

INTERNATIONAL PAPER APPM LIMITED

(CIN: L21010AP1964PLC001008)

(Formerly known as The Andhra Pradesh Paper Mills Limited)

Registered Office: Rajahmundry - 533 105, East Godavari District, Andhra Pradesh, India

Notice of Annual General Meeting

NOTICE is hereby given that the 50th Annual General Meeting of the Members of International Paper APPM Limited will be held **on Wednesday, August 27, 2014 at 11.30 a.m. at Cherukuri Subbarao Gannemma Udyana Kalyanavedika, Jawaharlal Nehru Road, Rajahmundry - 533 103, East Godavari District, Andhra Pradesh, India** to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt financial statements of the Company for the financial year ended March 31, 2014 including the Audited Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss for the year ended as on that date and the Reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Thomas G. Kadien (holding DIN 03632772) who retires by rotation and is eligible for re-appointment.

3. Appointment of Auditors

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 Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under and pursuant to the recommendation of the Audit Committee of the Board of Directors, Messrs Deloitte Haskins & Sells (Firm Registration No.008072S), Chartered Accountants, Hyderabad, be and are hereby re-appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting to the conclusion of the fifth consecutive Annual General Meeting (subject to ratification of the appointment by the Members at every Annual General Meeting held after this Annual General Meeting) and that the Board of Directors be and are hereby authorized to fix such remuneration as may be determined by the Audit Committee in consultation with the auditors, and that such remuneration may be paid on a progressive billing basis to be agreed upon between the Auditors and Board of Directors of the Company."

SPECIAL BUSINESS

4. Appointment of Mr. M.S. Ramachandran as an Independent Director of the Company

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 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. M.S. Ramachandran (holding DIN 00943629), Director of the Company who retires by rotation 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 an Independent Director of the Company to hold office for five consecutive years for a term up to March 31, 2019."

5. Appointment of Ms. Ranjana Kumar as an Independent Director of the Company

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 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Ms. Ranjana Kumar (holding DIN 02930881), Director of the Company who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a Member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to March 31, 2019."

6. Appointment of Mr. Praveen P. Kadle as an Independent Director of the Company

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 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Praveen P. Kadle (holding DIN 00016814), Director of the Company whose period of office is liable to determination by retirement of directors by rotation 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 an Independent Director of the Company to hold office for five consecutive years for a term up to March 31, 2019."

7. Appointment of Mr. M.K. Sharma as an Independent Director of the Company

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 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. M.K. Sharma (holding DIN 00327684), Director of the Company whose period of office is liable to determination by retirement of directors by rotation 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 an Independent Director of the Company to hold office for five consecutive years for a term up to March 31, 2019."

8. **Appointment of Mr. Adhiraj Sarin as an Independent Director of the Company**

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 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Adhiraj Sarin (holding DIN 00140989), Director of the Company whose period of office is liable to determination by retirement of directors by rotation 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 an Independent Director of the Company to hold office for five consecutive years for a term up to March 31, 2019."

9. **Appointment of Mr. Milind Sarwate as an Independent Director of the Company**

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 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Millind Sarwate (holding DIN 00109854), Director of the Company whose period of office is liable to determination by retirement of directors by rotation 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 an Independent Director of the Company to hold office for five consecutive years for a term up to March 31, 2019."

10. **Appointment of Ms. Shiela Pallerne Vinczeller as a Director of the Company**

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

"RESOLVED THAT Ms. Shiela Pallerne Vinczeller (holding DIN 06833616), who was appointed as an Additional Director of the Company by the Board of Directors with effect from March 31, 2014 in terms of Section 260 of the Companies Act, 1956 [corresponding to Section 161(1) of the Companies Act, 2013] and Article 129 of the Articles of Association of the Company and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing from a Member proposing her 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."

