

April 25, 2017

- 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 quarter and financial year ended March 31, 2017 which were approved by the Board of Directors at their Meeting held on April 25, 2017.


The meeting of Board of Directors of the Company commenced at 9.30 A.M. and concluded at 2.30 P.M.

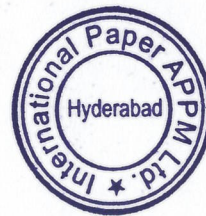
We also enclose the Independent Auditors' Review Report dated April 25, 2017 issued by M/s. Deloitte Haskins & Sells, Auditors of the Company on the Audited Financial Results for the financial year ended March 31, 2017 which was placed before the Board of Directors.

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, 8th 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.

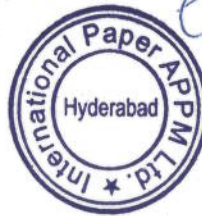
An ISO 9001, ISO 14001 and OHSAS 18001 Certified Company

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2017

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

Sl. No.	Particulars	Quarter ended			Year ended	Year ended
		March 31, 2017	December 31, 2016	March 31, 2016	March 31, 2017	March 31, 2016
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
		Refer Note 5		Refer Note 5		
1	Income from operations					
	(a) Revenue from Sales	34,096.25	34,183.64	30,979.94	123,703.55	118,720.75
	(b) Other operating income	843.85	573.49	692.18	2,994.69	2,904.32
	Total income from operations	34,940.10	34,757.13	31,672.12	126,698.24	121,625.07
2	Expenses					
	(a) Cost of materials consumed	13,006.77	14,588.25	12,436.83	48,990.97	50,794.30
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(201.73)	(526.14)	1,189.74	2,394.14	855.83
	(c) Excise duty	1,630.46	1,677.20	1,449.44	5,858.14	5,644.12
	(d) Process chemicals, stores and spares consumed	3,962.16	4,029.21	3,738.61	15,168.20	15,634.27
	(e) Power, fuel and water expense	2,177.88	2,260.26	2,033.64	8,646.21	7,944.12
	(f) Employee benefits expense	4,178.38	3,412.36	3,502.57	14,080.09	12,924.53
	(g) Depreciation and amortisation expense	1,674.04	1,609.43	2,540.11	6,822.79	7,317.62
	(h) Other expenses	3,877.32	3,802.10	3,527.91	14,983.03	14,760.50
	Total expenses	30,305.28	30,852.67	30,418.85	116,943.57	115,875.29
3	Profit from operations before other income, finance costs and exceptional items (1-2)	4,634.82	3,904.46	1,253.27	9,754.67	5,749.78
4	Other income	142.35	80.62	26.07	580.16	645.62
5	Profit from ordinary activities before finance costs and exceptional items (3+4)	4,777.17	3,985.08	1,279.34	10,334.83	6,395.40
6	Finance costs	738.98	786.19	1,007.52	3,259.86	4,029.58
7	Profit from ordinary activities after finance costs but before exceptional items & tax expense (5-6)	4,038.19	3,198.89	271.82	7,074.97	2,365.82
8	Exceptional items (Refer Note 3)	(1,414.46)	-	2,902.15	(2,818.59)	3,270.65
9	Profit from ordinary activities before tax (7+8)	2,623.73	3,198.89	3,173.97	4,256.38	5,636.47
10	Tax expense	1,092.17	1,030.31	1,135.13	1,125.81	1,947.16
11	Net Profit for the period (9-10)	1,531.56	2,168.58	2,038.84	3,130.57	3,689.31
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	-	-	-	44,247.96	41,117.39
14	Earnings per share (Basic & Diluted) of ₹10 each (Not Annualised)	3.85	5.45	5.13	7.87*	9.28*
	See accompanying notes to the financial results					

* Annualised



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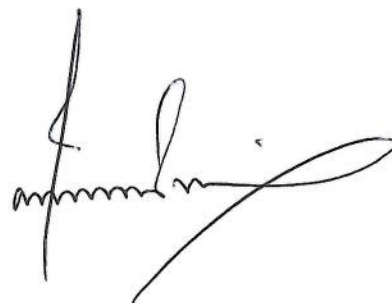
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STATEMENT OF ASSETS AND LIABILITIES

(In Indian rupees lakhs)

