

ANDHRA PAPER FOUNDATION  
(Formerly known as IP India Foundation)  
(A wholly owned subsidiary of Andhra Paper 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: andhrapaperfoundation.com; Phone No. 040-6810 1200 Fax No. 040-6810 1255

**NOTICE**

**NOTICE** is hereby given that the Seventh Annual General Meeting of the Members of Andhra Paper Foundation (Foundation) will be held on **Monday, September 14, 2020 at 2.30 P.M.** through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM") to transact the following business:

**ORDINARY BUSINESS:**

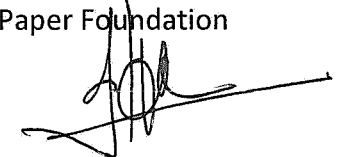
- 1) To consider and adopt audited financial statements of the Foundation for the financial year ended March 31, 2020, the reports of Board of Directors and Auditors thereon.
- 2) To appoint a Director in place of Mr. Anish T. Mathew (DIN: 07995480) who retires at the Annual General Meeting and being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS**

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

**"RESOLVED THAT** Mr. Rajesh Bothra (DIN: 00441728), who was appointed as an Additional Director of the Foundation by the Board of Directors effective January 21, 2020, in terms of Section 161 (1) of the Companies Act, 2013 and Article 68 of the Articles of Association of the Foundation, whose term of office expires at the Annual General Meeting and in respect of whom the Foundation has received a notice in writing from a Member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Foundation, whose office shall be liable to retire by rotation."

By Order of the Board  
For Andhra Paper Foundation



Anish T. Mathew  
Director

Regd. Office:  
Krishe Sapphire Building  
8th Floor, 1-89/3/B40 to 42/KS/801,  
Hitech City Main Road,  
Madhapur, Hyderabad – 500 081  
Telangana, India  
August 28, 2020

**Notes :**

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out details relating to Special Business in respect of Item No. 3 is annexed hereto.
2. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act") and MCA Circulars, the AGM of the Company is being held through VC/OAVM.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. In pursuance of Section 113 of the Act, representatives of the Members who are Body Corporates, may participate in the Meeting.
5. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. Members who need technical assistance before or during the AGM, can contact Mr. Aravind Matta on 84980 97906 or write a mail at [aravind.matta@andhrapaper.com](mailto:aravind.matta@andhrapaper.com).

**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

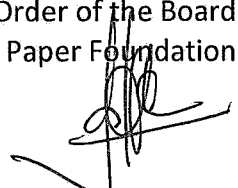
The Board of Directors appointed Mr. Rajesh Bothra as an Additional Director effective January 21, 2020 and he holds office up to this Annual General Meeting pursuant to Section 161(1) of the Companies Act, 2013 and Article 68 of the Articles of Association of the Foundation.

A notice under Section 160(1) of the Companies Act, 2013 has been received from a Member of the Foundation signifying his intention to propose the name of Mr. Rajesh Bothra for appointment as a Director of the Foundation.

The Board commends the Resolution as set out at Item No. 3 of the Notice for approval by the Members.

None of the Directors, except Mr. Rajesh Bothra, is concerned or interested in the said Resolution.

By Order of the Board  
For Andhra Paper Foundation



Anish T. Mathew  
Director

Regd. Office:  
Krishe Sapphire Building  
8th Floor, 1-89/3/B40 to 42/KS/801,  
HITECH City Main Road,  
Madhapur, Hyderabad – 500 081  
Telangana, India  
August 28, 2020

## BOARD'S REPORT

Your Directors have pleasure in presenting the Seventh Annual Report of the Foundation together with Audited Accounts for the financial year ended March 31, 2020.

### Preamble

Andhra Paper Foundation (hereinafter referred to as Foundation or APF) 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 Andhra Paper Limited (Formerly known as International Paper APPM Limited) (APL) and is managed by Board of Directors nominated by the Holding Company.

The focus areas of the Foundation namely Education, Health & Wellness and Community Engagement make positive contributions to the communities around the Holding Company's manufacturing facilities and farm forestry areas. The Foundation is continually refining its programs and seeking opportunities to make a difference in the communities.

