

April 22, 2016

- 1) Department of Corporate Services,  
BSE Limited,  
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 – IPAPPM; Series - EQ)

Dear Sir (s),

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we send herewith the Audited Financial Results for the financial year ended March 31, 2016 which were approved by the Board of Directors at their Meeting held on April 22, 2016.

The meeting of Board of Directors of the Company commenced at 1.30 P.M. and concluded at 6.00 P.M.

We also enclose the Auditors’ Report dated April 22, 2016 issued by M/s. Deloitte Haskins & Sells, Auditors of the Company on the Audited Financial Results for the financial year ended March 31, 2016 which was placed before the Board of Directors.

Please acknowledge the receipt.

Thanking you,

Yours faithfully,  
For INTERNATIONAL PAPER APPM LIMITED



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

Encl: as above

## INTERNATIONAL PAPER APPM LIMITED

(Formerly known as The Andhra Pradesh Paper Mills Limited)  
(Corporate Identity Number: L21010AP1964PLC001008)

Corp. Office: Krishe Sapphire Building, 8<sup>th</sup> Floor, 1-89/3/B40 to 42/KS/801,  
Hi-tech City Main Road, Madhapur, Hyderabad – 500 081, India.  
Tel : +91-40-3312 1000 Fax: +91-40-3312 1010 website: www.ipappm.com  
Regd. Office: Rajahmundry – 533 105, East Godavari Dist., Andhra Pradesh, India.  
An ISO 9001, ISO 14001 and OHSAS 18001 Certified Company



STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2016

(In Indian rupees lakhs, except per share data and unless otherwise stated)

Sl. No	Particulars	Quarter ended			Year ended	Year ended
		March 31, 2016 (Audited) (Refer Note 6)	December 31, 2015 (Unaudited)	March 31, 2015 (Audited) (Refer Note 6)	March 31, 2016 (Audited)	March 31, 2015 (Audited)
1	<b>Income from operations</b>					
	(a) Net sales / Income from operations (Net of excise duty)	29,530.50	28,108.86	29,502.43	113,076.63	113,114.89
	(b) Other operating income	692.18	714.94	708.76	2,904.32	3,209.32
	<b>Total income from operations (Net)</b>	<b>30,222.68</b>	<b>28,823.80</b>	<b>30,211.19</b>	<b>115,980.95</b>	<b>116,324.21</b>
2	<b>Expenses</b>					
	(a) Cost of materials consumed (including packing material)	12,436.83	13,585.80	12,138.68	50,794.30	52,352.11
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	1,189.74	(1,580.28)	2,164.73	855.83	(320.53)
	(c) Process chemicals, stores and spares consumed	3,738.61	3,995.74	3,941.83	15,634.27	17,739.85
	(d) Power, fuel and water expense	2,033.64	2,024.17	1,949.78	7,944.12	8,616.94
	(e) Employee benefits expense	3,502.57	3,237.74	2,794.56	12,924.53	12,154.42
	(f) Depreciation and amortisation expense	2,540.11	1,552.03	1,790.56	7,317.62	6,900.04
	(g) Other expenses	3,527.91	3,459.91	4,064.59	14,760.50	16,235.68
	<b>Total expenses</b>	<b>28,969.41</b>	<b>26,275.11</b>	<b>28,844.73</b>	<b>110,231.17</b>	<b>113,678.51</b>
3	<b>Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)</b>	<b>1,253.27</b>	<b>2,548.69</b>	<b>1,366.46</b>	<b>5,749.78</b>	<b>2,645.70</b>
4	Other income	26.07	297.99	345.29	645.62	1,070.19
5	<b>Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)</b>	<b>1,279.34</b>	<b>2,846.68</b>	<b>1,711.75</b>	<b>6,395.40</b>	<b>3,715.89</b>
6	Finance costs	1,007.52	997.18	1,063.12	4,029.58	4,459.50
7	<b>Profit / (Loss) from ordinary activities after finance costs but before exceptional items &amp; tax expense (5-6)</b>	<b>271.82</b>	<b>1,849.50</b>	<b>648.63</b>	<b>2,365.82</b>	<b>(743.61)</b>
8	Exceptional items (Refer Note 4)	2,902.15	-	112.92	3,270.65	112.92
9	<b>Profit / (Loss) from ordinary activities before tax (7+8)</b>	<b>3,173.97</b>	<b>1,849.50</b>	<b>761.55</b>	<b>5,636.47</b>	<b>(630.69)</b>
10	Tax expense/(benefit)	1,135.13	356.61	81.79	1,947.16	(655.47)
11	<b>Net Profit for the period (9-10)</b>	<b>2,038.84</b>	<b>1,492.89</b>	<b>679.76</b>	<b>3,689.31</b>	<b>24.78</b>
12	Paid-up equity share capital (face value ₹ 10 each)	3,977.00	3,977.00	3,977.00	3,977.00	3,977.00
13	Reserves excluding revaluation reserve	-	-	-	41,117.39	37,428.08
14	Earnings per share (Basic & Diluted) of ₹10 each (Not Annualised)	5.13	3.75	1.71	9.28*	0.06*
	See accompanying notes to the financial results					

