INTERNATIONAL PAPER

THIRD ANNUAL REPORT

OF

IP INDIA FOUNDATION

(A wholly owned subsidiary of International Paper APPM Limited)

2015-16

INTERNATIONAL PAPER

IP INDIA FOUNDATION
(A wholly owned subsidiary of International Paper APPM Limited)
(CIN U80301TG2013NPL088489)
Regd. Office: Krishe Sapphire Building, 8th Floor, 1-89/3/B40 to 42/KS/801,
Hi-tech City Main Road, Madhapur, Hyderabad – 500 081, India
Website: ipindiafoundation.com Phone No. 040-3312 1000 Fax No. 040-3312 1010

NOTICE

NOTICE is hereby given that the Third Annual General Meeting of the Members of IP India Foundation will be held on **Monday, July 18, 2016 at 10.30 a.m. at the Registered Office - Krishe Sapphire, Building, 8th Floor, 1-89/3/B40 to 42/KS/801, Hi-tech City Main Road, Madhapur, Hyderabad – 500 081, India** to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt audited financial statements of the Company for the financial year ended March 31, 2016, the reports of Board of Directors and Auditors thereon.

2. To appoint a Director in place of Mr.Rampraveen Swaminathan (holding DIN 01300682) who retires at the Annual General Meeting and is eligible for re-appointment.

3. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and The Companies (Audit and Auditors) Rules, 2014 (the Rules)(including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the reappointment of Messrs Hari & Gautham Associates (Firm Registration No. 008379S), Chartered Accountants, Hyderabad be and is hereby ratified as Auditors of the Company, to hold office from the conclusion of this Meeting until the conclusion of fourth Annual General Meeting at such remuneration as shall be fixed by the Board of Directors of the Company."

By Order of the Board
For IP India Foundation

C. Prabhakar

C. Prabhakar
Director

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

April 19, 2016

Notes

1. **A Member entitled to attend and vote at the Meeting is entitled to appoint a Proxy to attend and vote instead of himself. Such proxy needs to be a Member of the Company.**

   The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

BOARD'S REPORT

Your Directors have pleasure in presenting the third Annual Report of the Foundation (IPIF) together with Audited Accounts for the financial year ended March 31, 2016.

Preamble

IP India Foundation (hereinafter referred to as Foundation or IPIF) was incorporated on June 20, 2013 as a private limited company under Section 25 of the Companies Act, 1956. The Foundation is a wholly-owned subsidiary of International Paper APPM Limited (IPAPPM) and is managed by Board of Directors nominated by the Holding Company.

The focus areas of the Foundation are Education, Environment and Engagement of employees make positive contributions to the communities around IP APPM's manufacturing facilities and farm forestry areas. The Foundation is continually refining its programs and seeking opportunities to make a difference in the communities.

Financial Results

(in Rs.)

	2015-16	**2014-2015**
Total Income	788,379	2,233,018
Less: Total Expenditure	850,137	1,838,056
(Deficit)/Surplus before Tax	(61,758)	394,962
Tax Expenses	-	-
(Deficit)/Surplus for the year	(61,758)	394,962

CSR Activities

During the year under review, Foundation had undertaken the following CSR activities:

Education

1. IPIF has conducted a summer camp Sundance 2015 in APPM Model High School (APPM School);
2. IPIF has instituted two new awards in APPM School for encouraging the merit students;
3. IPIF has supported APPM School in the following activities :
    a. Restoration of NCC squads in the school;
    b. Organizing Science Fair;
    c. Celebration of Deepdaan ceremonyy for outgoing students;
    d. Creation of FB page to connect with alumni;
    e. Commencement of student Wall magazine – Voice of Vidyarthi

