and attendance during the year

During the financial year, two Meetings of Nomination and Remuneration Committee were held on May 08, 2023 and October 30, 2023 and the details of Meetings attended by the Members are given below:

Name	Number of Meetings held during the tenure	Number of Meetings attended
Mr. Arun Kumar Sureka	2	2
Mr. Sitaram Sharma	2	1
Mr. Sudarshan V. Somani	2	2
Mr. Shree Kumar Bangur	2	2

The Company Secretary acts as the Secretary to the Committee.

d. Performance evaluation criteria for independent directors

The Board of Directors evaluates the performance of Independent Directors on yearly basis as per the applicable statutory provisions.

5. Stakeholders' Relationship Committee

The Composition of Stakeholders' Relationship Committee as on March 31, 2024 is as follows:

Name	Category	Designation
Mr. Sudarshan V. Somani	Non- Executive, Independent Director	Chairman
Mr. Virendraa Bangur	Non-Executive, Non-independent Director	Member
Mr. Rajendra Jain	Non-Executive, Non-independent Director	Member

During the financial year, the Stakeholders Relationship Committee met on February 2, 2024.

All the three Members attended the meeting.

The Company Secretary acts as the Secretary to the Committee.

Name and Designation of the Compliance Officer:
Mr. Bijay Kumar Sanku, Company Secretary

The details of the status of complaints received from the security holders during the financial year ended March 31, 2024 are furnished below:

No. of shareholders' complaints received during the financial year	3
No. of complaints solved to the satisfaction of shareholders	3
No. of complaints not solved to the satisfaction of shareholders	0
No. of pending complaints as on March 31, 2024	0

6. Risk Management Committee**a. Brief description of terms of reference:**

- (1) Formulate a detailed risk management policy which shall include:
 - I. A framework for identification of internal and external risks specifically faced by the Company, in particular, financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee
 - II. Measures for risk mitigation including systems and processes for internal control of identified risks
 - III. Business continuity plan
- (2) Ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (3) Monitor and oversee implementation of the Risk Management Policy, including evaluating the adequacy of risk management systems;
- (4) Periodically review the Risk Management Policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (5) Keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(6) Review appointment, removal and terms of remuneration of the Chief Risk Officer (if any).

b. Composition, Name of Members and Chairperson

The Composition of Risk Management Committee as on March 31, 2024 is as follows:

Name	Category	Designation
Mr. Saurabh Bangur	Executive Director	Chairman
Mr. Virendra Sinha	Non-Executive, Independent Director	Member
Mr. Mukesh Jain	Executive Director	Member

c. Meetings and Attendance during the year

During the financial year, two Meetings of Risk Management Committee were held on August 23, 2023 and February 15, 2024 and details of attendance of members are as follows:

Name	Number of Meetings held during the year	Number of Meetings attended
Mr. Saurabh Bangur	2	2
Mr. Mukesh Jain	2	2
Mr. Virendra Sinha	2	2

7. Senior Management:

Mr. Rajesh Bothra, Chief Financial Officer, Mr. Sura Reddy Mallidi, Sr. Vice President (Mill Operations), Mr. Shyam Srivastava, Vice Present (Purchase & Forestry), Mr. Sandeep Rao Thallapalli, Vice President (Sales & Marketing) and Mr. Bijay Kumar Sanku, Company Secretary are the senior management of the Company as on March 31, 2024.

There is no change in the senior management personnel since the close of previous financial year.

8. Remuneration of Directors:

a. All pecuniary relationship or transactions of the Non-Executive Directors

The details of sitting fees paid to the Non-Executive Directors during the financial year ended March 31, 2024 were as follows:

(₹ in lakhs)	
Name	Sitting Fees
Mr. Virendraa Bangur	2.50
Mr. Rajendra Jain	2.50
Mr. Sudarshan V. Somani	4.00
Mr. Arun Kumar Sureka	3.50
Mr. Virendra Sinha	3.50
Mr. Sitaram Sharma	1.75
Mrs. Papia Sengupta	2.00
TOTAL	19.75

Apart from the above, there were no other pecuniary relationships or transactions between the Company and any of its Non-Executive and/or Independent Directors, during the year.

b. Criteria of making payments to Non-Executive Directors

The Board of Directors at its meeting held on May 05, 2022 approved to pay all Non-Executive Directors a sitting fees of ₹ 50,000 per meeting for attending the Board Meeting and ₹ 25,000 per meeting for attending the Committee Meetings.

c. Disclosure with respect to remuneration

Sitting fees was paid to all Non-Executive Directors for attending the Board/Committee Meetings held during the financial year 2023-24.

The details of remuneration paid to Executive Directors for the financial year 2023-24:

Particulars of Remuneration	Name of Executive Director		
	Mr. Shree Kumar Bangur, Chairman & Managing Director	Mr. Saurabh Bangur, Joint Managing Director	Mr. Mukesh Jain, Executive Director
(Rs. lakhs)			
Gross salary			
a. Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	0	885.30	111.52
b. Value of perquisites under Section 17(2) of the Income Tax Act, 1961	0	0	6.37
Total	0	885.30*	117.89

*includes ₹ 722.02 Lakhs as commission paid for FY 2022-23

All the Executive Directors were appointed for three years except Mr. Surabh Bangur who was appointed for a three years and four months and the service is terminable by giving three month's notice on either side. No severance fees is payable to Directors.

The Company did not issue any stock options during the year.

9. General Body Meetings

a. The location and time of the last three Annual General Meetings held

Year ended	Date and time	Venue
March, 2021	August 12, 2021 at 12.00 Noon	Through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")
March, 2022	August 12, 2022 at 12.00 Noon	Through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")
March, 2023	August 11, 2023 at 11.30 A.M.	Through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")

b. Special Resolutions passed in the previous three Annual General Meetings

Date	Description of Special Resolutions passed
August 12, 2021	NIL
August 12, 2022	NIL
August 11, 2023	Re-appointment of Mr. Saurabh Bangur as Joint Managing Director for a period from June 1, 2023 to September 30, 2026

c. Details of Special Resolutions passed through postal ballot during the financial year ended March 31, 2024: NIL

At present no special resolution is proposed to be conducted through postal ballot.

10. Means of Communications

Quarterly, half-yearly and annual financial results are usually published in Business Standard (English Version) and vernacular regional newspaper viz. Andhra Prabha. The results are placed on the Company's website: <https://andhraper.com/investors-financial-results/>

Official news releases and interactions or presentations made to media, analysts, institutional investors etc., are being displayed on the website of the Company.

11. General Shareholder Information

a. Date, Time and Venue of Annual General Meeting

	Date & time	Venue
60th Annual General Meeting	Monday, August 12, 2024 at 11:30 A.M.	Through Video Conferencing/Other Audio Visual Means (VC/OAVM)

b. Financial calendar– (Tentative and subject to change)**Financial year: April 1, 2024 to March 31, 2025**

Particulars	Period ended	On or before
Unaudited Financial Results for the quarter ending	June 30, 2024	August 14, 2024
Unaudited Financial Results for the quarter ending	September 30, 2024	November 14, 2024
Unaudited Financial Results for the quarter ending	December 31, 2024	February 14, 2025
Audited Financial Results for the year ending	March 31, 2025	May 30, 2025
Annual General Meeting for the year ending	March 31, 2025	September 30, 2025
Details of Record Date	Monday, 5th August, 2024	
Details of payment of Dividend on equity shares	Within 30 days from the date of declaration	

c. Listing on stock exchanges

BSE Limited (BSE)	National Stock Exchange of India Limited (NSE)
Phiroze Jeejeebhoy Towers,	“Exchange Plaza”
Dalal Street,	Bandra-Kurla Complex
Mumbai – 400 001	Bandra (East), Mumbai – 400 051

The Company paid the Annual Listing fees for the financial year 2024-25 to BSE and NSE.

d. Stock Code

BSE	502330
NSE	Symbol : ANDHRAPAP Series :EQ
ISIN (for Dematerialization)	INE435A01028

e. The details of monthly high and low quotations of the equity shares of the Company traded on the stock exchanges:**i. BSE**

Month	Share Price ₹		BSE Sensex			
	High	Low	High	Low		
2023	April	477.30	413.05	61209.46	58793.08	
	May	495.00	429.00	63036.12	61002.17	
	June	450.45	392.45	64768.58	62359.14	
	July	433.70	410.05	67619.17	64836.16	
	August	464.75	407.00	66658.12	64723.63	
	September	621.25	439.50	67927.23	64818.37	
	October	675.00	542.60	66592.16	63092.98	
	November	580.45	535.40	67069.89	63550.46	
	December	628.10	558.00	72484.34	67149.07	
	2024	January	649.25	577.85	73427.59	70001.60
		February	625.95	500.05	73413.93	70809.84
		March	539.45	477.20	74245.17	71674.42

ii. NSE

Month	Share Price ₹		NIFTY 50		
	High	Low	High	Low	
2023	April	477.55	414.90	18089.15	17312.75
	May	496.00	429.00	18662.45	18042.40
	June	450.85	391.30	19201.70	18464.55
	July	433.30	410.00	19991.85	19234.40
	August	464.95	407.05	19795.60	19223.65
	September	621.90	438.55	20222.45	19255.70
	October	674.90	543.10	19849.75	18837.85
	November	579.00	534.00	20158.70	18973.70
	December	628.00	558.05	21801.45	20183.70
2024	January	649.65	577.05	22124.15	21137.20
	February	628.00	499.55	22297.50	21530.20
	March	535.85	476.00	22526.60	21710.20

f. Performance of share price of the Company in comparison to BSE SENSEX and NSE NIFTY



Note: Andhra Paper Limited share price and S&P BSE Sensex (Sensex) values as on April 1, 2023 have been baselined to 100



Note: Andhra Paper Limited share price and NSE Nifty 50 index values as on April 1, 2023 have been baselined to 100

- g.** The securities of the Company have not been suspended from trading during the financial year ended March 31, 2024.

h. Registrar and Share Transfer Agent

KFin Technologies Limited
 Corporate Registry
 Selenium, Tower- B, Plot No 31 & 32, Gachibowli,
 Financial District, Nanakramguda,
 Serilingampally Mandal
 Hyderabad – 500 032
 Toll Free No. (India) 1-800-309-4001
 Email : inward.ris@kfintech.com
 Contact Person: Mr. Praveen Chaturvedi – Senior
 Vice President – Corporate Registry

i. Share Transfer System

All activities in relation to share transfer facility as per Regulation 7(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure

Requirements) Regulations, 2015, are being maintained by Registrar and share transfer agent : KFin Technologies Limited.

As per proviso to Regulation 40(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, securities cannot be transferred unless they are held in dematerialized form with a depository, except in case of transmission or transposition of securities. Further SEBI vide its Circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 mandated that transmission, transposition, duplicates, renewal, exchange, subdivision, splitting, consolidation shall be effected only in dematerialize form.

The above service requests for the shares held in physical mode are being approved by the authorized person as per the delegation of powers by the Board. The average time taken for processing the service request is approximately 10 days from the date of receipt of a valid request.

j. Distribution of Equity Shareholding as on March 31, 2024:

Nominal Value of Equity shares ₹	Shareholders		Value	
	Number	%	₹	%
1 - 5000	35937	94.73	2,38,54,470	6.00
5001 - 10000	1081	2.85	82,64,550	2.08
10001 - 20000	468	1.23	68,08,000	1.71
20001 - 30000	128	0.34	32,47,500	0.82
30001 - 40000	92	0.24	32,85,060	0.83
40001 - 50000	46	0.12	21,39,440	0.53
50001 - 100000	84	0.22	60,62,110	1.52
100001 and above	101	0.27	34,40,39,260	86.51
TOTAL	37937	100.00	39,77,00,390	100.00

Category of equity shareholders as on March 31, 2024:

S. No.	Category	Shares	%
(A)	Promoters		
	Bodies Corporate	2,87,58,400	72.31
	PROMOTER HOLDING (A)	2,87,58,400	72.31
(B)	Public		
1	Mutual Funds	8,87,064	2.23
2	Resident Individuals	59,95,379	15.08
3	Bodies Corporate	24,29,987	6.11
4	Hindu Undivided Family	2,77,471	0.70
5	Insurance Companies	1,47,601	0.37
6	Investor Education & Protection Fund	1,03,881	0.26
7	Clearing Members	1,151	0.00
8	Non-Resident Indians	1,33,752	0.34
9	Non-Resident Indian Non-Repatriable	88,932	0.22
10	Trusts	13,600	0.04
11	Foreign Portfolio – Corp	9,28,165	2.33
12	Director Relatives	4,000	0.01
13	Banks	430	0.00
14	Foreign Bank	150	0.00
15	Unclaimed Suspense Account	26	0.00
16	Escrow Account	50	0.00
	PUBLIC SHAREHOLDERS (B)	1,10,11,639	27.69
	GRAND TOTAL (A+B)	3,97,70,039	100.00

k. Dematerialization of shares as on March 31, 2024:

Depository name	No. of shares dematerialized	Percentage on equity share capital
National Securities Depository Limited	3,59,77,235	90.46
Central Depository Services (India) Limited	36,23,787	9.11
Total dematerialized shares	3,96,01,022	99.57

l. No GDRs, ADRs/warrants/convertible instruments have been issued by the Company during the year.

m. Commodity price risk or foreign exchange risk and hedging activities: Furnished under the head 'Risks and Concerns' in Management Discussion & Analysis.

n. Plant Locations

Unit: Rajahmundry	Unit: Kadiyam
Rajahmundry - 533 105	Industrial Area,
East Godavari District	Near Kadiyam Railway Station,
Andhra Pradesh, India	M.R.Palem - 533 126, Kadiyam Mandal,
	East Godavari District, Andhra Pradesh, India

o. Address for Correspondence from shareholders

KFin Technologies Limited	Secretarial Department
Selenium, Tower - B,	Andhra Paper Limited
Plot No 31 & 32, Gachibowli,	Rajahmundry - 533 105
Financial District, Nanakramguda,	East Godavari District,
Serilingampally District,	Andhra Pradesh, India
Hyderabad - 500 032, Telangana, India	

p. As there are no debt instruments and no fixed deposits are invited involving mobilization of funds, the Company has not obtained any rating during the year.

CARE Ratings Limited, during the year, affirmed the credit ratings for term facilities availed by the Company from Banks as follows:

- i) CARE AA; Stable (Double A; Outlook: Stable) in respect of long term bank facilities; and
- ii) CARE AA; Stable / CARE A1+ (Double A; Outlook: Stable/ A One Plus) in respect of long term/short term bank facilities.

have potential conflict with the interests of the Company at large.

b. Details of penalties imposed on the Company

There were no penalties, strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets during the last three years.

c. Whistle Blower Policy

The Company has formulated Whistle Blower Policy and established a mechanism for directors and employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics Policy. This mechanism provides for adequate safeguards against victimization of director(s)/ employee(s) who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. The Whistle Blower Policy is posted on the Company's website viz., <https://andhrpaper.com>.

12. Other Disclosures**a. Disclosure on materially significant related party transactions**

During the financial year, there were no materially significant related party transactions that

[com/wp-content/themes/andhra_paper/uploads/investors/1658382966Whistle%20Blower%20Policy%20modified%20on%2021.07.2022](https://andhraper.com/wp-content/themes/andhra_paper/uploads/investors/1658382966Whistle%20Blower%20Policy%20modified%20on%2021.07.2022).

d. Details of compliance with mandatory requirements and adoption of non-mandatory requirements

The Company has complied with all mandatory requirements specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Non-Mandatory/Discretionary requirements

1. Shareholders Right: this will be considered for adoption in the future
 2. **Audit Qualifications:** The Company is already in the regime of financial statements with unmodified opinion. Auditor has given audit report with unmodified opinion on the financial statements of the current financial year.
 3. **Separate posts of Chairperson and Managing Director or the Chief Executive Officer:**

This will be considered for adoption in the future, if mandated.
 4. **Reporting of Internal Auditor:** External consultancy firm was appointed as Internal Auditor of the Company which reports directly to the Audit Committee.
- e. There were no material subsidiaries during the year. The Policy on material Subsidiaries is placed on the Company's website at https://andhraper.com/wp-content/themes/andhra_paper/uploads/investors/1645517984Policy%20on%20Material%20Subsidiaries.pdf.
- f. The Policy on Related Party Transactions is placed on the Company's website at <https://andhraper.com/wp-content/uploads/2023/04/Policy-on-related-party-transactions-1.pdf>.
- g. No funds were raised through preferential allotment or qualified institutions placements during the year.
- h. A Certificate dated 14th May, 2024 from M/s. D. Hanumanta Raju & Co., Company Secretaries, a company secretary in practice confirming that none of the Directors of the Company has been debarred or disqualified from being appointed or continuing as Director of the Company by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such Statutory Authority has been received.
- i. None of recommendations of any Committee of the Board, which are mandatorily required to make recommendation on subjects, was rejected by the Board during the year.

- j. Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm/network entity of which the statutory auditors is a part is ₹ 39.10 lakhs.
- k. During the year, no complaint was filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and no complaint was pending as on March 31, 2024.
- l. During the year, neither the Company nor the subsidiary has granted any loan(s) and advances in the nature of loans to firms/ companies in which directors are interested.
13. There were no non-compliance of requirements of Corporate Governance during the year.
 14. The Company has complied with corporate governance requirements as specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46. A certificate from Practicing Company Secretary on compliance of conditions of Corporate Governance is annexed.

15. Code of Conduct for Directors and members of senior management

The Company adopted a Code of Business Conduct and Ethics for its Directors and members of senior management. The Code has also been posted on the Company's website: https://andhraper.com/wp-content/themes/andhra_paper/uploads/investors/1599824151Code%20of%20Business%20Conduct%20and%20Ethics.pdf. The Chairman & Managing Director has given a declaration that all the Directors and members of senior management have affirmed compliance with the Code of Conduct. The declaration is annexed.

16. CEO and CFO Certification

A certificate duly signed by Chairman & Managing Director and Chief Financial Officer relating to financial statements and internal controls and internal control systems for financial reporting as per the format provided in Regulation 17(8) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 was placed before the Board and the same was taken on record. The certificate is annexed.

17. Equity shares in the Unclaimed Shares Demat Suspense Account/unclaimed suspense account

In terms of Regulation 39 (4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company opened a demat

account and dematerialized the unclaimed shares. The Company is maintaining the details of shareholding of each individual allottee whose shares are credited to the Unclaimed Shares Demat Suspense Account.

The particulars of shares in "Andhra Paper Limited – Unclaimed Shares Demat Suspense Account" as on March 31, 2024 were as follows:

Particulars	Number of shareholders	No. of equity shares
Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Shares Demat Suspense Account at the beginning of the year	2	26
Number of shareholders who approached the issuer for transfer of shares from the Unclaimed Shares Demat Suspense Account during the year	-	-
Number of shareholders to whom shares were transferred from the Unclaimed Shares Demat Suspense Account during the year	-	-
Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Shares Demat Suspense Account as on March 31, 2024	2	26

The voting rights on the shares outstanding in the suspense account shall remain frozen till the rightful owners of such shares claim the shares.

18. Suspense Escrow demat account

50 equity shares related to a shareholder have been transferred to Suspense Escrow demat account due to non-submission of letter of confirmation within 120 days of its issue for dematerialization of shares.

19. Disclosure of agreements

The Company, during the year, entered into transactions with promoter and promoter group entities in the normal course of business which do not impact the management or control which have been disclosed to the Stock Exchanges on half yearly basis. The said transactions have been included in the Notes to Accounts No. 35

APPENDIX - 1

Skills and attributes identified by Board of Directors

Sl. No.	Skills	Experience	Attributes	Whether actually available with the Board: Yes/No
1	Practical wisdom and good judgment	Specialized knowledge in specific area	Highest personal and professional ethical standards and honesty.	Yes
2	Financial literacy – ability to read and understand a financial statement	Detailed knowledge of the industry or relevant industrial experience	Integrity, independence and free from conflict of interest.	Yes
3	Specialized professional skills viz. operations, finance, human resources, marketing, legal, corporate governance etc.	Expertise on global issues	An enquiring and independent mind.	Yes
4	Director Education – a clear understanding of the role and duties of a director and knowledge of code of conduct and business ethics.	High visibility in the field	Commitment to improve business, its continued well-being and making a difference.	Yes
5	Good interpersonal skills and ability to communicate clearly.	Leadership and Management experience	Willingness to represent the best interests of all stakeholders and objectively appraise the Board and Management performance.	Yes
6	Decision Maker- explore options and choosing those that have the significant benefit to the organization and its performance.	International Experience	Critical analysis and Judgment.	Yes
7	Risk Management	Personal networks and external contacts	Vision, imagination and foresight.	Yes
8	Interpersonal sensitivity – a willingness to keep an open mind and recognize other perspectives.		Strategic perspectives, able to identify opportunities and threats.	Yes
9	Ability to mentor other directors		Innovator – a willingness to challenge Management and their assumptions, stimulate Board discussion with new, alternative insights and ideas.	
10	Agility to move from advisor to challenger as well as being a strong supportive voice one needed.		Motivation – drive and energy to set and achieve clear objectives and make an impact.	
11	Advisory Skills		Clear personal commitment. Full participation and pro- active as a Board Member. Willingness to deal with tough issues. Maturity and discipline to know and maintain fine line between governance and management oversight.	

Directors of the Company and their areas of expertise is provided hereunder

Name of the Director	Category	Areas of expertise/ competence (as per above provided list)
Shree Kumar Bangur	Chairman & Managing Director	1 to 11
Virendraa Bangur	Non-Executive, Vice-Chairman	1 to 11
Saurabh Bangur	Joint Managing Director	1 to 11
Rajendra Jain	Non-Executive Director	1 to 11
Virendra Sinha	Independent Director	1 to 11
Sitaram Sharma	Independent Director	1 to 11
Arun Kumar Sureka	Independent Director	1 to 11
Sudarshan V. Somani	Independent Director	1 to 11
Mrs. Papia Sengupta	Independent Director	1 to 11
Mukesh Jain	Executive Director	1 to 11

DECLARATION BY THE CHAIRMAN & MANAGING DIRECTOR ON CODE OF CONDUCT

The Members of
Andhra Paper Limited

In compliance with the Regulation 34 (3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I confirm that, on the basis of confirmations/declarations received, all the Members of the Board of Directors and senior management personnel of the Company have complied with the Code of Business Conduct and Ethics framed by the Company for the financial year ended March 31, 2024.

