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5<sup>TH</sup> ANNUAL REPORT

OF

IP INDIA FOUNDATION

(A wholly owned subsidiary of International Paper APM Limited)

2017-18

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## **Corporate Information**

**Mr. Donald P. Devlin**

Chairman

**Mr. Mukundan Venugopalan Menon**

Director

**Mr. C. Prabhakar**

Director

**Mr. C. Anish T. Mathew**

Director

### **Registered 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

### **Auditors**

Hari & Gautham Associates  
Chartered Accountants  
Hyderabad  
Phone No. 040-3312 1000  
Fax No. 040-3312 1010

### **Banker**

Axis Bank Limited

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 Fifth Annual General Meeting of the Members of IP India Foundation will be held on **Friday, July 27, 2018 at 11.00 a.m. at the Registered 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** 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, 2018, the reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Mukundan Venugopalan Menon (holding DIN 0671508) who retires at the Annual General Meeting and is eligible offers himself 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 and The Companies (Audit and Auditors) Rules, 2014 (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 sixth Annual General Meeting at such remuneration as shall be fixed by the Board of Directors of the Company."


**SPECIAL BUSINESS:**

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

"RESOLVED THAT Mr. Anish T. Mathew (holding DIN 07995480), who was appointed as an Additional Director of the Company by the Board of Directors with effect from November 27, 2017, in terms of Section 161 (1) of the Companies Act, 2013 and Article 68 of the Articles of Association of the Company and whose term of office expires at the Annual

General Meeting and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company whose period of office shall be liable to determination by retirement of directors by rotation.”

**By Order of the Board  
For IP India Foundation**



**C. Prabhakar  
Director**

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

July 16, 2018

#### **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 need 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.

2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out details relating to Special Business in respect of Item No. 4 is annexed hereto.

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

##### **Item No. 4**

The Board of Directors of the Company appointed Mr. Anish T. Mathew as an Additional Director with effect from November 27, 2017 and he holds office upto this Annual General Meeting pursuant to Section 161(1) of the Companies Act, 2013 and Article 68 of the Articles of Association of the Company.

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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. Anish T. Mathew for appointment as a Director of the Foundation.

The Board commends the Resolution as set out at Item No. 4 of the Notice for approval by the Members.

None of the Directors, except Mr. Anish T. Mathew, is concerned or interested in the said Resolution.

**By Order of the Board  
For IP India Foundation**



**C. Prabhakar  
Director**

Regd. 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  
Telangana, India

July 16, 2018

## BOARD'S REPORT

Your Directors have pleasure in presenting the Fifth Annual Report of the Foundation together with Audited Accounts for the financial year ended March 31, 2018.

### 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 and is managed by Board of Directors nominated by the Holding Company.

The focus areas of the Foundation namely Education, Health and Wellness 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

Particulars	(Rs. in lakhs)	
	2017-18	2016-17
Total Income	32.46	36.57
Less: Total Expenditure	33.06	12.72
Surplus/(Deficit) before Tax	(0.60)	23.85
Tax Expenses	-	-
Surplus/(Deficit) for the year	(0.60)	23.85

### CSR Activities

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

1. Supported through employee donations continuation of Engineering Degree in respect of Mr. Sai Pavan amounting to Rs.80,500/-;
2. Provided Computers, Tables and Chairs of 40 Nos. each to District Training Center, Police Department, Rajahmundry amounting to Rs.12.20 lakhs;
3. Supported through employee donations 40 students of APPM Model High School, Rajahmundry by paying their school fee amounting to Rs.3.13 lakhs through Project Saathi;
4. Organised teachers' training to 65 Government School teachers from Rajahmundry and Kadiam Mandals.

