



December 12, 2022

BSE Limited
14th Floor, P J Towers
Dalal Street,
Mumbai 400 001

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra East,
Mumbai 400 051

BSE Scrip Code - 502330

Symbol - ANDHRAPAP Series - EQ

Dear Madam/Sir,

Sub: Non Submission of Consolidated Financial Results for the Q2 - Reg.
Ref: Your mail dated December 12, 2022

Referring to the mail dated December 12, 2022 regarding Non-submission of Consolidated Financial Results, this is to inform that we have clearly mentioned in the Board's Report for the financial year ended March 31, 2022 regarding Subsidiary Company viz., Andhra Paper Foundation as follows -

"Subsidiary Company

The Company made an investment of Rs.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."

Section 8 companies are formed with charitable objects and the profits of a subsidiary cannot be distributed back to the members including a holding company. Section 8 companies are formed without profit motive. However, if there is any profit/surplus, then such profit/surplus shall be applied in promoting its objects. At the time of winding up or dissolution, surplus assets, if any, shall be transferred to another company registered under Section 8 having similar objects. In case of conversion of a Section 8 company into any other kind of company (except a One Person Company), the Board of directors are required to give a declaration to the effect that no portion of the income or property of the company has been or shall be paid or transferred directly or indirectly by way of dividend or bonus or otherwise to persons who are or have been members of the company or to any one or more of them or to any persons claiming through any one or more of them [Rule 22(4) of Companies (Incorporation) Rules, 2014].

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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 and FSC® Certified Company
(FSC® - C084811, FSC® - C119477 & FSC® - C112308)





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A holding company of a Section 8 company is not entitled to any share in profits or income of its subsidiary. One of the primary purposes of consolidation is to reflect the correct picture of the value of investment in the subsidiary company. If the value of shares in subsidiary company is reflected through consolidation of the assets and liabilities, then it will show an incorrect picture of the net worth of the holding company as it cannot claim anything from the subsidiary.

Accordingly, we have filed standalone financial results of the Company for the quarter and six months ended September 30, 2022 with the stock exchange.

Kindly take the same on record.

Trust this clarifies.

Thanking you,

Yours faithfully,
For **ANDHRA PAPER LIMITED**



BIJAY KUMAR SANKU
COMPANY SECRETARY

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