### Change of name

The Registrar of Companies, Hyderabad, has approved the name change of the Foundation from IP India Foundation to Andhra Paper Foundation effective February 18, 2020 and issued a 'Certificate of Incorporation pursuant to change of name'.

### Financial Results

(Rs. in lakhs)		
Particulars	2019-2020	2018-2019
Total Income	11.46	43.22
Less: Total Expenditure	44.79	22.47
Surplus/(Deficit) before Tax	(33.33)	20.75
Tax Expenses	-	-
Surplus/(Deficit) for the year	(33.33)	20.75

### CSR Activities

During the year under review, the Foundation had implemented the following CSR activities –

- Distributed Scholarship of Rs.7,500/- each to 118 students amounting to Rs.8.85 lakhs to needy and meritorious students who have completed Class X and needed support to continue their education;
- Chairs, tables, inverters etc. have been supplied to five Government College Social welfare boys and girls hostels located at Rajahmundry amounting to Rs.13.85 lakhs;
- Construction of 10 bed medical centre at Dowleswaram at a cost of Rs.19.47 lakhs; and
- Contribution of Rs. 0.50 lakh to CRPF Pulwama Fund to support the families of Pulwama Martyr Soldiers.

## **Directors**

The Directors of the Foundation as on March 31, 2019 are Mr. Donald P. Devlin, Mr. C. Prabhakar and Mr. Anish T. Mathew.

During the year under review, Mr. Donald Paul Devlin, resigned as Director and Chairman effective October 30, 2019 and the Board placed on record its appreciation for his contribution.

The Board at their Meeting held on January 21, 2020 appointed Mr. Rajesh Bothra as an Additional Director of the Foundation.

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Foundation, Mr. Anish T. Mathew, Director retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for reappointment.

## **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, 2020, three Board meetings were held on April 29, 2019, October 21, 2019 and January 21, 2020 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 Foundation and hence the Foundation 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 have received any remuneration from the Foundation.

## **Auditors**

M/s. Hari & Gautham Associates, Chartered Accountants, Hyderabad, are the Statutory Auditors of the Foundation.

The Auditors in their report has made no qualification, reservation or adverse remarks on the financial statements for the year ended March 31, 2020. The provisions relating to submission of Secretarial Audit Report are not applicable to the Foundation.

## **Declarations and Confirmations**

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

## **Public Deposits**

The Foundation has not accepted deposits 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**

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 and hence, not given.

## **Extract of Annual Return**

The extract of Annual Return as on financial year ended March 31, 2020 as required under Section 92(3) of the Companies Act, 2013 in Form No. MGT – 9 is attached.

## **Particulars of Employees**

There are no employees on the rolls of the Foundation and as 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.

## **Directors' Responsibility Statement**

Your Directors hereby confirm and declare that:

- i. in the preparation of final accounts for the year ended March 31, 2020, 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 judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Foundation at the year ended March 31, 2020 and of the deficit of the Foundation 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 Foundation and for preventing and detecting fraud and other irregularities;
- iv. they had prepared the accounts for the year ended March 31, 2020 on a 'going concern' basis.

### **General**

- 1) There were no significant material orders passed by the Regulators or Courts which would impact the going concern status of the Foundation and its future operations.
- 2) During the year under review, information on complaints/cases filed pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is not applicable as the Foundation do not have any employees.

### **Acknowledgements**

The Board expresses its gratitude for the unstinted support and guidance received from Andhra Paper Limited and the employees of these companies.