The Foundation extended support in the implementation of following CSR activities of International Paper APPM Limited and International Paper (India) Private Limited:

- a. Spoken English Classes to students of 5 Municipal Schools & APPM Model High School in Rajahmundry, amounting to Rs.5.5 lakhs;
- b. Distributed IP Scholarship of Rs. 7,500/- each to 117 students amounting to Rs. 8,77,500/- to needy and meritorious students who have completed Class X and needed support to continue their education;
- c. Distributed 252 pairs of Shoes to school children with the donations;
- d. Provided donation of Rs.2 lakhs to Aditya Mehta Foundation for purchase of a Wheelchair who were engaged in encouraging physical challenged sports persons and providing prosthetic limbs;
- e. Installation of Safe Drinking Water;
- f. Providing Laundry Washing Machine in Govt. Hospital, Rajahmundry and Cool Water Plant in Govt. Hospital premises at Kotipalli RTC Bus Stand, Rajahmundry;
- g. Construction of Compound Wall, Toilets in Government Schools, painting of school building, providing Steam based Kitchen in Girijana Vikas Kendram School and infrastructure support to Government Schools and support to Old Age Home in Rajahmundry.

### **Directors**

The Directors of the Foundation as on March 31, 2018 are Mr. Donald P. Devlin, Mr. Mukundan Venugopalan Menon, Mr. Prabhakar Cherukumudi and Mr. Anish T. Mathew.

During the year under review, Mr. Badrinath Chellappa resigned as Director with effect from the close of business hours of July 25, 2017 and the Board placed on record its appreciation for his contribution.

The Board of Directors at the Meeting held on November 27, 2017 appointed Mr. Anish T. Mathew as Additional Director with effect from November 27, 2017. He will hold office up to the date of ensuing Annual General Meeting. The Foundation had received requisite notice under section 160 of Companies Act, 2013 proposing his candidature.

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Foundation, Mr. Mukundan Venugopalan Menon 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, 2018, 2 Board meetings were held on April 26, 2017 and November 27, 2017 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**

The Members at the Annual General Meeting held on August 13, 2014 appointed Messrs Hari & Goutham, Chartered Accountants, as Auditors of the Foundation 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.

M/s. Hari & Goutham, retiring auditors has confirmed that their reappointment would in conformity with the provisions of Section 139 of the Companies Act, 2013.

There was no qualification, reservation or adverse remarks made by the Auditors in their report. The provisions relating to submission of Secretarial Audit Report in 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 your Foundation, elements of risks that threaten the existence of your 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 Foundation operations in future.

### **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 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 and hence, not given.

### **Particulars of Employees**

There are no employees on the rolls of the Foundation 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, 2018 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, 2018, 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, 2018 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, 2018 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 Foundation 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, International Paper (India) Private Limited and the employees of these companies.

For and on behalf of the Board



**Donald P. Devlin**  
Chairman

Hyderabad  
Date: April 30, 2018

## Annexure to the Director's Report

## EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2018

[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	<b>Category</b> : Section 8 Company <b>Sub Category:</b> Subsidiary of International Paper APPM 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, India Phone No. 040-3312 1000 Fax No. 040-3312 1010 Email : <a href="mailto:prabhakar.cherukumudi@ipaper.com">prabhakar.cherukumudi@ipaper.com</a> 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 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	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 (1.4.2017)				No. of Shares held at the end of the year (31.3.2018)				% 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 (1.4.2017)			Shareholding at the end of the year (31.3.2018)			% 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	49,990	99.98	0.00	49,990	99.98	0.00	0.00
Donald P. Devlin (nominee of International Paper APPM Limited)	10	0.02	0.00	10	0.02	0.00	0.00
<b>Total</b>	<b>50,000</b>	<b>100.00</b>	<b>0.00</b>	<b>50,000</b>	<b>100.00</b>	<b>0.00</b>	<b>0.00</b>

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

There were no changes in the Promoters shareholding during the financial year 2017-18

**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, 2018 except of 10 shares held by Mr. Donald P. Devlin, Director as nominee of International Paper APPM 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 2017-18.

**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.

**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, 2018, 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, 2018;
- 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, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 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 30, 2018

**IP INDIA FOUNDATION**

**Balance Sheet as at March 31, 2018**

(in Rs.)