11. **Borrowing of moneys in excess of the aggregate of the paid up share capital and free reserves**

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution**:

"RESOLVED THAT in supersession of the Ordinary Resolution adopted at the 42nd Annual General Meeting held on September 30, 2006 and pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors (hereinafter called the Board) which term shall be deemed to include any Committee thereof which the Board might have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution and with power to delegate such authority to any person or persons, to borrow moneys in excess of the aggregate of the paid up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained/to be obtained from the Company's bankers in the ordinary course of business, shall not be in excess of ₹1,000 crore (Rupees one thousand crore only) over and above the aggregate of the paid up share capital and free reserves of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

12. **Creation of mortgage and/or charge and/or hypothecation on movable and/or immovable properties of the Company**

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a **Special Resolution**:

"RESOLVED THAT in supersession of the Ordinary Resolution adopted at the 42nd Annual General Meeting held on September 30, 2006 and pursuant to Section 180(1)(a) and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors (hereinafter called the Board) which term shall be deemed to include any Committee thereof which the Board might have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution and with power to delegate such authority to any person or persons, to create mortgage and/or charge and/or hypothecation (in addition to existing mortgages, charges and hypothecations) on any of its movable and/or immovable properties of the Company wherever situated both present and future on such terms and conditions at such time(s) and in such form and manner and with such ranking as the Board in its absolute discretion thinks fit in favour of any financial institution(s), bank(s) or body(ies) corporate in India or abroad to secure

rupee term loans, foreign currency loans, external commercial borrowings, bonds, debentures, commercial paper or other instruments for an amount not exceeding ₹1,000 crore (Rupees one thousand crore only) together with interest, cost, charges and expenses thereon.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

13. Remuneration of Cost Auditors

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

"RESOLVED THAT pursuant to Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) the remuneration of ₹5.85 lakhs (excluding Service Tax) plus reimbursement of travelling and out of pocket expenses as approved by the Board of

Directors of the Company to be paid to Messrs Narasimha Murthy & Co., Cost Accountants, Hyderabad, Cost Auditors to conduct the audit of the cost records of the Company, for the financial year ending March 31, 2015 be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

**By Order of the Board
For International Paper APPM Limited**



C. Prabhakar

Sr. Vice President (Corporate Affairs) &
Company Secretary

Registered Office:
Rajahmundry - 533 105
East Godavari District,
Andhra Pradesh
June 25, 2014

Notes

1. The Register of Members and the Share Transfer books of the Company will remain closed from August 13, 2014 to August 27, 2014 (both days inclusive).
2. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out details relating to Special Business in respect of Items 4 to 13 is annexed hereto.
3. **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 not be a Member of the Company.**
A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights.
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. Proxies submitted on behalf of the companies, societies etc. must be supported by an appropriate resolution/authority, as applicable.
4. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the Members at the 50th Annual General Meeting.
5. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the 50th Annual General Meeting.
6. Trading in equity shares of the Company through stock exchanges is permitted only in dematerialized form. Members can dematerialize their equity shares in the Company through their Depository Participant(s). The ISIN

in respect of equity shares is INE435A01028.

7. Members holding shares in physical form are requested to notify any change in their address immediately to the Registrar and Transfer Agents, Karvy Computershare Private Limited, Plot No. 17 to 24, Vittal Rao Nagar, Madhapur, Hyderabad - 500 081 and those Members holding shares in electronic form should inform change in their address to their Depository Participant(s).
8. Members are requested to bring their copies of Annual Report to the Meeting.
9. As per the provisions of Section 72(3) the Companies Act, 2013 facility for making nomination is available to the investors in respect of the shares held by them in physical form. The investor holding shares in physical form can download the nomination form SH - 13 as prescribed in Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014 from the Company's **website: www.ipappm.com**. In respect of shares held in electronic form, the nomination should be recorded with the respective Depository Participants. The Company would not accept any nomination in respect of the shares held in electronic form.
10. ECS Mandate form is also placed on the Company's website. Interested Members holding shares in physical form can download this form from the Company's **website: www.ipappm.com**.
11. The Ministry of Corporate Affairs on May 10, 2012 notified the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 (IEPF Rules), which is applicable to the Company. The objective of the IEPF Rules is to help Members ascertain status of the unclaimed amounts and overcome the problems due to misplacement of intimation thereof by post etc. In terms of the said IEPF Rules, the Company

has uploaded the information in respect of the Unclaimed Dividends in respect of the financial years from 2006, as on the date of the 49th Annual General Meeting held on August 6, 2013, on the website of the IEPF viz. www.iepf.gov.in and under 'Investors' on the website of the Company.

12. Electronic copy of the Annual Report for 2013-14 including notice of 50th Annual General Meeting is being sent to all the Members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any Member has requested for a hard copy of the same. For Members who have not registered their email address, physical copies of the Annual Report for 2013-14 are being sent in the permitted mode.
13. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 50th Annual General Meeting (AGM) by electronic means and the business may

be transacted through E-voting services provided by Karvy Computershare Private Limited.