Place: Rajahmundry
Date: May 14, 2024

Shree Kumar Bangur
Chairman & Managing Director

CERTIFICATE

To
The Members of
Andhra Paper Limited

We have examined the compliance of conditions of Corporate Governance by **Andhra Paper Limited** ("the Company"), for the year ended on March 31, 2024, as stipulated in Regulation 15(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us by the Directors, officers and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For D.HANUMANTA RAJU & CO
COMPANY SECRETARIES

CS DATLA HANUMANTA RAJU
PARTNER
FCS: 4044, CP NO:1709
UDIN: F004044F000368122
PR NO: 699/2020

Place: Hyderabad
Date: 14.05.2024

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Andhra Paper Limited
Rajahmundry – 533 105,
East Godavari District,
Andhra Pradesh.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **ANDHRA PAPER LIMITED** having **CIN:L21010AP1964PLCO01008** and having registered office at Rajahmundry, East Godavari District, Andhra Pradesh– 533105 (hereinafter referred to as '**the Company**'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No	Name of Director	DIN	Date of Appointment in Company
1.	Mr. Shree Kumar Bangur	00053237	30.10.2019
2.	Mr. Arun Kumar Sureka	00055934	30.10.2019
3.	Mr. Sudarshan Vijaynarain Somani	00137568	30.10.2019
4.	Mr. Rajendra Jain	07250797	30.10.2019
5.	Mr. Virendraa Bangur	00237043	30.12.2019
6.	Mr. Saurabh Bangur	00236894	01.06.2020
7.	Mr. Mukesh Jain	09380039	10.11.2021
8.	Mr. Sitaram Sharma	01298299	01.04.2022
9.	Mr. Virendra Sinha	03113274	01.04.2022
10.	Mrs. Papia Sengupta	07701564	01.09.2022

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For D.HANUMANTA RAJU & CO
COMPANY SECRETARIES

CS DATLA HANUMANTA RAJU
PARTNER
FCS: 4044, CP NO:1709
UDIN: F004044F000368122
PR NO: 699/2020

Place: Hyderabad
Date: 14.05.2024

INDEPENDENT AUDITOR'S REPORT

To
The Members of
ANDHRA PAPER LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Andhra Paper Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit including comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our

audit of the financial statements for the year ended March 31, 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report:

Recognition, Measurement and Presentation of provisions and contingent liabilities (Refer Note 2C (e), 21, 22 and 32A in the financial statements for the related disclosures):

The Company has ongoing litigations with various regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its reliable estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty.

Given the complexity and magnitude of potential exposures to the Company, the assessment of the existence of legal or constructive obligation and analysis of the probability of the related outflow of resources involves significant judgement by the management.

How the Key Audit Matter was addressed in our audit:
Our audit procedures in respect of this area included:

- Obtained a detailed understanding of the managements process for determining statutory liabilities, provisions and contingent liabilities pertaining to claims or disputes.
- Verified the design and operating effectiveness of the Company's key controls over the estimation, monitoring and disclosure of provisions and contingent liabilities.
- Made corroborative inquiries with appropriate level of the management personnel including status update, expectation of outcomes with the basis, and the future course of action contemplated by the Company.
- Obtained the understanding of the matters involved by reading the correspondences, communications, minutes of the Audit Committee and/or the Board meetings and discussions with the appropriate Management personnel.

- Obtained direct confirmation letters from external legal experts and reviewed them to assess the likelihood of outcome, for the purposes of provisioning.
- Evaluated the evidence supporting the judgement of the management about possible outcomes and the reasonableness of the assumptions and estimates, used in measuring the probable or possible impact.
- Evaluated appropriateness and adequacy of the disclosures of the contingent liability made in the financial statements in accordance with the requirements of Ind AS 37 - 'Provisions, Contingent Liabilities and Contingent Asset'.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Management report, Chairman's statement, Director's report, Business Responsibility and Sustainability Reporting etc. (hereinafter referred to as the "other information") but does not include the financial statements and our auditor's report thereon. The Management report, Chairman's statement, Director's report, Business Responsibility and Sustainability Reporting etc. is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Board of Directors for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the

Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Management and Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Financial Statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 (the "Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph h (vi) below on reporting under Rule 11(g).
 - (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure C"**.
 - (g) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(h)(vi) below on reporting under Rule 11(g).
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 32 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (1) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (2) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (3) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations

- provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.
- v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.
- vi. Based on our examination, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. However, the audit trail facility has not been operated throughout the year for all relevant transactions
- recorded in the accounting software, as the audit trail feature was not enabled in the accounting software during the year ended March 31, 2024.
3. In our opinion, according to information, explanations given to us, the remuneration paid / provided by the Company to its directors is within the limits laid prescribed under Section 197 read with Schedule V of the Act and the rules thereunder.

For **M S K A & Associates**

Chartered Accountants

ICAI Firm Registration No. 105047W

Prakash Chandra Bhutada

Partner

Membership No. 404621

UDIN: 24404621BKFSKC8157

Place: Hyderabad

Date: May 14, 2024

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE FINANCIAL STATEMENTS OF ANDHRA PAPER LIMITED

Auditor's Responsibilities for the Audit of the Financial Statements

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of management and Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.

However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the year ended March 31, 2024, and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For **M S K A & Associates**

Chartered Accountants

ICAI Firm Registration No. 105047W

Prakash Chandra Bhutada

Partner

Membership No. 404621

UDIN: 24404621BKFSKC8157

Place: Hyderabad

Date: May 14, 2024

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ANDHRA PAPER LIMITED FOR THE YEAR ENDED MARCH 31, 2024

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

- i. (a) A The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
- B The Company has maintained proper records showing full particulars of intangible assets.
- (b) Property, Plant and Equipment and right-of-use assets were physically verified by the management according to a phased programme designed to cover all items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of Property, plant and equipment and right-of-use assets have been physically verified by Management during the year. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right-of-Use assets) or intangible assets or both during the year. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.
- (e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i) (e) of the Order are not applicable to the Company.
- ii. (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification,

coverage & procedure of such verification is reasonable and appropriate, having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories.

- (b) During the year, the Company has been sanctioned working capital limits in excess of ₹ 5 crores in aggregate from Banks on the basis of security of current assets. Based on the records examined by us in the normal course of audit of the financial statements, Quarterly returns / statements filed with such Banks are in agreement with the books of account.
- iii. (a) According to the information explanation provided to us, the Company has provided loans to any other entity. The details of such loans or advances and guarantees or security to parties other than Subsidiaries, Joint ventures and Associates are as follows:

	Loans (₹ in Lakhs)
Aggregate amount granted/provided during the year	
- Others	266.06
Balance Outstanding as at balance sheet date in respect of above cases	
- Others	148.46

The Company has not provided any guarantee or security to any other entity during the year.

- (b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the terms and conditions in relation to investments made and grant of all loans and advances in the nature of loans and guarantees are not prejudicial to the interest of the Company.
- (c) In case of the loans, schedule of repayment of principal and payment of interest have been stipulated and the borrowers have been regular in the payment of the principal and interest.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no

amounts overdue for more than ninety days in respect of the loan granted to Other Parties.

- (e) According to the information explanation provided to us, the loan or advance in the nature of loan granted has not fallen due during the year. Hence, the requirements under paragraph 3(iii) (e) of the Order are not applicable to the Company.
- (f) According to the information explanation provided to us, the Company has granted loans and / or advances in the nature of loans during the year. These are not repayable on demand / have stipulated the schedule for repayment of principal and interest. Hence, the requirements under paragraph 3(iii)(f) of the Order are not applicable to the Company.
- iv. According to the information and explanations given to us, the Company has neither, directly or indirectly, granted any loan, or provided guarantee or security to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of Section 185 of the Act nor made investments through more than two layers of investment companies in accordance with the provisions of Section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.
- v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of Sections 73, 74, 75 and 76 of the Companies Act, 2013 (or mention 'the Act' if already defined) and the rules framed there under. Accordingly, the provisions stated under clause 3(iv) of the Order is not applicable to the Company. Also, there are no

amounts outstanding as on March 31, 2024, which are in the nature of deposits.

- vi. We have broadly reviewed the books of account maintained by the Company pursuant Rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Act and we are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and other statutory dues have been regularly deposited by the Company with appropriate authorities in all cases during the year.

There are no undisputed amounts payable in respect of Goods and Services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, cess, and other statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us and examination of records of the Company, details of statutory dues referred to in sub-Clause (a) above which have not been deposited as on March 31, 2024 on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount Demanded (₹ in Lakhs).	Amount Paid (₹ in Lakhs).	Period to which the amount relates	Forum where dispute is pending
Income tax act, 1961	Tax	12.64	-	2001-02 to 2003-04	High Court of Andhra Pradesh
	Tax	14.26	-	2001-02	Income Tax Appellate Tribunal, Hyderabad
	Interest	24.96	-	1979-80	High Court of Andhra Pradesh
	Tax	95.43	95.43	2020-21	Commissioner of Income tax (Appeals)

Name of the statute	Nature of dues	Amount Demanded (₹ in Lakhs).	Amount Paid (₹ in Lakhs).	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act, 1956	Tax	56.12	9.93	2014-15 to 2015-16	Appellate Deputy Commissioner, Vijayawada
	Tax	33.82	16.91	2005-06	Sales Tax Appellate Tribunal (STAT), Visakhapatnam
Andhra Pradesh General Tax Sales Tax Act, 1957	Tax	27.41	-	1995-96 to 1999 to 2000	Sales Tax Appellate Tribunal (STAT), Visakhapatnam
	Tax	10.82	4.24	1996-97	
	Tax	126.78	-	1990-99 and 2000-05	High Court of Andhra Pradesh
AP Value Added Tax Act, 2005	Penalty	11.79	5.89	2015-16 to 2017 (Q1)	Appellate Deputy Commissioner, Vijayawada
	Tax	23.66	11.82	2009-12	Sales Tax Appellate Tribunal (STAT), Visakhapatnam
	Tax	117.91	45.03	2015-16 to 2017 (Q1)	Appellate Deputy Commissioner, Vijayawada
Madhya Pradesh Value Added Tax Act, 2002	Tax	15.00	-	1997-98	High Court, Madhya Pradesh
West Bengal Value Added Tax, 2005	Tax	1.78	-	2009-10	Additional Commissioner of Commercial Taxes
Kerala Value Added Tax, 2003	Tax & Interest	40.18	5.70	2016-17	Joint Commissioner (Appeals), Ernakulam
Orissa Entry Tax Act, 1999	Tax	4.24	0.86	2006-07 to 2009-10	Deputy Commissioner of Commercial Taxes
	Tax	97.77	-	2017-18	Commissioner of Appeals
Goods and Services tax, 2017	Interest	0.18	-	2017-18 to 2019-20	Commissioner of Appeals
	Tax & Penalty	6.74	-	2010-11 to 2011-12	Customs, Excise & Service Tax Appellate Tribunal, Hyderabad
Finance Act, 1994	Tax & Penalty	5.46	-	2005-06	
	Tax & Penalty	274.18	-	2004-05 to 2005-06	High Court of Andhra Pradesh
	Tax & Penalty	241.13	50.37	2008-09 to 2012-13	Customs, Excise & Service Tax Appellate Tribunal, Hyderabad
	Tax & Penalty	2.90	0.15	2015-16	
Central Excise Act, 1944	Duty & Penalty	1.09	-	2005-06 to 2006-07	Customs, Excise & Service Tax Appellate Tribunal, Hyderabad
	Duty	9.41	-	2012-13 to 2014-15	
	Duty	768.91	-	2008-09	
	Duty & Penalty	251.31	-	2005-06 to 2006-07	High Court of Andhra Pradesh

- viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Income-tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.
- ix. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information explanation provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information explanation given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from an any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, reporting under the Clause 3(ix)(f) of the order is not applicable to the Company.
- x. (a) In our opinion and according to the information explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, the provisions stated in paragraph 3 (x)(a) of the Order are not applicable to the Company.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly, or optionally convertible debentures during the year. Hence, the provisions stated in paragraph 3 (x)(b) of the Order are not applicable to the Company.
- xi. (a) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we report that no fraud by the Company nor on the Company has been noticed or reported during the course of our audit.
- (b) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the provisions stated under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) (a) to (c) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered internal audit reports of the Company issued till date, for the period under audit.

- xv. According to the information and explanations given to us, in our opinion, during the year the Company has not entered into non-cash transactions with directors or persons connected with its directors and hence, provisions of Section 192 of the Act are not applicable to Company.
- xvi. (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph 3 (xvi)(a) of the Order are not applicable to the Company.
- (b) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph 3 (xvi)(b) of the Order are not applicable to the Company.
- (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under paragraph 3 (xvi)(c) of the Order are not applicable to the Company.
- (d) The Group does not have any CIC as part of its group. Hence the provisions stated in paragraph 3 (xvi) (d) of the order are not applicable to the Company.
- xvii. Based on the overall review of financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Hence, the provisions stated in paragraph 3 (xvii) of the Order are not applicable to the Company.
- xviii. There has been no resignation of the statutory auditors during the year. Hence, the provisions stated in paragraph 3 (xviii) of the Order are not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material

uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. (a) According to the information and explanations given to us and based on our verification, the provisions of Section 135 of the Act are applicable to the Company.

The Company has made the required contributions during the year for other than ongoing project and there are no unspent amounts which are required to be transferred either to a Fund or to a Special Account as per the provisions of Section 135 of the Act read with schedule VII.

- (b) In respect of ongoing projects, the Company has transferred unspent amount to a special fund within a period of thirty days from the end of the financial year in compliance with sub-section (6) of Section 135 of the Companies Act, 2013.
- xxi. The reporting under clause 3(xxii) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said Clause has been included in the report.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W

Prakash Chandra Bhutada
Partner

Place: Hyderabad
Date: May 14, 2024

Membership No.404621
UDIN: 24404621BKFSKC8157

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ANDHRA PAPER LIMITED

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Andhra Paper Limited on the Financial Statements for the year ended March 31, 2024]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls with reference to financial statements of Andhra Paper Limited (the "Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

Managements' and Board of Director's Responsibility for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence, we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls With reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures

that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management

override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **M S K A & Associates**

Chartered Accountants

ICAI Firm Registration No. 105047W

Prakash Chandra Bhutada

Partner

Membership No. 404621

UDIN: 24404621BKFSKC8157

Place: Hyderabad

Date: May 14, 2024

BALANCE SHEET

as at March 31, 2024

(₹ in lakhs)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
A ASSETS			
Non-current assets:			
(a) Property, plant and equipment	3	78,797.00	56,766.06
(b) Right-of- use assets	4	567.06	688.01
(c) Capital work-in-progress	3	11,373.32	2,938.18
(d) Other intangible assets	4a	164.33	238.84
(e) Financial assets			
(i) Investments	5	17,215.10	17,479.24
(ii) Other financial assets	7	481.15	424.08
(f) Income-tax assets (net)	13	1,852.71	-
(g) Other non-current assets	8	6,611.33	7,061.14
Total non-current assets		1,17,062.00	85,595.55
Current assets:			
(a) Inventories	9	23,698.39	17,365.95
(b) Financial assets			
(i) Investments	5	85,661.58	71,182.56
(ii) Trade receivables	10	6,092.75	14,753.41
(iii) Cash and cash equivalents	11	1,105.38	2,132.26
(iv) Bank balances other than cash and cash Equivalents	12	1,520.16	2,604.27
(v) Loans	6	148.46	1,637.02
(vi) Other financial assets	7	238.06	280.00
(c) Other current assets	8	9,568.35	4,918.81
Total current assets		1,28,033.13	1,14,874.28
TOTAL ASSETS		2,45,095.13	2,00,469.83
B EQUITY AND LIABILITIES			
Equity:			
(a) Equity share capital	14	3,977.00	3,977.00
(b) Other equity	15	1,85,343.08	1,54,240.06
Total equity		1,89,320.08	1,58,217.06
LIABILITIES			
Non-current liabilities:			
(a) Financial liabilities			
(i) Borrowings	16	4,729.86	462.91
(ia) Lease liabilities	18	534.95	664.33
(ii) Other financial liabilities	20	58.09	116.19
(b) Provisions	21	252.02	27.30
(c) Deferred tax liabilities (net)	23	8,330.26	7,195.67
Total non-current liabilities		13,905.18	8,466.40
Current Liabilities:			
(a) Financial liabilities			
(i) Borrowings	17	6,017.58	4,219.05
(ia) Lease liabilities	18	166.91	141.74
(ii) Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises	19	3,047.40	2,168.51
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	19	19,708.70	17,476.47
(iii) Other financial liabilities	20	6,845.75	3,621.90
(b) Provisions	21	3,694.17	3,728.15
(c) Other current liabilities	22	2,389.36	1,997.45
(d) Current tax liabilities (net)	13	-	433.10
Total current liabilities		41,869.87	33,786.37
Total liabilities		55,775.05	42,252.77
TOTAL EQUITY AND LIABILITIES		2,45,095.13	2,00,469.83
See accompanying notes forming part of the financial statements	1-54		

As per our report of even date
For M S K A & Associates
Chartered Accountants
Firm Registration No.:105047W

**For and on behalf of the Board of Directors
of Andhra Paper Limited**
CIN: L21010AP1964PLC001008

Prakash Chandra Bhutada
Partner
Membership No:404621

Saurabh Bangur
Joint Managing Director
(DIN:00236894)

S. K. Bangur
Chairman & Managing Director
(DIN: 00053237)

Place: Hyderabad
Date : May 14, 2024

Rajesh Bothra
Chief Financial Officer
Place: Rajahmundry / Kolkata
Date : May 14, 2024

Mukesh Jain
Executive Director
(DIN: 09380039)
Bijay Kumar Sanku
Company Secretary
Membership No: 15449

STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2024

(₹ in lakhs)

Particulars	Note	Year ended March 31, 2024	Year ended March 31, 2023
1 Income:			
(a) Revenue from operations	24	1,80,057.97	2,09,765.60
(b) Other income	25	9,494.96	5,201.57
Total income		1,89,552.93	2,14,967.17
2 Expenses:			
(a) Cost of materials consumed		86,534.62	82,118.22
(b) Changes in inventories of finished goods and work-in-progress	26	(1,452.35)	175.64
(c) Consumption of stores and spares		6,413.71	4,843.55
(d) Power, fuel and water		13,760.72	17,951.12
(e) Employee benefits expense	27	16,930.76	16,475.91
(f) Finance costs	28	441.49	717.11
(g) Depreciation and amortisation expense	29	6,587.22	6,319.78
(h) Other expenses	30	14,772.47	14,729.19
Total expenses		1,43,988.64	1,43,330.52
3 Profit before exceptional items and tax (1-2)		45,564.29	71,636.65
4 Exceptional items	47	-	(1,538.37)
5 Profit before tax (3 + 4)		45,564.29	70,098.28
6 Tax expense:			
(a) Current tax	31	11,079.48	18,643.71
(b) Deferred tax	31	510.89	(791.69)
		11,590.37	17,852.02
7 Net profit after tax (5-6)		33,973.92	52,246.26
8 Other comprehensive income			
(i) Items that will not be reclassified to profit or loss:			
(a) Remeasurement loss on the defined benefit plans		(2.62)	(108.08)
(b) Equity instruments through other comprehensive income		2,726.03	(488.06)
		2,723.41	(596.14)
(ii) Income tax relating to items that will not be reclassified to profit or loss	31		
(a) Remeasurement loss on the defined benefit plans		0.66	27.20
(b) Equity instruments through other comprehensive income		(623.72)	113.25
		(623.06)	140.45
Total other comprehensive (loss)/income for the year		2,100.35	(455.69)
9 Total comprehensive income (7 + 8)		36,074.27	51,790.57
Earnings per share (Face value of ₹ 10 each) Basic & Diluted - ₹	37	85.43	131.37
See accompanying notes forming part of the financial statements	1-54		

As per our report of even date
For M S K A & Associates
 Chartered Accountants
 Firm Registration No.:105047W

**For and on behalf of the Board of Directors
 of Andhra Paper Limited**
 CIN: L21010AP1964PLCO01008

S. K. Bangur
 Chairman & Managing Director
 (DIN: 00053237)

Prakash Chandra Bhutada
 Partner
 Membership No.:404621

Saurabh Bangur
 Joint Managing Director
 (DIN:00236894)

Mukesh Jain
 Executive Director
 (DIN: 09380039)

Place: Hyderabad
 Date : May 14, 2024

Place: Rajahmundry / Kolkata
 Date : May 14, 2024

Bijay Kumar Sanku
 Company Secretary
 Membership No: 15449

STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2024

(a) Equity share capital

(₹ in lakhs)

	Number of shares	Amount
Balance as at April 1, 2022	3,97,70,039	3,977.00
Changes in equity share capital during the year	-	-
Balance as at March 31, 2023	3,97,70,039	3,977.00
Changes in equity share capital during the year	-	-
Balance as at March 31, 2024	3,97,70,039	3,977.00

(b) Other equity

(₹ in lakhs)

Particulars	Reserves and surplus			Items of other comprehensive income	Total
	Security premium	Capital redemption reserve	Retained earnings	Equity instrument through other comprehensive income	
Balance as at April 1, 2022	18,211.13	598.00	86,309.73	313.38	1,05,432.24
Profit for the year	-	-	52,246.26	-	52,246.26
Remeasurements of the defined benefit plans (net of tax)	-	-	(80.88)	-	(80.88)
Dividend on equity shares	-	-	(2,982.75)	-	(2,982.75)
Changes in fair value (net of tax)	-	-	-	(374.81)	(374.81)
Balance as at March 31, 2023	18,211.13	598.00	1,35,492.36	(61.43)	1,54,240.06
Profit for the year	-	-	33,973.92	-	33,973.92
Remeasurements of the defined benefit plans (net of tax)	-	-	(1.96)	-	(1.96)
Dividend on equity shares	-	-	(4,971.25)	-	(4,971.25)
Changes in fair value (net of tax)	-	-	-	2,102.31	2,102.31
Balance as at March 31, 2024	18,211.13	598.00	1,64,493.07	2,040.88	1,85,343.08

See accompanying notes forming part of the financial statements 1-54

As per our report of even date

For M S K A & Associates

Chartered Accountants

Firm Registration No.:105047W

For and on behalf of the Board of Directors of Andhra Paper Limited

CIN: L21010AP1964PLCO01008

S. K. Bangur

Chairman & Managing Director

(DIN: 00053237)

Prakash Chandra Bhutada

Partner

Membership No:404621

Saurabh Bangur

Joint Managing Director

(DIN:00236894)

Mukesh Jain

Executive Director

(DIN: 09380039)

Rajesh Bothra

Chief Financial Officer

Bijay Kumar Sanku

Company Secretary

Membership No: 15449

Place: Hyderabad

Date : May 14, 2024

Place: Rajahmundry / Kolkata

Date : May 14, 2024

CASH FLOW STATEMENT

for the year ended March 31, 2024

(₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
A. Cash flow from operating activities		
Profit before tax after exceptional items	45,564.29	70,098.28
Adjustments for:		
Depreciation and amortisation expense	6,587.22	6,319.78
Loss on sale / scrap of property, plant and equipment's (net)	120.28	347.29
Exceptional items	-	1,538.37
Profit on sale of current investments	(1,177.92)	(205.62)
Net gain on financial assets designated on FVTPL	(3,320.48)	(464.62)
Finance costs	441.49	717.11
Unwinding of discount on deferred payment liabilities	(58.09)	(58.09)
Interest income	(4,033.99)	(3,553.83)
Liabilities / provisions no longer required written back	(590.73)	(459.22)
Dividend income	(160.35)	-
Fair valuation adjustments of derivatives (forward cover) designated as FVTPL	(9.88)	-
Net unrealised foreign exchange loss /(gain)	11.10	(93.59)
Operating profit before working capital changes	43,372.94	74,185.86
Changes in working capital:		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Inventories	(6,332.44)	(2,857.20)
Trade receivables	8,664.37	(4,483.40)
Loans	(11.44)	7.32
Other assets	(4,565.21)	1,736.54
Other financial assets	(61.97)	(24.65)
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Trade payables	3,678.31	3,824.02
Other financial liabilities	(86.18)	152.22
Other liabilities	391.91	(621.58)
Provisions	188.12	(81.46)
Cash generated from operations	45,238.41	71,837.67
Income tax paid	(13,364.63)	(18,255.58)
Net cash flow from operating activities (A)	31,873.78	53,582.09
B. Cash flows from investing activities		
Purchase of property, plant and equipment (including capital work-in-progress and intangible assets)	(33,104.86)	(11,488.18)
Purchase of current investments	(1,81,333.63)	(2,44,840.02)
Purchase of non-current investments	(9,346.14)	(21,232.51)
Proceeds from sale/redemption of current investments	1,82,910.15	2,08,906.30
Proceeds from sale of non-current investments	1,073.23	5,482.38
Proceeds from sale of property, plant and equipment	5.58	138.51
Inter-corporate deposits given	-	(2,585.00)
Inter-corporate deposits matured	1,500.00	11,380.00
Term / margin money deposits placed during the year	(1,068.38)	(1,992.10)
Term / margin money deposits matured during the year	2,000.00	2,587.00
Dividend received	160.35	-
Interest received	3,796.79	3,781.81
Net cash used in investing activities (B)	(33,406.91)	(49,861.81)

CASH FLOW STATEMENT

for the year ended March 31, 2024 (Contd.)

(₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
C. Cash flow from financing activities		
Proceeds from long-term borrowings	5,236.94	-
Proceeds from short-term borrowings	7,494.80	15,000.00
Repayment of long-term borrowings (including current maturities)	(219.06)	(307.74)
Repayment of short-term borrowings	(6,500.00)	(15,000.00)
Dividend paid	(4,971.25)	(2,982.75)
Finance costs	(334.70)	(643.89)
Repayment of lease liability	(203.88)	(198.98)
Net cash flow from / (used in) financing activities (C)	502.85	(4,133.36)
Net decrease in Cash and cash equivalents (A+B+C)	(1,030.28)	(413.08)
Cash and cash equivalents at the beginning of the year	2,132.26	2,453.92
Effect of exchange rate changes on cash and cash equivalents held in foreign currencies	3.40	91.42
Cash and cash equivalents at the end of the year (Refer Note 11)	1,105.38	2,132.26

Reconciliation of Financial Liabilities - Borrowings and lease liabilities:

(₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening balance	5,488.03	5,858.70
Add: Lease liabilities recognised during the year	47.83	13.59
Add: Proceeds of borrowings	12,731.74	15,000.00
Less: (Repayments) of borrowings	(6,719.06)	(15,307.74)
Less: (Repayments) of lease liabilities	(203.88)	(198.98)
Less: Fair value changes	104.65	122.46
Closing balance	11,449.30	5,488.03

See accompanying notes forming part of the financial statements 1-54

As per our report of even date

For M S K A & Associates

Chartered Accountants

Firm Registration No.:105047W

**For and on behalf of the Board of Directors
of Andhra Paper Limited**

CIN: L21010AP1964PLC001008

S. K. Bangur

Chairman & Managing Director

(DIN: 00053237)

Prakash Chandra Bhutada

Partner

Membership No:404621

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(DIN: 09380039)

Rajesh Bothra

Chief Financial Officer

Bijay Kumar Sanku

Company Secretary

Membership No: 15449

Place: Hyderabad

Date : May 14, 2024

Place: Rajahmundry / Kolkata

Date : May 14, 2024

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. General information

Andhra Paper Limited (“APL”/ the “Company”) is an integrated paper and pulp manufacturer. The equity shares of the Company are listed on BSE Limited and National Stock Exchange of India limited. APL was incorporated on June 29, 1964.

APL owns and operates two manufacturing units located in the State of Andhra Pradesh, India, one at Rajamahendravaram and the other at Kadiyam in East Godavari District.

2. Material accounting policies

A. Statement of compliance

The financial statements which comprise the Balance sheet, the Statement of Profit and Loss including other comprehensive income, the Cash flow statement and the Statement of changes in Equity (“Financial Statements”) have been prepared in accordance with Indian Accounting Standards (Ind ASs) notified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended and relevant amendment rules issued thereafter. The Company has consistently applied accounting policies to all periods.

B. Basis of preparation and presentation

The financial statements have been prepared on accrual basis and on the historical cost convention except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment

transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36. In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly;
- Level 3 inputs are unobservable inputs for the asset or liability.

The material accounting policies are set out below.

C. Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires Management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The following are the critical judgements and estimates that have been made in the process of applying the Company’s accounting policies that have the most significant effect on the amounts recognised in the financial statements:

a) Useful lives of Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset’s expected useful life and the expected residual value at the end

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

of its life. The useful lives and residual values of Company's assets are determined by Management at the time the asset is acquired and is reviewed at the end of each reporting period. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. This reassessment may result in change in depreciation expense in future periods.

b) Fair value measurement of financial instruments

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or liability, the Company uses market-observable data to the extent available. Where Level 1 inputs are not available, the fair value is measured using valuation techniques, including the discounted cash flow model, which involves various judgments and assumptions. The Company also engages third party qualified valuers to perform the valuation in certain cases. The appropriateness of valuation techniques and inputs to the valuation model are reviewed by the Management.

c) Income taxes

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions.

d) Defined benefit obligations

The Company uses actuarial assumptions viz., discount rate, mortality rates, salary escalation rate etc., to determine such employee benefit obligations.

e) Claims, provisions and contingent liabilities

The Company has ongoing litigations with various regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation

uncertainty. Information about such litigations is disclosed in notes to the financial statements.

f) Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116 Leases. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

g) Other estimates

The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the probability of collection of accounts receivable by analysing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

D. Classification of Assets and Liabilities as Current and Non-Current

All Assets and Liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

the nature of product & activities of the Company and their realisation in cash and cash equivalent, the Company has determined its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities

E. Inventories

Inventories are valued at the lower of cost and net realizable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

The method of determining cost of various categories of inventories is as follows:

Raw materials (including packing materials)	Weighted average cost
Stores and spares	Weighted average cost
Work-in-progress and finished goods (manufactured)	Weighted average cost of production which comprises of direct material costs, direct wages and applicable overheads.
Stock-in-trade	Weighted average cost

F. Property, plant and equipment and Capital work in progress

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure in making the asset ready for its intended use and cost of borrowing till the date of capitalisation in the case of assets involving material investment and substantial lead time.

An item of Property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain/loss arising on the disposal or retirement of an item of Property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the statement of profit or loss.

Depreciation

Depreciation on buildings is provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Depreciation on plant and equipment is provided on straight-line method over 10-25 years, based on the useful life assessed as per technical assessment, taking into account the nature of asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, maintenance report etc.

Depreciation on other tangible fixed assets viz. furniture and fixtures, office equipment and vehicles is provided on written down value method as per the useful life prescribed in Schedule II of the Companies Act, 2013.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Leasehold improvements are amortised over the lower of estimated useful life and lease term.

Assets individually costing ₹ 5,000 and below are fully depreciated in the period of acquisition.

G. Intangible Assets

Intangible assets are carried at cost, net of accumulated amortisation and impairment losses, if any. Cost of an intangible asset comprises of purchase price and attributable expenditure on making the asset ready for its intended use.

Intangible assets are amortised on the straight-line method over their estimated useful life.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognized.

H. Impairment

a) Financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 month ECL.

Lifetime ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original Effective Interest Rate (EIR). When estimating the cash flows, an entity is required to consider:

- (i) All contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- (ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

As a practical expedient, the Company uses a provision matrix to determine impairment loss on portfolio of its trade receivables. The

provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the Statement of Profit and Loss. ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the Balance Sheet.

b) Non-financial assets

The Company assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets is impaired. If any such indication exists, the Company estimates the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in the Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised then the previously recognised impairment loss is reversed through the Statement of Profit and Loss.

The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using the pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing assets are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or group of asset ("the cash generating unit").

I. Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

the primary economic environment in which the entity operates (i.e. the “functional currency”). The financial statements are presented in Indian Rupee (₹), the national currency of India, which is the functional currency of the Company.

J. Foreign currency transactions and translations

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of transactions. The date of transaction for the purpose of determining the exchange rate on initial recognition of the related asset, expense or income (part of it) is the date on which the entity initially recognises the non-monetary asset or non-monetary liability arising from payment or receipt of advance consideration. Foreign currency denominated monetary assets and liabilities are restated into the functional currency using exchange rates prevailing on the balance sheet date. Gains and losses arising on settlement and restatement of foreign currency denominated monetary assets and liabilities are recognised in the statement of profit and loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not translated.

K. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

L. Employee benefits

a) Defined contribution plans

Employee benefits in the form of provident fund, superannuation, employees’ state insurance fund and labour welfare fund are considered as defined contribution plans and the contributions are charged to the profit and loss during the year when the contributions to the respective funds are due and as and when services are rendered by employees.

Provident fund

Eligible employees receive benefits from a provident fund. Both the employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee’s salary. Rajahmundry unit of the Company makes the contributions to ‘The Employee’s Provident Fund of The Andhra Pradesh Paper Mills Limited’ trust maintained by the Company, and for other locations the contributions are made to Regional Provident Fund Commissioner. The rate at which the annual interest is payable to the beneficiaries by the trust is determined by the Government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate. The Company has no further obligations.

Superannuation

Certain employees of the Company are participants in the superannuation plan (‘the Plan’) which is a defined contribution plan. The Company contributes to the superannuation fund maintained with an Insurer.

b) Defined benefit plans

Gratuity

In accordance with the Payment of Gratuity Act, 1972, as amended, the Company provides for gratuity, a defined benefit retirement plan (‘the Gratuity Plan’) covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee’s salary and the tenure of employment with the Company. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation at each Balance Sheet date using the projected unit credit method. The Company fully contributes all ascertained liabilities to the gratuity fund maintained with the Insurer.

Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss.

c) Short-term and other long-term employee benefits

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Company fully contributes all ascertained liabilities to the fund maintained with the Insurer. The Company recognises accumulated compensated absences based on actuarial valuation. Non-accumulating compensated absences are recognised in the period in which the absences occur.

M. Revenue recognition

a) Sale of goods

Revenue is recognised upon transfer of promised goods or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is reduced for estimated customer returns, rebates and other

similar allowances, taxes or duties collected on behalf of the government. An entity shall recognise revenue when the entity satisfies a performance obligation by transferring a goods or services (i.e. an asset) to a customer. An asset is transferred when the customer obtains control of that asset.

b) Export benefits

Export benefits are recognised on an accrual basis and when there is a reasonable certainty of realisation of such benefits / incentives.

c) Other income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

N. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial asset or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial asset or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of the Profit and Loss. While, loans and borrowings and payables are recognised net of directly attributable transaction costs.

Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: Non-derivative financial assets comprising amortised cost, investments in subsidiaries, equity instruments at fair value through other comprehensive income (FVTOCI) or fair value through profit or loss (FVTPL) and non-derivative financial liabilities at amortised cost. Management determines the classification of its financial instruments at initial recognition.

The classification of financial instruments depends on the objective of the Company's business model for which it is held and on the substance of the contractual terms / arrangements.

a) Non - derivative financial assets

i. Financial assets at amortised cost

A financial asset shall be measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss.

Financial assets at amortised cost are represented by trade receivables, security deposits, cash and cash equivalents, loans / Inter-Corporate deposits given / placed and eligible current and non-current assets.

Cash comprises cash on hand, cash at bank, cheques on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from

the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

ii. Investments in Equity instruments at FVTOCI

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income (OCI) pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the "equity instruments through other comprehensive income". The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- It has been acquired principally for the purpose of selling it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedge instrument or a financial guarantee.

Dividends on these investments in equity instruments are recognised in the Statement of Profit and Loss when the Company's right to receive the dividends is established and the amount of dividend can be measured reliably.

iii. Financial assets at fair value through profit or loss (FVTPL)

FVTPL is a residual category for financial assets. A financial asset which does

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as FVTPL.

In addition, the Company may elect to designate the financial asset, which otherwise meets amortised cost or FVTOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency.

Financial assets included within the FVTPL category are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the Statement of Profit and Loss. The net gain or loss recognised in the Statement of Profit and Loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item.

De-recognition of financial assets

The Company de-recognises financial assets when the contractual right to the cash flows from the asset expires or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. On de-recognition of a financial asset (except as mentioned above for financial assets measured at FVTOCI), the difference between the carrying amount and the consideration received and receivable is recognised in the Statement of Profit and Loss.

b) Non-derivative financial liabilities

i. Financial liabilities at fair value through profit or loss (FVTPL)

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

ii. Financial liability subsequently measured at amortised cost

Financial liabilities at amortised cost represented by borrowings, trade and other payables are initially recognized at fair value, and subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

De-recognition of financial liabilities

The Company de-recognises financial liabilities, when and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liabilities de-recognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

O. Leases

The Company's lease asset classes primarily consist of leases for building, plant & machinery and vehicles. The Company, at the inception of a contract, assesses whether the contract is a lease or not. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense over the lease term.

P. Taxation

Income tax expense represent the sum of the current tax and deferred tax.

i. Current tax

Current tax is determined as the amount of tax payable in respect of the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income-tax Act, 1961. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

ii. Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such

deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of such deferred tax assets to be utilised.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Q. Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

R. Cash flow statements and Cash and cash equivalents

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

For the purpose of presentation in the cash flow statement, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

S. Standards (including amendments) issued but not yet effective:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

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3. Property, plant and equipment and capital work-in-progress

(₹ in lakhs)

	As at March 31, 2024	As at March 31, 2023
Carrying amounts of:		
Freehold land	295.92	295.92
Buildings	8,973.29	7,184.54
Plant and equipment	69,073.82	49,043.69
Furniture and fixtures	42.79	45.67
Vehicles	186.06	53.10
Office equipment	221.64	138.24
Leasehold improvements	3.48	4.90
TOTAL - Property, plant and equipment	78,797.00	56,766.06
Capital work-in-progress (CWIP)	11,373.32	2,938.18
TOTAL - CWIP	11,373.32	2,938.18

(₹ in lakhs)

Cost or deemed cost	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Leasehold improvements	Total
Balance as at March 31, 2022	295.92	10,350.66	83,247.31	243.68	301.79	1,101.40	14.40	95,555.16
Additions	-	286.97	5,530.95	23.71	-	13.30	-	5,854.93
Disposals / adjustments*	-	(58.86)	(685.15)	(51.99)	(5.96)	(57.58)	-	(859.54)
Balance as at March 31, 2023	295.92	10,578.77	88,093.11	215.40	295.83	1,057.12	14.40	1,00,550.55
Additions	-	2,327.37	25,844.61	5.19	176.33	143.36	-	28,496.86
Disposals / adjustments*	-	(6.25)	(336.60)	-	(11.12)	(44.61)	-	(398.58)
Balance as at March 31, 2024	295.92	12,899.89	1,13,601.12	220.59	461.04	1,155.87	14.40	1,28,648.83

* Adjustments includes transfers inter-se

Accumulated depreciation	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Leasehold improvements	Total
Balance as at March 31, 2022	-	2,922.66	33,943.59	205.45	224.92	908.61	8.08	38,213.31
Depreciation expense	-	486.76	5,486.52	13.21	23.34	63.30	1.42	6,074.55
Eliminated on disposal of assets	-	(15.19)	(380.69)	(48.93)	(5.53)	(53.03)	-	(503.37)
Balance as at March 31, 2023	-	3,394.23	39,049.42	169.73	242.73	918.88	9.50	43,784.49
Depreciation expense	-	534.01	5,697.68	8.07	42.81	56.07	1.42	6,340.06
Eliminated on disposal of assets	-	(1.64)	(219.80)	-	(10.56)	(40.72)	-	(272.72)
Balance as at March 31, 2024	-	3,926.60	44,527.30	177.80	274.98	934.23	10.92	49,851.83

Capital work-in-progress ageing as at March 31, 2024:

CWIP ageing schedule*:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	11,070.61	198.69	104.02	-	11,373.32
Projects temporarily suspended	-	-	-	-	-
Total	11,070.61	198.69	104.02	-	11,373.32

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3. Property, plant and equipment and capital work-in-progress (Contd.)

Capital work-in-progress ageing as at March 31, 2023:

CWIP ageing schedule[#]:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	2,804.35	133.83	-	-	2,938.18
Projects temporarily suspended	-	-	-	-	-
Total	2,804.35	133.83	-	-	2,938.18

Project execution plans are reviewed periodically on the basis of Management's judgement and estimates w.r.t future business, technology developments / economy / industry / regulatory environment and all the projects are assessed as per periodic plan.

4. Right-of-use assets

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Carrying amounts of right-of-use assets:		
Buildings	565.07	679.22
Vehicles	1.99	8.79
TOTAL - Right-of-use assets	567.06	688.01

(₹ in lakhs)

Cost	Buildings	Vehicles	Total
Balance as at March 31, 2022	1,044.51	23.75	1,068.26
Additions	-	13.59	13.59
Deletion	(1.08)	(15.60)	(16.68)
Balance as at March 31, 2023	1,043.43	21.74	1,065.17
Additions	47.83	-	47.83
Deletion	(49.47)	-	(49.47)
Balance as at March 31, 2024	1,041.79	21.74	1,063.53

(₹ in lakhs)

Accumulated depreciation	Buildings	Vehicles	Total
Balance as at March 31, 2022	205.19	21.72	226.91
Depreciation	159.02	6.83	165.85
Deletion	-	(15.60)	(15.60)
Balance as at March 31, 2023	364.21	12.95	377.16
Depreciation	160.90	6.80	167.70
Deletion	(48.39)	-	(48.39)
Balance as at March 31, 2024	476.72	19.75	496.47

4a. Intangible assets

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Carrying amounts of:		
Computer softwares	164.33	238.84
TOTAL - Intangible assets	164.33	238.84

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

4. Right-of-use assets (Contd.)

(₹ in lakhs)

Cost or deemed cost	Computer softwares	Total
Balance as at March 31, 2022	1,186.93	1,186.93
Additions	-	-
Disposals	-	-
Balance as at March 31, 2023	1,186.93	1,186.93
Additions	4.95	4.95
Disposals	(37.49)	(37.49)
Balance as at March 31, 2024	1,154.39	1,154.39

(₹ in lakhs)

Accumulated amortisation	Computer softwares	Total
Balance as at March 31, 2022	868.71	868.71
Amortisation expense	79.38	79.38
Disposals	-	-
Balance as at March 31, 2023	948.09	948.09
Amortisation expense	79.46	79.46
Disposals	(37.49)	(37.49)
Balance as at March 31, 2024	990.06	990.06

5. Investments

(₹ in lakhs)

Particulars	Face Value ₹	As at March 31, 2024		As at March 31, 2023	
		Number	Amount	Number	Amount
Non-current					
Trade					
Unquoted Investments (all fully paid)					
(A) Investment in equity shares of subsidiary at cost					
Andhra Paper Foundation	10	50,000	5.00	50,000	5.00
Less: Provision for diminution in value of investments			(5.00)		-
Total (A)			-		5.00
(B) Investments carried at amortised cost:					
Investments in bonds					
Bharati Telecom Limited, 8.60%, 12 Dec 2025	10,00,000	100	1,023.71	-	-
Government of India, 8.24% 10 Nov 2033	5,00,000	100	559.78	-	-
Government of India, 8.26% 02 Aug 2027	100	1,00,000	103.84	-	-
Government of India, 8.33% 09 July 2026	100	2,00,000	207.83	-	-
National Bank For Agriculture and Rural Development, 5.27%, 23 July 2024	10,00,000	-	-	50	504.78
National Bank For Agriculture and Rural Development, 7.4%, 30 Jan 2026	10,00,000	100	1,012.69	100	1,012.33
Power Finance Corporation Limited, 8.65%, 28 Dec 2024	10,00,000	-	-	50	519.44
Power Finance Corporation Limited, 9.37%, 19 AUG 2024	10,00,000	-	-	18	193.41
Power Grid Corporation Limited, 9.25%, 26 Dec 2024	12,50,000	-	-	40	524.67
Power grid Corporation of India Limited, 9.30%, 04 Sep 2029	10,00,000	25	283.77	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

5. Investments (Contd.)

(₹ in lakhs)