4. IPIF has through employee giving supported 48 students of APPM Model High School with school fee through Project Saathi;
5. IPIF has continued IP Scholarship for 23 needy and meritorious students who have completed Class X and need support to continue their education;
6. IPIF has conducted a one day Teachers Training activity for the Government Primary School Teachers of Kadiam Mandal and APPM Model High School Teachers; and
7. IPIF has supported in the implementation of International Paper APPM Limited (IP APPM) CSR activities which are :
   a) Construction of Compound Wall for Government primary School at Bhaskerramnagar, Kadiam;
   b) Construction of diamond mesh Fence for Government Primary School, Chaitanya Nagar;
   c) Construction of Girls Toilets at Girijan Vikas Kendram School;
   d) Setting up of RO Plant for the residential school Girijana Vikas Kendram;
   e) Project New Horizons in 5 Municipal High School of Rajahmundry town

Environment

IPIF has supported the events conducted at the inauguration of the following projects funded by IP APPM:

a) Installation of RO Plant at Madhavarayudupalem village, Kadiam Mandal
b) Installation of RO Plant at Chaitanya Nagar Village, Kadiam Mandal

IPIF has supported the Green Wave – sapling plantation activity in the various schools.

Engagement

Engagement with NGOs, Sports & Cultural Organizations:

a) Donated to Akshaya Foundation for Chennai Flood Relief;
b) Donated for the printing of autobiography of Kandukuri Veeresalingam;
c) Organized event to donate to Hrudaya Foundation by IP India;
d) Supported the events of AP State Volley Ball Association donated by IP APPM; and
e) Supported the events of AP State Kabbaddi Championships donated by IP APPM

Engagement with Employees – Volunteering & Fundraising

a) Organized a career counseling for students volunteering activity for employees;
b) Organized a massive Wall painting volunteering activity for employees at Rajahmundry and Kadiam Mills;
c) Organized a lecture on Climate & Consciousness on the occasion of World Environment Day;
d) Organized the volunteering activity at Balakalaakar – art camp for underprivileged children; and
e) Screened a popular film to raise the funds

Engagement with Government / Panchayats

a) Key role in the Smart partner activities wherein IP APPM has adopted; Madhavarayudupalem Panchayat under Smart Village Smart Ward program of the GoAP.
b) Supported the event conducted for the inauguration of Bus Shelter, Kadiam village funded by IP APPM Ltd

Directors

The present Directors of the Foundation are Mr. Rampraveen Swaminathan, Mr. Prabhakar Cherukumudi, Mr. Mukundan Venugopalan Menon, and Mr. Badrinath Chellappa.

In accordance with the provisions of the Companies Act, 2013, Mr. Rampraveen Swaminathan will hold office upto the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

Audit Committee and Providing Vigil Mechanism

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 are not applicable to the Foundation.

Board Meetings

During the financial year ended March 31, 2016, two Board meetings were held on April 8, 2015 and July 17, 2015 in compliance with the provisions of Companies Act, 2013.

Policy relating to Directors appointment and remuneration

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013. None of the Directors during the year has received any remuneration from the Company.

Auditors

The Members at the Annual General Meeting held on August 13, 2014 appointed Messrs Hari & Goutham, Chartered Accountants, as Auditors of the Company for a period of five years to hold office from the conclusion of first Annual General Meeting to the conclusion of the fifth consecutive Annual General Meeting subject to ratification of the appointment by the Members at every subsequent Annual General Meetings. Messrs Hari & Goutham, Chartered Accountants, have confirmed their eligibility and willingness to accept office, if re-appointed.

There were no qualifications, reservations or adverse remarks made by the Auditors in their report. The provisions relating to submission of Secretarial Audit Report are not applicable to the Company.

Declarations and Confirmations

The Company has adequate internal financial control system in place which operates effectively. According to the Directors, elements of risks that threaten the existence of Foundation are very minimal. Hence, no separate risk management policy is formulated.

There were no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future

Public Deposits

The Company has not accepted deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014. During the year under review, there was no unclaimed deposit amount which is required to be transferred to Investor Education and Protection Fund.

