



TRUSTED LEGACY

Marching ahead to build a Sustainable future



ANDHRA PAPER LIMITED

57th Annual Report

2020-21

The journey of Andhra Paper has been marked by remarkable milestones. Over the years, we've witnessed great achievements and successful endeavours –creating a lasting legacy of strength and endurance.

Since our inception, we have focused on acquiring unique skills. Along the way, we have focused on keeping our values intact and learning from our experiences. Today, we have emerged as one of the foremost players in our industry. With a diverse product portfolio, ability to innovate and introduce advanced solutions, we have consistently satisfied stakeholder requirements.

We also understand our responsibility towards the natural environment. We, therefore, strive to reduce emissions, improve the forest cover, reduce waste, increase energy efficiency and adopt methods to reuse and recycle resources. Our relentless emphasis on creating a financially stable and environmentally sustainable organisation motivates us to explore better avenues of growth and sustain our quest for excellence – as we march ahead to build a sustainable future.

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WE ARE ANDHRA PAPER

One of India's oldest and largest integrated paper and pulp manufacturers, Andhra Paper Limited is catering the needs of its customers in Domestic and International markets with its innovative, sustainable and recyclable products

We believe in 'Customer First' approach and continue to march on the path to the creation of more value for our customers. We strive to achieve highest level of customer satisfaction and our ability to deliver 'right products for right applications' at cost effective price stands as a testimony to the fact. We also invest in sustainable business growth and innovate products that enable us to reduce our customer's environmental footprints.



Vision:

To become the top performing and most respected Paper Company in India



Performance for the year 2020-21

Rs. 88,675 lakh

Revenue from operations

Rs. 7,170 lakh

EBITDA

Rs. (460) lakh

PAT

164,408 MTs

Paper Production

175,659 MTs

Sales volume



Values:

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



Business Objectives:

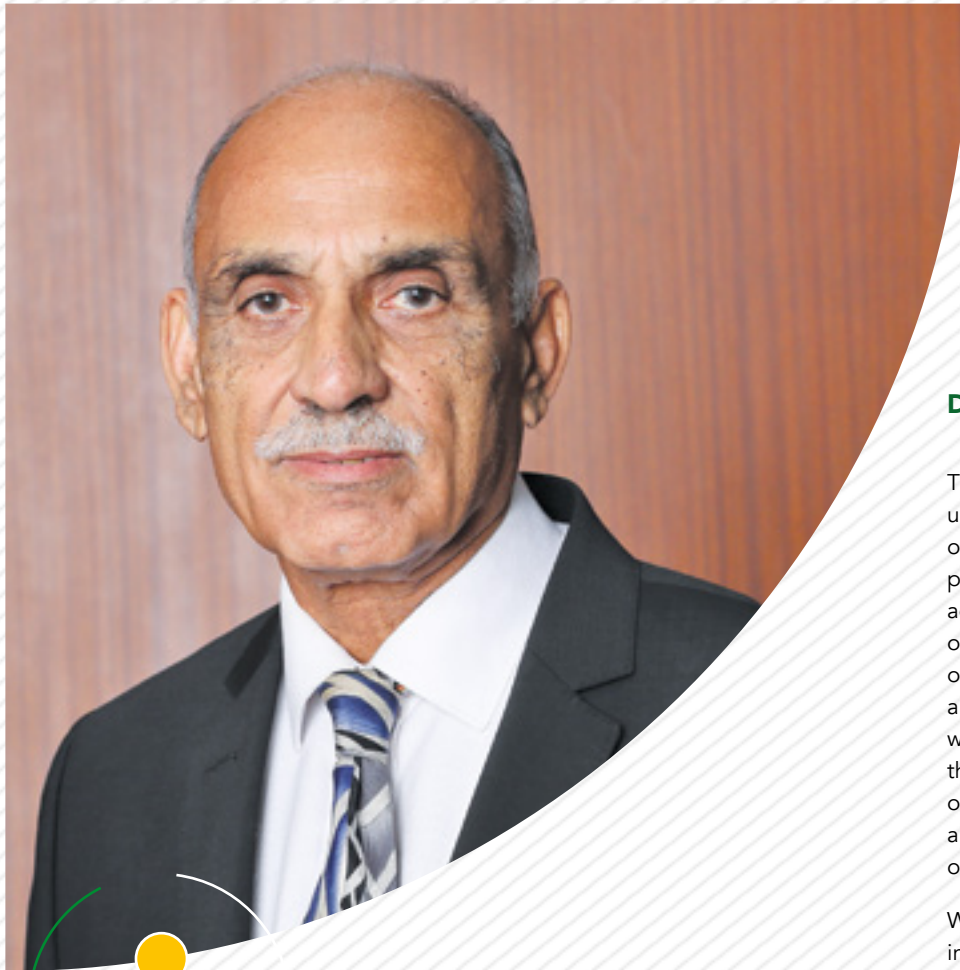
- Meet our financial objectives
- Become the preferred choice of customers
- Create a great place to work



