

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 51st Annual General Meeting of the Members of International Paper APPM Limited will be held on **Thursday, August 27, 2015 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 audited financial statements of the Company for the financial year ended March 31, 2015 and the Reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Ms. Shiela Pallerne Vinczeller (holding DIN: 06833616) who retires by rotation and being eligible offers herself 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 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 Deloitte Haskins & Sells (Firm Registration No.008072S), Chartered Accountants, Hyderabad, be and is hereby ratified as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the 52nd Annual General Meeting at such remuneration as shall be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS

4. **Appointment of Ms. Ann Barbara Wroblewski 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. Ann Barbara Wroblewski (holding DIN: 07101091), who was appointed as an Additional Director of the Company by the Board of Directors

effective April 23, 2015 in terms of 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 retire by rotation."

5. **Adoption of new Articles of Association 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 pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.

FURTHER RESOLVED 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."

6. **Appointment of Mr. Rampraveen Swaminathan as Chairman & Managing Director**

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

"RESOLVED THAT in partial modification of the Resolution passed at the 49th Annual General Meeting held on August 6, 2013 and in accordance with provisions of Sections 196, 197 and 203 of the Companies Act, 2013 and the Rules made there under read with Schedule V to the Companies Act, 2013, approval be and is hereby accorded to the appointment of Mr. Rampraveen Swaminathan (holding DIN: 01300682), who was appointed earlier as Managing Director & CEO as Chairman & Managing

Director of the Company effective November 1, 2014 and for payment of the remuneration for the remainder of his term up to March 1, 2017 as set out in the Explanatory Statement attached to this notice.

FURTHER RESOLVED THAT in the event of any loss or inadequacy of profits in any financial year, during the currency of tenure of Mr. Rampraveen Swaminathan as Chairman & Managing Director, he shall be paid remuneration by way of salary, allowances and perquisites as specified under Section II (A) of Part II of Schedule V of the Companies Act, 2013 or within such ceilings as may be prescribed from time to time and as may be amended or re-enacted from time to time as minimum remuneration notwithstanding the absence or inadequacy of profits in any year.

FURTHER RESOLVED THAT the Board of Directors or a duly constituted Committee thereof be and is hereby authorized to do all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to this Resolution."

7. 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 ₹6.15 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 (Firm Registration No. 000042) to conduct the audit of the cost records of the Company, for the financial year ending March 31, 2016 be and is hereby ratified and confirmed.

FURTHER RESOLVED 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."

8. Commission to Independent Directors

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

"RESOLVED THAT in accordance with the provisions of Sections 197, 198 and other applicable provisions,

if any, of the Companies Act, 2013, including any statutory modification(s) or re-enactment(s) thereof, the Articles of Association of the Company and subject to all applicable approval(s) as may be required, consent of the Members be and is hereby accorded to the payment of commission for a period of five years commencing from April 1, 2015 to the Independent Directors of the Company as may be decided by the Board from time to time, provided that the total commission payable to the Independent Directors per annum shall not exceed one per cent of the net profits of the Company for that year as computed in the manner specified under Section 198 of the Companies Act, 2013 with authority to the Board to determine the manner and proportion in which the amount be distributed among Independent Directors and further that the payment of the sum in the above manner shall be in addition to the sitting fee per meeting of the Board/ Committee of Board which each such Independent Director is entitled to receive under the provisions of the Articles of Association."

9. Approval for entering into transactions with IP India Foundation, a Wholly Owned Subsidiary Company, under Section 188 of the Companies Act, 2013

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

"RESOLVED THAT pursuant to Section 188 and other applicable provisions, if any of the Companies Act, 2013 read with Rule 15 (2) of the Companies (Meetings of Board and its Powers) Rules, 2014 (including any modification(s) or re-enactment thereof, for the time being in force), consent of the Members be and is hereby accorded to the Board of Directors to enter into any transaction(s) from time to time with IP India Foundation, a wholly owned subsidiary company incorporated under Section 25 of the Companies Act, 1956."

**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 30, 2015

Notes

1. The Register of Members and the Share Transfer books of the Company will remain closed from August 21, 2015 to August 27, 2015 (both days inclusive).

