

August 2, 2018

Department of Corporate Services  
BSE Limited  
14<sup>th</sup> Floor, P.J. Towers,  
Dalal Street,  
MUMBAI :: 400 001

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 (s),

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we send herewith the Unaudited Financial Results for the quarter ended June 30, 2018 which were approved by the Board of Directors at their Meeting held on August 2, 2018.

The Meeting of Board of Directors of the Company commenced at 9.00 A.M. and concluded at 11.45 A.M.

We also enclose the Independent Auditor's Report dated August 2, 2018 issued by M/s. Deloitte Haskins & Sells, Auditors of the Company on the Unaudited Financial Results for the quarter ended June 30, 2018 which was placed before the Board of Directors.

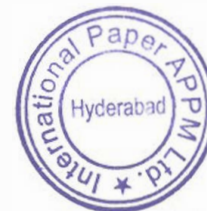
Please acknowledge the receipt.

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 UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2018**

(₹ in lakhs)

Sl. No	Particulars	Quarter ended			Year ended
		June 30, 2018 (Unaudited)	March 31, 2018 (Audited)	June 30, 2017 (Unaudited)	March 31, 2018 (Audited)
			Refer Note 6		
<b>1</b>	<b>Income</b>				
	a) Revenue from operations (Refer Note 4)	33,986.06	33,973.19	32,679.45	1,27,980.22
	b) Other income	121.11	75.24	42.34	529.40
	<b>Total Income</b>	<b>34,107.17</b>	<b>34,048.43</b>	<b>32,721.79</b>	<b>1,28,509.62</b>
<b>2</b>	<b>Expenses</b>				
	a) Cost of materials consumed	11,640.73	12,276.36	12,331.05	48,238.60
	b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(94.81)	133.73	(167.87)	1,650.66
	c) Excise duty (Refer Note 4)	-	-	1,579.65	1,579.65
	d) Employee benefits expense	3,827.35	3,456.78	3,757.80	15,220.17
	e) Finance costs	365.48	624.99	646.16	2,608.99
	f) Depreciation and amortisation expense	1,612.36	1,646.71	1,565.10	6,581.34
	g) Other expenses	9,792.44	10,377.81	9,376.76	39,147.98
	<b>Total Expenses</b>	<b>27,143.55</b>	<b>28,516.38</b>	<b>29,088.65</b>	<b>1,15,027.39</b>
<b>3</b>	<b>Profit before exceptional items and tax (1-2)</b>	<b>6,963.62</b>	<b>5,532.05</b>	<b>3,633.14</b>	<b>13,482.23</b>
<b>4</b>	<b>Exceptional items (net) (Refer Note 5)</b>	-	(836.56)	-	(836.56)
<b>5</b>	<b>Profit before tax (3+4)</b>	<b>6,963.62</b>	<b>4,695.49</b>	<b>3,633.14</b>	<b>12,645.67</b>
<b>6</b>	<b>Tax expense</b>				
	a) Current tax	2,517.58	1,584.29	769.24	3,279.32
	b) Deferred tax	(39.79)	(161.81)	478.57	1,059.64
	<b>Tax expense</b>	<b>2,477.79</b>	<b>1,422.48</b>	<b>1,247.81</b>	<b>4,338.96</b>
<b>7</b>	<b>Net Profit after tax (5-6)</b>	<b>4,485.83</b>	<b>3,273.01</b>	<b>2,385.33</b>	<b>8,306.71</b>
<b>8</b>	<b>Other comprehensive income</b>				
	<i>Items that will not be reclassified to profit or loss:</i>				
	(a) Remeasurements of the defined benefit plans	(19.03)	(4.83)	(23.76)	(76.11)
	(b) Equity instruments through other comprehensive income	-	516.94	15.07	453.36
	(c) Deferred tax relating to the above items	6.59	(117.60)	4.74	(78.26)
	<b>Total other comprehensive income / (loss)</b>	<b>(12.44)</b>	<b>394.51</b>	<b>(3.95)</b>	<b>298.99</b>
<b>9</b>	<b>Total comprehensive income (7+8)</b>	<b>4,473.39</b>	<b>3,667.52</b>	<b>2,381.38</b>	<b>8,605.70</b>
<b>10</b>	<b>Paid-up equity share capital (Face Value ₹ 10/- each)</b>	<b>3,977.00</b>	<b>3,977.00</b>	<b>3,977.00</b>	<b>3,977.00</b>
<b>11</b>	<b>Reserves excluding revaluation reserve</b>	-	-	-	52,423.53
<b>12</b>	<b>Earnings per share (of ₹ 10/- each) (not annualised)</b>				
	- Basic (₹)	11.28	8.23	6.00	20.89 *
	- Diluted (₹)	11.28	8.23	6.00	20.89 *
	See accompanying notes to the financial results				