Particulars of loans, guarantees or investments

No loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 were given during the year under review.

Particulars of conservation of energy, technology absorption are given in the prescribed format under the Companies (Accounts) Rules, 2014

Particulars of conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 134(3) (m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014 are not applicable.

Particulars of Employees

There are no employees on the rolls of the Company and such, the information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable.

Extract of Annual Return

The extract of Annual Return as on financial year ended March 31, 2016 as required under Sub-section 3 of Section 92 of Companies Act, 2013 in Form No. MGT 9 is attached.

Directors' Responsibility Statement

Your Directors hereby confirm and declare that:

i. in the preparation of final accounts for the year ended March 31, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures.
ii. they had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the year ended March 31, 2016 and of the loss of the Company for that period;
iii. they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
iv. they had prepared the accounts for the year ended March 31, 2016 on a 'going concern' basis.
v. they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating efficiently.

General

1. There were no significant material orders passed by the Regulators or Courts which would impact the going concern status of the Company and its future operations.

2. During the year under review, no complaints/cases were filed pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Acknowledgements

The Board expresses its gratitude for the unstinted support and guidance received from International Paper APPM Limited and the employees of holding company.

For and on behalf of the Board

Hyderabad
Date: April 19, 2016

Rampraveen Swaminathan
Chairman

Annexure to the Director's Report

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2016

[Pursuant to Section 92(3) *of the Companies Act, 2013 And*
Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

FORM NO. MGT-9

I. Registration and other details:

i)	CIN	U80301TG2013NPL088489
ii)	Registration Date	June 20, 2013
iii)	Name of the Company	IP India Foundation
iv)	Category /Sub Category of the Company	**Category** : Section 8 Company **Sub Category**: Subsidiary of Indian Company & having share capital
v)	Address of the Registered Office and contact details	Krishe Sapphire Building, 8th Floor, 1-89/3/B40 to 42/KS/801,Hi-tech City Main Road, Madhapur, Hyderabad – 500 081, India Phone No. 040-3312 1000 Fax No. 040-3312 1010 Email : prabhakar.cherukumudi@ipaper.com Website: ipindiafoundation.com
vi)	Whether shares listed	No
vii)	Name, Address and contact details of the Registrar and Transfer Agent, if any:	Not applicable

II. Principal business activities of the Company (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

The Company is a not for profit company incorporated under Section 25 of the Companies Act, 1956

III. Particulars of Holding, Subsidiary and Associated companies

S. No.	Name and address of the company	CIN/GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
1	International Paper APPM Limited	L21010AP1964PLC001008	Holding Company	100%	2(46)

IV. Shareholding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of total Shares	
A. Promoter s									
(1) **Indian**									
Bodies Corp.	0	50000	50000	100.00	0	50000	50000	100.00	0.00
(2) Foreign	0	0	0	0.00	0	0	0	0.00	0.00
Total shareholding of Promoter (A)	0	0	50000	100.00	0	50000	50000	100.00	0.00
B. Public Shareholding	0	0	0	0.00	0	0	0	0.00	0.00
C. Shares held by Custodian for GDRs & ADRs	**0**	0	**0**	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	0	50000	50000	100.00	0	50000	50000	100.00	0.00

ii) Shareholding of Promoters-

Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
International Paper APPM Limited	49990	99.98	0.00	49990	99.98	0.00	0.00
Rampraveen Swaminathan (nominee of International Paper APPM Limited)	10	0.02%	0.00	10	0.02%	0.00	0.00
Total	50000	100	0.00	50000	100	0.00	0.00

iii) Change in Promoters' Shareholding (please specify, if there is no change)

There were no changes in the Promoters shareholding during the financial year 2015-2016

iv) Shareholding Pattern of top ten Shareholders: (other than Directors, Promoters and Holders of GDRs and ADRs):

Not applicable

V) **SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

The Directors of Company did not hold any shares during the financial year ended 31st March, 2015 except of 10 shares held by Mr. Rampraveen Swaminathan, Director as nominee of International Paper APPM Limited. There are no key managerial personnel in the Company

V) INDEBTEDNESS -

The Company had no indebtedness with respect to Secured or Unsecured Loans or Deposits during the financial year 2015 – 16.

VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Directors do not receive any remuneration from the Company. The Company is not required to appoint Key Managerial Personnel.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

There were no penalties / punishment / compounding of offences for breach of any Section of Companies Act against the Company or its Directors or other officers in default, if any, during the year.

Auditors' Report
TO THE MEMBERS OF IP INDIA FOUNDATION

Report on the Financial Statements

We have audited the accompanying financial statements of **IP INDIA FOUNDATION** ("the Company") which comprise the Balance Sheet as at March 31, 2016, the Statement of Income and Expenditure and the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and Cash Flow of the Company. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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 the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The Procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements whether due to fraud or error. In making those risk assessments, the auditor considers the internal controls relevant to the Company's preparation and fair presentation of the financial statements 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 controls. 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 financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;

b) in the case of the Statement of Income and Expenditure, of the deficit of the Company for year ended on that date;
c) in the case of the Cash Flow Statement, of the Cash flow for the year ended on that date.

Report on Other Requirements

1. The Companies (Auditor's Report) Order, 2015 (CARO) issued by the Central Government in terms of Section 143 of the Companies Act, 2013 is not applicable to the Company in terms of Clause 1(2)(iii) of the Order.

2. As required by Section 143(3) of the Act 2013, we report that:

a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
c) The Balance Sheet and Statement of Income and Expenditure and the Cash Flow Statement dealt with by this report are in agreement with the books of account of the Company.
d) In our opinion, the Balance Sheet and Statement of Income and Expenditure and the Cash Flow Statement comply with the Accounting Standards referred to in Section 129(1) of the Companies Act, 2013.
e) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Companies Act, 2013.

For Hari & Gautham Associates
Chartered Accountants
(Firm Registration No. 008379S)

Hari Jagannadha Sarma
Partner
Membership No. 205239

April 19, 2016

IP INDIA FOUNDATION

Balance Sheet as at March 31, 2016

(in Rs.)

Particulars	Note	As at March 31, 2016	As at March 31, 2015
Equity & Liabilities			
(a) Share capital	3	500,000	500,000
(b) Reserves and surplus	4	216,493	278,250
Earmarked Funds			
Other Earmarked Fund	5	75,000	75,000
Current Liabilities			
Trade Payables	6	29,625	68,259
Total		**821,118**	**921,509**
Assets			
Current Assets			
Investments	7	75,000	75,000
Bank Balances	8	698,432	788,553
Other Current Assets	9	47,686	57,956
Total		**821,118**	**921,509**

Significant overview & Significant accounting policies 1 & 2
See accompanying notes forming part of the financial statements

In terms of our report attached
For Hari & Gautham Associates
Chartered Accountants

For IP India Foundation

Rampraveen Swaminathan
Chairman

Hari Jagannadha Sarma
Partner
Place: Hyderabad
Date: April 19, 2016

C. Prabhakar
Director

Place: Hyderabad
Date: April 19, 2016

IP INDIA FOUNDATION

Statement of Income and Expenditure for the year ended March 31, 2016

(in Rs.)

Particulars	Note	For the year ended March 31, 2016	For the year ended March 31, 2015
I Income			
Revenue from operations	10	788,379	2,233,018
Total Income		**788,379**	**2,233,018**
II Expenditure			
Finance costs	11	-	326
Other expenses	12	850,137	1,837,730
Total Expenditure		**850,137**	**1,838,056**
III Surplus/(Deficit) before tax from operations		**(61,758)**	**394,962**
IV Tax Expense			
Current tax		-	-
V Surplus / (Deficit) for the year [(III)- (IV)]		**(61,758)**	**394,962**
VI Earnings per share (Nominal Value of Rs. 10 Per share)			
Basic and diluted (Rs.)		**(1.24)**	**7.90**

