



THE ANDHRA PRADESH PAPER MILLS LIMITED

Regd. Office : RAJAHMUNDRY - 533 105
East Godavari District
Andhra Pradesh

CUMULATIVE DEPOSIT SCHEME

Period	Minimum Deposit [Additional deposit(s) in multiples of Rs. 5,000/-] Rs.	Amount Payable on maturity Rs.	Effective Yield %
1 Year	25,000	27,595	10.38
2 Years	25,000	30,460	10.92

The amount payable on maturity for every additional deposit of rupees five thousand will increase proportionately and interest will be compounded quarterly at 10% per annum.

SPECIAL FEATURES

- ★ Draft/Banker's Cheques can be obtained after deducting Bank Charges.
- ★ Refund of deposits will be made through Local Cheques / Demand Drafts.
- ★ Nomination Facility : Please submit Form No. 2B prescribed under the Companies Act, 1956, alongwith the Application Form for Fixed Deposit.

HOW TO APPLY

1. Fill in the attached application form properly.
2. CHEQUES or DEMAND DRAFTS to be drawn in favour of "THE ANDHRA PRADESH PAPER MILLS LTD" and crossed "A/c payee" on a bank payable at RAJAHMUNDRY / SECUNDERABAD / HYDERABAD / MUMBAI / NEW DELHI / KOLKATA / CHENNAI / BENGALURU.
3. The application form duly completed together with CHEQUE or DEMAND DRAFT to be forwarded to any of the following offices of the Company :
 - (i) Rajahmundry 533 105, East Godavari District, Andhra Pradesh.
Tel: 0883-2471831-838
 - (ii) 501-509, V Floor, Swapnalok Complex, 92/93, Sarojini Devi Road, Secunderabad - 500 003.
Tel: 040-30482614
 - (iii) Shreeniwas House, Hazarimal Somani Marg, Mumbai - 400 001.
Tel: 022-22072262/22071243
 - (iv) 2nd Floor, 4866/1, Harbans Singh Street, 24, Ansari Road, Daryagunj, New Delhi - 110 002.
Tel: 011-23275731
011-23267578
011-23276817
 - (v) Krishna Apartments, 7th Floor, 224/A, A.J.C. Bose Road, Kolkata - 700 017.
Tel: 033-22873707
 - (vi) 122, Broadway, Chennai - 600 108.
Tel: 044-65634414
 - (vii) 217, 2nd Cross, 3rd Phase, Peenya Industrial Area, Bengaluru-560 058.
Tel: 080-28372328

TERMS AND CONDITIONS GOVERNING FIXED DEPOSIT SCHEME

1. The deposits shall be accepted as under :

CUMULATIVE DEPOSIT SCHEME :

Period	Minimum Deposit	Amount payable on Maturity		Effective Yield
	Rs.	Rs.		%
1 Year	25,000	27,595		10.38
2 Years	25,000	30,460		10.92