14. Members may also note that the Annual Report for 2013-14 including Notice of 50th Annual General Meeting is available on the Company's website www.ipappm.com. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Rajahmundry, East Godavari District, Andhra Pradesh for inspection from 9 a.m. to 12 noon on any working day. Even after registering for e-communication, Members are entitled to receive such communication in physical form, upon making a request for the same, by post, free of cost. For any communication, the Members may also send requests to the Company's email ID: Nagendrarao.Mittapalli@ipaper.com.
15. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company from 9 a.m. to 12 noon on any working day, excluding Sunday, till the date of the Annual General Meeting.

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

Item 4

Mr. M.S. Ramachandran was appointed as an Independent Director of the Company in December 2011. He holds a Bachelor's Degree in Mechanical Engineering and has held numerous senior positions in the Indian energy sector. He has extensive corporate and operational experience spanning over 35 years with Indian Oil Corporation Limited, where he started as a Management Trainee in 1969 and eventually left as Chairman of the Board in 2005. During his tenure, Indian Oil grew to become the leading Indian corporate in the Fortune 'Global 500' listing.

Mr. M.S. Ramachandran also served as the Executive Director of the Oil Coordination Committee of India's Ministry of Petroleum and Natural Gas. He has been on the board as Non-Executive Director for a number of companies and has acted in an advisory capacity to organizations including BHP Billiton India, Chevron Business Development, Inc. etc.

He is currently on the Boards of Supreme Petrochem Limited, Ester Industries Limited, ICICI Bank Limited, Gulf Oil Corporation Limited and Gulf Oil Lubricants India Limited. He is a Member of Audit Committee of (a) ICICI Bank Limited (b) Ester Industries Limited and a Member of Nomination/Remuneration Committee of (a) ICICI Bank Limited (b) Gulf Oil Corporation Limited (c) Gulf Oil Lubricants India Limited and (d) Ester Industries Limited and Chairman of Stakeholder Relationship Committee of Gulf Oil Lubricants India Limited.

Mr. M.S. Ramachandran retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. M.S. Ramachandran, being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term

up to March 31, 2019. A Notice under Section 160(1) of the Companies Act, 2013 has been received from a Member proposing Mr. M.S. Ramachandran as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. M.S. Ramachandran fulfills the conditions specified in the Companies Act, 2013 and the Rules made there under for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for his appointment as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the Members at the Registered Office of the Company from 9 a.m. to 12 noon on any working day, excluding Sunday, till the date of the Annual General Meeting.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as Independent Director. Accordingly, the Board commends the Resolution in relation to his appointment as an Independent Director, for the approval by the Members of the Company.

He does not hold any shares in the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives except Mr. M.S. Ramachandran, being appointee, is concerned or interested, financial or otherwise, in the Resolution set out at Item 4. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the stock exchanges.

Item 5

Ms. Ranjana Kumar was appointed as an Independent Director of the Company in December 2011. Ms. Ranjana Kumar, Graduate in Arts, is a prominent Indian banker with

varied experience of over four decades. She retired as a Vigilance Commissioner from the Central Vigilance Commission and has held several significant positions in her career, including that of the Chairperson and Managing Director of Indian Bank, Chairperson of NABARD, Executive Director holding concurrent charge as Chairperson and Managing Director of Canara Bank and CEO of the US operations of Bank of India based in New York. Ms. Ranjana Kumar, under her chairpersonship, was instrumental in turning around Indian Bank from a loss making entity into a successful bank. She has been recipient of various awards, notable being, 'BMA Management Woman Achiever of the Year Award 2008-09', 'Banker of the Year 2002' by Business Standard, and was acclaimed 'India's Turnaround Queen - November 2003' by the Economist, U.K.

Ms. Ranjana Kumar is currently on the Boards of Tata Global Beverages Limited, Coromandel International Limited, GVK Power & Infrastructure Limited, International Asset Reconstruction Company Private Limited, Rainbow Children's Medicare Private Limited and Vyome Biosciences Private Limited. She is a Member of Audit Committee of Tata Global Beverages Limited and International Asset Reconstruction Company Private Limited.