Significant overview & Significant accounting policies 1 & 2
See accompanying notes forming part of the financial statements

In terms of our report attached

For Hari & Gautham Associates
Chartered Accountants

For IP India Foundation

Rampraveen Swaminathan
Chairman

C. Prabhakar
Director

Hari Jagannadha Sarma
Partner
Place: Hyderabad
Date: April 19, 2016

Place: Hyderabad
Date: April 19, 2016

IP INDIA FOUNDATION

Cash Flow Statement for the year ended March 31, 2016

(in Rs.)

Particulars	**For the year ended March 31, 2016**	**For the year ended March 31, 2015**
Surplus/(Deficit) for the year	(61,758)	394,962
Adjustments for:		
Provision for expenses	30,625	30,562
Adjustment for (increase)/decrease in operating assets	(58,989)	30,684
Net cash used in operating activities	**(90,122)**	**456,207**
Proceeds from issue of equity share capital		
Net cash flow from financing activities	**-**	**-**
Net increase/(decrease) in cash and cash equivalents	(90,122)	456,207
Cash and cash equivalents at the beginning of the year	788,553	332,346
Cash and cash equivalents at the end of the year	**698,432**	**788,553**

See accompanying notes forming part of the financial statements

In terms of our report attached

For Hari & Gautham Associates
Chartered Accountants

For IP India Foundation

Hari Jagannadha Sarma
Partner
Place: Hyderabad
Date: April 19, 2016

Rampraveen Swaminathan
Chairman

C. Prabhakar
Director

Place: Hyderabad
Date: April 19, 2016

Notes forming part of the Financial Statements

1. Company overview

IP India Foundation ("the Company") was incorporated in India on June 20, 2013 as a limited company under section 25 of the Companies Act, 1956. The Company is a wholly-owned subsidiary of International Paper APPM Limited and managed by Board of Directors of nominated by the Holding Company.

The primary focus of the Company is to contribute for the development of education, environment of communities around manufacturing facilities and farm forestry areas of holding company.

2. Significant accounting policies

2.1 Basis of preparation

The financials statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) to comply in all material respect with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on the accrual basis under the historical cost convention.

2.2 Use of estimates

The preparation of the financial statements requires the management to make estimates and assumption considered in the reported amount of assets and liabilities (including contingent liabilities as of the date of the financial statements and the reported income and expenses for the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates and the differences between the actual results and estimates are recognized in the periods in which the results are known/materialize.

2.3 Cash and cash equivalents

Cash and cash equivalents for the purposes of Cash flow Statement comprises of balance in Savings Bank account.

2.4 Cash flow statement

Cash flows are reported using indirect method whereby cash flows from operating activities of the Company are identified and reported.

2.5 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. In addition, the following criteria must also be met before revenue is recognized:

(a) Voluntary contributions are accounted on the date of receipt. All voluntary contributions received during the year are towards the objectives of the Company.

2.6 Earnings per share

Basic earnings per share are computed by dividing the surplus / (deficit) after tax by weighted average number of equity shares outstanding during the year.

2.7 Provisions and contingencies

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and determined based on the best estimate required to settle the obligation as at Balance Sheet date.

2.8 Segment Information

The primary focus of the Company is to contribute to the development of education and environment around the areas of holding company's manufacturing facilities and farm forestry and all other activities revolve around the main business. The Company does not have any geographical segments. As such, there are no separate reportable segments as per Accounting Standard 17 on 'Segment Reporting' as notified under the Companies (Accounting Standards) Rules, 2006.