Particulars	Face Value ₹	As at March 31, 2024		As at March 31, 2023	
		Number	Amount	Number	Amount
State Bank of India Series II, 8.50%, 22 Nov 2024	10,00,000	-	-	155	1,610.59
State Bank of India Series III, 7.55%, 14 Dec 2026	1,00,00,000	1	100.42	-	-
State Bank of India, SR -I, 7.74%, 8 Sep 2025	10,00,000	50	526.49	50	529.32
Total (B)			3,818.53		4,894.54
(C) Investments in Non-Convertible Debentures at amortised cost					
Aditya Birla Finance Limited, 7.6%, 6 Jun 2025	10,00,000	100	1,061.85	100	1,061.63
Aditya Birla Finance Limited, 7.9%, 19 Sep 2025	10,00,000	100	1,036.67	100	1,036.54
HDFC Credila Financial Services Limited, 8.62%, 17 Jun 2024	10,00,000	-	-	32	350.04
Housing Development Finance Corporation Limited, 5.90%, 25 Feb 2025	10,00,000	-	-	100	983.83
Housing Development Finance Corporation Limited, 7.40%, 02 Jul 2025	10,00,000	100	1,059.84	100	1,058.33
Housing Development Finance Corporation Limited, 7.99%, 11 July 2024	10,00,000	-	-	50	529.55
Housing Development Finance Corporation Limited, 8.40%, 23 Jan 2025	5,00,000	-	-	200	1,023.02
Kotak Mahindra Investments Limited, 0%, 29 Apr 2024	10,00,000	-	-	100	922.80
Kotak Mahindra Investments Limited SR III NCD, 0%, 29 Jan 2026	10,00,000	35	302.61	-	-
Kotak Mahindra Prime Limited, 7.8955%, 23 Dec 2024	10,00,000	-	-	100	1,021.76
Kotak Mahindra Investments Limited, 8.0415%, 26 Sep 2025	1,00,000	1,000	1,039.89	-	-
Kotak Mahindra Prime Limited, 7.8815%, 17 Feb 2025	10,00,000	-	-	100	1,008.35
L & T Finance Limited, 6.45%, 10 May 2024	10,00,000	-	-	150	1,509.25
LIC Housing Finance, 8.33%, 31 May 2024	10,00,000	-	-	50	541.84
Mahindra & Mahindra Financial Services Limited, 8.90%, 27 Oct 2025	10,00,000	10	105.57	10	106.57
Total (C)			4,606.43		11,153.51
(D) Investments in Equity Instruments at FVTOCI:					
- Andhra Pradesh Gas Power Corporation Limited, equity shares of ₹ 10 each	10	13,40,000	1,538.37	13,40,000	1,538.37
Less: Provision for diminution in value of investments			(1,538.37)		(1,538.37)
Total (D)			-		-
(E) Quoted Investments					
Investments in Equity Instruments at FVTOCI:					
- Bharat Electronic Limited	1	1,08,730	219.18	-	-
- Bharat Petroleum Corporation Limited	10	7,210	43.46	-	-
- Canara Bank	10	9,520	55.34	-	-
- Chennai Petroleum Corporation	10	21,225	192.55	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

5. Investments (Contd.)

(₹ in lakhs)

Particulars	Face Value ₹	As at March 31, 2024		As at March 31, 2023	
		Number	Amount	Number	Amount
- Coal India Limited	10	2,03,399	883.25	58,944	125.93
- Exide Industries Limited	1	26,835	81.77	-	-
- HDFC Bank Limited	1	36,718	531.92	14,580	234.67
- ICICI Bank Limited	10	20,470	223.90	-	-
- Indian Oil Corporation Limited	10	1,24,230	208.48	-	-
- Infosys Limited	10	6,985	104.69	-	-
- ITC Limited	1	1,04,050	445.89	63,500	243.52
- JIO Financial Services Limited	10	12,970	45.90	-	-
- JSW Steels Limited	10	20,520	170.44	-	-
- Life Insurance Corporation of India	10	44,339	406.21	44,339	236.93
- Mahanagar Gas Limited	10	14,020	191.33	-	-
- NMDC Limited	10	2,79,390	563.85	1,01,700	113.45
- NTPC Limited	10	1,39,170	467.49	-	-
- OIL India Limited	10	74,290	446.04	-	-
- Oil and Natural Gas Corporation	10	74,855	200.73	-	-
- Power Finance Corporation Limited	10	1,79,860	702.03	1,01,000	153.27
- Power Grid Corporation Limited	10	1,25,873	348.67	-	-
- REC Limited	10	2,03,080	916.02	1,76,000	203.19
- Reliance Industries Limited	10	10,683	317.61	-	-
- RITES Limited	10	31,250	207.52	-	-
- State Bank of India	10	48,425	364.46	22,000	115.23
- Tata Consultancy Services Limited	10	2,706	104.94	-	-
- Tata Motors Limited	10	3,250	32.28	-	-
- Tata Motors Limited (differential voting rights)	10	47,795	314.22	-	-
Total (E)			8,790.14		1,426.19
Aggregate carrying value of unquoted non-current investments (F) = (A) + (B) + (C) + (D) + (E)			17,215.10		17,479.24

(₹ in lakhs)

Particulars	Face Value ₹	As at March 31, 2024		As at March 31, 2023	
		Number	Amount	Number	Amount
Current					
Unquoted investments carried at amortised cost					
Investments in Bonds					
Bank Of Baroda, 9.73%, 17 Dec 2023	10,00,000	-	-	30	314.83
Bank Of India, 9.80%, 30 Sep 2023	10,00,000	-	-	30	334.04
ICICI Bank Limited Perpetual, 9.15%, 20 June 2023	10,00,000	-	-	100	1,075.38
Indian Oil Corporation Limited SR XXII, 5.84%, 19 Apr 2024	10,00,000	100	1,054.49	-	-
Indian Oil Corporation Limited, 6.44%, 14 Apr 2023	10,00,000	-	-	100	1,013.39
Indian Railway Finance Corporation Limited, 6.19%, 28 Apr 2023	10,00,000	-	-	100	1,058.63
Indian Renewable Energy Development Agency Limited, 8.44%, 10 May 2023	10,00,000	-	-	17	183.16
L&T Finance Limited, 9.25%, 13 Mar 2024	1,000	-	-	1,40,000	1,445.85
LIC Housing Finance Limited, 6.19%, 25 Nov 2024	10,00,000	50	506.43	-	-
LIC Housing Finance Limited, 6.8975%, 16 Nov 2023	10,00,000	-	-	50	511.43
National Bank For Agriculture and Rural Development, 5.14%, 31 Jan 2024	10,00,000	-	-	50	495.14

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

5. Investments (Contd.)

(₹ in lakhs)

Particulars	Face Value ₹	As at March 31, 2024		As at March 31, 2023	
		Number	Amount	Number	Amount
National Bank For Agriculture and Rural Development, 5.27%, 23 July 2024	10,00,000	50	515.01	-	-
National Bank for Agriculture and Rural Development, 5.44%, 05 Feb 2024	10,00,000	-	-	200	1,982.31
Power Finance Corporation Limited, 8.19%, 14 Jun 2023	10,00,000	-	-	7	74.90
Power Finance Corporation Limited , 9.37%, 19AUG 2024	10,00,000	18	191.35	-	-
Power Finance Corporation Limited 2023, 5.47%, 19 Aug 2023	10,00,000	-	-	100	1,026.44
Power Finance Corporation Limited ,8.65%, 28 Dec 2024	10,00,000	140	1,442.24	-	-
Power Grid Corporation Limited ,9.25%, 26 Dec 2024	12,50,000	40	517.79	-	-
Power grid Corporation Limited, 8.64% , 8 July 2024	12,50,000	80	1,065.79	-	-
Power Grid Corp of India Limited,8.93%, 20 Oct 2024	10,00,000	100	1,048.76	-	-
Reliance Industries Limited,9.25%, 16 Jun 2024	10,00,000	100	1,077.13	-	-
Rural Electrification Corporation Limited, 5.79%, 20 Mar 2024	10,00,000	-	-	100	984.98
Rural Electrification Corporation Limited, 8.82%, 12 Apr 2023	10,00,000	-	-	4	43.45
Rural electrification corporation limited,8.57%,21 Dec 2024	10,00,000	100	1,083.67	-	-
SBI Cards And Payment Services, 8.30%, 17 May 2023	10,00,000	-	-	100	1,059.48
State Bank of India Series - II , 9.37%, 21 Dec 2023	10,00,000	-	-	50	518.64
State Bank of India Series - III, 9.45%, 22 Mar 2024	10,00,000	-	-	5	51.22
State Bank of India Series II, 8.50%, 22 Nov 2024	10,00,000	341	3,524.86	-	-
TVS Motors Company Limited, 7.5%, 15 May 2023	10,00,000	-	-	50	533.26
Total (A)			12,027.52		13,232.35
Investments in Non-Convertible Debentures					
Aditya Birla Finance Limited, 6.15%, 30 May 2023	10,00,000	-	-	100	2,009.10
Bajaj Finance Limited, 5.75%, 16 Feb 2024	10,00,000	-	-	250	2,515.79
Cholamandalam Investment and Fin Co Limited, 6.26%, 18 Apr 2023	10,00,000	-	-	150	1,588.76
Housing Development Finance Corporation Limited, 7.28%, 01 Mar 2024	10,00,000	-	-	100	1,003.76
Housing Development Finance Corporation Limited, 9.05%, 20 Nov 2023	10,00,000	-	-	50	522.84
IIFL Finance Limited, 8.25%, 14 Oct 2023	1,000	-	-	50,000	523.81
IIFL Home Finance Limited, 8.93%, 14 Apr 2023	10,00,000	-	-	50	530.69
Kotak Mahindra Prime Limited, 5.00%, 20 Dec 23	10,00,000	-	-	100	1,009.25
Kotak Mahindra Prime Limited, 5.80%, 20 Feb 2024	10,00,000	-	-	100	991.67
Kotak Mahindra Prime Limited, 6%, 15 Mar 2024	10,00,000	-	-	250	2,475.56
L&T Finance Limited, 6.15%, 17 May 2023	10,00,000	-	-	50	500.46
LIC Housing Finance Limited, 9.19%, 06 Jun 2023	10,00,000	-	-	160	1,666.67

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

5. Investments (Contd.)

(₹ in lakhs)

Particulars	Face Value ₹	As at March 31, 2024		As at March 31, 2023	
		Number	Amount	Number	Amount
Mahindra & Mahindra Financial services Limited, 5.9%, 31 July 2023	10,00,000	-	-	100	1,033.17
Muthoot finance Limited ,6.60%, 20 June 2023	1,000	-	-	1,00,000	1,060.70
Muthoot Finance Limited, 7.40%, 05 Jan 2024	1,000	-	-	25,994	269.34
Reliance Industries Limited, 8.00%, 09 Apr 2023	10,00,000	-	-	200	2,156.36
Shriram Finance Limited, 7.50%, 22 May 2023	10,00,000	-	-	100	1,007.89
Shriram Finance Limited 2023, 9.10%, 28 Apr 2023	10,00,000	-	-	100	1,039.24
State Bank of India Series -1, 9.56%, 04 Dec 2023	10,00,000	-	-	80	834.16
Tata Capital Limited, 6.4912%, 16 Feb 2024	10,00,000	-	-	200	2,010.36
Tata Capital Financial Services Limited, 6.1%, 29 Mar 2024	10,00,000	-	-	50	500.99
Tata Capital Housing Finance Limited, 0%, 24 Jan 2024	10,00,000	-	-	50	573.24
Tata Capital Housing Finance Limited, 5.86%, 23 Feb 2024	10,00,000	-	-	200	2,009.87
HDFC Credila Financial Services Limited, 8.62%, 17 Jun 2024	10,00,000	32	343.38	-	-
Housing Development Finance Corporation Limited, 7.99%, 11 July 2024	10,00,000	50	529.12	-	-
Kotak Mahindra Investments Limited, 0%, 29 Apr 2024	10,00,000	100	994.33	-	-
Kotak mahindra Prime Limited, 7.8955% , 23 Dec 2024	10,00,000	100	1,021.78	-	-
L & T Finance Limited, 6.45%,10 May 2024	10,00,000	150	1,506.43	-	-
LIC Housing Finance, 8.33%, 31 May 2024	10,00,000	50	535.95	-	-
Shriram Finance Limited SR ,9.00%, 24 Jun 2024	1,00,000	500	501.54	-	-
Shriram Finance Limited SR ,9.55%, 15 Nov 24	10,00,000	50	558.89	-	-
Housing Development Finance Corporation Limited, 5.90%, 25 Feb 2025	10,00,000	100	995.03	-	-
Housing Development Finance Corporation Limited,8.40%, 23 Jan 2025	5,00,000	200	1,019.34	-	-
Housing Development Finance Corporation Limited,7.50%, 08 Jan 2025	10,00,000	100	1,012.23	-	-
Kotak Mahindra Prime Limited, 7.8815%, 17 Feb 2025	10,00,000	100	1,009.04	-	-
Total (B)			10,027.06		27,833.68
Investments in Commercial papers					
ICICI Securities Limited, 14 Nov 2023		-	-	200	953.75
ICICI Securities Limited, 16 May 2023		-	-	200	990.86
Standard Chartered Capital Limited, 16 May 2023		-	-	400	1,981.61
ICICI Securities Limited, 19 June 2023		-	-	300	1,474.53
Standard Chartered Capital Limited , 19 Jun 2023		-	-	400	1,965.41
Pirmal Enterprises Limited, 19 Jun 2023		-	-	200	981.34
Standard Chartered Capital Limited, 07 Aug 2024	10,00,00,000	200	971.23	-	-
ICICI Securities Limited, 21 May 2024	10,00,00,000	200	988.34	-	-
Juilus Baer Capital India Private Limited, 27, Aug 2024	10,00,00,000	208	1,005.23	-	-
Total (C)			2,964.80		8,347.50

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

5. Investments (Contd.)

(₹ in lakhs)

Particulars	Face Value ₹	As at March 31, 2024		As at March 31, 2023	
		Number	Amount	Number	Amount
Unquoted instruments at FVTPL					
Investments in Mutual funds					
Abakkaus Diversified Alpha Fund		19,906	285.80	10,086	100.10
Aditya Birla Sunlife Crisil IBX Gilt Apr 2029 Index fund - Direct Growth		29,41,619	331.68	29,41,619	307.44
Aditya Birla Sunlife Crisil IBX Gilt Apr 2033 Index fund		39,99,800	410.84	-	-
Aditya Birla Sunlife NIFTY SDL Sep 2025 Index fund - Direct Growth		49,99,750	556.46	49,99,750	519.27
Aditya Birla Sunlife NIFTY SDL Sep 2027 Index fund - Direct Growth		9,99,950	108.70	9,99,950	101.42
Aditya Birla India Equity Services Fund - Class C1		99,695	129.34	41,860	38.15
Aditya Birla Sun Life Arbitrage Fund		40,08,050	1,043.34	-	-
Aditya Birla Sun Life Long Duration Fund		1,04,45,971	1,217.51	-	-
Aditya Birla Sun Life Savings Fund		4,24,576	2,149.20	-	-
Aditya Birla Sunlife Corporate Bond Fund		4,90,384	506.30	-	-
Aditya Birla Sunlife Fixed Term plan - Series UB (1224days) - Direct Growth		49,99,750	546.87	49,99,750	508.92
Aditya Birla Sunlife Fixed Term plan - Series UJ (1110 days) - Direct Growth		89,99,550	968.06	89,99,550	901.94
Aditya Birla Sunlife Money Manager Fund - Growth - Direct		2,65,343	904.26	63,249	199.99
Alphamine Absolute Return Fund		99,995	107.85	-	-
Axis Corporate Bond Fund		26,24,300	424.43	-	-
Bajaj Finserv Banking and PSU Fund		9,99,950	103.44	-	-
Bajaj Finserv Money Market Fund		66,652	703.29	-	-
Baroda BNP Paribas Arbitrage Fund		1,40,19,458	2,165.35	-	-
Baroda bnp Paribas Gilt Fund		58,69,878	2,453.67	-	-
Baroda BNP Paribas Ultra Short Duration Fund		58,331	830.46	-	-
Buoyant OS 19nov 2022 class A1		2,59,765	322.14	-	-
Nuvama Crossover Fund Series 3		28,58,968	333.13	-	-
Dsp Corporate Bond Fund		21,50,230	315.62	-	-
Dsp Savings Fund		10,14,726	502.10	-	-
Dsp Ultra Short Fund- Direct plan - Growth		38,087	1,282.16	9,684	302.86
Nuvama Crossover Opportunities Fund Series III		-	-	19,01,567	235.24
Emkay Emerging Star Fund - V -		4,01,055	436.73	4,01,055	393.11
Emkay Emerging Star Fund - VI - AIF		1,63,734	175.22	-	-
HDFC Long Duration Debt Fund		99,15,275	1,112.42	-	-
HDFC Nifty G-Sec APR 2029 Index Direct Growth		40,04,691	437.81	40,04,691	405.82
Helios India Long Short Fund		1,99,990	199.99	-	-
ICICI Prudential Large & Midcap Fund - Direct Plan - Growth		64,670	592.41	53,138	330.56
ICICI PrudentialL All Seasons Fund		11,89,981	424.45	-	-
ICICI Prudential Banking & Financial Services Fund-Direct Plan-Growth		3,26,214	390.05	2,32,636	221.26
ICICI Prudential Corporate Bond Fund		1,45,80,407	4,103.74	-	-
ICICI Prudential Fixed Maturity Plan - Series 88 - PLAN U -Direct Plan- Growth		-	-	49,99,750	500.89
ICICI Prudential Gilt Fund		18,48,612	1,835.45	-	-
ICICI Prudential Long Term Bond Fund		3,42,510	300.89	-	-
ICICI Prudential Money Market Fund - Direct plan-Growth		-	-	1,85,551	601.76

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

5. Investments (Contd.)

(₹ in lakhs)

Particulars	Face Value ₹	As at March 31, 2024		As at March 31, 2023	
		Number	Amount	Number	Amount
Idfc Crisil Ibx Gilt April 2028 Index Fund Direct Plan -Growth		92,61,369	1,090.56	92,61,369	1,014.06
InCred Liquid Alternative Fund - I		18,488	200.77	-	-
Kotak Emerging Equity Fund - Direct plan- Growth		6,39,957	748.86	6,39,957	536.64
Kotak Equity Arbitrage Fund		15,36,862	559.21	-	-
Kotak Flexicap Fund - Direct Growth		9,04,298	719.65	8,56,572	501.51
Kotak Iconic Fund Class D1		168	206.94	-	-
Kotak Long Duration Fund		49,99,750	501.86	-	-
Kotak Nifty g-sec apr 2033 Index Fund		19,99,900	210.27	-	-
Mirae Asset Arbitrage Fund		1,36,60,177	1,680.48	-	-
Mirae Asset Fixed Maturity Plan-Series V-91 Days-Direct Plan-Growth		-	-	79,99,600	807.46
Mirae Asset Fixed Maturity -Series V- Plan 2- 91 Days Direct Plan-Growth		-	-	49,99,750	502.13
Mirae Asset Large Cap Fund - Direct Plan - Growth		6,42,275	689.41	5,85,257	494.39
Mirae Asset Nifty SDL Jun 2027 Index Fund Direct Plan - Growth		1,21,02,055	1,343.59	1,21,02,055	1,253.29
Mirae Asset Ultra Short Duration Fund		3,57,647	4,296.81	-	-
Nippon India Arbitrage Fund		19,75,989	516.45	-	-
Nippon India Corporate Bond Fund		94,73,877	5,343.11	-	-
Nippon India ETF Nifty Bees		73,000	180.28	50,000	94.97
Nippon India Money Market-Direct Growth Plan Growth Option		-	-	5,637	199.99
Nippon India Quarterly Interval Fund-Series III-Direct Growth Plan Growth Option		-	-	27,38,396	503.18
Nippon India Nifty g sec jun 2036 Maturity Index Fund		1,13,47,250	1,269.85	-	-
Nippon India Nivesh Lakshya Fund		24,37,981	401.40	-	-
Nippon India Ultra Short Duration Fund-Direct Growth Plan		-	-	21,542	806.16
Northern Arc Money Market Alpha Trust Cat3Class A2		-	-	14,99,925	1,513.03
Northern Arc Money Market Alpha Trust Cat3Class A6		7,94,595	802.55	-	-
SBI ETF Nifty and Open ended		1,00,000	233.54	1,00,000	179.59
SBI Fixed Maturity Plan (FMP)- Series 66 (1361 days) Dir Gro		89,99,550	1,013.47	89,99,550	944.48
Tata Arbitrage Fund		45,48,087	624.43	-	-
Tata Corporate Bond Fund		2,06,09,782	2,336.68	-	-
Tata Crisil IBX Gilt Index- Apr 2026 Index fund-Direct Plan -Growth		4,09,95,670	4,568.43	4,09,95,670	4,255.92
Tata Digital India Fund Direct Plan Growth		17,06,533	826.59	15,70,728	557.05
Tata Equity plus Absolute Returns Fund		10,000	100.51	-	-
Tata Gilt Securities Fund		6,44,111	505.91	-	-
Tata Liquid Fund Direct Plan - Growth		-	-	9,167	325.55
Tata Money Market Fund Direct Plan Growth		-	-	24,851	1,005.99
Tata Ultra Short Term Fund		70,90,632	959.43	-	-
Tata Ultra Short Term Fund-Direct Plan-Growth		-	-	48,03,345	604.89
Total (D)			60,642.20		21,769.03
Aggregate carrying value of unquoted current investments (E) = (A)+(B)+(C)+(D)			85,661.58		71,182.56

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

5. Investments (Contd.)

(₹ in lakhs)

Particulars	Face Value ₹	As at March 31, 2024		As at March 31, 2023	
		Number	Amount	Number	Amount
Aggregate book value of:					
Quoted investments			8,790.14		1426.19
Unquoted Investments			94,086.54		87235.61
Aggregate market value of:					
Quoted Investments			8,790.14		1426.19
Aggregate amount of impairment in value of Investments			1,538.37		1538.37

6. Loans

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Current		
Loans		
Considered good - Unsecured		
Loans to employees	148.46	137.02
Inter-corporate deposits (Refer Note below)	-	1,500.00
TOTAL	148.46	1,637.02

Note:

Inter-Corporate Deposit (ICD) are placed by the Company with Non-Banking financial Companies as fixed deposits and with different corporates as term loans. Maximum amount outstanding during the year was ₹ 1,500 lakhs (2022-23: ₹ 10,295.00 lakhs). Amount outstanding as at March 31, 2024 is ₹ Nil (March 31, 2023: ₹ 1,500.00 lakhs) at the interest rate ranging between 5.25% to 15.00% per annum (2022-23: 5.25% to 15.00% per annum).