Ms. Ranjana Kumar retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Ms. Ranjana Kumar, being eligible and offering herself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term up to March 31, 2019. A Notice under Section 160(1) of the Companies Act, 2013 has been received from a Member proposing Ms. Ranjana Kumar as a candidate for the office of Director of the Company.

In the opinion of the Board, Ms. Ranjana Kumar fulfills the conditions specified in the Companies Act, 2013 and the Rules made there under for her appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for her appointment as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the Members at the Registered Office of the Company from 9 a.m. to 12 noon on any working day, excluding Sunday, till the date of the Annual General Meeting.

The Board considers that her continued association would be of immense benefit to the Company and it is desirable to continue to avail her services as Independent Director. Accordingly, the Board commends the Resolution in relation to her appointment as an Independent Director, for the approval by the Members of the Company.

She does not hold any shares in the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives except Ms. Ranjana Kumar, being appointee, is concerned or interested, financial or otherwise, in the Resolution set out at Item 5. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the stock exchanges.

Item 6

Mr. Praveen P. Kadle was appointed as an Independent Director of the Company in January 2012. He is an Honors Graduate in commerce & accountancy. He is a Member of the Institute of Chartered Accountants of India, the Institute of Company Secretaries of India and the Institute of Cost and Works Accountants of India.

Mr. Praveen P. Kadle is also the founding Managing Director & CEO of Tata Capital Limited and also Managing Director & CEO of Tata Capital Financial Services Limited, and has been with the Tata Group for over 18 years. He joined the Tata Group as Chief Financial Officer of Group's joint venture with IBM in India where he served for 5 years. Thereafter, he joined Tata Motors Limited as Vice President (Finance) and in the year 2001 was promoted to the Board of Tata Motors Limited as Executive Director - Finance and Corporate Affairs.

Mr. Praveen P. Kadle played a major role in the turnaround and growth of Tata Motors where he was also instrumental in setting up and guiding the operations of Tata Technologies and TELCON (a Tata Motors - Hitachi JV). During his tenure at Tata Motors, Mr. Praveen P. Kadle was part of the senior leadership team that managed several cross-border acquisitions. Prior to joining the Tatas, Mr. Praveen P. Kadle was the CEO and Member of the board of Garware-Wall Ropes Limited. Mr. Praveen P. Kadle is a Board Member on various Tata and non-Tata companies.

He is a Member of Audit Committee of (a) TC Travel and Services Limited (b) Tata Capital Forex Limited (c) Tata Cleantech Capital Limited (d) Tata Autocomp Systems Limited and (e) Tata Technologies Limited (Chairman) and a Member of Shareholders/Investors Grievance Committee of Tata Capital Limited and Tata Capital Financial Services Limited. He is also a Member of Nomination/Remuneration Committee of Tata Cleantech Capital Limited and Tata Capital Forex Limited (Chairman).

Mr. Praveen P. Kadle is a Director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Praveen P. Kadle, being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term up to March 31, 2019. A Notice under Section 160(1) of the Companies Act, 2013 has been received from a Member proposing Mr. Praveen P. Kadle as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Praveen P. Kadle fulfills the conditions specified in the Companies Act, 2013 and the Rules made there under for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for his appointment as an Independent Director would be available for inspection without any fee by the Members at the Registered Office of the Company from 9 a.m. to 12 noon on any working day, excluding Sunday, till the date of the Annual General Meeting.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as Independent Director. Accordingly, the Board commends the Resolution in relation to his appointment as an Independent Director, for the approval by the Members of the Company.

He does not hold any shares in the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives except Mr. Praveen P. Kadle, being appointee, is concerned or interested, financial or otherwise, in the Resolution set out at Item 6. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the stock exchanges.

Item 7

Mr. M.K. Sharma was appointed as an Independent Director of the Company in December 2011. He holds Bachelor Degrees in Arts and Law besides P.G. Diplomas in Personal Management and Labour Laws.

Mr. M.K. Sharma currently practices as a corporate consultant and his areas of specialization include regulatory, corporate & securities laws, mergers, amalgamations and disposals, joint ventures, intellectual property law, advertising law, anti-trust law, employment law and indirect taxation. After a six-year stint in DCM Limited, he joined Hindustan Lever Limited (HLL) in 1974 as Legal Manager. During his tenure at HLL, Mr. M.K. Sharma worked on Corporate Restructuring of Unilever Group in India, which culminated in creation of One Unilever Corporate structure. He retired as the Vice Chairman of Hindustan Unilever Limited in May, 2007 and he was also a Member of Managing Committee/National Committee of ASSOCHAM, FICCI, CII and Bombay Chamber of Commerce & Industry.