\* Annualised



**INTERNATIONAL PAPER APPM LIMITED**

(Formerly known as The Andhra Pradesh Paper Mills Limited)

(Corporate Identity Number: L21010AP1964PLC001008)

Corp. Office: Krishe Sapphire Building, 8<sup>th</sup> Floor, 1-89/3/B40 to 42/KS/801,

Hi-tech City Main Road, Madhapur, Hyderabad – 500 081, India.

Tel : +91-40-3312 1000 Fax: +91-40-3312 1010 website: [www.ipappm.com](http://www.ipappm.com)

Regd. Office: Rajahmundry – 533 105, East Godavari Dist., Andhra Pradesh, India.

An ISO 9001, ISO 14001 and OHSAS 18001 Certified Company



STATEMENT OF ASSETS AND LIABILITIES

(In Indian rupees lakhs)

	Particulars	As at March 31, 2016	As at March 31, 2015
<b>A</b>	<b>EQUITY AND LIABILITIES</b>		
1	Shareholders' funds		
	(a) Share capital	3,977.00	3,977.00
	(b) Reserves and surplus	41,117.39	37,428.08
	Sub-total - Shareholders' funds	45,094.39	41,405.08
2	Non-current liabilities		
	(a) Long-term borrowings	30,401.03	23,727.30
	(b) Deferred tax liabilities (Net)	12,088.70	10,141.54
	(c) Other long-term liabilities	-	0.49
	(d) Long-term provisions	295.38	-
	Sub-total - Non-current liabilities	42,785.11	33,869.33
3	Current liabilities		
	(a) Short-term borrowings	14,347.79	9,132.47
	(b) Trade payables	15,505.50	15,622.85
	(c) Other current liabilities	7,956.14	22,933.48
	(d) Short-term provisions	1,090.66	1,631.48
	Sub-total - Current liabilities	38,900.09	49,320.28
	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>126,779.59</b>	<b>124,594.69</b>
<b>B</b>	<b>ASSETS</b>		
1	Non-current assets		
	(a) Fixed assets		
	Tangible assets	81,364.65	82,989.00
	Intangible assets	682.83	322.30
	Capital work-in-progress	1,713.57	1,584.21
	(b) Non-current investments	1,543.37	1,543.37
	(c) Long-term loans and advances	7,297.76	6,595.17
	(d) Other non-current assets	40.78	14.44
	Sub-total - Non-current assets	92,642.96	93,048.49
2	Current Assets		
	(a) Inventories	21,370.87	20,121.15
	(b) Trade receivables	7,068.84	6,385.99
	(c) Cash and cash equivalents	1,014.32	422.89
	(d) Short-term loans and advances	4,588.30	4,401.26
	(e) Other current assets	94.30	214.91
	Sub-total - Current assets	34,136.63	31,546.20
	<b>TOTAL - ASSETS</b>	<b>126,779.59</b>	<b>124,594.69</b>



**INTERNATIONAL PAPER APPM LIMITED**

(Formerly known as The Andhra Pradesh Paper Mills Limited)

(Corporate Identity Number: L21010AP1964PLC001008)

Corp. Office: Krishe Sapphire Building, 8<sup>th</sup> Floor, 1-89/3/B40 to 42/KS/801,  
Hi-tech City Main Road, Madhapur, Hyderabad – 500 081, India.

Tel : +91-40-3312 1000 Fax: +91-40-3312 1010 website: [www.ipappm.com](http://www.ipappm.com)

Regd. Office: Rajahmundry – 533 105, East Godavari Dist., Andhra Pradesh, India.