7. Other financial assets

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Security deposits		
- Unsecured, considered good	481.15	424.08
TOTAL	481.15	424.08
Current		
a) Security deposits		
- Unsecured, considered good	93.29	93.55
b) Advances to employees	9.70	4.54
c) Derivative Financial Instruments (at fair value through P&L)	9.88	-
d) Interest accrued on deposits, ICDs and others	125.19	181.91
TOTAL	238.06	280.00

8. Other assets

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-Current		
a) Capital advances	3,185.30	3,715.78
b) Prepaid expenses	58.53	25.02
c) Balances with statutory / government authorities	3,367.50	3,320.34
TOTAL	6,611.33	7,061.14

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

8. Other assets (Contd.)

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Current		
a) Advances recoverable in cash or in kind		
Considered good	3,308.63	3,713.22
Considered credit impaired	18.03	18.03
	3,326.66	3,731.25
Less: Provision for credit impaired loans and advances	18.03	18.03
	3,308.63	3,713.22
b) Prepaid expenses	301.36	343.24
c) Balances with statutory / government authorities	5,915.18	661.89
d) Others		
- Export benefits receivable	18.14	175.75
- Balance with DEMAT Broker	25.04	-
- Carry forward excess spend CSR (Refer Note 49)	-	24.71
TOTAL	9,568.35	4,918.81

9. Inventories

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(at lower of cost and net realisable value)		
(a) Raw materials	11,719.40	7,034.91
(b) Work-in-progress	1,374.64	1,082.13
(c) Finished goods	1,283.59	123.75
(d) Stores and spares (includes fuel)	8,269.78	8,293.67
Add : Goods in transit	1,050.98	831.49
TOTAL	23,698.39	17,365.95

Notes:

- The cost of inventories recognised as an expense during the year has been disclosed on the face of the Statement of Profit and Loss.
- There are no inventories expected to be recovered after more than twelve months.

10. Trade receivables

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables		
(a) Secured - Considered good	2,169.77	2,574.83
(b) Unsecured - Considered good	3,922.98	12,178.58
(c) Which have significant increase in Credit risk and	-	-
(d) Credit impaired	86.71	89.65
Less: Impairment loss on credit impaired trade receivables	86.71	89.65
TOTAL	6,092.75	14,753.41

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

10. Trade receivables (Contd.)

Ageing for trade receivables outstanding as at March 31, 2024 is as follows:

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables – considered good	6,017.25	16.78	3.16	57.42	4.09	-	6,098.70
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	80.76	80.76
TOTAL	6,017.25	16.78	3.16	57.42	4.09	80.76	6,179.46
Less: Impairment loss on credit impaired trade receivables							(86.71)
							6,092.75

Ageing for trade receivables outstanding as at March 31, 2023 is as follows:

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables – considered good	14,632.39	117.40	5.67	5.00	1.85	-	14,762.30
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	80.76	80.76
TOTAL	14,632.39	117.40	5.67	5.00	1.85	80.76	14,843.06
Less: Impairment loss on credit impaired trade receivables							(89.65)
							14,753.41

Notes:

- (i) The average credit period on sale is 20 days. No interest is charged on trade receivables for the first 30 days from the date of the invoice. Thereafter, interest is charged at 18% per annum on the outstanding balance.
- (ii) Before accepting any new customer, the Company has a credit evaluating system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed twice a year. Of the trade receivables balance, ₹ 2,185.95 lakhs (as at March 31, 2023: ₹ 1,934.98 lakhs) is due from customers who represent more than 5% of the total balance of trade receivables.
- (iii) The Company maintains an allowance of credit impaired accounts based on financial condition of the customer, ageing of customer receivable and overdues, available collaterals and historical experience of collections from customers. Accordingly, the Company creates provision towards credit impaired trade receivables after recovering the underlying collaterals. Besides, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a historical loss rate method. The historical loss rate takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the average loss rate of the collections against the receivables.

Movement in the Impairment loss on credit impaired trade receivables

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at beginning of the year	89.65	100.62
Movement in the Impairment loss on credit impaired trade receivables (Net)	(2.94)	(10.97)
Balance at end of the year	86.71	89.65

The Concentration of credit risk is limited to the fact that the customer base is large and unrelated.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

11. Cash and cash equivalents

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
a) Cash on hand	0.83	0.88
b) Balances with Banks		
- in Current accounts	165.51	422.33
- in EEFC accounts	438.04	9.05
- in demand deposit accounts with original maturity of less than 3 months	501.00	1,700.00
TOTAL	1,105.38	2,132.26

12. Bank balances other than Cash and Cash Equivalents

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
In other deposit accounts		
- Term deposits with original maturity of more than 3 months *	1,000.00	2,000.00
In earmarked accounts:		
- Unclaimed / unpaid dividend account	24.56	12.05
- Unspent CSR account (Refer Note 49)	-	165.00
- Balances held as margin money or security against guarantees and other commitments	495.60	427.22
TOTAL	1,520.16	2,604.27

* Includes term deposits ₹ Nil (March 31, 2023: ₹ Nil) of original maturity of more than 12 months.

13. (Income-tax assets (net)) / Current tax liabilities (net)

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Tax assets		
Advance tax (including TDS receivable)	54,637.47	41,266.93
Tax liabilities		
Provision for income tax	52,784.76	41,700.03
TOTAL	(1,852.71)	433.10

14. Equity share capital

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Equity share capital	3,977.00	3,977.00
	3,977.00	3,977.00
Authorised Share capital :		
4,00,00,000 fully paid up equity shares of ₹ 10 each	4,000.00	4,000.00
5,00,000 Redeemable cumulative preference shares of ₹ 100 each	500.00	500.00
Issued and subscribed capital comprises:		
3,97,70,039 fully paid up equity shares of ₹ 10 each (as at March 31, 2023: 3,97,70,039)	3,977.00	3,977.00
	3,977.00	3,977.00

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

14. Equity share capital (Contd.)

14.1 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	Number of shares	Share capital (Amount)
Balance at April 01, 2022	3,97,70,039	3,977
Changes during the year	-	-
Balance at March 31, 2023	3,97,70,039	3,977
Changes during the year	-	-
Balance at March 31, 2024	3,97,70,039	3,977

14.2 Rights, preferences and restrictions attached to the equity shares

The Company has only one class of issued, subscribed and fully paid up equity shares having a face value of ₹ 10 each per share. Each holder of equity shares is entitled to one vote per share. The dividend (other than interim dividend) proposed, if any, by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to number of equity shares held by the shareholders.

14.3 Equity shares held by the holding company

Name of the Shareholder	As at March 31, 2024	As at March 31, 2023
West Coast Paper Mills Limited	2,87,58,400	2,87,28,400

14.4 Details of shares held by each shareholder holding more than 5% of the aggregate shares in the Company

Name of the Shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of shares	% holding of equity shares	Number of Shares	% holding of equity shares
West Coast Paper Mills Limited	2,87,58,400	72.31	2,87,28,400	72.24

14.5 Details of shareholding of Promoters

Promoter name	As at March 31, 2024		% Change during the year
	Number of shares	% of total shares	
West Coast Paper Mills Limited	2,87,58,400	72.31	0.07%

Promoter name	As at March 31, 2023		% Change during the year
	Number of shares	% of total shares	
West Coast Paper Mills Limited	2,87,28,400	72.24	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

15. Other equity

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Securities premium	18,211.13	18,211.13
Reserve for equity instruments through other comprehensive income	2,040.88	(61.43)
Retained earnings	1,64,493.07	1,35,492.36
Capital redemption reserve	598.00	598.00
TOTAL	1,85,343.08	1,54,240.06

Notes:

15.1 Securities premium

(₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Balance at beginning of year	18,211.13	18,211.13
Movements during the year	-	-
Balance at end of year	18,211.13	18,211.13

Security premium reserve represents the amount received in excess of the face value of the equity shares. The utilisation of the security premium reserve is governed by the Section 52 of the Companies Act, 2013 ("Act").

15.2 Reserve for equity instruments through other comprehensive income

(₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Balance at beginning of year	(61.43)	313.38
Net fair value gain on investments in equity instruments at FVTOCI	2,726.03	(488.06)
Income tax on net fair value gain on investments in equity instruments at FVTOCI	(623.72)	113.25
Balance at end of year	2,040.88	(61.43)

This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income.

15.3 Retained earnings

(₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Balance at beginning of year	1,35,492.36	86,309.73
Profit for the year	33,973.92	52,246.26
Remeasurement of defined benefit plan	(2.62)	(108.08)
Related income tax	0.66	27.20
Dividend on equity shares	(4,971.25)	(2,982.75)
Balance at end of year	1,64,493.07	1,35,492.36

Retained earnings represent the Company's undistributed earnings after taxes.

In respect of the year ended March 31, 2024, the directors in their meeting held on May 14, 2024 have proposed a dividend of ₹ 10 per equity share of face value of ₹10 each. The proposed equity dividend is subject to approval by the shareholders at the Annual General meeting (AGM) and has not been included as a liability in these financial statements. The total estimated amount to be paid with respect to dividend is ₹ 3,977.00 lakhs.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

15. Other equity (Contd.)

In respect of the year ended March 31, 2023, the directors proposed a final dividend of ₹ 12.5 per equity share of face value of ₹ 10 each which was approved by the shareholders in the Annual General meeting (AGM) held on August 11, 2023. The total amount of such dividend paid is ₹ 4,971.25 lakhs.

15.4 Capital redemption reserve

(₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Balance at beginning of year	598.00	598.00
Movements during the year	-	-
Balance at end of year	598.00	598.00

Capital redemption reserve has been created pursuant to the requirements of the Act under which the Company is required to transfer certain amounts on redemption of preference shares. The Company has redeemed the underlying preference shares in the earlier years. The capital redemption reserve can be utilised for issue of bonus shares.

16. Non-current borrowings

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Secured – at amortised cost		
Term loans from banks [Refer Note below (i)]	4,450.94	-
Unsecured – at amortised cost		
Deferred payment liabilities [Refer Note below (ii)]	278.92	462.91
TOTAL	4,729.86	462.91

Notes:

- During the year the Company has availed Term Loan of ₹ 5,236.94 Lakhs are secured by means of first pari passu charge by way of hypothecation on moveable plant & machinery procured out of the Term Loan. These Term Loans are/shall be payable in 20 equated quarterly instalments commencing from June 30, 2024
- Deferred payment liabilities: It represent sales tax deferral loan availed by the Company, from the Government of Andhra Pradesh and is repayable after a period of 14 years from the end of the financial year of its availment. These are interest free loans. An amount of ₹ 236.78 lakhs (March 31, 2023 – ₹ 219.05 lakhs) is due within next twelve months and is included under the head 'Current maturities of long-term debts' disclosed under Note 17.

17. Current borrowings

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Secured – at amortised cost		
Buyers Credit from Banks [Refer Note below (i)]	4,994.80	-
Unsecured – at amortised cost		
Loans repayable on demand from Banks [Refer Note below (ii)]	-	4,000.00
Current maturities of long-term debt	1,022.78	219.05
TOTAL	6,017.58	4,219.05

Notes:

- During the year the Company has availed Buyers Credit of ₹ 4,974.09 Lakhs are secured by means of first pari passu charge by way of hypothecation on moveable plant & machinery procured out of the buyers credit.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

17. Current borrowings (Contd.)

- (ii) For the financial year 2023-24, unsecured Export packing credit loan is availed from HDFC Bank which carry an interest rate of 5.50% p.a. and which was duly paid during the year. For the financial year 2022-23, unsecured Export packing credit loan is availed from Standard Chartered Bank which carry an interest rate of 5.35% p.a. and repayable on demand.

18. Lease liabilities

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Lease liabilities	534.95	664.33
TOTAL	534.95	664.33
Current		
Lease liabilities	166.91	141.74
TOTAL	166.91	141.74

19. Trade payables

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) total outstanding dues of micro enterprises and small enterprises (MSME) (Refer Note 39)	3,047.40	2,168.51
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	19,708.70	17,476.47
TOTAL	22,756.10	19,644.98

Ageing for trade payables outstanding as at March 31, 2024 is as follows:

Particulars	Outstanding for the following periods from the due date of payment						Total
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Trade payables							
(i) MSME	-	1,677.39	1,309.87	25.34	18.95	15.85	3,047.40
(ii) Others	14,072.48	4,172.83	1,336.04	24.26	40.62	62.47	19,708.70
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
TOTAL	14,072.48	5,850.22	2,645.91	49.60	59.57	78.32	22,756.10

Ageing for trade payables outstanding as at March 31, 2023 is as follows:

Particulars	Outstanding for the following periods from the due date of payment						Total
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Trade payables							
(i) MSME	-	1,441.75	679.33	31.56	3.10	12.77	2,168.51
(ii) Others	11,583.42	5,112.34	673.06	45.17	20.77	41.71	17,476.47
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
TOTAL	11,583.42	6,554.09	1,352.39	76.73	23.87	54.48	19,644.98

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

20. Other financial liabilities

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
- Deferred Government Grant	58.09	116.19
TOTAL	58.09	116.19
Current		
a) Current maturities of deferred government grant	58.09	58.09
b) Interest accrued	88.21	34.21
c) Others :-		
(i) Trade / security deposits received	3,086.66	3,230.93
(ii) Payables on purchase of property, plant and equipment	3,558.72	257.11
(iii) Contractually reimbursable expenses	29.51	29.51
d) Unpaid dividend	24.56	12.05
TOTAL	6,845.75	3,621.90

21. Provisions

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Employee benefits: (Refer Note 33)		
- Compensated absences	252.02	27.30
TOTAL	252.02	27.30
Current		
Employee benefits: (Refer Note 33)		
- Gratuity	246.09	280.07
Provisions:		
For contingencies (Refer Note 40)	1,090.66	1,090.66
For others (disputed dues) (Refer Note 46)	2,357.42	2,357.42
TOTAL	3,694.17	3,728.15

22. Other current liabilities

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
a) Advances from customers	430.67	199.99
b) Other Payables		
- Statutory remittances	330.91	318.48
- Others*	1,627.78	1,478.98
TOTAL	2,389.36	1,997.45

* Others include liabilities created on account of demands received in respect of excise, property tax, water cess etc.

23. Deferred tax liabilities (net)

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax liabilities (net)	8,330.26	7,195.67
Deferred tax liabilities (net)	8,330.26	7,195.67

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

23. Deferred tax liabilities (net) (Contd.)

2023-24	Opening balance	Recognised in statement of profit and loss	Recognised in other comprehensive income	Closing balance
Deferred tax (liabilities) /assets in relation to:				
Property, plant and equipment	(7,887.68)	111.63	-	(7,776.05)
Disallowances under Income-tax Act, 1961, allowed on payment basis	410.35	206.61	-	616.96
Long-term capital loss carried forward	22.75	-		22.75
Financial assets at FVTOCI	18.17	-	(623.72)	(605.55)
Provision for credit impaired balances	22.58	3.67	-	26.25
Financial assets at FVTPL	(180.83)	(835.70)	-	(1,016.53)
Others	398.99	2.90	-	401.89
Total	(7,195.67)	(510.89)	(623.72)	(8,330.26)

2022-23	Opening balance	Recognised in statement of profit and loss	Recognised in other comprehensive income	Closing balance
Deferred tax (liabilities) /assets in relation to:				
Property, plant and equipment	(8,434.04)	546.37	-	(7,887.68)
Disallowances under Income-tax Act, 1961, allowed on payment basis	414.60	(4.25)	-	410.35
Long-term capital loss carried forward	22.75	-	-	22.75
Financial assets at FVTOCI	(95.08)	-	113.25	18.17
Provision for credit impaired balances	29.87	(7.29)	-	22.58
Financial assets at FVTPL	(63.90)	(116.93)	-	(180.83)
Others	25.18	373.80	-	398.99
Total	(8,100.62)	791.69	113.25	(7,195.67)

24. Revenue from operations

(₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Sale of products - [Refer Note (i) below]	1,78,325.79	2,08,305.62
(b) Other operating revenues - [Refer Note (ii) below]	1,732.18	1,459.98
TOTAL	1,80,057.97	2,09,765.60
Notes:		
(i) Sale of products comprise of sale of paper and paperboard		
(ii) Other operating revenues comprises:		
Export incentives	261.17	405.64
Sale of scrap	1,471.01	1,054.34
TOTAL	1,732.18	1,459.98

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

25. Other income

(₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
a) Interest income earned on financial assets that are not designated as fair value through profit or loss	0.92	0.92
b) Interest income	4,033.07	3,552.91
c) Unwinding of discount on deferred payment liabilities	58.09	58.09
d) Profit on sale of current investments	1,177.92	205.62
e) Net gain on financial assets designated on FVTPL	3,320.48	464.62
f) Fair valuation adjustments of derivatives (forward cover) designated as FVTPL	9.88	-
g) Insurance and other claims	0.13	-
h) Liabilities / provisions no longer required written back	590.73	459.22
i) Net gain on foreign currency transactions and translations	58.92	83.35
j) Dividend income on equity shares	160.35	27.38
k) Miscellaneous Income	84.47	349.46
TOTAL	9,494.96	5,201.57

26. Changes in inventories of finished goods and work-in-progress

(₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Inventories at the beginning of the year		
- Work-in-progress	1,082.13	1,302.44
- Finished goods	123.75	79.08
	1,205.88	1,381.52
Inventories at the end of the year		
- Work-in-progress	1,374.64	1,082.13
- Finished goods	1,283.59	123.75
	2,658.23	1,205.88
Changes in inventories	(1,452.35)	175.64
	(1,452.35)	175.64

27. Employee benefits expense

(₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, wages and bonus	15,021.34	14,845.43
Provident and family pension funds	734.58	664.79
Employee state insurance	18.51	16.49
Gratuity fund	247.19	237.74
Superannuation fund	12.78	12.92
Employee group insurance	228.46	259.80
Leave encashment	255.72	33.94
Staff welfare expense	380.18	372.80
Cost of deputed personnel	32.00	32.00
TOTAL	16,930.76	16,475.91

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

28. Finance costs

(₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest on bank overdrafts and loans	77.26	128.14
Interest on income tax	5.92	212.42
Other interest expense	200.08	206.51
Interest on lease liabilities	51.84	59.56
Interest cost on deferred payment liabilities	52.79	62.91
Bank and finance charges	53.60	47.57
TOTAL	441.49	717.11

29. Depreciation and amortisation expense

(₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation of property, plant and equipment (Refer Note 3)	6,340.06	6,074.55
Amortisation of right-of-use assets (Refer Note 4)	167.70	165.85
Amortisation of intangible assets (Refer Note 4a)	79.46	79.38
TOTAL	6,587.22	6,319.78

30. Other expenses

(₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Repairs and maintenance		
- Buildings	1,366.22	1,183.59
- Plant and machinery	3,774.89	2,930.30
- Others	226.51	424.22
Operating service expenses	3,885.71	4,281.98
Conversion / processing charges	381.48	324.68
Forwarding, transportation and other sales expenses	1,024.16	1,436.78
Rates and taxes	319.17	254.60
Royalty	19.79	70.24
Rent	141.55	194.67
Insurance	564.95	561.53
Research and development	116.60	74.71
Legal and professional charges	570.76	587.53
Cost auditor's remuneration and expenses	4.50	4.13
Directors' sitting fees	19.75	22.50
Payment to auditors (Refer Note 38)	39.10	38.84
Travelling and conveyance	153.03	146.79
Corporate social responsibility expenses (Refer Note 49)	599.50	279.50
Loss on sale / scrap of property, plant and equipment's (net)	120.28	347.29
Provision for diminution of Investment	5.00	-
Miscellaneous expenses	1,439.52	1,565.32
TOTAL	14,772.47	14,729.19

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

31. Tax expense

A. Amounts recognised in Statement of profit or loss

i) Income tax recognised in the Statement of profit or loss

(₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Current Tax	11,079.48	18,643.71
Deferred tax	510.89	(791.69)
Total income tax expense recognised	11,590.37	17,852.02

ii) Income tax recognised in other comprehensive income

(₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Tax related to items recognised in OCI		
Deferred tax expenses on fair value gain on investments in equity instruments through OCI	(623.72)	113.25
Current tax expenses / benefit on remeasurements of defined benefit plans	0.66	27.20
Income tax recognised in OCI	(623.06)	140.45

B. The income tax expense for the year can be reconciled to the accounting profit as follows:

(₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit before tax (A)	45,564.29	70,098.28
Enacted tax rate (B)	25.17%	25.17%
Expected Tax Expenses (C=A * B)	11,467.62	17,642.34
Adjustments		
Effect of expenses that are not deductible in determining taxable profit	152.44	213.80
Tax effects of other adjustments	(29.69)	(4.12)
Total Adjustments - D	122.75	209.68
Tax expense recognised in profit or loss (E=C+D)	11,590.37	17,852.02

32. Contingent Liabilities and Commitments

A. Contingent Liabilities (to the extent not provided for):

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Claims against the Company not acknowledged as debt: - Matters under litigation		
a. Income tax matters	51.86	51.86
b. Excise duty claims disputed by the Company relating to issues of applicability, classification and valuation	1,659.11	4,684.36
c. Sales tax claims disputed by the Company relating to issues of applicability, royalty and discounts	758.82	796.08
d. Electricity duty towards consumption of energy generated by captive power unit (Refer Note 46)	1,571.62	1,571.62
e. Other matters (third party claims, interest on royalty, ex-employees claims etc.,)	2,364.66	2,387.97

The amounts disclosed above represent best estimates and the uncertainties are dependent on the outcome of the legal processes initiated by the Company or the claimant as the case may be.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

32. Contingent Liabilities and Commitments (Contd.)

B. Commitments:

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances)	12,457.39	22,735.03

C. Other Commitments:

The Company has applied for benefits under Export Promotion Capital Goods (EPCG) scheme to import capital goods by availing customs duty exemption as per terms of Notification of the Government of India in the Ministry of Finance (Department of Revenue) No: 16/2015 dated 01.04.2015 under which it has an export obligation of six times the duty saved on import of capital goods on Free on Board (FOB) basis within a period of six years. In the event of failure of the export obligation as specified in the said notification and license, the Company is liable to pay duties of customs proportionate to duty saved amount on total unfulfilled Export Obligation and also interest @ 18% P.a. The management believes that it will be able to comply with aforesaid regulations and hence no adjustments have been made to the financial statements.

33. Employee Benefits

A. Defined contribution plans:

Provident fund:

The Company contributed ₹ 265.88 lakhs (Previous year: ₹ 491.88 lakhs) to the Provident Fund Trust maintained by the Company and ₹ 469.14 lakhs (Previous year: ₹ 132.45 lakhs) to Regional Provident Fund Commissioner, which was recognised as an expense in Statement of Profit and Loss during the year.

Superannuation:

The Company recognized ₹ 12.78 lakhs (Previous year: ₹ 12.92 lakhs) as an expense towards contribution as superannuation in the Statement of Profit and Loss during the year.

B. Defined benefit plans

Amounts recognised in statement of profit and loss in respect of these defined benefit i.e. Gratuity plans are as follows:

(₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Current service cost	231.71	238.30
Net interest expense	15.48	4.40
Past service cost	-	(4.96)
Components of defined benefit costs recognised in statement of profit and loss	247.19	237.74
Re-measurement on the net defined benefit liability:		
- Return on plan assets (greater)/less than discount rate	(91.31)	75.19
- Actuarial losses arising from experience adjustments	0.50	196.77
- Actuarial (gains) / losses arising from changes in financial assumptions	93.44	(163.88)
Components of defined benefit costs recognised in other comprehensive income	2.63	108.08
Total	(249.82)	(345.82)

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the Statement of profit and loss.