For and on behalf of the Board

  
Anish T. Mathew  
Director

  
Rajesh Bothra  
Director

Hyderabad  
Date: August 28, 2020

**FORM NO. MGT-9****EXTRACT OF ANNUAL RETURN****as on the financial year ended on March 31, 2020**[Pursuant to Section 92(3) of the Companies Act, 2013 and  
Rule 12(1) of the Companies (Management and Administration) Rules, 2014]**I. REGISTRATION AND OTHER DETAILS:**

i)	CIN	U80301TG2013NPL088489
ii)	Registration Date	June 20, 2013
iii)	Name of the Company	Andhra Paper Foundation (Formerly known as IP India Foundation)
iv)	Category /Sub Category of the Company	<b>Category</b> : Section 8 Company <b>Sub Category:</b> Subsidiary of Andhra Paper Limited & having share capital
v)	Address of the Registered Office and contact details	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, Telangana, India Phone No. 040-6810 1200 Fax No. 040-6810 1255 Email : anish.mathew@andhrapaper.com Website: andhrapaperfoundation.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 Foundation is a not for profit Foundation 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	Andhra Paper Limited, Rajahmundry – 533 105 East Godavari District, Andhra Pradesh	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 (1.4.2019)				No. of Shares held at the end of the year (31.3.2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of total Shares	
<b>A. Promoter s</b>									
(1) Indian									
Bodies Corp.	0	50,000	50,000	100.00	0	50,000	50,000	100.00	0.00
(2) Foreign	0	0	0	0.00	0	0	0	0.00	0.00
<b>Total shareholding of Promoter (A)</b>	0	0	50,000	100.00	0	50,000	50,000	100.00	0.00
<b>B. Public Shareholding</b>	0	0	0	0.00	0	0	0	0.00	0.00
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0.00	0	0	0	0.00	0.00
<b>Grand Total (A+B+C)</b>	0	50,000	50,000	100.00	0	50,000	50,000	100.00	0.00

## ii) Shareholding of Promoters-

Shareholder's Name	Shareholding at the beginning of the year (1.04.2019)			Shareholding at the end of the year (31.3.2020)			% change in shareholding 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	
Andhra Paper Foundation	49,990	99.98	0.00	49,990	99.98	0.00	0.00
Donald P. Devlin (till 21.01.2020) (Nominee of Andhra Paper Limited)	10	0.02	0.00	0	0.00	0.00	0.00
Rajesh Bothra (from 21.01.2020) (Nominee of Andhra Paper Limited)	-	-	-	10	0.02	0.00	0.00
Total	50,000	100.00	0.00	50,000	100.00	0.00	0.00

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

During the year under review, 10 Equity shares held by Mr. Donald P. Devlin as nominee of Andhra Paper Limited were transferred to Mr. Rajesh Bothra as nominee of Andhra Paper Limited.

## 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 Foundation did not hold any shares during the financial year ended March 31, 2020 except 10 shares held by Mr. Rajesh Bothra, Director, as nominee of Andhra Paper Limited. There are no Key Managerial Personnel in the Foundation.

## VI. INDEBTEDNESS :

The Foundation had no indebtedness with respect to Secured or Unsecured Loans or Deposits during the financial year 2019–2020.

## **VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

## **VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL**

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



# HARI & GAUTHAM ASSOCIATES

## Chartered Accountants

H.O. : Plot No. 55, H.No. 24-3-48/1A, "Hari Hara Nilayam" Vimaladevi Nagar, Vishunpuri Extension, Malkajgiri - 500 047.  
Dist. Medchal - Malkajgiri, Telangana State. Cell : 98662 72380, 94909 35528

B.O. : 3-2-56/5/1. Rajiv Gunj, Khammam - 507 003. Phone : 08742-228232 E-mail : gauthamkumar.jain@rediffmail.com hjsarma61@yahoo.com

S.O. : Plot No. 8, H.No. 5-3-39, Jeera Compund, Adjacent to Syndicate Bank, Jeera Branch,  
Secunderabad - 500.003. Telangana State. Phone : 040-27534527,

### Auditors' Report

#### TO THE MEMBERS OF ANDHRA PAPER FOUNDATION

#### Report on the Financial Statements

We have audited the accompanying financial statements of **ANDHRA PAPER FOUNDATION** ("the Company") which comprise the Balance Sheet as at March 31, 2020, 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

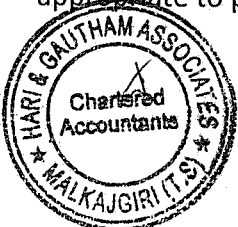
The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and Cash Flow of the Company. This responsibility includes the design, implementation and maintenance of internal controls relevant 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 regarding the amounts and the disclosures in the financial statements. The Procedures selected depend on the auditor's judgement, 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.