- i) Additional deposits will be in multiples of Rs. 5,000/-.
 - ii) The amount payable on maturity for every additional deposit of Rs.5,000/- will increase proportionately.
 - iii) The interest will be compounded quarterly @10% p.a. and credited on 31st March, every year.
 - iv) The above amount payable on maturity is subject to deduction of tax at source as per provisions of Income Tax Act, 1961.
 - v) The Company will issue TDS Certificates, where applicable, to those first named depositors who have furnished the Permanent Account Number(PAN) allotted by Income Tax Dept.
2. Drafts / Banker's Cheques can be obtained in favour of THE ANDHRA PRADESH PAPER MILLS LTD., after deducting the bank charges on a Bank at Rajahmundry / Secunderabad / Hyderabad / Mumbai / New Delhi / Kolkata / Chennai / Bengaluru. The Cheques/Drafts shall be issued / obtained as the case may be, by sole applicant and in case of deposit in joint names by any one of the joint applicants. Cheques issued by other than applicant (s) are not acceptable. The counterfoil for Draft/Banker's Cheque purchase form should be attached with the application form.
 3. Interest on deposit will be calculated from the date of realisation of the cheque or Draft / Bankers' Cheque by the Company. Interest amount will be rounded off to the nearest rupee. Interest will cease to accrue after the date of maturity of Deposit. No notice will be sent by the Company to the depositor regarding maturity.
 4. Deposit Receipt will be forwarded by Registered Post / Courier to the address given in the Application Form within eight weeks from the date of realisation of Cheque or Draft / Bankers' Cheque by the Company.
 5. Income Tax will be deducted at source from the interest wherever applicable as per statutory requirements. However, Income Tax will not be deducted if appropriate Declaration, in Form No. 15G / 15H (in case of senior citizens) duly mentioning 10 digit PAN allotted by Income Tax Department. under the Income Tax Act, 1961 is furnished to the Company 30 days before the date of maturity or before 31st March of every year the date on which the accrued interest will be credited. It shall be the responsibility of the depositor to file Form 15G / 15H as the case may be with the Company within the time limit and the Company shall not assume any responsibility in this regard. HUFs, Companies etc., must submit the Tax Exemption Certificate issued by the Income Tax authorities. If copy of PAN Card is not provided while submitting the declaration, the declaration will be treated as invalid and Income Tax will be deducted at the rates specified in the Income Tax Act.
 6. The first named Depositor will be regarded as beneficial owner of the Deposit and will be treated as the payee for the purpose of deduction of tax under Section 194A of the Income Tax Act, 1961.
 7. Deposits will not be accepted from non-residents, firms and unregistered trusts or associations.
 8. Deposits will be accepted from minors provided the application forms are signed by their natural/legal guardians. Where such application forms are signed by legal guardians, appropriate and sufficient documentary evidence must be furnished along with the application form in proof of such legal guardianship.
 9. Deposits will be accepted in joint names but not exceeding three in number. In the case of Deposits in joint names, all correspondence will be addressed to the person whose name appears first, for the time being, on the Deposit Receipt. The payment of deposit amount on maturity or maturity amount will be drawn in favour of the first named depositor as mentioned in the Application Form. Any discharge given by such person for payment of deposit amount and maturity amount shall be valid and binding on all the joint depositors.
 10. Deposit Receipt will not be transferable.
 11. The Deposit Receipt duly discharged must be surrendered to the Company atleast a fortnight before the date of maturity for payment of maturity amount.
 12. Depositor desirous of renewing the deposit with the Company must notify to the Company in writing not less than 15 days before the due date of repayment mentioned in the Deposit Receipt. The Company may at its absolute discretion, agree to renew the deposit. The application for renewal shall be made in the Form provided by the Company from time to time and should be accompanied by the discharged Deposit Receipt. The Deposit will be renewed in multiples of Rs. 5000/- subject to a minimum of Rs. 25000/- and remaining fractional amount will be refunded.
 13. Payment of maturity amount / fractional amount will be made to the depositor stationed at Rajahmundry / Secunderabad / Hyderabad / Mumbai / New Delhi / Kolkata / Chennai / Bengaluru through Account payee cheque payable at respective places. The payment to the depositor stationed at other than the above places will be made through DEMAND DRAFT drawn on State Bank of India or its associate banks payable at the branch nearest to the place of the depositor. The depositor has to inform to the Company the name of nearest branch of State Bank of India or its associate banks on which draft is to be obtained.
 14. Where the due date of any payment falls on a Sunday/Holiday on which the Office remains closed, the payment will be made on the next working day.
 15. Nomination facility may be availed by individuals. Such nomination must be given in Form 2B prescribed under the Companies Act, 1956 in favour of individuals only which ought to be attested by two witnesses. Minors may also be nominated in which case, date of birth of the Minor and the name and address of the Guardian should be given by the Depositor. The nominee would receive maturity value of deposit in case of death of all other depositors appearing in the application form on producing the relevant death certificates without reference or recourse to the heir and / or legal representative of the deceased. The Company shall be absolved of its liability on such payment to the nominee.
 16. In the event of death of the first joint depositor, the repayment of maturity amount will be made to the person first in order of the survivor (s) on production of Death Certificate. In the event of the death of sole depositor or all the joint depositors the Fixed Deposit amount together with the interest due thereon or maturity amount will be paid to the nominee registered with the Company as on the date of death. In other cases, maturity amount will be paid to the legal representative(s) of the deceased on production of proper legal representation such as Probate of the Will, Succession Certificate or Letter of Administration granted by a Court of competent jurisdiction. PROVIDED that the Company may in its absolute discretion dispense with the production of such legal representation upon such terms and conditions as it may consider adequate.
 17. In the event of the loss of a Deposit Receipt, the Company may, at its sole discretion, issue a duplicate receipt upon receiving an indemnity bond and such other documents as may be prescribed by the Company from the depositor(s). All expenses in this connection, will have to be borne by the depositor(s).
 18. Deposits will not be repayable before the expiry of the period for which they are accepted, except at the discretion of the Company. In case, the Deposit is refunded before the maturity date, the Company will reduce the interest rate as per the Companies (Acceptance of Deposits) Rules, 1975 or the amendment thereof from time to time. No premature payment of Deposit is allowed before the expiry of 6 months from the date of deposit.
 19. The Company will not accept or recognise any lien on or assignment of the deposit and/or interest thereon.
 20. Notification regarding change of address, mandate, etc., must be lodged with the Company from time to time.
 21. Deposits will be subjected to the rules framed from time to time by the Reserve Bank of India and / or Central Government in connection with acceptance of deposits by non-banking non-financial companies.
 22. The Company reserves the right to reject any application for Deposit or Renewal thereof without assigning any reason therefor.
 23. APPLICATIONS SHOULD BE MADE IN THE COMPANY'S PRESCRIBED FORM ALONGWITH THE CHEQUE OR DRAFT/BANKER'S CHEQUE DRAWN IN FAVOUR OF THE ANDHRA PRADESH PAPER MILLS LTD., ON A BANK PAYABLE AT RAJAHMUNDRY / SECUNDERABAD / HYDERABAD / MUMBAI / NEW DELHI / KOLKATA / CHENNAI / BENGALURU AND LODGED WITH ANY OF THE COMPANY'S OFFICES AT:

(i) Rajahmundry 533 105, East Godavari District, Andhra Pradesh. Tel: 0883-2471831-838	(ii) 501-509, V Floor, Swapnalok Complex, 92/93, Sarojini Devi Road, Secunderabad - 500 003. Tel: 040-30482614	(iii) Shreenivas House, Hazarimal Somani Marg, Mumbai - 400 001. Tel: 022-22072262/22071243	(iv) 2nd Floor, 4866/1, Harbans Singh Street, 24, Ansari Road, Daryagunj, New Delhi - 110 002. Tel: 011-23275731 011-23267578 011-23276817
(v) Krishna Apartments, 7 th Floor, 224/A, A.J.C. Bose Road, Kolkata - 700 017. Tel: 033-22873707	(vi) 122, Broadway, Chennai - 600 108. Tel: 044-65634414	(vii) 217, 2nd Cross, 3rd Phase, Peenya Industrial Area, Bengaluru-560 058. Tel: 080-28372328	
 24. The interest rates will be increased / reduced at the discretion of the Company subject to the provisions of the Companies (Acceptance of Deposits) Rules, 1975.
 25. The Company reserves the right to alter or amend, without notice, any or all of the conditions stipulated above so long as such alterations or amendments are not inconsistent with the provisions of Companies Act, 1956 and Companies (Acceptance of Deposits) Rules, 1975 or the amendments thereto from time to time.

THE ANDHRA PRADESH PAPER MILLS LIMITED
Regd. Office : RAJAHMUNDRY - 533 105

PARTICULARS AS PER THE COMPANIES (ACCEPTANCE OF DEPOSITS) RULES, 1975.