Mr. M.K. Sharma is currently on the Boards of ICICI Lombard General Insurance Company Limited, Wipro Limited, Asian Paints Limited, Blue Star Limited, Ikya Human Capital Solutions Limited, East India Investment Company Private Limited, ICICI Prudential Asset Management Company Limited, Gwalior Webbing Company Private Limited, Anglo Scottish Education Society Limited, Indian School of Business, Hyderabad (Member), Thomas Cook (India) Limited (Chairman), India Infradebt Limited (Chairman), Cathedral Welfare Trust (Trustee) and the Sanmar Group (Member-Advisory Board). He is also a Member of Audit Committee of (a) Thomas Cook (India) Limited (b) Wipro Limited (c) Asian Paints Limited and (d) Blue Star Limited and a Member of Shareholders'/Investors' Grievance Committee of Thomas Cook (India) Limited and a Member of Remuneration Committee of (a) Thomas Cook (India) Limited and (b) ICICI Lombard General Insurance Company Limited (Chairman).

Mr. M.K. Sharma is a Director, whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956 and in terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. M.K. Sharma, being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for

five consecutive years for a term up to March 31, 2019. A Notice under Section 160(1) of the Companies Act, 2013 has been received from a Member proposing Mr. M.K. Sharma as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. M.K. Sharma fulfills the conditions specified in the Companies Act, 2013 and the Rules made there under for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for his appointment as an Independent Director would be available for inspection without any fee by the Members at the Registered Office of the Company from 9 a.m. to 12 noon on any working day, excluding Sunday, till the date of the Annual General Meeting.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as Independent Director. Accordingly, the Board commends the Resolution in relation to his appointment as an Independent Director, for the approval by the Members of the Company.

He holds 10,000 equity shares of ₹10 each in the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives except Mr. M.K. Sharma, being appointee, is concerned or interested, financial or otherwise, in the Resolution set out at Item 7. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the stock exchanges.

Item 8

Mr. Adhiraj Sarin was appointed as an Independent Director of the Company in December 2011. He holds a Bachelors Degree in Engineering from IIT, Kanpur.

Presently, Mr. Adhiraj Sarin is the Chief Executive Officer of Louis Dreyfus Commodities India Private Limited. Prior to this, he was a Managing Director at Bunge India, a global major in agri-commodities. He led a significant expansion at Bunge, with included acquisition of companies in India. He also was the Managing Director of Tube Investments of India (TII), a precision engineering company of the Murugappa Group in Chennai. Mr. Adhiraj Sarin also worked for 25 years in Hindustan Unilever Limited (HUL) where he started his career as a Management Trainee in 1974 and his last assignment in HUL was as Managing Director of Hind Lever Chemicals, the fertilizer and specialty chemicals subsidiary of HUL.

Mr. Adhiraj Sarin is a Director, whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956 and in terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Adhiraj Sarin, being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term up to March 31, 2019. A Notice under Section 160(1) of the Companies Act, 2013 has been received from a Member proposing Mr. Adhiraj Sarin as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Adhiraj Sarin fulfills the conditions specified in the Companies Act, 2013 and the

Rules made there under for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for his appointment as an Independent Director would be available for inspection without any fee by the Members at the Registered Office of the Company from 9 a.m. to 12 noon on any working day, excluding Sunday, till the date of the Annual General Meeting.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as Independent Director. Accordingly, the Board commends the Resolution in relation to his appointment as an Independent Director, for the approval by the Members of the Company.

He holds 2,000 equity shares of ₹10 each through his relative in the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives except Mr. Adhiraj Sarin, being appointee, is concerned or interested, financial or otherwise, in the Resolution set out at Item 8. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the stock exchanges.

Item 9

Mr. Milind Sarwate was appointed as an Independent Director of the Company in December 2011. He holds a Bachelors Degree in Commerce. He is also a Member of the Institute of Company Secretaries of India, the Institute of Chartered Accountants of India and the Institute of Cost and Works Accountants of India.