The re-measurement of the net defined benefit liability is included in other comprehensive income.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

33. Employee Benefits (Contd.)

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of defined benefit obligation	3,256.33	3,103.83
Fair value of plan assets	3,010.24	2,823.76
Net liability arising from defined benefit obligation	(246.09)	(280.07)

Movements in the present value of the defined benefit obligation are as follows:

(₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening defined benefit obligation	3,103.83	3341.66
Current service cost	231.71	238.30
Interest cost	212.33	206.08
Past service cost	-	(4.97)
Actuarial losses arising from experience adjustments	0.50	196.77
Actuarial (gains) / losses arising from changes in financial assumptions	93.44	(163.89)
Benefits paid	(385.48)	(710.12)
Closing defined benefit obligation	3,256.33	3,103.83

Movements in the fair value of the plan assets are as follows:

(₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening fair value of plan assets	2,823.76	3202.78
Interest income	196.86	201.66
Contributions from the employer	283.78	204.63
Return on plan assets (greater)/less than discount rate	91.31	(75.19)
Benefits paid	(385.48)	(710.12)
Closing fair value of plan assets	3,010.24	2,823.76

Composition of plan assets:

Particulars	As at March 31, 2024	As at March 31, 2023
Insurer managed funds	100.00%	100.00%
	100.00%	100.00%

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	March 31, 2024		March 31, 2023	
Discount rate	7.20%		7.55%	
Estimated rate of return on plan assets	7.00%		7.00%	
Salary escalation rate	7.00%		7.00%	
Mortality rate	Indian Assured Lives Mortality (IALM) (2012-14) Ult. Modified			
Attrition rate	Age	Rate p.a	Age	Rate p.a
	21-30	5%	21-30	5%
	31-40	3%	31-40	3%
	41 & Above	2%	41 & Above	2%

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

33. Employee Benefits (Contd.)

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(₹ in lakhs)

Particulars	Gratuity plan	
	March 31, 2024	March 31, 2023
Sensitivity Analysis – DBO at the end of the year		
Discount rate + 100 basis points	(255.32)	(224.56)
Discount rate – 100 basis points	294.20	258.72
Salary rate + 1%	291.86	257.57
Salary rate – 1%	(258.02)	(227.62)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years. There has been no change in the process used by the Company to manage its risks from prior periods.

(₹ in lakhs)

Particulars	Gratuity plan	
	March 31, 2024	March 31, 2023
Weighted average duration of DBO	8 years	8 years
Expected cash flows		
1. Expected employer contribution in the next year	150.00	150.00
2. Expected benefit payments		
Year 1	421.25	582.99
Year 2	272.84	263.88
Year 3	258.18	249.10
Year 4	313.27	244.12
Year 5	284.83	281.97
Beyond 5 years	1,705.97	1,481.77

34. Segment reporting

Operating Segments

The Chairman and Managing Director of the Company has been identified as the Chief Operating Decision Maker (CODM) who evaluates the Company's performance and allocates resources for manufacture and sale of pulp, paper and paperboard. Accordingly, manufacturing and sale of pulp, paper and paperboard is considered as the single operating segment of the Company.

Geographical Information

The Company operates in India and makes certain sales to customers situated outside India. The revenue from external customers by location of customers is detailed below. All the non-current assets of the Company are situated within India.

Revenue – Sale of products

(₹ in lakhs)

Particulars	Year ended	Year ended
	March 31, 2024	March 31, 2023
India	1,67,005.78	1,90,633.18
Outside India	11,320.01	17,672.44
Total	1,78,325.79	2,08,305.62

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

35. Related party disclosures

a. List of related parties and relationships

(i) Holding Company

West Coast Paper Mills Limited

(ii) Subsidiary Company

Andhra Paper Foundation (Refer Note 45)

(iii) Fellow Subsidiaries

West Coast Opticable Limited

Uniply Décor Limited (w.e.f. 31.10.2023)

(iv) Entity where the KMP is in a position to exercise control

Veer Enterprises Limited

Jayshree Chemicals Limited

Gloster Cables Limited

(v) Entity where the Company is in a position to exercise control

The Employees Provident Fund of the Andhra Pradesh Paper Mills Limited

(vi) Key Management Personnel

- Mr. Shree Kumar Bangur – Chairman & Managing Director
- Mr. Virendraa Bangur – Vice Chairman
- Mr. Saurabh Bangur – Joint Managing Director
- Mr. Mukesh Jain – Director - Commercial (From 02.02.2023 to 14.05.2023)
- Mr. Mukesh Jain – Executive Director (w.e.f 15.05.2023)
- Mr. Rajesh Bothra – Chief Financial Officer (w.e.f 02.02.2023)
- Mr. Bijay Kumar Sanku – Company Secretary
- Mr. Sudarshan Vijaynarain Somani - Independent Director
- Mr. Arun Kumar Sureka - Independent Director
- Mr. Virendra Sinha – Independent Director
- Mr. Sitaram Sharma – Independent Director
- Mr. Rajendra Jain – Non Executive Director
- Mrs. Papia Sengupta – Independent Director

b. Transactions during the year

(₹ in lakhs)

Particulars	Name of the related party	Year ended March 31, 2024	Year ended March 31, 2023
Sale of pulp	West Coast Paper Mills Limited	373.94	84.29
Contribution towards provident fund	The Employees Provident Fund of The Andhra Pradesh Paper Mills Limited	265.88	491.88
Rental Income	West Coast Paper Mills Limited	9.19	8.89
Professional charges - Management contracts	West Coast Paper Mills Limited	76.65	76.08
Rental Expenses	Veer Enterprises Limited	17.94	17.12
Purchase of Hard wood pulp	West Coast Paper Mills Limited	501.83	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

35. Related party disclosures (Contd.)

(₹ in lakhs)

Particulars	Name of the related party	Year ended March 31, 2024	Year ended March 31, 2023
Purchase of cables	Gloster Cables Limited	422.25	19.30
Purchase of Property Plant and Equipment	Jayshree Chemicals Ltd	-	0.28
Provision for diminution of Investment	Andhra Paper Foundation	5.00	-
Director's sitting fee	Key Managerial Personnel	19.75	22.50
Managerial remuneration	Key Managerial Personnel (Refer note below)	927.72	1,163.36

Note: Represents remuneration paid to Joint Managing Director (including Commission), Executive Director and Company Secretary.

c. Amounts due from / due to related parties

(₹ in lakhs)

Particulars	Name of the related party	As at March 31, 2024	As at March 31, 2023
Due to related parties			
Trade Payables	Gloster Cables Limited	56.64	22.77
Due from related parties			
Security Deposits	Veer Enterprises Limited	3.78	3.78

36. Ind AS 116 - Leases where company is a lessee

i) The following is the breakup of current & non-current lease liabilities as at March 31, 2024 and March 31, 2023:

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Current lease liabilities	166.91	141.74
Non-current lease liabilities	534.95	664.33
Total	701.86	806.07

ii) The following is the movement in lease liabilities during the year ended:

(₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening balance	806.07	931.91
Add: Lease liabilities recognised during the year	47.83	13.59
Add: Interest cost accrued during the year	51.84	59.56
Less: Payment of lease liabilities including interest	(203.88)	(198.98)
Balance at the end	701.86	806.07

iii) Maturity analysis of lease liabilities on an undiscounted basis:

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Not later than one Year	206.40	190.82
Later than 1 year and not later than five years	342.98	510.50
Later Than five Years	353.52	352.92
Total lease liabilities	902.90	1,054.24

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

37. Earnings per share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic earnings per share calculation are as follows:

(₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit for the year (In ₹ Lakhs)	33,973.92	52,246.26
Weighted average number of equity shares outstanding during the year (Nos.) - Basic and Diluted	3,97,70,039	3,97,70,039
Earnings per share (Face value ₹ 10 per share) Basic and Diluted (₹)	85.43	131.37

38. Payments to Auditors

(₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Statutory audit fees	27.00	27.00
Limited Review fees	6.00	7.00
Tax audit fees	1.50	1.50
Out of pocket expenses and others	4.60	3.34
TOTAL	39.10	38.84

39. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006: The amount due to Micro and Small Enterprises as defined in the 'The Micro, Small and Medium Enterprises Development Act, 2006' has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro, Small and Medium Enterprises are as under:

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Principal amount remaining unpaid to supplier at the end of the year	3,047.40	2,168.51
(ii) Interest due thereon remaining unpaid to supplier at the end of the year	24.52	24.24
(iii) Payment made to suppliers (other than interest) beyond the appointed day, during the year	4.10	6.69
(iv) Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
(v) Interest paid to suppliers under MSMED Act (Section 16)	-	-
(vi) Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
(vii) Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act (ii) + (vi)	24.52	24.24

40. Provision for contingencies

The Company carries a general provision for contingencies towards various disputed matters / claims made against the Company based on the Management's assessment. Also, Refer Note 21.

The movement of this provision account is as under:

(₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening balance	1,090.66	1,090.66
Provision made during the year	-	-
Amounts utilized / reversed during the year	-	-
Closing balance	1,090.66	1,090.66

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

41. Category-wise classification of Financial Instruments

The carrying value of financial instruments by categories as at March 31, 2024 and March 31, 2023 is as follows:

(₹ in lakhs)

Particulars	Fair value hierarchy	Carrying Value #	
		As at March 31, 2024	As at March 31, 2023
FINANCIAL ASSETS			
Measured at amortised cost			
(i) Cash and cash equivalents	Level 2	1,105.38	2,132.26
(ii) Other bank balances	Level 2	1,520.16	2,604.27
(iii) Trade receivables	Level 2	6,092.75	14,753.41
(iv) Loans *	Level 2	148.46	1,637.02
(v) Investments	Level 2	33,444.34	65,466.58
(vi) Other financial assets**	Level 2	709.33	704.08
Measured at FVTOCI			
Investments in equity instruments-Quoted	Level 1	8,790.14	1,426.19
Investments in equity instruments-Unquoted	Level 3	-	-
Measured at FVTPL			
(i) Investments in mutual funds	Level 1	60,642.20	21,769.03
(ii) Fair value of foreign exchange derivative assets	Level 2	9.88	-
TOTAL FINANCIAL ASSETS		1,12,462.64	1,10,492.84
FINANCIAL LIABILITIES			
Measured at Amortised cost			
(i) Borrowings (including current maturities of long-term debt)	Level 2	10,747.44	4,681.96
(ii) Lease liabilities	Level 2	701.86	806.07
(iii) Trade payables	Level 2	22,756.10	19,644.98
(iv) Other financial liabilities ***	Level 2	6,903.84	3,738.09
TOTAL FINANCIAL LIABILITIES		41,109.24	28,871.10

also represents fair value

* Loans include loans given to employees

** Other financial assets includes Security deposits with the vendors, advances given to employees, Receivable from related parties, interest accrued on fixed deposits, ICDs and margin money deposits.

*** Other financial liabilities includes interest accrued, security deposits received from customers and payables on purchase of property plant and equipment.

42. Calculation of fair values

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent with those used for the year ended March 31, 2023 except unquoted equity investment.

Financial assets and liabilities measured at fair value as at Balance Sheet date. The fair values of investments in unquoted equity investments has been estimated using a NAV method under cost approach.

43. Fair value hierarchy:

The fair value of financial instruments as referred to in Note No. 42 above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identified assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

Level 1 — Quoted prices for identified instruments in an active market.

Level 2 — Directly or indirectly observable market inputs, other than Level 1 inputs; and

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

43. Fair value hierarchy: (Contd.)

Level 3 — Inputs which are not based on observable market data.

This note provides information about how the Company determines fair values of various financial assets and financial liabilities.

Fair value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis.

Some of the Company's financial assets and financial liabilities are measured at the fair value at the end of each reporting period (Refer note 47).

Notes:

- i. These investments in equity instruments are not held for trading. Instead, they are held for long term strategic purpose. Upon the application of Ind AS 109, the Company has chosen to designate these investments in equity instruments as at FVTOCI irrevocably as the Management believes that this provides a more meaningful presentation for long term strategic investments, than reflecting changes in fair value immediately in profit or loss.
- ii. Reconciliation of Level 3 fair value measurements:

(₹ in lakhs)

Investments in unquoted equity instruments at FVTOCI	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening balance	-	1947.02
Total gain or (losses) in other comprehensive income	-	(408.65)
Impairment allowance of APGPCL Investment	-	(1,538.37)
Closing balance	-	-

44. Financial Risk Management and Capital Management

The Company's business activities are exposed to a variety of financial risks, namely Interest rate risk, credit risk, liquidity risk and foreign currency risk. The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the Company, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are overseen by the Board of Directors of the Company.

A. Interest rate risk

The Company is exposed to interest rate risk because Company borrow funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

The sensitivity analyses below have been determined based on the exposure to interest rates for the non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50-basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Company's:

Profit for the year ended March 31, 2024 would decrease/increase by ₹ 26.18 lakhs (for the year ended March 31, 2023: decrease/increase by ₹ 20 lakhs). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

B. Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

44. Financial Risk Management and Capital Management (Contd.)

Customer credit risk is managed by the Company's established policy, procedures and control relating to the customer credit risk management. The Company uses financial information and past experience to evaluate credit quality of majority of its customers and individual credit limits are defined in accordance with this assessment. Outstanding receivables and the credit worthiness of its counterparties are periodically monitored and taken up on case to case basis. Considering the historical experience of collecting trade receivables, the Company evaluates the concentration of risk with respective trade receivables as low.

The credit risk on cash and bank balances and deposits with financial institutions is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

C. Liquidity risk management

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Also, the Company has un-utilised credit limits with banks. The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended March 31, 2024 and March 31, 2023. Cash flow from operating activities provides the funds to service the financial liabilities on a day to day basis.

The Company regularly maintains the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short-term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest-bearing short-term deposits with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2024 and March 31, 2023:

(₹ in lakhs)					
Particulars	Total Amount	Less than 1 year	More than 1 and less than 2 years	More than 2 and less than 3 years	More than 3 years
March 31, 2024					
Trade payables	22,756.10	22,756.10	-	-	-
Payables for purchase of property, plant and equipment	3,502.08	3,502.08	-	-	-
Borrowings	10,747.44	6,017.58	1,326.32	1,047.40	2,356.14
Lease liabilities	701.86	166.91	128.11	55.46	351.38
Other financial liabilities*	3,401.76	3,343.67	58.09	-	-
March 31, 2023					
Trade payables	19,644.98	19,644.98	-	-	-
Payables for purchase of property, plant and equipment	257.11	257.11	-	-	-
Borrowings	4,681.96	4,219.05	254.19	301.23	-
Lease liabilities	806.07	141.74	144.27	116.25	403.81
Other financial liabilities*	3,480.98	3,364.80	58.09	58.09	-

* Other financial liabilities include deposits received from customers amounting to ₹ 3,086.66 lakhs (March 31, 2023: ₹ 3,230.93 lakhs). These deposits do not have a contractual re-payment term but are repayable on demand. Since, the Company does not have an unconditional right to defer the payment, these deposits have been classified as current balances. For including these amounts in the above mentioned maturity analysis, the Company has assumed that these deposits, including interest thereon, will be repayable at the end of the reporting period. The actual maturity period for the deposit amount can differ based on the date on which these deposits are settled to customers.

D. Financing facilities

The Company has access to financing facilities (Fund and non-fund based) of which ₹ 11,077.00 Lakhs (March 31, 2023 : ₹ 11,297.55 Lakhs) were unused at the end of the reporting period. The Company expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

44. Financial Risk Management and Capital Management (Contd.)

E. Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

As at March 31, 2024:

Particulars	As at March 31, 2024 (All figures in lakhs)					
	GBP	USD	Euro	JPY	SEK	₹
Assets						
Trade Receivables	-	0.76	-	-	-	63.56
Cash and cash equivalents	-	5.25	-	-	-	438.04
Liabilities						
Trade payables	0.02	11.69	4.62	-	41.67	1,717.55
Interest payable	-	0.76	-	-	-	63.69
Buyers Credit	-	59.88	-	-	-	4,994.80

As at March 31, 2023:

Particulars	As at March 31, 2023 (All figures in lakhs)				
	GBP	USD	Euro	JPY	₹
Assets					
Trade Receivables	-	14.49	-	-	1,190.20
Cash and cash equivalents	-	0.11	-	-	9.05
Liabilities					
Trade payables	0.034	8.76	0.42	-	765.60

Foreign currency sensitivity analysis

Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar, Great Britain Pound and Euro against the functional currency of the Company.

₹ 1 strengthening of INR against US Dollar, to which the Company is majorly exposed, would have led to approximately ₹ 75.22 lakhs loss in the Statement of Profit and Loss (Year ended March 31, 2023 - ₹ 5.28 lakhs loss). A ₹ 1 weakening of the INR against US Dollar would have led to an equal but opposite effect.

The sensitivity analysis includes only outstanding foreign currency denominated monetary items.

Derivative financial instruments

The Company holds derivative financial instruments such as foreign currency forward to mitigate the risk of changes in exchange rate on foreign currency exposure. The counterparty for these contracts is generally a Bank. These derivative financial instruments are valued based on quoted prices for similar asset and liabilities in active markets or inputs that is directly or indirectly observable in the marketplace.

Foreign currency outstanding for the purpose of hedging as at the Balance Sheet date

Foreign Currency	March 31, 2024		March 31, 2023	
	FC in lakhs	₹ In lakhs	FC in lakhs	₹ In lakhs
US Dollar	25.00	2,085.65	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

44. Financial Risk Management and Capital Management (Contd.)

Foreign currency exposure not hedged as at the Balance Sheet date

Foreign Currency	March 31, 2024		March 31, 2023	
	FC in lakhs	₹ In lakhs	FC in lakhs	₹ In lakhs
US Dollar	41.32	3,446.27	-	-
Euro	4.62	415.39	0.42	42.9
GBP	0.02	2.55	0.03	3.1
SEK	41.67	324.58	-	-

Capital management

The Company's capital management objective is to maximise the total shareholder return by optimising cost of capital through flexible capital structure that supports growth. Further, the Company ensures optimal credit risk profile to maintain/enhance credit rating.

The Company determines that amount of capital on the basis of annual operating plan and long-term strategic plans. The funding requirements are met through internal accruals and long-term/short-term borrowings. The Company monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

For the purpose of Capital management, capital includes equity capital, securities premium and all other reserves. Net debt includes all long and short-term borrowings as reduced by cash and cash equivalents.

The following table summarises the net debt to equity ratio of the Company:

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Long term borrowings and current maturities of long-term debt	5,752.64	681.96
Short-term borrowings	4,994.80	4,000.00
Cash and cash equivalents (including other bank balances)	(2625.54)	(4,736.53)
Inter-corporate deposit	-	(1500.00)
Net Surplus Cash - (A)	8,121.90	(1,554.57)
Equity - (B)	1,89,320.08	1,58,217.06
Net Surplus to equity ratio - (A)/(B)	4.29	(0.98)

45. The Company's wholly owned subsidiary, Andhra Paper Foundation, carries out Corporate Social Responsibility activities. The same is not considered for the purpose of consolidation, as the objective of control over this entity is not to obtain economic benefits from its activities. The Board of Directors on its meeting held on August 3, 2023 has approved for conversion into a Private Limited company and winding off of the subsidiary.

46. In the year ended March 31, 2017, the Hon'ble High Court for the State of Telangana and the State of Andhra Pradesh upheld the validity of levy of electricity duty @ 25 paise per unit by the State Government on consumption of electricity by captive generating units relating to earlier years. The Company (along with other petitioners) filed a Special Leave Petition in the Hon'ble Supreme Court, which in the interim, directed the petitioners to pay partial amount without prejudice to the rights and contentions of the petitioners, pursuant to which the Company had paid ₹ 1,502.05 lakhs under protest in the year ended March 31, 2017. The matter is pending hearing.

In view of the inherent uncertainty in predicting the final outcome of the above litigation, the Management has, on grounds of prudence and abundant caution, made a provision amounting to ₹ 2,357.43 lakhs during the year ended March 31, 2017 towards the potential liability in the event of an un-favourable verdict in this matter. Additionally, an amount of ₹ 1,571.62 lakhs has been disclosed as a contingent liability. On the basis of the legal advice obtained, in the opinion of the Management no further provision would be required in relation to this disputed matter.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

47. Exceptional item

During the previous year on temporary closure of Andhra Pradesh Gas Power Corporation Limited (APGPCL), a provision has been created for the value of our investment of ₹ 1,538.37 lakhs, which was valued as on March 31, 2022 at ₹ 1,947.02 lakhs. An amount of ₹ 408.65 lakhs has been debited through Other Comprehensive Income (OCI) and the cost of investment is shown as an exceptional item in statement of profit and loss.

48. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

49. As per Section 135 of the Companies Act, 2013 ('Act'), a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The focus areas of Company's CSR activities are Education, Health & Wellness and Community Engagement. The CSR activities of the Company are in line with the Schedule VII of the Companies Act, 2013. A CSR committee has been formed by the company as per the Act.

(₹ in lakhs)

S. No	Particulars	Year ended March 31, 2024	Year ended March 31, 2023
1	Gross amount required to be spent by the company during the year.	599.50	279.50
2	Surplus spent in FY 2022-2023 (set-off)	24.71	-
3	Amount spent during the year on		
	(i) Construction/acquisition of any asset	-	-
	(ii) On purposes other than (i) above	452.97	304.21
4	Surplus / (Shortfall) at the end of the year *	(121.82)	24.71
5	Total of previous years shortfall (net of incurred during the year)	-	-
6	Reason for shortfall	Pertains to ongoing projects	Not Applicable
7	Nature of CSR activities	Education, Health & Wellness and Community engagement	
8	Details of related party transactions, e.g. contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	-	-
9	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year	Not Applicable	Not Applicable

* The Company has transferred the unspent amount to a separate bank account on April 29, 2024 for the year ended March 31, 2024 in compliance with Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 vide MCA notification dated January 22, 2021.

During the year the company has set off the excess CSR amount of ₹ 24.71 lakhs spent in the FY 2022-2023 against CSR obligation of FY 2023-2024.