\* Annualised



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**Notes:**


- 1 The unaudited financial results were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meetings held on August 01, 2018 and August 02, 2018, respectively. The statutory auditors have carried out a limited review of these financial results.
- 2 The Company is engaged in the business of manufacture and sale of pulp, paper and paper boards, which in the context of Indian Accounting Standard (Ind AS) - 108 Operating Segments, is considered as the single operating segment of the Company.
- 3 In the year ended March 31, 2017, the Hon'ble High Court for the State of Telangana and the State of Andhra Pradesh 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. The Company (along with other petitioners) filed a Special Leave Petition in the Hon'ble Supreme Court, which in the interim, directed the petitioners to pay partial amount without prejudice to the rights and contentions of the petitioners, pursuant to which the Company had paid ₹ 1,502.05 lakhs under protest in the previous year. The matter is pending hearing.

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 ended March 31, 2017 towards the potential liability in the event of an unfavourable verdict in this matter. 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.

- 4 The Government of India introduced the Goods and Services tax (GST) with effect from July 01, 2017. Accordingly, in compliance with Indian Accounting Standard (Ind AS), Revenue from operations for the period beginning July 1, 2017 to June 30, 2018 is presented net of GST. Revenue from operations of earlier periods included Excise duty which now is subsumed in GST.
- 5 **Exceptional items:**  
**During the previous quarter / year ended March 31, 2018:**  
The Management on evaluation of the performance and usefulness of all the fixed assets in use, determined to de-commission certain fixed assets which are not required for the continued or future business operations of the Company. Consequently, the net book value of these assets (net of its fair value less costs to sell) has been re-classified in the Balance Sheet as 'Assets classified as held for sale' and ₹ 836.56 lakhs representing the write-down of the net book value was disclosed as an Exceptional Item in the Statement of Profit and Loss.
- 6 The figures for the quarter ended March 31, 2018 are the balancing figures between the audited figures for the full financial year ended March 31, 2018 and the published year to date figures upto third quarter ended December 31, 2017.
- 7 This Statement is as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

Place : Rajahmundry  
Date : August 02, 2018



By order of the Board  
For International Paper APPM Limited  
  
Donald P. Devlin  
Chairman & Managing Director



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## INDEPENDENT AUDITOR'S REVIEW REPORT ON THE REVIEW OF INTERIM FINANCIAL RESULTS

### TO THE BOARD OF DIRECTORS OF INTERNATIONAL PAPER APPM LIMITED

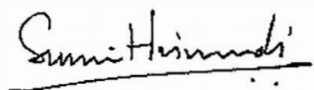
1. We have reviewed the accompanying Statement of Unaudited Financial Results of **INTERNATIONAL PAPER APPM LIMITED** ("the Company") for the Quarter ended June 30, 2018 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34), 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 issue a report on the Statement based on our review.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. Attention is invited to Note 3 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 on grounds of prudence and abundant caution created a provision amounting to ₹ 2,357.43 lakhs during the year ended March 31, 2017, 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 treated 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 report is not modified in respect of this matter

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



Sumit Trivedi  
Partner

vk (Membership No. 209354)