



Press Release

BILT PROMOTES 5,000 INDIAN TREE FARMERS WITH BUSINESS CALL TO ACTION INITIATIVE

New Delhi, India, 2 June 2010 – Ballarpur Industries Limited (BILT), an Avantha Group company and India's largest pulp and paper company, today announced that it is joining the Business Call to Action (BCtA) with its commitment to promote the economic and environmental sustainability of 5,000 low-income pulpwood tree farmers in two states in India.

The commitment to the BCtA, a global partnership of business leaders that apply their core business expertise and technology to tackle poverty, will promote inclusive growth and sustainable development as well as contribute to the Millennium Development Goals, eight internationally-agreed goals which seek to alleviate poverty.

“It is indeed an honour to be part of this global initiative,” said R.R.Vederah, Managing Director of BILT. “This partnership strengthens our belief in ‘inclusive growth’ which is core to the Avantha Group’s philosophy. Joining hands with the BCtA will help us reiterate our commitment to the Millennium Development Goals and be a part of this global pledge to alleviate poverty.”

BILT’s initiative aims to support the development of sustainable pulpwood farming in central India by integrating farmers living in extreme poverty into its paper and pulp supply chain in Orissa and Andhra Pradesh, India. Through this scheme, smallholder farmers will be provided access to finance to purchase seeds for pulpwood trees, guidance on growing pulpwood, and an assured market through its guaranteed buy-back programme. Farmers will also be given opportunities to diversify their income base through training in agricultural intercropping and livestock husbandry. By 2015, farmers participating in the programme are expected to earn six times more per acre of degraded land than non-participating farmers.

“The Business Call to Action promotes inclusive, sustainable development where everyone benefits as one of the most effective methods of combating poverty,” BCtA’s Programme Manager Natalie Africa said. “BILT’s initiative will guarantee poor farmers access to a sustainable source of income and opportunity, while providing the company with a long-term supply of raw materials for its products. The programme is a win-win for both sides and represents an important contribution to the achievement of the Millennium Development Goals.”

BILT employs strict measures to ensure that farmers use only non-fertile land for pulpwood farming. The eucalyptus-type crop is entirely rain-fed and does not require additional irrigation.

For further information, please contact:

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About Ballarpur Industries Limited (BILT):

Ballarpur Industries Limited (BILT), part of the US \$4 billion Avantha Group, is India's largest manufacturer of writing and printing (W&P) paper. BILT's subsidiaries include Sabah Forest Industries (SFI), Malaysia's largest pulp and paper company, and BILT TreeTech Limited (BTTL), which runs BILT's farm forestry programme in several states in India. BILT has six manufacturing units across India, which give the company geographic coverage over most of the domestic market.

About the Business Call to Action (BCtA):

The Business Call to Action is a global initiative that seeks to challenge companies to develop inclusive business models that offer the potential for development impact along with commercial success. The initiative is the result of a partnership between the United Nations Development Programme, the UN Global Compact, the Government of the United Kingdom, the Government of Australia, the Clinton Global Initiative and the International Business Leaders Forum to meet the Millennium Development Goals by 2015. The BCtA tracks commitments companies make and lessons-learned on what works well for both businesses and poor communities that can be replicated globally.

About the Millennium Development Goals:

The MDGs are eight goals that respond to the world's main development challenges to be reached by 2015. They were adopted by 189 world leaders at the Millennium Summit in 2000. The Goals represent a global commitment to promote poverty reduction, education, maternal health and gender equality and aim to combat child mortality, AIDS and other diseases. Since 2008, 19 companies have developed business initiatives that contribute to the attainment of the MDGs and to their own commercial success. For more on the MDGs, visit, <http://www.un.org/millenniumgoals/>