50. Investments and Loans & Advances:

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

51. Ratios

S. No	Ratio	Numerator	Denominator	March 31, 2024	March 31, 2023	% of increase or decrease	Reasons
1	Current Ratio (in times)	Current assets	Current liabilities	3.06	3.40	-10%	No major change
2	Debt-Equity Ratio (in times)	Total Debt	Shareholder's Equity	0.06	0.03	92%	Increase due to term loan and buyers credit availed during the year.
3	Debt Coverage Ratio (in times)	Earnings available for debt service ⁽¹⁾	Debt Service ⁽²⁾	7.20	4.88	48%	Due to repayment of Export packing credit loan.
4	Return on Equity (ROE) (in %)	Net Profits after taxes	Average Shareholder's Equity	19.55%	39.04%	-50%	Due to drop in sales volume and price.
5	Inventory Turnover Ratio (in days)	Sales	Average Inventory	8.77	13.16	-33%	Increase in inventory at year end.
6	Trade Receivables turnover ratio (in times)	Revenue	Average Trade Receivable	17.27	16.78	3%	No major change
7	Trade payables turnover ratio (in times)	Purchases of goods & Services and other expenses	Average Trade Payables	11.30	12.72	-11%	No major change
8	Net capital turnover ratio (in times)	Revenue	Working Capital	2.09	2.59	-19%	No major change
9	Net profit ratio (in %)	Net Profits after taxes	Revenue	18.87%	24.91%	-24%	No major change
10	Return on Capital employed (in %)	Earnings before interest and taxes	Capital Employed ⁽³⁾	22.08%	41.63%	-47%	Due to drop in sales volume and price.
11	Return on investment (in %)	Income generated from investments	Average invested funds in treasury investments	8.55%	5.87%	46%	Impact of market dynamics and increase in investing activities during the year.

⁽¹⁾ Net Profit after taxes + Non-cash operating expenses + Interest + other adjustments like loss on sale of Fixed assets etc.

⁽²⁾ Interest and Lease Payments + Principal Repayments

⁽³⁾ Net worth + Deferred tax liability + Lease liability + Total Debt

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

52. Other Statutory Information:

- a) The Company does not have any Benami property, where any proceeding have been initiated or pending against the Company for holding any Benami property.
- b) The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.
- c) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (Such as, search or survey or any other relevant provision of the Income Tax Act, 1961).
- d) The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Act read with the Companies (Restriction on number of layers) Rules, 2017.
- e) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- f) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- g) The Company does not have any transactions with companies struck off.

53. Subsequent event disclosure: Subsequent to the balance sheet date, the operations at Company's Rajahmundry manufacturing facility ("plant") was interrupted due to an illegal workers strike commencing on April 2, 2024. Consequently, on April 24, 2024, a lockout was implemented at the plant to safeguard assets and personnel, following this prompt resolution, the illegal strike was called off by the workers and normal operations was resumed on April 25, 2024.

54. The financial statements are approved for issue by the Board of Directors on May 14, 2024.

As per our report of even date
For M S K A & Associates
 Chartered Accountants
 Firm Registration No.:105047W

**For and on behalf of the Board of Directors
 of Andhra Paper Limited**
 CIN: L21010AP1964PLC001008

S. K. Bangur
 Chairman & Managing Director
 (DIN: 00053237)

Prakash Chandra Bhutada
 Partner
 Membership No:404621

Saurabh Bangur
 Joint Managing Director
 (DIN:00236894)

Mukesh Jain
 Executive Director
 (DIN: 09380039)

Place: Hyderabad
 Date : May 14, 2024

Rajesh Bothra
 Chief Financial Officer

Bijay Kumar Sanku
 Company Secretary
 Membership No: 15449

Place: Rajahmundry
 Date : May 14, 2024



ANDHRA PAPER LIMITED

(CIN: L21010AP1964PLC001008)

Regd. Office: Rajahmundry – 533 105, East Godavari District, Andhra Pradesh, India

Notice of Annual General Meeting

NOTICE is hereby given that the 60th Annual General Meeting of the Members of Andhra Paper Limited (“The Company”) will be held on **Monday, August 12, 2024 at 11.30 A.M. through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”)** to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt Audited Financial Statements of the Company for the financial year ended March 31, 2024 and the Reports of Board of Directors and Auditors thereon.
2. To declare a final dividend of ₹ 10 per equity share of face value of ₹ 10 each, of the Company for the financial year ended March 31, 2024.
3. To appoint a Director in place of Mr. Mukesh Jain (DIN: 09380039) who retires by rotation and being eligible offers, himself for re-appointment.

SPECIAL BUSINESS

4. **SUB-DIVISION OF EACH OF THE ONE (1) FULLY PAID EQUITY SHARE OF THE COMPANY HAVING FACE VALUE OF ₹ 10 (RUPEES TEN) INTO 5 (FIVE) FULLY PAID EQUITY SHARES HAVING FACE VALUE OF ₹ 2 (RUPEES TWO) EACH.**

To consider and if thought fit, to pass with or without modification, the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to provisions of Section 61(1)(d) and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), the Companies (Share Capital and Debentures) Rules, 2014, applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company and subject to such approval(s), consent(s), permission(s) and sanction(s) as may be necessary from the concerned statutory authorities or bodies, the approval of the Members of the Company be and is hereby accorded for sub

division/split of each of the one (1) fully paid-up equity share of the company having face value of ₹ 10 (Rupees Ten) into 5 (Five) fully paid-up Equity Shares having face value of ₹ 2 (Rupees Two) each, with effect from the ‘Record Date’ to be determined for this purpose.

RESOLVED FURTHER THAT upon sub-division/split of equity shares as aforesaid with face value of ₹ 2 (Rupees two only) each

- a. **For the equity shares held in physical form:** The existing Share Certificate(s) in relation to the said Equity Shares of the face value of ₹ 10 (Rupees Ten only) each, shall be deemed to have been automatically cancelled and shall be of no effect and the Board, without requiring the members to surrender their existing share certificate(s) shall issue the new share certificate(s) of the Company and shall comply with the prevailing laws/ guidelines in this regard; and
- b. **For the Equity Shares held in dematerialized form:** The sub-divided Equity Shares shall be credited proportionately into the respective beneficiary demat accounts of the Members held with Depository Participants, in lieu of the existing credits present in their respective beneficiary demat accounts.

RESOLVED FURTHER THAT Mr. Shree Kumar Bangur, Chairman & Managing Director, Mr. Saurabh Bangur, Joint Managing Director, Mr. Mukesh Jain, Executive Director, Mr. Rajesh Bothra, Chief Financial Officer and Mr. Bijay Kumar Sanku, Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things including to fix and announce the Record Date, to make appropriate adjustments on account of sub-division of Equity Shares, to accept and make any alteration(s), modification(s) to the terms and conditions as they may deem necessary, concerning any aspect of the sub-division of Equity Shares, in accordance with the statutory requirements to give such directions as may be necessary or desirable, to apply for necessary approvals, to settle any questions, difficulties or doubts that may arise and generally, to

do all acts, deeds, matters and things as they may, in their absolute discretion deem necessary, expedient, usual or proper in relation to or in connection with or for matters in relation or consequential to the sub-division of Equity Shares including execution and filing of all the relevant documents with the Registrar of Companies, Stock Exchanges, Depositories and other appropriate authorities, in due compliance of the applicable rules and regulations, without seeking any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

5. ALTERATION OF MEMORANDUM OF ASSOCIATION OF THE COMPANY

To consider and if thought fit, to pass with or without modification, the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 13, 61 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re enactment(s) thereof, for the time being in force) and the applicable provisions of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and other applicable laws, rules and regulations for the time being in force, if any, prescribed by any relevant authorities from time to time and such other approvals, consent, permissions and sanctions as may be necessary from the concerned authorities or bodies, the approval of the members be and is hereby accorded that the existing Clause V of the Memorandum of Association of the Company by substituting with the following clause:

- V. The Authorised Capital of the Company is ₹ 45,00,00,000 (Rupees Forty Five Crores only) divided into 20,00,00,000 (Twenty Crores) Equity Shares of face value of ₹ 2 (Rupees Two only) each and ₹ 5,00,00,000 (Rupees Five crores only) divided into 5,00,000 (Five Lakhs) Redeemable Cumulative Preference Shares of face value of ₹ 100 (Rupees Hundred only) each with a power to increase or reduce or modify the said Capital and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company.

RESOLVED FURTHER THAT Mr. Shree Kumar Bangur, Chairman & Managing Director, Mr. Saurabh Bangur, Joint Managing Director, Mr. Mukesh Jain, Executive Director, Mr. Rajesh Bothra, Chief Financial Officer and Mr. Bijay Kumar Sanku, Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters, things and to sign all such other documents, in each case, as they or any of them may deem necessary, proper or desirable (including without limitation making the appropriate e-filings with the Registrar of Companies, intimations to stock exchanges), in connection with the amendment of Memorandum of Association of the Company”.

6. RE-APPOINTMENT OF MR. MUKESH JAIN (DIN: 09380039) AS EXECUTIVE DIRECTOR

To consider and, if thought fit, to pass with or without modifications(s), the following Resolution, as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force] and enabling provisions of the Articles of Association of the Company, approval of the Company be and is hereby accorded for re-appointment of Mr. Mukesh Jain (DIN: 09380039) as Whole time Director designated as Executive Director of the Company for a further period of 3 years with effect from November 10, 2024 to November 9, 2027, liable to retire by rotation, on such terms and conditions including remuneration, as set out in the explanatory statement annexed to this Notice.

RESOLVED FURTHER THAT in the event of any loss or inadequacy of profit in any financial year, during the currency of tenure of Mr. Mukesh Jain (DIN: 09380039) as Whole Time Director designated as Executive Director, he shall be paid remuneration as specified under Section II of Part II of Schedule V of the Act, or within such ceilings as may be prescribed from time to time as minimum remuneration notwithstanding the absence or inadequacy of profit in any year.

RESOLVED FURTHER THAT Mr. Mukesh Jain, Executive Director and Mr. Bijay Kumar Sanku, Company Secretary be and are hereby severally authorised to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

7. RATIFICATION OF REMUNERATION OF COST AUDITORS

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or re-enactment thereof, for the time being in force] the remuneration of ₹ 4.00 lakhs plus applicable taxes and reimbursement of out-of-pocket expenses, as approved by the Board of Directors of the Company, to be paid to M/s. Narasimha Murthy & Co., Cost Accountants, Hyderabad, Cost Auditors (Firm Registration No. 000042) to conduct the audit of the cost records of the Company, for the financial year ending March 31, 2025 be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

By Order of the Board
For Andhra Paper Limited

Bijay Kumar Sanku
Company Secretary
M.No A15449

Registered Office:

Rajahmundry - 533 105
East Godavari District, Andhra Pradesh, India
May 14, 2024

Notes

- The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“**The Act**”) in respect of Item Nos. 4 and 7 as per Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**The SEBI LODR Regulations**”), setting out the details relating to Special business is annexed hereto. Further, disclosures as required under the SEBI LODR Regulations and the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India (‘SS-2’) with respect to details of appointee Director are provided in **Annexure-1** to this Notice and The additional information as required under Schedule V of the Act is given as **Annexure 2** to this Notice.
- The Ministry of Corporate Affairs (“MCA”) has vide its General Circular No. 09/2023 dated September 25, 2023 read with the General Circulars dated December 28, 2022, May 5, 2022, January 13, 2021, May 5, 2020, April 13, 2020 and April 8, 2020 (collectively referred to as “**MCA Circulars**”) permitted the holding of the Annual General Meeting (“AGM”) through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the applicable provisions of the Act, the SEBI LODR Regulations and MCA circulars, the AGM of the Company is being held through VC/OAVM. The Registered Office of the Company shall be deemed to be the venue for the AGM.
- In compliance with the aforesaid MCA Circulars and SEBI Circular No. SEBI/HO/CFD/CFD-PoD -2/P/CIR/2023/167 dated October 07, 2023, Notice of the 60th AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2023-24 shall also be available on the Company’s website: <https://www.andhrpaper.com>, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at <https://www.bseindia.com> and <https://www.nseindia.com> respectively, and on the website of M/s. Kfin Technologies Limited(Kfintech) at <https://www.evoting.kfintech.com>.
- However, the Company shall send a hard copy of the Notice of 60th AGM along with Annual Report 2023-24 to those Shareholders who request for the same. Shareholders who require a hard copy of the 60th AGM Notice and Annual Report may send their requests to the E-mail ID: aplinvestorrelations@andhrpaper.com.
- M/s. Kfin Technologies Limited RTA (Kfintech) will be providing facilities for voting through remote e-voting, for participation in the 60th AGM through VC/OAVM and e-voting during the AGM (“Insta Poll”).

6. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
7. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative(s) to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by e-mail through its registered e-mail address to dh300@gmail.com with a copy marked to evoting@kfintech.com. The scanned image of the above mentioned documents should be in the naming format 'APL_ EVEN NO.'
8. Electronic copy of all the documents referred to in the Notice of the 60th AGM or the Explanatory Statement thereto, shall be made available for inspection to Members upon login at KFinTech's e-voting platform at <https://www.evoting.kfintech.com> during the remote e-voting period and up to the date of the 60th AGM.
9. Electronic copy of the 'Register of Directors and Key Managerial Personnel and their Shareholding' maintained under Section 170 of the Act and the 'Register of Contract or Arrangements' in which Directors of the Company are interested under Section 189 of the Act, shall be accessible to Members during 60th AGM, on the e-AGM platform.
10. Since the AGM will be held through VC / OAVM, the Route Map is not annexed to this Notice.
11. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares, Members are advised to dematerialise the shares held by them in physical form. The ISIN in respect of equity shares is INE435A01028.
12. Securities and Exchange Board of India (SEBI) rescinding all its previous circulars, issued Master circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 updated standardized Common and Simplified Norms for processing Investors' service request by RTAs and norms

for furnishing PAN, KYC details and Nomination inter alia mandated:

- a. Furnishing of PAN, contact details, bank account details and nomination by shareholders holding shares in physical form;
- b. Any service request shall be entertained only upon registration of the PAN, Bank details and the nomination;
- c. to ensure that Shareholder's PAN is linked to his/her Aadhaar by March 31, 2023 or any other date as may be specified by the Central Board of Direct Taxes to avoid to freezing of your folio.

SEBI vide circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2023/158 dated September 26, 2023 extended the last date for submission of PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers to December 31, 2023.

SEBI vide circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated November 17, 2023 decided to do away with the provision of freezing of folios in absence of KYC up-dation.

Members holding shares in physical form are requested to notify any change in their address, updation of bank particulars / NECS mandate, Mobile Number, Registration of Nomination and change in signature immediately to the Registrar and Transfer Agents, KFin Technologies Limited, Selenium Tower B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032 ("RTA") in the formats as given below:

Sl. No.	Particulars	Form No.
1	PAN	
2	Address	
3	E-mail address	
4	Mobile Number	ISR-1
5	Demat account details	
6	Bank account details	
7	Updation/Registration of Signature	ISR-2
8	Nomination details *	SH-13
9	Declaration to opt out nomination *	ISR-3

* In case you are opting out for giving nomination, please submit Form ISR-3 and Form SH-13 need not be submitted.

13. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz.

Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/ splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service request by submitting a duly filled and signed Form ISR – 4 and Form ISR-5 for transmission cases.

The above said forms can be downloaded from the website of the Company at <https://www.andhrpaper.com> and RTA at <https://www.kfintech.com>.

14. The Securities and Exchange Board of India (“SEBI”) vide its circular dated July 31, 2023 has introduced a common Online Dispute Resolution Portal (“ODRP”) to facilitate online resolution of all kinds of disputes arising in the Indian Securities Market. The ODRP provides members with an additional mechanism to resolve their grievances. Any unresolved issues pertaining to any service related complaints between members and listed entity including its Registrar & Share Transfer Agents in the securities market, will be resolved in accordance with the abovementioned SEBI Circular.

In order to make members aware about the ODR mechanism, the process is given below:

Level 1 - Raise with the Company / KFin Technologies Limited [Registrar and Transfer Agent (“RTA”): Initially, all grievances/ disputes/ complaints against the Company/RTA are required to be directly lodged with the Company / RTA. Members may lodge the same by sending an email to einward.ris@kfintech.com or by sending physical correspondence at: KFin Technologies Limited Selenium Building, Tower B, Plot 31-32, Financial District, Nanakramguda, Hyderabad, Telangana – 500 032 Toll Free No. : 1800 309 4001 E-mail Address : einward.ris@kfintech.com Website : www.kfintech.com.

Level 2 - SEBI Complaints Redress Systems (“SCORES”): The grievances/ disputes/ complaints which remain unresolved at Level 1, or if the member is not satisfied with the resolution provided by the Company/ RTA, then a complaint may be raised on SCORES platform of SEBI which can be accessed at <https://www.scores.gov.in>.

Level 3 - ODR Platform: In case the member is not satisfied with the resolution provided at Level 1 or 2, then the online dispute resolution process can be initiated through the ODR portal.

Important notes with respect to ODR portal are as under:

- a) The link to access the ODR Portal as well as modalities and operational guidelines of the ODRP including timelines for review/resolution of complaints filed through the portal, manner of proceedings to be conducted by the ODR institutions, roles and responsibilities of Market Infrastructure Intermediaries, Code of conduct for Conciliators and Arbitrators etc. as provided in the SEBI Circular(s) are hosted on Company’s website at <https://andhrpaper.com/wp-content/uploads/2023/09/SEBI-Circular-on-Online-Resolution-of-Disputes.pdf>.
 - b) It may be noted that the dispute resolution through the ODR portal can be initiated only if such complaint / dispute is not pending before any arbitral process, court, tribunal or consumer forum or if the same is non-arbitrable under Indian Law.
 - c) There shall be no fees for registration of a complaint/dispute on the ODR portal, and the fees for conciliation or arbitration process including applicable GST, stamp duty etc. shall be borne by the Investor /Company/other market participant as the case may be. d) For any queries on the above matter, investors may contact the Company’s Registrar & Share Transfer Agent, KFin Technologies Limited at einward.ris@kfintech.com or the Company at: aplinvestorrelations@andhrpaper.com.
15. Members are requested to note that dividends, if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (IEPF).
16. In terms of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2016 (Rules) notified by Ministry of Corporate Affairs, the Company had transferred equity shares in respect of which dividend had not been paid or claimed by the shareholders for a period of seven consecutive years or more to Investor and Education Protection Fund Authority

(IEPF Authority). The details of the dividend and shares transferred to IEPF Authority and the procedure to claim the dividend and shares from the IEPF Authority are available on the Company's website under Investor Relations. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in Form No. IEPF- 5 available at <https://www.iepf.gov.in>.

17. Dividend payment and Tax on Dividend:

- i. The Record date for the purposes of this AGM and for determining entitlement of Members to final dividend for the financial year ended March 31, 2024, if approved at the AGM, is Monday, **August 5, 2024**.
- ii. The dividend, as recommended by the Board of Directors, if declared at the 60th AGM, will be paid within 30 days from the date of declaration as under:
 - (a) To all the Beneficial Owners as at the end of the day on Monday, August 5, 2024, as per the list of beneficial owners to be furnished by the National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form; and
 - (b) To all Members, in respect of shares held in physical form, whose names appear in the Register of Members as on Monday, August 5, 2024.

SEBI vide circular dated November 03, 2021 (subsequently amended by circulars dated December 14, 2021, March 16, 2023 and November 17, 2023) mandated that the security holders (holding securities in physical form), whose folio(s) were not updated with the KYC details (any of the details viz., PAN; Choice of Nomination; Contact Details; Mobile Number and Bank Account Details and signature, if any) shall be eligible to receive dividend only through electronic mode with effect from April 01, 2024.

Shareholders are requested to update the KYC details by submitting relevant ISR forms duly filled in along with self-attested supporting proofs. The forms can be downloaded from the website of the RTA.

- iii. Members may note that in terms of the Income Tax Act, 1961, as amended by the Finance Act, 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct

tax at source (TDS) from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update/register their valid PAN with the Company/RTA (in case of shares held in physical mode) and Depositories (in case of shares held in demat mode).

- iv. A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by uploading the documents on the link <https://ris.kfintech.com/form15>, on or before August 05, 2024. Shareholders are requested to note that in case their PAN is not updated/registered, the tax will be deducted at a higher rate of 20%.
- v. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, and any other document which may be required to avail the tax treaty benefits by uploading the documents on or before August 5th, 2024 on the link <https://ris.kfintech.com/form15/>. No communication would be accepted from Members after August 5th, 2024 regarding the tax withholding matters.
- vi. The Resident Non-Individual Members such as Insurance companies, Mutual Funds, Alternative Investment Fund (AIF) and other domestic financial institutions established in India and Non-Resident Non-Individual Members such as Foreign Portfolio Investors may submit the relevant forms, declarations and documents through their respective custodians who are registered with NSDL for tax services, on or before the aforesaid timelines.
- vii. TDS will be deducted at prescribed higher rates for specified persons, as per the provisions of section 206AB of the Income Tax Act, 1961.

18. E-VOTING FACILITY

- i. In compliance with the provisions of Section 108 of the Act read with Rules made thereunder and Regulation 44 of the SEBI LODR Regulations, the Company is offering e-voting facility to all Members of the Company. The voting rights of the Members

shall be in proportion to the number of shares held by them in the equity share capital of the Company as on the cut-off date i.e. **Monday, August 5, 2024**.

- ii. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners (in case of electronic shareholding) maintained by the Depositories as on the cut-off date i.e. **Monday, August 5, 2024** shall only be entitled to avail the facility of remote e-voting/e-voting at the AGM. Kfintech will be facilitating e-voting to enable the Members to cast their votes electronically.

A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.

- iii. The remote e-voting facility will be available during the following period:

Commencement of remote e-voting: From 9.00 A.M. on Wednesday, August 7, 2024

End of remote e-voting: At 5.00 P.M. on Sunday, August 11, 2024

The remote e-voting will not be allowed/available beyond the aforesaid date and time and the remote e-voting module shall be disabled/blocked by M/s. Kfin Technologies

Limited (Kfintech) upon expiry of aforesaid period. Once the vote on a Resolution is cast by the Member(s), they shall not be allowed to change it subsequently or cast the vote again.

- iv. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update/register their mobile number and email Id in their demat accounts in order to access e-Voting facility.

- v. The details of the process and manner for remote e-Voting are explained herein below:

Step 1: Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access to M/s. Kfin Technologies Limited (Kfintech) e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

Step 1: Login method for remote e-Voting for Individual shareholders holding securities in demat mode

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<p>1. User already registered for IDeAS facility:</p> <ul style="list-style-type: none"> I. Visit URL: https://eservices.nsdl.com. II. Click on the “Beneficial Owner” icon under “Login” under ‘IDeAS’ section. III. On the new page, enter User ID and Password. Post successful authentication, click on “Access to e-Voting”. IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period. <p>2. User not registered for IDeAS e-Services</p> <ul style="list-style-type: none"> I. To register click on link : https://eservices.nsdl.com. II. Select “Register Online for IDeAS” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. III. Proceed with completing the required fields. IV. Follow steps given in points 1.