Operating Principles:

- Achieve world class productivity
- Become the low cost producer
- Customer support excellence
- Grow in profitable segments
- Create a performance culture

MESSAGE FROM THE CHAIRMAN



Shree Kumar Bangur

Chairman & Managing Director



At APL, we are committed to a series of long-term goals and we plan to accomplish them with courage and agility.

Dear Shareholders,

The year 2020 was marked by unprecedented challenges. Our way of life changed like never before and people were compelled to adapt and adjust to new realities. The resilience of our business model and our values of Performance, Care and Integrity allowed our people to come together with a real sense of purpose. Although the COVID-19 pandemic is far from over, the Group remains strategically and operationally poised to take the organisation ahead.

We believe, every realm of society is interconnected - including communities, the environment, businesses, institutions and governments. In this context, organisations like us play a crucial role for enabling responsible change. If, in the past, the main purpose of organisations was to generate shareholder value, now the focus has changed towards sustainable development. Keeping our sustainability initiatives at the core of our operations, we remain committed to build a better future.

Despite the disruptions caused by the Covid-19 pandemic in the first quarter of the year under review, we have remained resilient and continued operations with great courage and determination. In the final quarter of FY 2021, we pushed hard to increase our standalone quarterly revenue to INR 36,666.41 lakh from INR 28,423.53 lakh in the year ago



We continue to align our actions to our 'Vision 2030' sustainability goals, founded on 3 important aspects - Sustaining fibre source, investing in people and improving the planet.

period. Although the pandemic is yet to subside and a devastating second wave continue to take a heavy toll on human lives, we are prepared to learn from our experiences and lay the trajectory for future growth.

Sustainable by Design

We are driven by an overarching zeal to contribute towards a better world with the manufacturing of products that are sustainable by design. We strive to innovate new methods to efficiently reduce our environmental footprints and deliver exceptional paper products. Our endeavours are also focused on making a difference to lives.

Our focus on environmental sustainability is not just a statutory obligation but, encompass a greater responsibility towards the planet. Since our paper products are largely derived from trees, we concentrate on sustaining the fiber source with a dedicated forestry program that generates more wood than we consume. Our investments towards responsible farm forestry allows us to sustain a healthy and productive forest ecosystem.

Moreover, awareness about environmental sustainability continue to encourage demand for sustainable and efficient products that generate lesser amounts of waste. Our customers seek answers from us, especially due to our

domain knowledge and expertise in delivering a wide range of sustainable, fit-for-purpose primary and secondary packaging material, made with paper (where possible) and plastic (when useful).

Our social sustainability initiatives are centred around education, community engagement, health and wellness. In times of crisis, a strong culture underpinned by the right values is important for supporting a flexible and collaborative approach. Delivering on our sustainability agenda is a strategic and operational imperative – empowering us to address challenges and initiate meaningful transformations within our areas of existence. We continue to align our actions to our 'Vision 2030' sustainability goals, founded on 3 important aspects - Sustaining fibre source, investing in people and improving the planet. With our sights set on formidable goals and objectives, I look forward with tremendous faith in APL to achieve our vision for business growth, sustainability and responsibility to encourage paper conservation.

We continue to promote a safety culture within the organisation and are proud to uphold the highest standards of safety for all our employees. Even during the COVID-19 pandemic, we ensured the physical and mental well-being of our people. Our teams worked efficiently to keep up the safety performance of APL.

At APL, we are committed to a series of long-term goals and we plan to accomplish them with courage and agility. Despite the challenges faced in the last year, I remain optimistic about FY2021-22 and in every crisis, we strive to find an opportunity. It's time to review our course, make adjustments, and prepare for a different and better future. Waves of growth and recession have shaped human lives since the beginning of time. But, we must be prepared to weather any storm, always learning from our experiences and improving our capabilities.