Contd..2



## 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, 2020;
- 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.

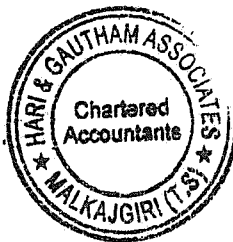
## Report on Other Requirements

1. The Companies (Auditor's Report) Order, 2016 (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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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)

H. Jagannadha Sarma

Hari Jagannadha Sarma  
Partner  
Membership No. 205239



June 19, 2020

UDIN:- 20205239AAAA BV4835

**ANDHRA PAPER FOUNDATION****Balance Sheet as at March 31, 2020****(in Rs.)**

Particulars	Note	As at March 31, 2020	As at March 31, 2019
<b>Equity &amp; Liabilities</b>			
Share capital	3	5,00,000	5,00,000
Reserves and surplus	4	12,82,771	46,15,489
<b>Earmarked Funds</b>			
Other Earmarked Fund	5	75,000	75,000
<b>Current Liabilities</b>			
Trade Payables	6	2,13,926	31,500
<b>Total</b>		<b>20,71,697</b>	<b>52,21,989</b>
<b>Assets</b>			
<b>Current Assets</b>			
Investments	7	10,81,019	15,75,000
Bank Balance	8	9,18,671	35,83,489
Other Current Assets	9	72,007	63,500
<b>Total</b>		<b>20,71,697</b>	<b>52,21,989</b>

Significant overview &amp; Significant accounting policies

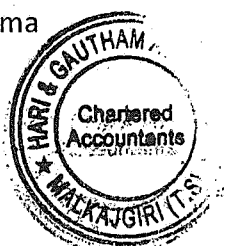
1 &amp; 2

See accompanying notes forming part of the financial statements

In terms of our report attached

**For Hari & Gautham Associates**

Chartered Accountants

*H. Jagannadha Sarma*Hari Jagannadha Sarma  
PartnerPlace: Hyderabad  
Date: June 19, 2020**For Andhra Paper Foundation**

(Formerly known as IP India Foundation)

*C. Prabhakar*

Director

  
Director
Place: Hyderabad  
Date: June 19, 2020

**ANDHRA PAPER FOUNDATION****Statement of Income and Expenditure for the year ended March 31, 2020****(in Rs. )**

Particulars	Note	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>Income</b>			
Revenue from operations	10	11,45,812	43,21,909
<b>Total Income</b>		<b>11,45,812</b>	<b>43,21,909</b>
<b>Expenditure</b>			
Finance costs	11	116	20
Other expenses	12	44,78,414	22,47,286
<b>Total Expenditure</b>		<b>44,78,530</b>	<b>22,47,306</b>
<b>Surplus/(Deficit) before tax from operations</b>		<b>(33,32,718)</b>	<b>20,74,603</b>
<b>Tax Expense</b>			
Current tax		-	-
<b>Surplus / (Deficit) for the year [(III)- (IV)]</b>		<b>(33,32,718)</b>	<b>20,74,603</b>
<b>Earnings per share (Nominal Value of Rs. 10 Per share)</b>			
Basic and diluted (Rs.)		(66.65)	41.49

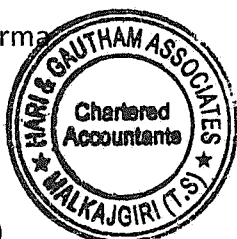
Significant overview & Significant accounting policies 1 & 2  
See accompanying notes forming part of the financial statements