Type of shareholders	Login Method
	<p>3. Alternatively, by directly accessing the e-Voting website of NSDL</p> <ol style="list-style-type: none"> I. Open URL: https://www.evoting.nsdl.com/. II. Click on the icon "Login" which is available under 'Shareholder/Member' section. III. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen. IV. Post successful authentication, you will be requested to select the name of the company and the e-Voting Service Provider name, i.e. Kfin Technologies Limited (Kfintech). V. On successful selection, you will be redirected to Kfin Technologies Limited e-Voting page for casting your vote during the remote e-Voting period.
Individual Shareholders holding securities in demat mode with CDSL	<p>1. Existing user who have opted for Easi / Easiest</p> <ol style="list-style-type: none"> I. Visit URL: https://web.cdslindia.com/myeasitoken/Home/Login II. Click on New System Myeasi. III. Login with your registered User ID and Password. IV. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. M/s. Kfin Technologies Limited (Kfintech) e-Voting portal. V. Click on e-Voting service provider name to cast your vote. <p>2. User not registered for Easi/Easiest</p> <ol style="list-style-type: none"> I. Option to register is available at https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration II. Proceed with completing the required fields. III. Follow the steps given in point 1. <p>3. Alternatively, by directly accessing the e-Voting website of CDSL</p> <ol style="list-style-type: none"> I. Visit URL: https://evoting.cdslindia.com/Evoting/EvotingLogin. II. Provide your Demat Account Number and PAN No. III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the Demat Account. IV. After successful authentication, user will be provided links for the respective ESP, i.e. M/s. Kfin Technologies Limited (Kfintech) where the e- Voting is in progress.
Individual Shareholder login through their demat accounts / Website of Depository Participant	<ol style="list-style-type: none"> I. You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility. II. Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature. III. Click on options available against company name or e-Voting service provider – Kfin Technologies Limited (Kfintech) and you will be redirected to e-Voting website of Kfin Technologies Limited (Kfintech) for casting your vote during the remote e-Voting period without any further authentication.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID / Forgot Password option available at respective websites.

Helpdesk for Individual Members holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at Toll Free Number: 1800 1020 990 and 1800 22 44 30
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

Step 2: Login method for e-Voting for shareholders, other than Individual shareholders, holding securities in demat mode and shareholders holding securities in physical mode.

- (A) Members whose email IDs are registered with the Company/ Depository Participant(s), will receive an email from Kfintech which will include details of E-Voting Event Number (EVEN), User ID and password. They will have to follow the following process:
- i. Launch internet browser by typing the URL: <https://eMeetings.kfintech.com/>.
 - ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) 8169, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with M/s. Kfin Technologies Limited(Kfintech) for e-voting, you can use your existing User ID and password for casting the vote.
 - iii. After entering these details appropriately, click on "LOGIN".
 - iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. **It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.**
- v. You need to login again with the new credentials.
 - vi. On successful login, the system will prompt you to select the "EVEN" i.e., '8169 - AGM" and click on "Submit".
 - vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as displayed/disclosed on the screen. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
 - viii. Shareholders holding multiple folios/ demat accounts shall choose the voting process separately for each folio/ demat account.
 - ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
 - x. You may then cast your vote by selecting an appropriate option and click on "Submit".

- xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the Resolution (s), you will not be allowed to modify your vote. **During the voting period, Members can login any number of times till they have voted on the Resolution(s).**

(B) Members whose email IDs are not registered with the Company/Depository Participant(s), and consequently on whom, the Annual Report, Notice of AGM and e-voting instructions cannot be served, will have to follow the following process:

- I. Member may send an e-mail request at the email id inward.ris@kfintech.com along with scanned copy of the signed request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual Report, Notice of AGM and the e-voting instructions.
- II. After receiving the e-voting instructions, please follow all steps narrated/mentioned above to cast your vote by electronic means.

In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below:

If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399.

1. Example for NSDL : MYEPWD <SPACE> IN12345612345678
2. Example for CDSL : MYEPWD <SPACE> 1402345612345678
3. Example for Physical : MYEPWD <SPACE> 1234567890

If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.kfintech.com/>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

Members may call Kfintech toll free number 1-800-309-4001 for all e-voting related matters. Member may send an e-mail request to inward.ris@kfintech.com for all e-voting related matters.

19. Instructions for Members for attending the e-AGM:

- a) Facility of joining the AGM through VC / OAVM shall open 15 minutes before the time scheduled for the start of AGM and will be closed on expiry of 15 minutes after such scheduled time of AGM.
- b) Facility of joining the AGM through VC / OAVM shall be available for at least 1,000 members on first come first served basis. However, the participation of members holding 2% or more shares, Promoters, Institutional Investors, Directors, Key Managerial Personnel, Chairpersons of Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee and Auditors are not restricted on first come first serve basis.
- c) Member will be provided with a facility to attend the AGM through VC / OAVM platform provided by M/s. Kfin Technologies Limited (Kfintech). Members may access the same at <https://eMeetings.kfintech.com/> by using the e-voting login credentials provided in the email received from the Company/ M/s. Kfin Technologies Limited (Kfintech) . After logging in, click on the Video Conference tab and select the EVEN of the Company. Click on the video symbol and accept the Meeting etiquettes to join the Meeting. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in Point No. 18.

- d) Members are encouraged to join the Meeting through Laptops/ Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.
- e) Members will be required to grant access to the webcam to enable VC / OAVM. Further, Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is, therefore, recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- f) Members, who would like to express their views or ask questions during the e-AGM will have to register themselves as a speaker by visiting the URL <https://eMeetings.kfintech.com> and clicking on the tab 'Speaker Registration' and mentioning their registered e-mail id, mobile number and city, during the period starting from Wednesday, August 7, 2024 (09.00 AM) up to Friday, August 9, 2024 (05.00 PM). Only those members who have registered themselves as a speaker will be allowed to express their views/ask questions during the e-AGM and the maximum time per speaker will be restricted to 3 minutes, depending on the number of speakers and available time.

The Company reserves the right to restrict the number of speakers depending on the availability of time for the e-AGM. Please note that questions of only those Members will be entertained/considered who are holding shares of Company as on the cut-off date i.e. Monday, the August 5th, 2024.

- g) Alternatively, Members holding shares as on the cut-off date may also visit <https://eMeetings.kfintech.com> and click on the tab 'Post Your Queries' and post their queries/ views/questions in the window provided, by mentioning their name, demat account number/ folio number, email ID and mobile number or option to mail bijaykumar.sanku@andhrapaper.com. Members may post their queries from Wednesday, August 7, 2024 (09.00 AM) up to Friday, August 9, 2024 (05.00 PM).
- h) A video guide assisting the members attending e-AGM either as a speaker or participant is available for quick reference at URL <https://>

cruat04.kfintech.com/eMeetings/video/howitworks.aspx.

- i) Members who need technical or other assistance before or during the e-AGM can contact KFintech by sending email at eMeetings@kfintech.com or Helpline: 1800 309 4001 (toll free).

20. Voting at e-AGM

- Only those members/shareholders, who will be participating in the e-AGM through VC/OAVM facility and who have not cast their vote earlier through remote e-voting are eligible to vote through e-voting during the e-AGM
- Members who have voted through remote e-voting will also be eligible to attend the e-AGM. Members attending the e-AGM shall be counted for the purpose of reckoning the quorum of AGM under Section 103 of the Companies Act, 2013
- Upon declaration by the Chairperson about the commencement of e-voting at e-AGM, Members shall click on the "Vote" sign on the left-hand bottom corner of their video screen for voting at the e-AGM, which will take them to the 'instapoll' page
- Members to click on the "Instapoll" icon to reach the resolution page and follow the instructions to vote on the resolutions.

21. Other information:

The Board of Directors have appointed M/s. D. Hanumanta Raju & Co. Company Secretaries, B-13, F-1 & F-2, P.S. Nagar, Vijayanagar Colony, Hyderabad - 500057 as Scrutiniser, to scrutinise the e-voting process in a fair and transparent manner. The Scrutiniser shall, after the conclusion of voting at the AGM, submit his report within the prescribed timelines, to the Chairperson of the Company or any person authorized by the Chairperson and the results of voting will be announced within two working days from the conclusion of the AGM of the Company. The results declared along with the Scrutiniser's report shall be placed on the Company's website at www.andhrapaper.com and on the website of KFintech viz. <https://evoting.kfintech.com> and shall also be communicated to the stock exchanges viz. BSE Limited & National Stock Exchange of India Limited, where the shares

of the Company are listed. The resolutions shall be deemed to be passed at the AGM of the Company subject to obtaining requisite votes thereto.

EXPLANATORY STATEMENT AS PER SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF THE SPECIAL BUSINESS & AS PER REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 IN RESPECT OF ORDINARY BUSINESS.

Item No. 4 and 5

Equity Shares of the Company are listed and are being traded on BSE Limited and National Stock Exchange of India Limited. Over the years, the Company has performed well and our Investors and Shareholders have shown tremendous confidence with the Company, with an aim to encourage wider participation of the retail investors and improve the liquidity of the Equity Shares in the Stock Market, the Board of Directors of the Company, in its Meeting held on May 14, 2024, has recommended the Sub division / Split of the Equity Share Capital of the Company, from the existing 1 (One) Equity Share of face value of ₹ 10 (Rupees Ten only) each fully paid up into 5 (five) Equity Shares of face value of ₹ 2 (Rupees two only) each fully paid up, subject to the approval of Members of the Company.

The Record date for the aforesaid Sub-division shall be fixed by the Authorised persons.

The Pre and post Share Capital of the Company will be as under:

Sl. No.	Particulars	Form No.
Authorised Share Capital	4,00,00,000 Equity shares of ₹ 10 each	20,00,00,000 Equity Shares of the ₹ 2 each
	5,00,000 (Five Lakhs) Redeemable Cumulative Preference Shares of face value of ₹ 100 (Rupees Hundred only) each	5,00,000 (Five Lakhs) Redeemable Cumulative Preference Shares of face value of ₹ 100 (Rupees Hundred only) each
Total Authorised capital	₹ 45,00,00,000	₹ 45,00,00,000
Issued Capital	3,97,70,039 Equity Share of ₹ 10	19,88,50,195 Equity Shares of ₹ 2
Subscribed & Paid-up Share Capital	3,97,70,039 Equity Share of ₹ 10	19,88,50,195 Equity Shares of ₹ 2

The proposed Sub-division / Split of Equity Shares will not result in any change in the amount of Authorized, Issued, Paid-up and Subscribed Equity Share Capital of the Company. Additionally, such Sub-division / Split shall not be construed as reduction in Share Capital of the Company.

Further, the Sub-division / Split of Equity Shares of the Company, as aforementioned, will require alteration to the existing Capital Clause i.e., Clause V of the Memorandum of Association.

In terms of Sections 13 and 14 read with Section 61 of the Companies Act, 2013, approval of the Members is required for Sub-division / Split of equity shares and consequent amendment in the Memorandum of Association of the Company.

Accordingly, the consent of the Members is sought for passing of: (a) Ordinary Resolution for sub-division of Ordinary (equity) Shares as mentioned at Item No.4; (b) Special Resolution for carrying out amendments to the Memorandum of Association of the Company as mentioned at Item No. 5;

A Draft copy of the altered Memorandum of Association and Articles of Association of the Company would be available for inspection without

any fee by the Members, at the Registered Office of the Company, during business hours on any working day, excluding Saturday, upto the date of closure of remote e-voting period, i.e., Sunday, the August 11, 2024.

None of the Directors and / or Key Managerial Personnel of the Company and / or their relatives are concerned or interested, financially or otherwise, in the Resolution set out at Item Nos. 4 and 5 of this Notice, except to the extent of their respective shareholding in the Company, if any.

The Board recommends the Resolutions set forth in Item Nos. 4 and 5 for the approval of the Members.

Item No. 6

Mr. Mukesh Jain was appointed as a Director effective November 10, 2021 and as a whole-time Director designated as Director - Commercial, of the Company for a term of three years, effective November 10, 2021 and the said appointment was approved by shareholders through Postal Ballot dated December 10, 2021. The Board, on the recommendation of Nomination and Remuneration Committee, at their Meeting held on May 8, 2023 approved to change nomenclature of designation of Mr. Mukesh Jain to Executive Director on the

same terms and conditions of his appointment as Director – Commercial effective May 15, 2023.

Mr. Mukesh Jain retires by rotation at the ensuing Annual General Meeting and also completes 3 years of appointment as whole-time Director on November 9, 2024.

The Nomination and Remuneration Committee, based on evaluation of his performance, considered and recommended his re-appointment to the Board. The Board, considering the recommendations of the Nomination and Remuneration Committee and the background, experience and contributions made by him to the Company, reappointed him as Executive Director of the Company at its Meeting held on May 14, 2024 for a further period of 3 years from November 10, 2024 to November 9, 2027.

Mr. Mukesh Jain satisfies all conditions set out in Part-I of Schedule V to the Act and also conditions set out under sub-section (3) of Section 196 of the Act.

None of the Directors, Key Managerial Personnel of the Company and their relatives except Mr. Mukesh Jain, being appointee, is concerned or interested, financial or otherwise, in the Resolution as set out at Item No. 6.

The Board recommends to the Members for approval of the reappointment of Mr. Mukesh Jain as Executive Director of the Company for a further period of 3 years from November 10, 2024 to November 9, 2027 as Special Resolution as set out at Item No. 6 of the Notice for approval by the Members as it considers that his association would be of immense benefit to the Company.

Terms & Conditions:

Pursuant to the provisions of Sections 196, 197 of the Act and Schedule V under the Act and the Articles of Association of the Company, the Board, subject to the approval by the Members, appointed Mr. Mukesh Jain as whole-time Director designated as Executive Director of the Company for a further period of 3 (three) years effective November 10, 2024 on the following terms and conditions –

Key terms and conditions governing the appointment of Mr. Mukesh Jain, Executive Director:

1	Term	Three years from November 10, 2024
2	Remuneration including all the allowances, MIP and benefits such as Provident Fund and Gratuity etc.	₹ 1.06 Crores per annum, with such increases as may be approved by the Board on the recommendation of Nomination and Remuneration committee.
3	Medi-claim, Life insurance and personal accident insurance	As applicable to Senior Staff of the Company
4	Leave	As per Rules applicable to Senior Staff of the Company
5	Remuneration payable in the event of loss or inadequacy of profits	The above remuneration is payable as minimum remuneration, in the event of loss or inadequacy of profits, with the approval of Shareholders by Special Resolution
6	Other benefits, amenities, facilities and perquisites	As per the Policies of the Company
7	Other conditions	Shall not be paid any sitting fees for attending the Meetings of Board of Directors and Committees of Board
8	Termination of Contract of appointment	May be terminated by either party by giving three months' notice in writing to the other party

Item No. 7

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the Board of Directors at its Meeting held on May 14, 2024, subject to the ratification of the remuneration by the Members, approved the re-appointment of M/s. Narasimha Murthy & Co., Cost Accountants, Hyderabad as Cost Auditors of the Company for the financial year ending March 31, 2025 and also payment of remuneration of ₹ 4.00 lakhs plus applicable taxes and reimbursement of out-of-pocket expenses as recommended by the Audit Committee at its Meeting held on May 13, 2024.

None of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise in the Resolution as set out at Item No. 7.

The Board commends the Resolution as set out at item No. 7 of the Notice for approval by the Members.

By Order of the Board
For Andhra Paper Limited

Bijay Kumar Sanku
Company Secretary
M.No. A15449

Registered Office:

Rajahmundry - 533 105
East Godavari District,
Andhra Pradesh, India
May 14 , 2024

Annexure 1

Particulars of Director seeking re-appointment at the 60th Annual General Meeting (Pursuant to Regulation 36 of Listing Regulations and Secretarial Standard - 2)

Name of the Director	Mr. Mukesh Jain
DIN	09380039
Date of Birth & Age	April 20, 1966 & 58 years
Qualifications	B.Com., ACA
Experience/Nature of expertise in specific functional areas	He has expertise in the functions of Global Strategic & Financial Planning, Budgeting and Costing Analysis, Accounts & Finance, Auditing, Taxation, Global Commercial Operations/ MIS, Fund Management / System Development, IPO and Preferential Placement of Securities, Global Logistics and Supply Chain Management
First date of appointment & Latest date of Appointment	November 10, 2021
Relationship with other Directors and Key Managerial Personnel of the Company	None
Number of shares held in the Company, including shareholding as a beneficial owner	NIL
Directorships held in other Companies including Listed companies & Listed Companies from which resigned in the past 3 years	Section 8 Company: Andhra Paper Foundation During the last three years, he did not resign from any of the listed Companies.
Chairmanship / Membership of the Committees in other Companies including Listed Companies	NIL
Number of Board Meetings attended during the year 2023-24	4
Terms & Conditions and details of Remuneration sought to be paid	He is liable to retire by rotation. Remuneration is provided in the explanatory statement.

For other details such as number of Meetings of the Board of Directors attended during the year and remuneration drawn, please refer to the Corporate Governance Report which is a part of the Annual Report for the financial year 2023-24.

Annexure 2

Additional information as required under Schedule V to the Act

I. General Information

1	Nature of industry	Manufacture of Pulp, Paper and Paper Board
2	Date or expected date of commencement of commercial production	Incorporation of Company on June 29, 1964 Commencement of Business on July 10, 1964
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable
4	Financial performance based on given Indicators	The key performance indicators of the Company during the previous three years are given under:

Particulars	2021-2022 (₹ lakhs)	2022-2023 (₹ lakhs)	2023-2024 (₹ lakhs)
Revenue from Operations	138023.38	209765.60	180057.97
Other Income	4488.37	5201.75	9494.96
Earnings before interest, depreciation and taxation	26581.16	78673.54	52593.00
Earnings before exceptional items and taxation	18835.64	71636.65	45564.29
Exceptional Items	0	1538.37	0
Profit / (Loss) before Tax	18835.64	70098.28	45564.29
Tax expenses	4862.44	17852.02	11590.37
Profit / (Loss) after tax	13973.20	52246.26	33973.92
Other Comprehensive income / (Loss)	(13046)	(455.69)	2100.35
Total Comprehensive income / (Loss) for the year	13876.23	51790.57	36074.27

Foreign investments or collaborators, if any.	The Company has no foreign investments as on the date of this notice. Further, the Company is not a party to any Foreign Collaborations as on the date of this notice. The total foreign investment in the Company, is to the extent of 9,28,165 equity shares of ₹ 10 each, constituting 2.33% of the paid up capital of the Company
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II. Information about the appointee

	Particulars
1	Name of the appointee
2	Background details
3	Past remuneration
4	Recognition or awards

Mr. Mukesh Jain

Mr. Mukesh Jain is designated as the Executive Director of the Company.

Mr. Mukesh Jain is an Indian National and is a Chartered Accountant, having professional experience of 29 years with organizations of high repute.

Prior to joining APL, he was employed as Head – Finance, Accounts and Commercial, with Indo Phil Textile Mills (Aditya Birla Group). He has been associated with Aditya Birla Group for the last seven years.

His previous stints were with major Corporates viz., PT Elegant Textile Industries (Aditya Birla Group), Bajaj Corp Limited, Jaypee Infratech Limited, Secure Meters Limited, Liberty Phosphate Limited, etc.,

₹ 117.89 lakhs during the financial year 2023-24

NIL

		Particulars
5	Job profile and his suitability	The Director will be responsible for overall Commercial and Operations functions of the Company. The Company will be benefitted from Mr. Mukesh Jain's vast experience in the functions of Global Strategic & Financial Planning, Budgeting and Costing Analysis, Accounts & Finance, Auditing, Taxation, Global Commercial Operations/ MIS, Fund Management / System Development, IPO and Preferential Placement of Securities, Global Logistics and Supply Chain Management.
6	Remuneration proposed	Details have been mentioned in the explanatory statement to the Notice
7	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w. r. t. the country of his origin)	<p>The remuneration proposed to be paid is within the scope and limits laid under Sections 197 and 198 of the Act, read with Schedule V and other applicable provisions under the Act. Considering the dynamic responsibilities shouldered by him, the enhanced business activities and future plans of the Company, the proposed remuneration is commensurate with industry standards and Board level positions held in similar sized and similarly positioned businesses.</p> <p>Comparative Remuneration in the industry (Based on the data available in public domain);</p> <p>JK Paper Limited – (Total Income in FY 2022-23: ~ ₹ 6329.69 crore)</p> <p>Mr. Amar Singh Mehta, President & Director, Remuneration drawn ~ ₹ 5.25 crore (FY 2022-23)</p> <p>West Coast Paper Mills Limited- (Total Income in FY 2022-23: ~ ₹ 2855.98 crore)</p> <p>Mr. Rajendra Jain, Executive Director, Remuneration drawn ~ ₹ 2.54 crore (FY 2022-23)</p>
8	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	None

III. Other information

		Particulars
1	Reasons of loss or inadequate profits	Not applicable since the Company made good profits during the last previous three years.
2	Steps taken or proposed to be taken for improvement	Not applicable
3	Expected increase in productivity and profits in measurable terms.	Not applicable

IV. Disclosures

		Particulars
1	Remuneration Package of the Managerial Person and also of all the Directors	<p>Remuneration Package of Managerial Personnel:</p> <ul style="list-style-type: none"> Mr. Shree Kumar Bangur, Chairman & Managing Director – Nil Mr. Saurabh Bangur, Joint Managing Director – ₹ 1.80 crore p.a. and Commission @ 1.5% on the net profits of the Company, calculated u/s 198 of the Act. <p>Other Directors:</p> <p>Except sitting fees, as per the limits prescribed under the Act, no remuneration is proposed to be paid to other Directors</p>
2	Details of fixed component and performance linked incentives along with the performance criteria	The details of total Remuneration including fixed components and performance linked incentives (MIP) are provided in the explanatory statement to this Notice. The criteria for payment of Performance Linked Incentive (MIP) shall be decided every year, by the Nomination and Remuneration Committee/ Board of Directors of the Company, based on various parameters and having regard to the performance of the appointee Director
3	Service contracts, notice period, severance fees	The appointment can be terminated by a notice of three months by either party. No severance fees is payable
4	Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.	Nil

By the order of the Board
For ANDHRA PAPER LIMITED

Place: Rajahmundry
Date: May 14, 2024

Bijay Kumar Sanku
Company Secretary
M.No. A15449



Andhra Paper Limited

(CIN: L21010AP1964PLC001008)

www.andhraper.com