	Particulars	As at March 31, 2017 (Audited)	As at March 31, 2016 (Audited)
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	(a) Share capital	3,977.00	3,977.00
	(b) Reserves and surplus	44,247.96	41,117.39
	Sub-total - Shareholders' funds	48,224.96	45,094.39
2	Non-current liabilities		
	(a) Long-term borrowings	14,427.62	30,401.03
	(b) Deferred tax liabilities (Net)	13,214.51	12,088.70
	(c) Long-term provisions	446.38	295.38
	Sub-total - Non-current liabilities	28,088.51	42,785.11
3	Current liabilities		
	(a) Short-term borrowings	9,000.00	14,347.79
	(b) Trade payables	13,957.22	15,505.50
	(c) Other current liabilities	17,464.33	7,956.14
	(d) Short-term provisions	3,448.09	1,090.66
	Sub-total - Current liabilities	43,869.64	38,900.09
	TOTAL - EQUITY AND LIABILITIES	120,183.11	126,779.59
B	ASSETS		
1	Non-current assets		
	(a) Fixed assets		
	Tangible assets	78,374.46	81,364.65
	Intangible assets	554.02	682.83
	Capital work-in-progress	251.08	1,713.57
	(b) Non-current investments	1,543.37	1,543.37
	(c) Long-term loans and advances	10,179.52	7,292.76
	(d) Other non-current assets	20.42	40.78
	Sub-total - Non-current assets	90,922.87	92,637.96
2	Current Assets		
	(a) Inventories	18,384.10	21,370.87
	(b) Trade receivables	6,750.83	7,068.84
	(c) Cash and cash equivalents	707.29	1,014.32
	(d) Short-term loans and advances	2,550.87	4,470.78
	(e) Other current assets	867.15	216.82
	Sub-total - Current assets	29,260.24	34,141.63
	TOTAL - ASSETS	120,183.11	126,779.59

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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 24, 2017 and April 25, 2017, respectively.
- 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 **Exceptional items:**
 - (a) (i) The Hon'ble High Court for the State of Telangana and the State of Andhra Pradesh dismissed the Company's writ petition (along with the other petitions on the same matter filed by other companies) vide its common order dated 19th May 2016 ('the Order') in which it upheld the validity of levy of electricity duty @ 25 paise per unit by the State Government on consumption of electricity by captive generating units relating to earlier years. During the year, the Company (along with other petitioners) filed a Special Leave Petition in the Hon'ble Supreme Court, which has listed the case for further hearing in end April 2017. In the interim, the Hon'ble Supreme Court directed the petitioners to pay partial amount without prejudice to the rights and contentions of the petitioners, pursuant to which the Company has paid ₹ 1,502.05 lakhs under protest which has been disclosed under Long-term loans and advances.
In view of the inherent uncertainty in predicting the final outcome of the above litigation, the Management has, on grounds of prudence and abundant caution, made a provision amounting to ₹ 2,357.43 lakhs during the year (₹ 1,414.46 lakhs during the quarter ended March 31, 2017) towards the potential liability in the event of an unfavourable verdict in this matter, which amount has been disclosed as an Exceptional item. Additionally, an amount of ₹ 1,571.62 lakhs has been disclosed as Contingent liability. On the basis of the legal advice obtained, in the opinion of the Management no further provision would be required in relation to this disputed matter.
 - (ii) Based on the favourable orders of the Hon'ble High Court of Andhra Pradesh, a major portion of refund of excise duty on credit notes for discounts/rebates were sanctioned to the Company. On appeal made by the Department of Central Excise and Customs, the Hon'ble Supreme Court vide its order dated 29th August 2016 ruled in favour of the Department. Consequently, the Company created a provision of ₹ 461.16 lakhs during the year, which has been disclosed as an Exceptional item. The Company has filed a review petition in the Hon'ble Supreme Court for waiver of interest.
- (b) During the year ended March 31, 2016:
 - (i) Effective April 01, 2015, the Company with retrospective effect changed its method of providing depreciation on certain assets from the 'Written Down Value' method to the 'Straight Line' method. Accordingly, the Company reversed the depreciation charged till March 31, 2015 amounting to ₹ 2,361.32 lakhs in the Statement of Profit and Loss.
 - (ii) The Company 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 quarter and year ended March 31, 2016.
 - (iii) A provision amounting to ₹ 202.11 lakhs was created in the earlier years due to an adverse order issued by CESTAT, Bangalore, in connection with the tax position adopted by the Company which was upheld by the Hon'ble Supreme Court on July 21, 2015 and consequently, the aforesaid provision was reversed during the quarter ended September 30, 2015.
 - (iv) 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 was accounted during the quarter ended September 30, 2015.
- 4 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.
- 5 The figures for the quarter ended March 31, 2017 and March 31, 2016 are the balancing figures between the audited figures of the full financial year ended March 31, 2017 and March 31, 2016 and, the published year to date figures upto nine months ended December 31, 2016 and December 31, 2015, respectively.
- 6 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 25, 2017



By order of the Board
For International Paper APPM Limited

Rampraveen Swaminathan
Chairman & Managing Director

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**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, 2017 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related financial statements which are prepared in accordance with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such financial statements.
3. 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

4. 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, 2017.

2

5. Attention is invited to Note 3 (a) (i) of the Statement regarding the ongoing litigation with respect to the levy of electricity duty by the State Government on consumption of electricity by captive generating units and the interim orders of the Hon'ble Supreme Court of India on hearing the Special Leave Petition filed by the Company, in respect of which the Company has on grounds of prudence and abundant caution made a provision amounting to ₹ 2,357.43 lakhs during the year, in view of the inherent uncertainty in predicting the final outcome of the above litigation. Additionally, an amount of ₹ 1,571.62 lakhs has been disclosed as Contingent liability. Based on the legal advice obtained, in the opinion of the Management no further provision would be required in relation to this disputed matter.

Our opinion is not qualified in respect of this matter.

6. The Statement includes the results for the quarter ended March 31, 2017 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.

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



Sumit Trivedi
Partner
(Membership No. 209354)

Hyderabad, April 25, 2017