2.9 Earnings per share

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
(a) Net surplus /(deficit) after tax (Rs.)	(61,758)	394,962
(b) Weighted average number of equity shares (Nos.)	50,000	50,000
(c) Basic and diluted earnings per share (a)/(b) (Rs.)	(1.24)	7.90
(d) Nominal value per share (Rs.)	10.00	10.00

2.10 Related party disclosure

As per the Accounting Standard 18 on 'Related Party Disclosure' as notified by the Companies (Accounting Standards) Rules 2006, the related parties of the Company are as follows.

Relationship:

Holding Company (100%)

International Paper APPM Limited (formerly known as The Andhra Pradesh Paper Mills Limited)

Notes forming part of the financial statements

3. Share Capital

Particulars	As at March 31, 2016		As at March 31, 2015	
	Number	Rs.	Number	Rs.
AUTHORISED				
Equity shares of Rs. 10 each	50,000	500,000	50,000	500,000
ISSUED, SUBSCRIBED & FULLY PAID UP				
Equity shares of 50,000 @ Rs. 10 each (Of the above share 49,990 shares held by Holding company namely International Paper APPM Limited and 10 shares held by Mr.Rampraveen Swaminathan, nominee of holding company)	50,000	500,000	50,000	500,000
TOTAL	**50,000**	**500,000**	**50,000**	**500,000**

(a) Reconciliation of the number of shares and amount outstanding as at the beginning and end of the year.

Particulars	As at March 31, 2016		As at March 31, 2015	
	Number	Rs.	Number	Rs.
Shares issued in July 2013 during Incorporation	50,000	500,000	50,000	500,000
Changes during the year	-	-	-	-
Outstanding as at end of the year	50,000	500,000	50,000	500,000

(b) **Terms/ rights attached to equity shares**

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share and rank *pari passu*. As per Clause X of Memorandum of Association (MoA) of the Company, If upon the winding up or dissolution of the company there remains, after the satisfaction of all the debts and liabilities, any property whatsoever, the sum shall not be distributed amongst the members of the company but shall be given or transferred to such other company having objects similar to the object of this company, to be determined by the members of the company at or before the time of dissolution or in default thereof by the High Court of Judicature that has or may acquire jurisdiction in the matter.

4. Reserves and surplus **(in Rs.)**

Particulars	As at March 31, 2016	As at March 31, 2015
Surplus in the Statement of Income and Expenditure		
Opening balance	278,250	(116,712)
Surplus/(Deficit) for the year	(61,758)	394,962
TOTAL	**216,493**	**278,250**

5. Earmarked Funds **(in Rs.)**

Particulars	As at March 31, 2016	As at March 31, 2015
Amount received towards earmarked funds from Mr. T.D Thomas	75,000	75,000
TOTAL	**75,000**	**75,000**

6. Trade payables **(in Rs.)**

Particulars	As at March 31, 2016	As at March 31, 2015
Provision for Expenses (Audit fee for financial year 2015-16)	29,625	68,259
TOTAL	**29,625**	**68,259**

(a) No amount is payable to "Suppliers" registered under Micro, Small and Medium Enterprises Development Act, 2006.

No interest has been paid/ payable by the Company during the year to the "Suppliers" covered under Micro, Small and Medium Enterprises Development Act, 2006.

7. Investments **(in Rs.)**

Particulars	As at March 31, 2016	As at March 31, 2015
Amount Invested in Fixed Deposit	75,000	75,000
TOTAL	**75,000**	**75,000**

8. Cash and bank balances

(in Rs.)

Particulars	As at March 31, 2016	As at March 31, 2015
Balance with bank:		
- In Savings account	698,432	788,553
TOTAL	**698,432**	**788,553**

9. Other current assets

(in Rs.)

Particulars	As at March 31, 2016	As at March 31, 2015
Preliminary and formation expenses	35,471	53,207
Interest income receivable	12,215	4,749
TOTAL	**47,686**	**57,956**

10. Revenue from operations

(in Rs.)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Voluntary contribution [see note (a)]	747,654	2,222,430
Interest income	40,725	10,588
TOTAL	**788,379**	**2,233,018**

(a) Voluntary contribution includes donations received from the employees of holding company.