- a) **Name of the Company** : THE ANDHRA PRADESH PAPER MILLS LIMITED
Registered Office : Rajahmundry 533 105
East Godavari Dist., Andhra Pradesh.
- b) **Date of Incorporation** : 29th June, 1964
- c) **Business carried on by the Company and its Subsidiaries and details of Branches or units :**
The Company carries on the business of manufacture and sale of pulp, Paper and Paper Boards at Rajahmundry, East Godavari District, Andhra Pradesh (Unit : APPM) and Paper and newsprint at Indl. Area, Madhava Rayudu Palem-533126, Near Kadiam R.S., East Godavari District, Andhra Pradesh (Unit : CP).
The Company does not have any subsidiaries.
The following are the Offices of the Company situated in different places within India.
SECUNDERABAD : 501-509, V Floor, Swapnalok Complex, 92/93, Sarojini Devi Road, Secunderabad - 500 003.
MUMBAI : Shreeniwas House, Hazarimal Somani Marg, Mumbai - 400 001.
NEW DELHI : 2nd Floor, 4866/1, Harbans Singh Street, 24, Ansari Road, Daryaganj, New Delhi - 110 002.
KOLKATA : Krishna Apartments, 7th Floor, 224/A, A.J.C Bose Road, Kolkata - 700 017.
CHENNAI : 122, Broadway, Chennai - 600 108.
BENGALURU : 217, 2nd Cross, 3rd Phase, Peenya Industrial Area, Bengaluru-560 058
- d) **Brief particulars of the management of the Company:** The Company is managed by the Managing Director, with the assistance of Director(Commercial), Director (Corporate) and Director (Operations) under the superintendence, control and directions of Board of Directors.

e) **Names, addresses and occupations of the Directors :**

Name	Address	Occupation
1. Shri L.N. Bangur, Chairman	7, Munshi Premchand Sarani, Hastings, KOLKATA - 700 022	Industrialist
2. Smt. Alka Bangur	7, Munshi Premchand Sarani, Hastings, KOLKATA - 700 022.	Industrialist
3. Shri N. Srinivasan	Kothari Buildings, 114, Mahatma Gandhi Salai, Nungambakkam, CHENNAI - 600 034.	Company Director
4. Shri R.C. Sarin	Chairman Emeritus, Carrier Aircon Ltd., 15, Maison Belvedere, 107, Maharshi Karve Road, MUMBAI - 400 020.	Company Director
5. Shri P.J.V. Sarma	B-403, Matrukupa Apartments, Anand Nagar Colony, Khairatabad, HYDERABAD - 500 004.	Service
6. Shri P.K. Paul	24/1A, Ballygunge, Circular Road, Uttarayan, 9th Floor, KOLKATA - 700 019.	Industrialist
7. Shri Rajiv Kapasi	G-66, 2nd Floor, South City II, GURGOAN-122 018.	Business
8. Shri M. K. Tara Managing Director	The Andhra Pradesh Paper Mills Ltd. 501-509, Swapnalok Complex, 92/93, S.D. Road, SECUNDERABAD - 500 003.	Company Executive
9. Ms. Sheetal Bangur Director (Commercial)	The Andhra Pradesh Paper Mills Ltd. 501-509, Swapnalok Complex, 92/93, S.D. Road, SECUNDERABAD - 500 003.	Company Executive
10. Shri Shreeyash Bangur Director (Corporate)	The Andhra Pradesh Paper Mills Ltd. 501-509, Swapnalok Complex, 92/93, S.D. Road, SECUNDERABAD - 500 003.	Company Executive
11. Shri P.K. Suri Director (Operations)	The Andhra Pradesh Paper Mills Ltd. RAJAHMUNDRY - 533 105.	Company Executive

f & g) **Profits of the Company and Dividends declared by the Company for the three financial years immediately preceding the date of advertisement :**

Year Ended on :	Profit		Dividend on Equity Shares	
	Before Tax (Rs. Lakhs)	After Tax (Rs.Lakhs)	Amount ** (Rs.Lakhs)	Rate (%)
31-03-2010*	6505.53	5419.34	381.92	10
31-03-2009	2188.73	1895.39	150.66	5
31-03-2008	1966.37	1654.00	301.07	10

** including tax on dividend.

h) **Summarised financial position of the Company as appearing in the two latest audited Balance Sheets :**
(Rs. lakhs)

Liabilities	Figures for the latest financial year for which audited accounts are available As on 31.3.2010*	Figures for the financial year previous to the year referred to in Column 2 As on 31.3.2009	Assets	Figures for the latest financial year for which audited accounts are available As on 31.3.2010*	Figures for the financial year previous to the year referred to in Column 5 As on 31.3.2009
	1	2		3	4
Share Capital	3275.18	2573.36	Fixed Assets	90395.01	90333.10
Reserves and Surplus	47019.35	39224.40	Investments	1664.34	1664.34
Deferred Tax Liability	3075.25	2165.55	Current Assets	17737.66	18323.42
Secured Loans	45695.41	47477.79	Loans and Advances	7097.75	5577.93
Unsecured Loans	4989.04	8625.38	Miscellaneous	--	142.71
Current Liabilities and provisions	12840.53	15975.02	Expenditure		
Total	116894.76	116041.50	Total	116894.76	116041.50

Previous year's figures have been regrouped.