He had taken over as Member-Strategy and CSR of Group Management Centre of the Rajesh Wadhawan Group in May 2014.

Mr. Milind Sarwate brings over 30 years of experience in finance, HR, strategic planning, corporate development and product supply, across Marico, Godrej and Sanofi Aventis. During 1996, he was one of the two managers selected for the CII-Fulbright Fellowship for Leadership in Management at the Carnegie Mellon University, USA. He has received the ICAI Award 2011 in CFO-FMCG category and the CNBC TV-18 Best Performing CFO Award-FMCG & Retail-2012. During March 2013, the CFO India magazine inducted Milind to the CFO India Hall of Fame.

Presently, he is serving on the Boards of Geometric Limited and Hindustan Polyamides & Fibers Limited. He is also Chairman of Audit Committee of Geometric Limited.

Mr. Milind Sarwate is a Director, whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956 and in terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Milind Sarwate, being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term up to March 31, 2019. A Notice under Section 160(1) of the Companies Act, 2013 has been received from a Member proposing Mr. Milind Sarwate as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Milind Sarwate fulfills the conditions specified in the Companies Act, 2013 and the Rules made there under for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for his appointment as an Independent Director would be available for inspection without any fee by the Members at the Registered Office of the Company from 9 a.m. to 12 noon on any working day, excluding Sunday, till the date of the Annual General Meeting.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as Independent Director. Accordingly, the Board commends the Resolution in relation to his appointment as an Independent Director, for the approval by the Members of the Company.

He does not hold any shares in the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives except Mr. Milind Sarwate, being appointee, is concerned or interested, financial or otherwise, in the Resolution set out at Item 9. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the stock exchanges.

Item 10

The Board of Directors of the Company appointed Ms. Shiela Pallerne Vinczeller as an Additional Director with effect from March 31, 2014 and she holds office up to this Annual General Meeting pursuant to Section 161(1) of the Companies Act, 2013 and Article 129 of the Articles of Association of the Company.

A notice under Section 160(1) of the Companies Act, 2013 has been received from a Member of the Company signifying his intention to propose the name of Ms. Shiela Pallerne Vinczeller for appointment as a Director of the Company.

The Board considers that her association would be of immense benefit to the Company. Accordingly, the Board commends the Resolution as set out at Item 10 of the Notice for approval by the Members.

None of the Directors, Key Managerial Personnel of the Company and their relatives except Ms. Shiela Pallerne Vinczeller, being appointee, is concerned or interested, financial or otherwise, in the Resolution set out at Item 10.

Items 11 & 12

The Members of the Company at the 42nd Annual General Meeting held on September 30, 2006 passed Ordinary Resolutions under Sections 293 (1) (d) and 293 (1) (a) of the Companies Act, 1956 according to their consent to the Board of Directors for borrowing up to ₹1,000 crore and for creating charge on movable and/or immovable properties of the Company.

On implementation of the Companies Act, 2013, Sections 180(1)(c) and 180(1)(a) of the Act were made effective from September 12, 2013 which provide for approval by the Members by way of Special Resolutions as against Ordinary Resolutions under the Companies Act, 1956. The Ministry of Corporate Affairs has vide General Circular No. 04/2014

dated March 25, 2014 clarified that pursuant to the said Sections of the Act, companies would be required to pass a fresh Resolution by September 11, 2014. As such, it has become necessary to obtain fresh approvals of the Members in this regard by way of Special Resolutions.

Whilst no increase in the monetary limit is currently being proposed, Members' approval is being sought pursuant to Section 180 of the Companies Act, 2013 by way of a Special Resolution.

The proposed Resolutions set out at Items 11 & 12 are in the interest of the Company and the Board commends these Resolutions for approval by the Members.

None of the Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested financial or otherwise in the Resolutions set out at Items 11 & 12.

Item 13

The Board of Directors at its Meeting held on April 22, 2014 approved the appointment of Messrs Narasimha Murthy & Co., Cost Accountants, Hyderabad as Cost Auditors of the Company for the financial year ending March 31, 2015 and also payment of remuneration of ₹5.85 lakhs per annum (excluding Service Tax) plus reimbursement of travelling and out-of-pocket expenses as recommended by the Audit Committee at its meeting held on April 21, 2014 in terms of provisions of Rule 14 (3) of the Companies (Audit and Auditors) Rules, 2014 subject to the ratification by the Members.