In terms of our report attached

**For Hari & Gautham Associates**  
Chartered Accountants

*H. Jagannadha Sarma*

Hari Jagannadha Sarma  
Partner

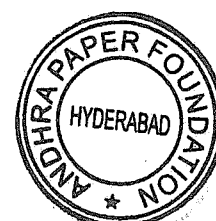


Place: Hyderabad  
Date: June 19, 2020

**For Andhra Paper Foundation**  
(Formerly known as IP India Foundation)

*C. Prabhakar*  
Director

*[Signature]*  
Director



Place: Hyderabad  
Date: June 19, 2020

**ANDHRA PAPER FOUNDATION****Cash Flow Statement for the year ended March 31, 2020**

(in Rs. )

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>Surplus/(Deficit) for the year</b>	(33,32,718)	20,74,603
Adjustments for:		
Provision for expenses	31,500	31,500
Adjustment for (increase)/decrease in operating assets	6,36,400	(15,65,690)
<b>Net cash used in operating activities</b>	<b>(26,64,818)</b>	<b>5,40,413</b>
Proceeds from issue of equity share capital	-	-
<b>Net cash flow from financing activities</b>	<b>-</b>	<b>-</b>
Net increase/(decrease) in cash and cash equivalents	(26,64,818)	5,40,413
Cash and cash equivalents at the beginning of the year	35,83,489	30,43,076
<b>Cash and cash equivalents at the end of the year</b>	<b>9,18,671</b>	<b>35,83,489</b>

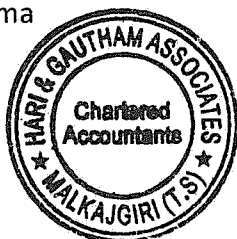
See accompanying notes forming part of the financial statements

In terms of our report attached

**For Hari & Gautham Associates**  
Chartered Accountants

*H. Jagannadha Sarma*

Hari Jagannadha Sarma  
Partner



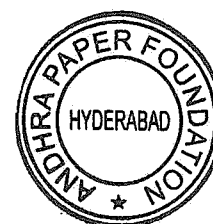
Place: Hyderabad  
Date: June 19, 2020

**For Andhra Paper Foundation**  
(Formerly known as IP India Foundation)

*C. Prabhakar*  
Director

*[Signature]*  
Director

Place: Hyderabad  
Date: June 19, 2020





**ANDHRA PAPER FOUNDATION**  
**(Subsidiary of Andhra Paper Limited)**  
**Notes on accounts**  
**(All amounts in Rs.)**

**01. Company overview**

Andhra Paper Foundation (Formerly known as IP India Foundation) (“the Foundation”) was incorporated in India 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 Andhra Paper Limited (Formerly known as International Paper APPM Limited) (“the Holding Company”) and managed by Board of Directors nominated by the Holding Company.

The primary focus of the Foundation is to promote education, health and wellness and community engagement around manufacturing facilities and farm forestry areas of holding company.

**02. Significant accounting policies**

**2.1 Basis of preparation**

The financials statement of the Foundation 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 during the reporting period. 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 Foundation 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 Foundation and the revenue can be reliably measured. In addition, the following criteria must also be met before revenue is recognized:

Voluntary contributions are accounted on the date of receipt. All voluntary contributions received during the year are towards the objectives of the Foundation.

## 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

Since the Foundation is a non-profitable organization, segment reporting is not applicable 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, 2020	For the year ended March 31, 2019
(a) Net surplus /(deficit) after tax (Rs.)	(33,32,718)	2,074,603
(b) Weighted average number of equity shares (Nos.)	50,000	50,000
(c) Basic and diluted earnings per share (a)/(b) (Rs.)	(66.65)	41.49
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 Foundation are as follows.

### **Relationship:**

#### **Holding Company (100%)**

Andhra Paper Limited (Formerly known as International Paper APPM Limited)

#### **Group Company**

International Paper (India) LLP till October 30, 2019 [(Formerly known as International Paper (India) Private Limited)]

## Notes forming part of the financial statements

### 3. Share Capital

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number	Rs.	Number	Rs.
<b>AUTHORISED</b>				
Equity shares of Rs. 10 each	50,000	5,00,000	50,000	5,00,000
<b>ISSUED, SUBSCRIBED &amp; FULLY PAID UP</b>				
Equity shares of 50,000 @ Rs. 10 each (Of the above shares, 49,990 equity shares are held by Holding company namely Andhra Paper Limited and 10 equity shares are held by Mr. Rajesh Bothra, nominee of holding company)	50,000	5,00,000	50,000	5,00,000
<b>TOTAL</b>	<b>50,000</b>	<b>5,00,000</b>	<b>50,000</b>	<b>5,00,000</b>