Particulars	Note	As at March 31, 2018	As at March 31, 2017
<b>EQUITY &amp; LIABILITIES</b>			
Share capital	3	5,00,000	5,00,000
Reserves and surplus	4	25,40,886	26,01,661
<b>Earmarked Funds</b>			
Other Earmarked Fund	5	75,000	75,000
<b>Current Liabilities</b>			
Trade Payables	6	31,500	29,625
<b>Total</b>		<b>31,47,386</b>	<b>32,06,286</b>
<b>ASSETS</b>			
<b>Current Assets</b>		-	-
Investments	7	75,000	75,000
Bank Balance	8	30,43,076	30,93,170
Other Current Assets	9	29,310	38,116
<b>Total</b>		<b>31,47,386</b>	<b>32,06,286</b>

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



Hari Jagannadha Sarma  
Partner

Donald P. Devlin  
Chairman

C. Prabhakar  
Director

Place: Hyderabad  
Date: April 30, 2018

Place: Hyderabad  
Date: April 30, 2018

**IP INDIA FOUNDATION****Statement of Income and Expenditure for the year ended March 31, 2018**

(in Rs. )

Particulars	Note	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Income</b>			
Revenue from operations	10	32,45,635	36,57,334
<b>Total Income</b>		<b>32,45,635</b>	<b>36,57,334</b>
<b>Expenditure</b>			
Finance costs	11	23	18
Other expenses	12	33,06,387	12,72,148
<b>Total Expenditure</b>		<b>33,06,410</b>	<b>12,72,166</b>
<b>Surplus/(Deficit) before tax from operations</b>		<b>(60,775)</b>	<b>23,85,168</b>
<b>Tax Expense</b>			
Current tax		-	-
<b>Surplus / (Deficit) for the year [(III)- (IV)]</b>		<b>(60,775)</b>	<b>23,85,168</b>
<b>Earnings per share (Nominal Value of Rs. 10 Per share)</b>			
<b>Basic and diluted (Rs.)</b>		<b>(1.22)</b>	<b>47.70</b>

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

In terms of our report attached

For IP India Foundation

For Hari & Gautham Associates  
Chartered Accountants



Hari Jagannadha Sarma  
Partner



Donald P. Devlin  
Chairman

C. Prabhakar  
Director

Place: Hyderabad  
Date: April 30, 2018

Place: Hyderabad  
Date: April 30, 2018

**IP INDIA FOUNDATION**

**Cash Flow Statement for the year ended March 31, 2018**

(in Rs. )

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Surplus/(Deficit) for the year</b>	(60,775)	23,85,168
Adjustments for:		
Provision for expenses	32,625	29,625
Adjustment for (increase)/decrease in operating assets	(21,944)	(20,055)
<b>Net cash used in operating activities</b>	<b>(50,094)</b>	<b>23,94,738</b>
Proceeds from issue of equity share capital		
<b>Net cash flow from financing activities</b>	-	-
Net increase/(decrease) in cash and cash equivalents	(50,094)	23,94,738
Cash and cash equivalents at the beginning of the year	30,93,170	6,98,432
<b>Cash and cash equivalents at the end of the year</b>	<b>30,43,076</b>	<b>30,93,170</b>

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

*H. Jagannadha Sarma*

Hari Jagannadha Sarma  
Partner

*Donald P. Devlin C. Prabhakar*

Donald P. Devlin  
Chairman

C. Prabhakar  
Director

Place: Hyderabad  
Date: April 30, 2018

Place: Hyderabad  
Date: April 30, 2018

## **IP INDIA FOUNDATION**

**(Subsidiary of International Paper APPM Limited)**

### **Notes on accounts**

**(All amounts in Rs. except share data and unless otherwise stated)**

#### ***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 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 Company are identified and reported.

**IP INDIA FOUNDATION**

**(Subsidiary of International Paper APPM Limited)**

**Notes on accounts**

**(All amounts in Rs. except share data and unless otherwise stated)**

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.