Brief Particulars of Contingent Liabilities :

(Rs. in Lakhs)

	As On 31-03-2010*	As On 31-03-2009
a) Unexpired Bank Guarantees and Letters of Credit	1007.70	791.03
b) Corporate guarantee given to Forest Department of State Government of Andhra Pradesh (net of Rs.100 lakhs deposited as per court orders)	1572.09	1472.09
c) Claims against the Company not acknowledged as debts	438.27	184.44
d) Demands raised by EPDC of AP Ltd., for surplus power supplied by APGPCL disputed by the Company. An amount of Rs.76.98 lakhs paid under protest (previous year Rs.72.47 lakhs) is grouped under Loans and Advances. The appeal filed by APTRANSCO is pending before A.P. High Court in which other companies similarly placed are made respondents	87.66	81.27
e) Demands of statutory authorities disputed by the Company in appeals with higher authorities in respect of		
i) Income Tax	107.70	239.43
ii) Central Excise & Service Tax	3435.82	1536.34
iii) Sales Tax	347.04	234.94
iv) Vacant Land Tax	228.31	210.88

As against above demands, an amount of Rs.404.87 lakhs (previous year Rs.706.10 lakhs) paid under protest is included in "Loans & Advances".

* Subject to adoption by members at ensuing 46th Annual General Meeting.

i) **The amount which the Company can raise by way of deposits under these rules and the aggregate of deposits actually held on the last day of the immediately preceding financial year.**

(Rs. Lakhs)

a) Deposits against Directors' guarantees or from Shareholders to the extent of 10% of the aggregate of paid up capital and free reserves	5029.45
b) Other deposits to the extent of 25% of the aggregate of paid up capital & free reserves	12573.63
Total	17603.08

Deposits held by the Company as on 31st March, 2010

689.25

j) **The Company has no overdue deposits other than unclaimed deposits as on the date of advertisement.**

k) **It is hereby declared that :**

- the Company has complied with the provisions of the Companies (Acceptance of Deposits) Rules, 1975 as amended from time to time,
- the compliance with these rules does not imply that repayment of deposits is guaranteed by the Central Government,
- the deposits accepted by the Company are unsecured and ranking pari passu with other unsecured liabilities, and
- the Company is not in default in the repayment of any deposit or part thereof and any interest thereupon in accordance with terms and conditions of such deposits.

SALIENT FEATURES OF FIXED DEPOSIT SCHEME :

CUMULATIVE DEPOSIT SCHEME :

Period	Minimum Deposit Rs.	Amount payable on Maturity Rs.	Effective Yield %
1 year	25000	27595	10.38
2 years	25000	30460	10.92

- Additional deposits will be in multiples of Rs.5,000/-
- The amount payable on maturity for every additional deposit of Rs.5,000/- will increase proportionately.
- The interest will be compounded quarterly @10% p.a. and credited on 31st March every year.
- The above amount payable on maturity is subject to deduction of tax at source as per provisions of Income Tax Act, 1961.

TERMS AND CONDITIONS :

The acceptance of deposit(s) will be subject to the Terms and Conditions governing the Fixed Deposit Scheme of the Company.

Full Terms and Conditions and the Application Forms may be obtained from the Company's Offices herein before mentioned on any working day during business hours.

The majority of Directors constituted at the meeting of Board of Directors held on 20th May, 2010 have approved, signed the text of advertisement for delivering to Registrar of Companies, Andhra Pradesh for registration.

This advertisement is being issued on the authority and in the name of Board of Directors of the Company.

By order of the Board,
FOR THE ANDHRA PRADESH PAPER MILLS LTD.,

C. PRABHAKAR
Sr. Vice President (Corporate Affairs) & Company Secretary

Date : 15th July, 2010

ADDRESS OF THE DEPOSITOR
(To be filled in by the depositor only)

Mr./Mrs./Miss _____

Address _____