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

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number	Rs.	Number	Rs.
Shares issued in July 2013 during Incorporation	50,000	5,00,000	50,000	5,00,000
Changes during the year	-	-	-	-
Outstanding as at end of the year	50,000	5,00,000	50,000	5,00,000

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

The Foundation 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 Foundation, If upon the winding up or dissolution of the Foundation 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 Foundation but shall be given or transferred to such other company having objects similar to the object of this Foundation, to be determined by the members of the Foundation 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.)**

<b>Particulars</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>
Surplus (Deficit) in the Statement of Income and Expenditure		
Opening balance	46,15,489	25,40,886
Surplus/(Deficit) for the year	(33,32,718)	20,74,603
<b>TOTAL</b>	<b>12,82,771</b>	<b>46,15,489</b>

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

<b>Particulars</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>
Amount received towards earmarked funds from Mr. T.D Thomas	75,000	75,000
<b>TOTAL</b>	<b>75,000</b>	<b>75,000</b>

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

<b>Particulars</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>
Provision for Expenses (Audit fee for financial year 2019-2020)	31,500	31,500
TDS payable	12,650	-
Provision for expenses	1,69,776	-
<b>TOTAL</b>	<b>2,13,926</b>	<b>31,500</b>

(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 Foundation during the year to the "Suppliers" covered under Micro, Small and Medium Enterprises Development Act, 2006.

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

<b>Particulars</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>
Amount Invested in Fixed Deposit	10,81,019	15,75,000
<b>TOTAL</b>	<b>10,81,019</b>	<b>15,75,000</b>

**8. Cash and bank balances****(in Rs.)**

Particulars	As at March 31, 2020	As at March 31, 2019
Balance with bank:		
- In Savings account	9,18,671	35,83,489
<b>TOTAL</b>	<b>9,18,671</b>	<b>35,83,489</b>

**9. Other current assets****(in Rs.)**

Particulars	As at March 31, 2020	As at March 31, 2019
Interest income receivable	48,181	63,500
TDS receivable	23,826	-
<b>TOTAL</b>	<b>72,007</b>	<b>63,500</b>

**10. Revenue from operations****(in Rs.)**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Voluntary contribution [see note]	9,03,000	42,00,480
Interest income	2,42,812	1,21,429
<b>TOTAL</b>	<b>11,45,812</b>	<b>43,21,909</b>

Note:

Voluntary contributions include grants received from Andhra Paper Limited (Formerly known as International Paper APPM Limited), Holding Company and International Paper (India) LLP [Formerly known as International Paper (India) Private Limited], Group Company till October 30, 2019 and donations received from employees of holding company.

**11. Finance costs****(in Rs.)**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Bank and finance charges	116	20
<b>TOTAL</b>	<b>116</b>	<b>20</b>

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

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
CSR activities expenses	42,67,044	21,57,111
Professional fees	1,72,870	40,486
Rates and taxes	7,000	18,189
Audit fee	31,500	31,500
<b>TOTAL</b>	<b>44,78,414</b>	<b>22,47,286</b>

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

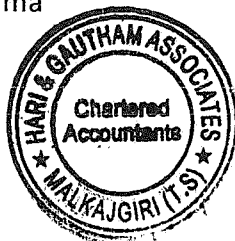
In terms of our report attached

**For Hari & Gautham Associates**  
Chartered Accountants

*H. Jagannadha Sarma*

Hari Jagannadha Sarma  
Partner

Place: Hyderabad  
Date: June 19, 2020



**For Andhra Paper Foundation**  
(Formerly known as IP India Foundation)

*C. Prabhakar*  
Director

Place: Hyderabad  
Date: June 19, 2020



*[Signature]*  
Director