

News Release**International Paper APPM launches pioneering initiative to connect Farmers under Farm Forestry program with Digital revolution**

- **Inaugurates exclusive Web Portal - Rythukosam to educate farmers on the scientifically proven farming techniques for tree plantation**
- **Initiative to cover upto 55,000 farmers in rural areas through 'Rythukosam Smart Card'- a Direct Benefit Scheme**

Hyderabad/Rajahmundry January 8, 2016 – International Paper APPM Limited (IP-APPM), a group company of International Paper in India, today launched its initiative – **Rythukosam** (For Farmers). International Paper APPM has been a leader amongst the organizations in promoting farm forestry; IPAPPM's sustainable farm forestry initiatives have been a boon for small & marginal farmers of barren & non-fertile land while proving to be a catalyst in battling deforestation. IPAPPM's major focus while promoting farm forestry has been to benefit the farmers of the state of Andhra Pradesh.

Taking a major step towards this initiative, Rythukosam Smart Card is being launched to enable direct transfer of the monetary benefits of the farm forestry harvest to the farmers' bank account. The smart card is a voluntary scheme and is available to those farmers who follow the best practices of pulpwood cultivation promoted by IPAPPM.

In an effort to connect better with farmers who have been associated for more than 50 years, the website www.rythukosam.com is being launched to educate farmers, part of the Farm Forestry program, on the best practices in tree plantation. The portal is available both in English as well as in Telugu to prevent the language barrier within the farmer community. The initiative was launched by **Mr. Murali Mohan Maganti**, Member of Parliament – Rajahmundry and **Mr. Rampraveen Swaminathan**, Chairman & Managing Director, International Paper APPM Limited & President – IP India. Other dignitaries present on the occasion included Mr. G Butchaiah Chowdary, MLA, Rajahmundry (Rural), Dr. A Satyanarayana, MLA, Rajahmundry (Urban), other government officials and IP's senior management. The portal can be accessed from any location using internet facility. The portal is mobile friendly as well. IP-APPM has made arrangements for providing access to the portal at its Clonal Propagation Centers as well.

Rythukosam is a unique initiative of International Paper which will not only enable farmers to learn the best farming techniques but also connect to the Digital India program of Central Government. The initiative, which is possibly the only such program for farmers under Farm Forestry, also details out the techniques for growing Casuarina saplings for high yields without impacting the productivity of the soil. Inter cropping along with Casuarina saplings to increase farmer's earnings based on several

studies are also covered. The farmers also have an option of using the Comparison Calculator in the portal to calculate the profit they can make by growing either casuarina or any other alternate crop.

Rythukosam Smart Card

Rythukosam Smart Card, issued free to farmers who follow the prescribed practice in the fields, will have the details of the farmer and his plantations including **GPS coordinates recording** in the company database. A pre defined credit policy will be linked with the number of saplings purchased by the farmer from the IP-APPM CPC (Clonal propagation Centers) and benefit of this credit would be given to him during repurchase of sapling from IP-APPM CPC in the next cycle for the same GPS coordinate acreage. Later, when the farmers sell the produce to IPAPPM after specified period , this card is used to quantify the sale of wood to IPAPPM. These cards will be linked with farmer's bank accounts so that the monetary benefit can be directly transferred to the farmer's account. The system will improve transparency and empower farmers with high levels of information. The farmers who opt for the Smart Card scheme are free to sell the wood in open market based on prevailing market prices. Around 300 farmers were issued Rythukosam Smart Card during the launch event.

Upon launching the program **Mr. Rampraveen Swaminathan, President, International Paper - India and Chairman and Managing Director – IP-APPM** said, *“Empowering farmers who partner with us in farm forestry is a foundational part of our strategy. Rythukosam is yet another step in the same direction. Through this initiative we aim to acquaint farmers with the technically proven scientific methods of farming which will help improve productivity and their economic potential. The smart card program helps build an important bridge and ongoing relationship with the farmers and helps them gain long term economic benefits. We expect to gradually cover all the farmers involved in Casuarina and Subabul plantations in the coming days. Using digital channels helps us improve the quality and timeliness of information availability which can be of huge long term value to the farmers.”*

IP-APPM had launched its pioneering Farm Forestry program for Clonal plantations in 1980s. The program which is currently **country's largest Farm Forestry program** has so far planted over **1.75 billion saplings** in an area of over **2.52 lac hectares**. Around **55,000 small scale farmers** having marginal, fallow and barren lands are covered under company's program. International Paper also works with **Indian Institute of Forest Management (IIFM)** in the field of forest sustainability which includes entailing action research, capacity building and academic exchange involving experts and researchers from both International Paper and Indian Institute of Forest Management.

About International Paper APPM Limited

International Paper APPM Limited (IPAPPM), a group company of International Paper in India, is a leading manufacturer of pulp and paper products and caters to both domestic and foreign markets with sales of INR 113,494.91 lakhs for the year ended March 31, 2015. IPAPPM produces writing, printing and copier papers at its two manufacturing units in Andhra Pradesh, which have a total paper production capacity of 240,000 metric tons per year. The company is becoming a driving force in sustainability in the paper manufacturing arena in the world economy with focus on social and community programs including its own pioneering work in raw material generation through social farm forestry and a very strong strategic growth focus. International Paper owns a majority shareholding interest in IPAPPM and the remaining shares are publicly traded on the Bombay Stock Exchange and National Stock Exchange in India. For more information on IPAPPM, please visit please visit www.ipappm.com.

About International Paper

International Paper (NYSE: IP) is a global leader in packaging and paper with manufacturing operations in North America, Europe, Latin America, Russia, Asia and North Africa. Its businesses include industrial and consumer packaging along with uncoated papers and pulp. Headquartered in Memphis, Tennessee (US), the company employs approximately 58,000 people and is strategically located in more than 24 countries serving customers worldwide. International Paper net sales for 2014 were \$24 billion. For more information about International Paper, its products and stewardship efforts, visit internationalpaper.com.

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