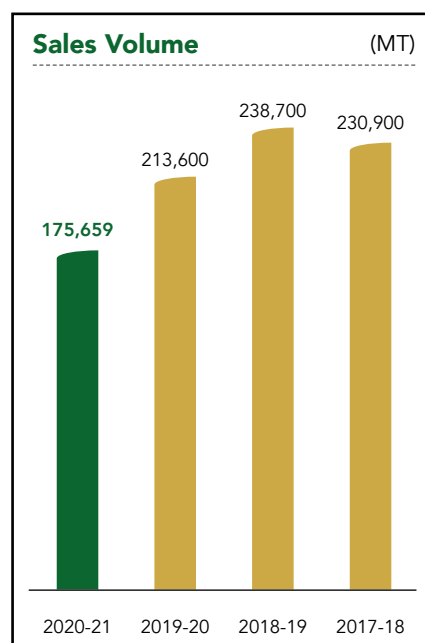
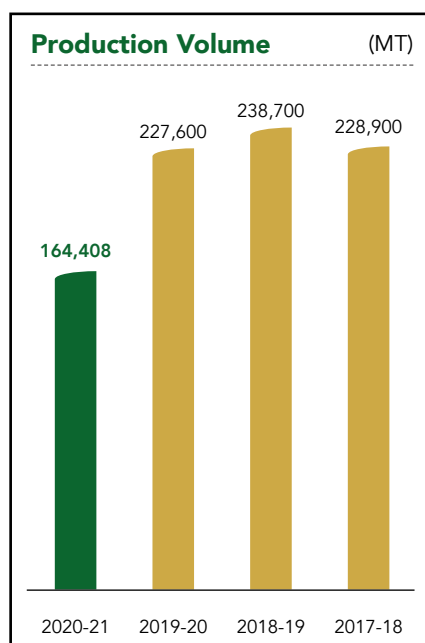
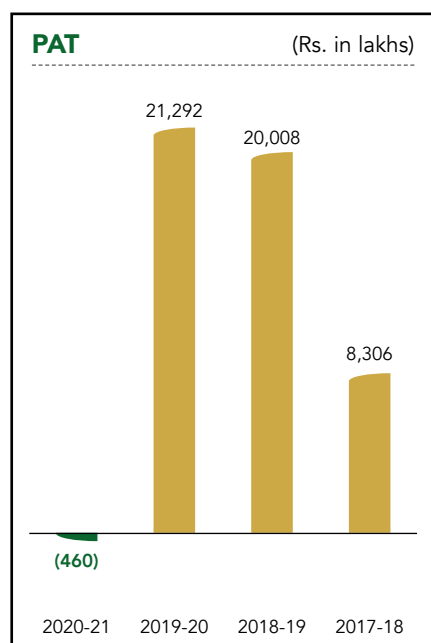
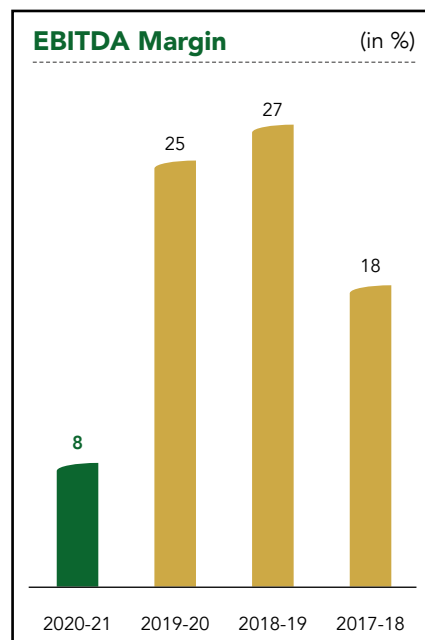
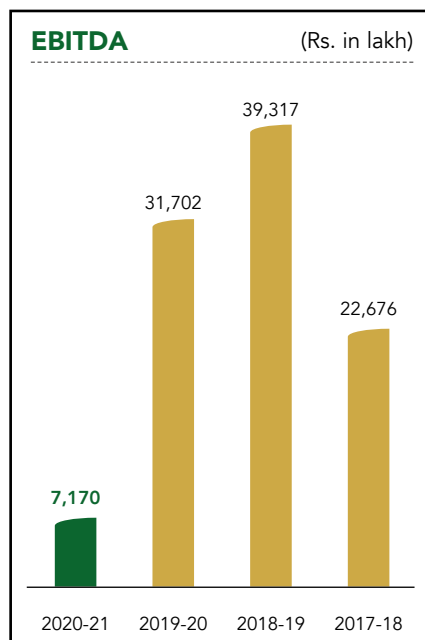
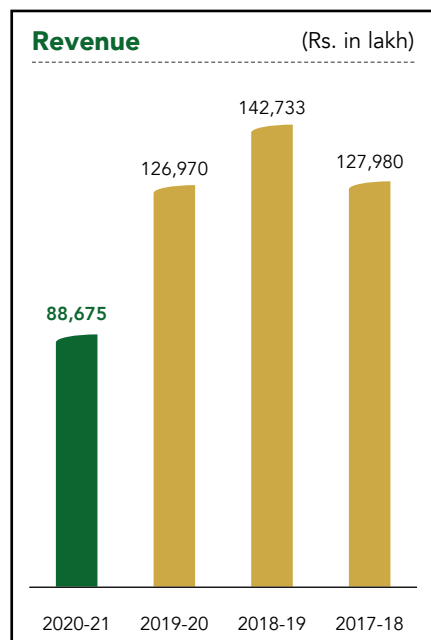
I would like to express my gratitude towards our people for their relentless efforts and their untiring zeal to take Andhra Paper to newer heights of success. I am also thankful to all our stakeholders – our dealers, suppliers, strategic partners, shareholders and the community at large for bestowing their trust in us. With rapid transformations, we remain committed to excel and prosper, resting on our enthusiasm to build a better tomorrow and chart new frontiers of excellence.