An ISO 9001, ISO 14001 and OHSAS 18001 Certified Company

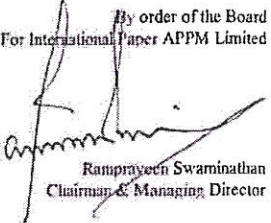
Notes:

- 1 The above audited financial results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meetings held on April 22, 2016.
- 2 The Company is in the business of manufacture and sale of pulp, paper and paper boards. Management views manufacture and sale of pulp, paper and paper boards as a single reportable business segment.
- 3 The requirements of component accounting of fixed assets as per Schedule II of the Companies Act, 2013 is applicable to the Company and the Management has identified and accounted for the same in the current quarter.
- 4 Exceptional items:
  - (a) Change in accounting policy: Effective April 01, 2015, the Company has with retrospective effect changed its method of providing depreciation on Buildings and Electrical Installations (forming part of Plant and Machinery) at Rajahmundry Plant from the 'Written Down Value' method to the 'Straight Line' method, as per the useful lives specified in Schedule II of the Companies Act, 2013. Management believes that this change will result in more appropriate presentation and will give a systematic basis of depreciation charge. Accordingly, the Company has reversed the depreciation charged till March 31, 2015 amounting to ₹ 2,361.32 lakhs in the Statement of Profit and Loss as per the requirements of Accounting Standard (AS) 6 - Depreciation Accounting and this has been disclosed as Exceptional item. Had the Company continued to use the earlier method of depreciation, the profit after tax for the current quarter and the year would have been lower by ₹ 1.011 lakhs and ₹ 1,705 lakhs respectively.
  - (b) The Company has revised its estimate based on internal assessment and fresh legal opinion obtained, in respect of provision created in earlier years for a disputed matter and reversed ₹ 540.83 lakhs during the current quarter.
  - (c) A provision amounting to ₹ 202.11 lakhs had been created in earlier years in the books due to an adverse order issued by CESTAT, Bangalore, in connection with the tax position adopted by the Company, treating Gunny pulp as unconventional raw material used in the manufacture of Kraft paper at the Company's Kadiam unit. The Company's position was upheld by the Hon'ble Supreme Court on July 21, 2015. Based on the Hon'ble Supreme Court's Judgement, the aforesaid provision has been reversed during the quarter ended September 30, 2015.
  - (d) The Asst. Commissioner granted interest on delayed refund of Excise duty paid on cash discounts vide order No.s 30 and 31 dated July 31, 2015. The resultant income of ₹ 166.39 lakhs has been accounted during the quarter ended September 30, 2015.
- 5 The Company's wholly-owned subsidiary, IP India Foundation, carries out Corporate Social Responsibility activities. The same is not considered for the purpose of consolidation, as the objective of control over this entity is not to obtain economic benefits from its activities.
- 6 The figures for the quarter ended March 31, 2016 and March 31, 2015 are the balancing figures between the audited figures of the full financial year ended March 31, 2016 and March 31, 2015 and, the published year to date figures upto nine months ended December 31, 2015 and December 31, 2014 respectively.
- 7 The figures of the previous periods have been regrouped/reclassified, wherever considered necessary to correspond with the current period's classification/disclosure.

Place : Hyderabad  
Date: April 22, 2016



By order of the Board  
For International Paper APPM Limited



Rampraveen Swaminathan  
Chairman & Managing Director

**INTERNATIONAL PAPER APPM LIMITED**

(Formerly known as The Andhra Pradesh Paper Mills Limited)

(Corporate Identity Number: L21010AP1964PLC001008)

Corp. Office: Krishe Sapphire Building, 8<sup>th</sup> Floor, 1-89/3/B40 to 42/KS/801,  
Hi-tech City Main Road, Madhapur, Hyderabad – 500 081, India.

Tel : +91-40-3312 1000 Fax: +91-40-3312 1010 website: [www.ipappm.com](http://www.ipappm.com)

Regd. Office: Rajahmundry – 533 105, East Godavari Dist., Andhra Pradesh, India.

An ISO 9001, ISO 14001 and OHSAS 18001 Certified Company

# Deloitte Haskins & Sells

Chartered Accountants  
1-8-384 & 385  
3rd Floor, Gowra Grand  
S. P. Road, Begumpet  
Secunderabad - 500 003  
India

Tel: +91 (40) 6603 2600  
Fax: +91 (40) 6603 2714

## INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF INTERNATIONAL PAPER APPM LIMITED

1. We have audited the accompanying Statement of Financial Results of **INTERNATIONAL PAPER APPM LIMITED** ("the Company") for the year ended March 31, 2016 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared on the basis of the related financial statements which is in accordance with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013, as applicable and other accounting principles generally accepted in India. Our responsibility is to express and opinion on the Statement.
2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgement including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.





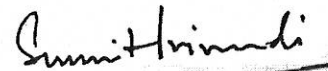


# Deloitte Haskins & Sells

3. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
- (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
  - (ii) gives a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India of the net profit and other financial information of the Company for year ended March 31, 2016.
4. The Statement includes the results for the Quarter ended March 31, 2016 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

As

For DELOITTE HASKINS & SELLS  
Chartered Accountants  
(Firm's Registration No. 008072S)



Sumit Trivedi  
Partner  
(Membership No. 209354)

Hyderabad, April 22, 2016