**IP INDIA FOUNDATION**

**(Subsidiary of International Paper APPM Limited)**

**Notes on accounts**

**(All amounts in Rs. except share data and unless otherwise stated)**

2.9 Earnings per share

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Net surplus /(deficit) after tax (Rs.)	(60,775)	23,85,168
(b) Weighted average number of equity shares (Nos.)	50,000	50,000
(c) Basic and diluted earnings per share (a)/(b) (Rs.)	(1.22)	47.70
(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, 2018		As at March 31, 2017	
	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 share 49,990 equity shares held by Holding company namely International Paper APPM Limited and 10 equity shares held by Mr. Donald P. Devlin, 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, 2018		As at March 31, 2017	
	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 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.)**

<b>Particulars</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>
Surplus (Deficit) in the Statement of Income and Expenditure		
Opening balance	26,01,661	2,16,493
Surplus/(Deficit) for the year	(60,775)	23,85,168
<b>TOTAL</b>	<b>25,40,886</b>	<b>26,01,661</b>

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

<b>Particulars</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</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, 2018</b>	<b>As at March 31, 2017</b>
Provision for Expenses (Audit fee for financial year 2017-18)	31,500	29,625
<b>TOTAL</b>	<b>31,500</b>	<b>29,625</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 Company 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, 2018</b>	<b>As at March 31, 2017</b>
Amount Invested in Fixed Deposit	75,000	75,000
<b>TOTAL</b>	<b>75,000</b>	<b>75,000</b>

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

<b>Particulars</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>
Balance with bank:		
- In Savings account	30,43,076	30,93,170
<b>TOTAL</b>	<b>30,43,076</b>	<b>30,93,170</b>

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

Particulars	As at March 31, 2018	As at March 31, 2017
Preliminary and formation expenses	-	17,736
Interest income receivable	29,310	20,380
<b>TOTAL</b>	<b>29,310</b>	<b>38,116</b>

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

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Voluntary contribution [see note]	31,33,690	35,96,353
Interest income	1,11,945	60,981
<b>TOTAL</b>	<b>32,45,635</b>	<b>36,57,334</b>

Note:

Voluntary contributions include grants received from International Paper APPM Limited, Holding Company and International Paper (India) Private Limited, Group Company and donations received from employees of IP.

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

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Bank and finance charges	23	18
<b>TOTAL</b>	<b>23</b>	<b>18</b>

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

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
CSR activities expenses	30,87,890	12,08,237
Professional fees	1,74,432	26,186
Rates and taxes	9,088	5,748
Advertisement expenses	2,352	2,352
Audit fee	32,625	29,625
<b>TOTAL</b>	<b>33,06,387</b>	<b>12,72,148</b>

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

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In terms of our report attached

For IP India Foundation

For Hari & Gautham Associates  
Chartered Accountants



Hari Jagannadha Sarma  
Partner



Donald P. Devlin  
Chairman



C. Prabhakar  
Director

Place: Hyderabad  
Date: April 30, 2018

Place: Hyderabad  
Date: April 30, 2018

## Proxy form

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



### IP INDIA FOUNDATION

Regd. 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  
Website: ipindiafoundation.com

### Fifth Annual General Meeting – July 27, 2018

Name of the Member(s)	<input type="text"/>
Registered address	<input type="text"/> <input type="text"/> <input type="text"/>
Email	<input type="text"/>
Folio No. / Client ID	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
DP ID	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>

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 fifth Annual General Meeting of the Company to be held on **Friday, July 27, 2018 at 11.00 a.m.** at **Registered Office - Krishi 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** and at any adjourned meeting thereof in respect of the Resolutions as are indicated overleaf:

Resolution number	Resolution	Vote		
		For	Against	Abstain
<b>Ordinary business</b>				
1	Adoption of audited financial statements of the Company for the financial year ended March 31, 2018 and the Reports of Board of Directors and Auditors thereon			
2	Appointment of a Director in place of Mr. Mukundan Venugopalan Menon (DIN : 0671508) who retires by rotation and being eligible offers himself for reappointment			
3	Appointment of M/s. Hari & Gautham Associates as Auditors of the Company			
<b>Special Business</b>				
4	Appointment of Mr. Anish T. Mathew (holding DIN 07995480) as a Director and Chairman			

Signed .....day of ..... 2018

.....  
Signature of the Member

.....  
Signature of the proxy holder(s)

Affix revenue stamp
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**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.