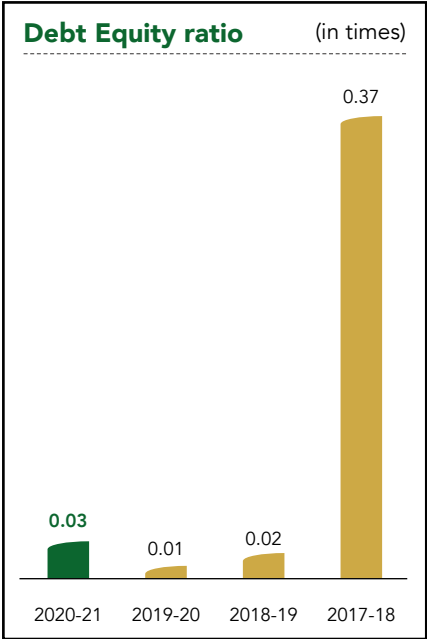
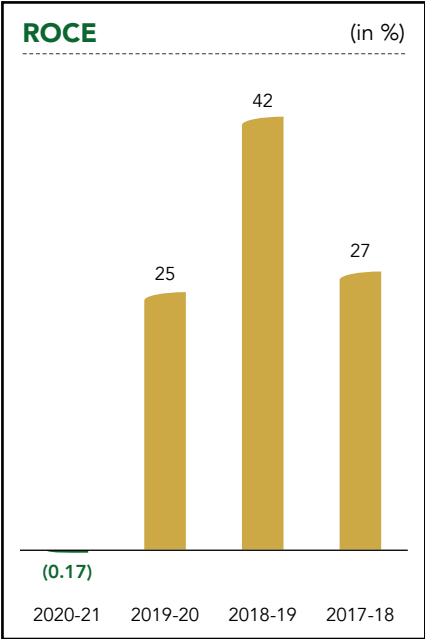
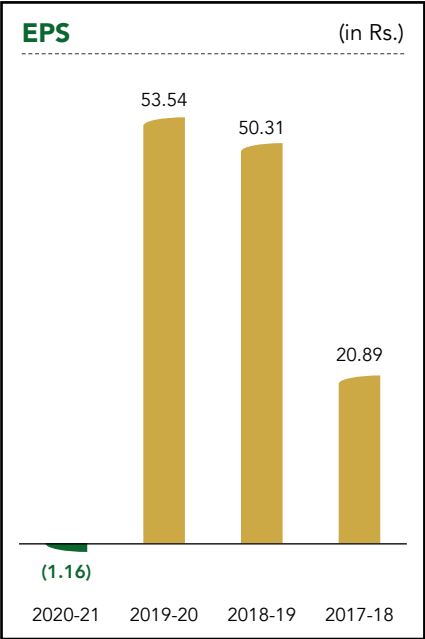
Warm Regards,

Shree Kumar Bangur
Chairman & Managing Director

MAKING STEADY PROGRESS

Key Financial and Operational Highlights





OUR SUSTAINABLE PRODUCT OFFERING

At Andhra Paper, we are focused on offering low carbon and sustainable products to our customers that are based on finite resources. We combine our expertise and local resources to create innovative, sustainable and recyclable products that not only meets the requirement of our customers but exceeds their expectations.

Writing and Printing

We produce and offer a wide range of papers for businesses and home uses through our signature brands including PRIMAVERA, PRIMAVERA WHITE, SKYTONE, White Choice, STARWHITE and CCS.



End uses:



Journals



Text books



Reference books



Notebooks



Calendars



Diaries