11. Finance costs

(in Rs.)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Bank and finance charges	-	326
TOTAL	**-**	**326**

12. Other expenses **(in Rs.)**

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
CSR activities expenses	761,308	1,552,760
Professional fees	39,257	210,394
Rates and taxes	7,523	9,574
Printing and stationery	9,072	-
Advertisement expenses	2,352	2,352
Travel expenses	-	11,660
Refreshment expenses	-	20,429
Audit fee	30,625	30,562
TOTAL	**850,137**	**1,837,730**

13. Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosures.

In terms of our report attached
For Hari & Gautham Associates
Chartered Accountants

For IP India Foundation

Hari Jagannadha Sarma
Partner
Place: Hyderabad
Date: April 19, 2016

Rampraveen Swaminathan
Chairman
Place: Hyderabad
Date: April 19, 2016

C. Prabhakar
Director

Proxy form

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

INTERNATIONAL PAPER

IP INDIA FOUNDATION
Regd. Office: Krishe Sapphire Building, 8th Floor, 1-89/3/B40 to 42/KS/801,
Hi-tech City Main Road, Madhapur, Hyderabad – 500 081, India
Website: ipindiafoundation.com

Third Annual General Meeting – July 18, 2016

Name of the Member(s)

Registered address

Email

Folio No. / Client ID

DP ID

I / we, being the Member(s) of _____ shares of the above named Company, hereby appoint

Name : Email :
Address : ……
…… Signature : _____

Or failing him / her

Name : Email :
Address : ……
…… Signature : _____

Or failing him / her

Name : Email :
Address: ……
…… Signature : _____

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the third Annual General Meeting of the Company, to be held on Monday, July 18, 2016 at 10.30 a.m. at **Registered Office - Krishe Sapphire, Building, 8th Floor, 1-89/3/B40 to 42/KS/801, Hi-tech City Main Road, Madhapur, Hyderabad – 500 081, India** and at any adjourned meeting thereof in respect of the Resolutions as are indicated overleaf:

Resolution number	Resolution	Vote		
		For	Against	Abstain
Ordinary business				
1	Adoption of audited financial statements of the Company for the financial year ended March 31, 2016 and the Reports of Board of Directors and Auditors thereon.			
2	Appointment of a Director in place of Mr. Rampraveen Swaminathan (holding DIN: 01300682) who retires by rotation and being eligible offers himself for re-appointment.			
3	Appointment of Hari & Gautham Associates as Auditors of the Company.			

Signed ……day of …….. 2016

……

Signature of the Member

……..

Signature of the proxy holder(s)

Affix revenue stamp

Notes:

1. This form, in order to be effective, should be stamped, completed, signed and deposited at the registered office of the Company not less than 48 hours before the commencement of the Meeting.

Attendance slip

IP INDIA FOUNDATION
(CIN: U80301AP2013NPL088489)
(A wholly owned subsidiary of International Paper APPM Limited)
Regd. Office: Krishe Sapphire Building, 8th Floor, 1-89/3/B40 to 42/KS/801,
Hi-tech City Main Road, Madhapur, Hyderabad – 500 081, Telangana, India
Website: ipindiafoundation.com Phone No. 040-3312 1000 Fax No. 040-3312 1010

Third Annual General Meeting – July 18, 2016

Registered Folio no. / DP ID no. & Client ID no.:

Number of shares held

I certify that I am a member / proxy for the member of the Company.

I hereby record my presence at the 3rd Annual General Meeting of the Company held at Regd. Office: Krishe Sapphire Building, 8th Floor, 1-89/3/B40 to 42/KS/801, Hi-tech City Main Road, Madhapur, Hyderabad – 500 081, Telangana, India on Monday, July 18, 2016 at 10.30 a.m.

…… ……..

Name of the member / proxy (in BLOCK Letters) — Signature of the member / proxy

Note: Please fill up the attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the AGM.