

Ref: APPM/SES/2010

Dt : 26th May, 2010

1) Department of Corporate Services,
Bombay Stock Exchange Limited,
14th Floor, P.J. Towers,
Dalal Street,
MUMBAI :: 400 001.

2) Listing Department,
National Stock Exchange of India Ltd.
"Exchange Plaza",
Bandra-Kurla Complex,
Bandra (E),
MUMBAI :: 400 051.

BSE Scrip Code No.502330

(Symbol – APPAPER; Series - EQ)

Dear Sir(s),

We enclose a press release regarding award of FSC Certification given to our Company.

Kindly display the same on your website.

Thanking you,

Yours faithfully,

For **THE ANDHRA PRADESH PAPER MILLS LTD.,**



C.PRABHAKAR
SR.VICE PRESIDENT (CORPORATE AFFAIRS) &
COMPANY SECRETARY

Encl: as above.

THE ANDHRA PRADESH PAPER MILLS LIMITED

Corporate Office: # 501 - 509, Swapnalok Complex, 92/93, Sarojini Devi Road, Secunderabad - 500 003, India
Tel : +91-40-27813715 / 625 Fax: +91-40-27813717 e-mail: appmcorp@andhrapaper.com Website: www.andhrapaper.com

Regd. Office: Rajahmundry - 533105, East Godavari Dist., Andhra Pradesh, India

An ISO 9001 & 14001 and OHSAS 18001 Company

Andhra Pradesh Paper Mills Limited awarded 'FSC CERTIFICATION' for promoting responsible raw material management

Hyderabad, 26 May 2010 - Andhra Pradesh Paper Mills Ltd (APPM), one of India's largest Pulp and Paper manufacturers, has been awarded the coveted **Forest Stewardship Council's (FSC) Chain-of-Custody (COC) Certificate** for its responsible sourcing of pulpwood fibre for manufacture of pulp and paper. This is yet another milestone for APPM in its continuous journey towards sustainability, conservation of natural resources, protection of environment and contribution to society.

Established in 1993, as a response to concerns over global deforestation, **FSC** is a non-profit organization and is widely regarded as one of the most important initiatives of the last decade to promote responsible forest management worldwide. It is the most widely recognized and easily the most respected certification for responsible fibre sourcing around the world. FSC sets very high standards that ensure forestry is practiced in an environmentally responsible, socially beneficial and economically viable way. FSC has developed tools that help companies to avoid procurement of wood produced from sources that are considered to be socially and environmentally damaging. FSC is nationally represented in more than 50 countries around the world.

Chain-of-Custody Certification guarantees that wood is coming from known legal sources or responsibly managed forests. FSC Chain of Custody allows credible tracking of FSC material from the fiber source, through all successive stages of the production process, to committed retailers and consumers. The certificate is awarded after stringent audit that establishes that fiber sourcing is done from known and legal sources and is not damaging to environment.

APPM has always taken a sustainable approach towards business that balances environmental, social and economic needs which has served APPM and all its stakeholders pretty well. The company's ambitious Farm Forestry Program, started in 1989 has been able to achieve plantations with species having nitrogen fixation abilities on more than 100,000 hectares of marginal, fallow and degraded waste lands across coastal Andhra Pradesh making it, the only Paper Manufacturer in India to achieve this milestone. The forestation activities of APPM have created more than 75 million man days of employment for the poorest sections of society with a majority of employment being generated for tribal folk and women. APPM's efforts have also been recognized by the government with the conferring of "*Van Mitra Award for exceptional contribution in Afforestation*"



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Commenting on the occasion, **Ms. Sheetal Bangur, Director APPM** said "*This award is a testimony to the effort we have made over the years for responsible sourcing of pulpwood fibre. With the award of the FSC COC Certification, APPM has established itself as one of the few integrated pulp and paper manufacturing companies in world with responsible forestry practices and the highest social and environmental values. APPM continues with its efforts towards sustainability in raw material sourcing with the plantation of 100 million multi-purpose tree species in 2010.*"

The FSC label provides a credible link between responsible production and consumption of forest products, enabling consumers and businesses to make purchasing decisions that benefit people and the environment as well as providing ongoing business value.

About APPML:

The Andhra Pradesh Paper Mills Limited (APPM), part of the Kolkata Based L.N. Bangur group, established in the year 1964, is a leading manufacturer of pulp and paper products and caters to both the domestic and foreign markets. With two manufacturing units in Andhra Pradesh and a total paper production capacity of 2,50,000 metric tons per annum, APPM produces writing and printing and copier papers. APPM's strong quality, safety and environmental policies have ensured that it adheres to and surpasses all mandatory Indian pollution control requirements and matches the more stringent international environmental standards. With a turnover of over Rs 650 Crores, focused social and community programs backed up with its own pioneering work in raw material generation through social farm forestry and a very strong strategic growth focus, APPM is gearing up to being a driving force in the green paper manufacturing arena in the world economy. APPM sells its product under the ECF (Elemental Chlorine Free) paper brand ANDHRA.

**For further information, please contact, Perfect Relations
Deepti M Sangani @ 98497 58020, Meeta Singh @ 9949065300**



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