The Board commends this Resolution for the approval by the Members of the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise in the Resolution set out at Item 13.

II. INFORMATION REQUIRED UNDER THE LISTING AGREEMENT

As required under the Listing Agreement, the particulars of Directors who are proposed to be appointed/re-appointed are given below:

Re-appointment of Mr. Thomas G. Kadien (Item 2)

In terms of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013, effective from April 1, 2014, for the purpose of determining the directors liable to retire by rotation, the Independent Directors shall not be included in the total number of directors of the Company.

Mr. Thomas G. Kadien shall accordingly retire at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

Mr. Thomas G. Kadien joined International Paper in 1978 and has held various sales and marketing positions in IP's Packaging businesses. He became Manufacturing Manager for Nicolet in 1991 and General Manager of Nicolet in 1992. He became the Vice President of Fine Papers and also Commercial Printing and Imaging Papers. In April 2003, he was appointed President of IP Europe, and was named a Senior Vice President of IP in May, 2004.

Mr. Thomas G. Kadien became Senior Vice President and President of XPDEX, International Paper's distribution business. He was named Senior Vice President, Consumer Packaging & IP Asia and India on January 1, 2010.

He was appointed as Director of the Company in 2011. Mr. Thomas G. Kadien is a director on the board of Sherwin Williams Company, US.

He does not hold any shares in the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives except Mr. Thomas G. Kadien, being appointee, is concerned or interested, financial or otherwise, in the Resolution set out at Item 2.

Appointment of other Directors (Items 4 to 9)

Please refer to the Explanatory Statement in respect of Special Business set out at Items 4 to 9 of the Notice of Annual General Meeting pursuant to Section 102 of the Companies Act, 2013 for details of M/s. M.S. Ramachandran, Praveen P. Kadle, M.K. Sharma, Adhiraj Sarin, Millind Sarwate and Ms. Ranjana Kumar.

Appointment of Ms. Shiela Pallerne Vinczeller (Item 10)

Ms. Shiela Pallerne Vinczeller was appointed as an Additional Director of the Company with effect from March 31, 2014. She is currently Vice President of Human Resources for International Paper-Talent Management.

She joined International Paper in 2006. Ms. Shiela Pallerne Vinczeller started her HR career with General Electric (GE) in Hungary and has held roles with increasing geographical scope within the EME region covering the entire manufacturing function, then staffing and organization development for the region and finally as HR Director for the EMEA region, including operations in India. Following GE, Ms. Shiela Pallerne Vinczeller joined the privately held Belgian industrial company: the Lhoist Group in a global HR role. Her responsibility included setting up a green-field operation in China. At International Paper she held the position of HR Director for the EMEA region and HR Director of Industrial Packaging Group (IPG) prior to her current role with Talent Management and Corporate Staff Groups. She is on the Board of GPAC, Germantown Performing Arts Centre.

Ms. Shiela Pallerne Vinczeller holds a bachelor's degree in Business Administration and a post-graduate degree in marketing communication from Budapest College of Business and Economics.

She does not hold any shares in the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives except Ms. Shiela Pallerne Vinczeller, being appointee, is concerned or interested, financial or otherwise, in the Resolution set out at Item 10.

**By Order of the Board
For International Paper APPM Limited**



C. Prabhakar
Sr. Vice President (Corporate Affairs) &
Company Secretary

Registered Office:
Rajahmundry - 533 105
East Godavari District,
Andhra Pradesh
June 25, 2014

GAINING MOMENTUM

*50th
Annual
Report*

2014

INTERNATIONAL  PAPER

International Paper APPM Limited

**INTERNATIONAL PAPER APPM LIMITED IS A GROUP
COMPANY OF INTERNATIONAL PAPER COMPANY, USA,
A WORLD LEADER IN THE PAPER & PULP INDUSTRY.
HEADQUARTERED IN HYDERABAD, INDIA, WE PRODUCE
WRITING, PRINTING AND COPIER PAPERS FOR FOREIGN
AND DOMESTIC MARKETS.**

Our success comes from aligned, dedicated, highly motivated people delivering superior value to customers through operational excellence. It is our mission to become one of the best and most respected companies in the country - as measured by our employees, our customers, our communities and our shareowners.

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