2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out details relating to Special Business in respect of Items 4 to 9 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 per cent 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 51st 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 51st 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, Karvy Selenium Tower B, Plot No. 31 & 32, Gachibowli, Financial District,

Nanakramguda, Serilingampally, Hyderabad - 500 032 (Karvy) 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) of 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. To support the green environment, Members who have not registered their E-mail addresses so far, are requested to register their E-mail addresses with Karvy if the shares are held in physical mode or with their Depository Participant if the holding is in electronic mode.
12. The Ministry of Corporate Affairs on May 10, 2012 notified the Investor Education and Protection Fund (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/deposits/application money as on the date of the 50th Annual General Meeting held on August 27, 2014, on the website of the IEPF viz. www.iepf.gov.in and under 'Investors' on the Company's website: **www.ipappm.com**.

The following table details the due dates for transfer of unclaimed dividend to IEPF:

Dividend declared for the year	Date of Declaration	Due date for transfer to IEPF
2007-08	September 27, 2008	December 2, 2015
2008-09	September 25, 2009	November 30, 2016
2009-10	July 15, 2010	September 19, 2017
2010-11	September 10, 2011	November 15, 2018

The due dates for transfer of unclaimed refund amount in respect of Rights Issue 2010 and warrant conversion in 2010 to IEPF are April 28, 2017 and December 30, 2017 respectively.

The due date for transfer of Unclaimed Deposit amount and interest due there on to IEPF is November 2, 2020.

13. Electronic copy of the Annual Report for the year 2014-15 including notice of 51st 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 the year 2014-15 and 51st AGM Notice together with Postal Ballot Form are being sent in the permitted mode.
14. Members may also note that the Annual Report for the year 2014-15 including Notice of 51st 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 Email ID: Nagendrarao.Mittapalli@ipaper.com.

PROCESS FOR MEMBERS OPTING FOR E-VOTING

For Members whose E-mail addresses are registered with the Company/Depositories:

1. **E-voting:** In compliance with the provisions of Section 108 of the Companies Act, 2013 and other applicable

provisions, if any, read with Rule 20 of the Companies (Management and Administration) Rules, 2015 as amended and Clause 35B of the Listing Agreement entered into with the stock exchanges, the Members are provided with the facility to cast their vote electronically, through the remote E-voting services provided by Karvy Computershare Private Limited (Karvy) on all resolutions set forth in this notice.

A. Members whose E-mail addresses are registered with the Company/Depositories will receive an E-mail from Karvy.

- i. Launch internet browser by typing the URL: <https://evoting.karvy.com>
- ii. Enter the login credentials (i.e. **User ID and password** mentioned overleaf). Your Folio No./DP ID & Client ID will be your User ID. However, if you are already registered with Karvy for Remote E-voting, you can use your existing User ID and password for casting your vote.
- iii. After entering these details appropriately, click on "LOGIN".
- iv. You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, E-mail ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. **It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.**
- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the E-Voting Event Number for International Paper APPM Limited.
- vii. On the voting page enter the number of

shares (which represents the number of votes) as on the cut-off date i.e. Thursday, August 20, 2015 under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as on cut off date. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.

- viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each of the folios/demat accounts.
- ix. Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
- x. You may then cast your vote by selecting an appropriate option and click on "Submit".
- xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. **During the voting period, Members can login any number of times till they have voted on the Resolution(s).**
- xii. **Corporate/Institutional Members** (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/ Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at E-mail ID: dhr300@gmail.com with a copy marked to evoting@karvy.com. They may also upload the same in the E-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "IPPM51stAGM_EVENT NO."

B. Members whose E-mail addresses are not registered with the Company/Depositories:

Members will receive a Postal Ballot Form along with the Notice of Annual General Meeting providing E-Voting Event Number, User ID and

Password. Use the initial password that was provided in the Postal Ballot Form for E-voting and follow all steps as given in Sr. No. (i) to Sr. No. (xii) above, to cast your vote.

2. In case of voting by using Postal Ballot Forms:

- i. In terms of Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, the Company, in order to enable its Members, who do not have access to its remote E-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, is enclosing a postal ballot form along with the Notice of Annual General Meeting.
- ii. A Member desiring to exercise voting by using postal ballot form shall complete the enclosed postal ballot form with assent (FOR) or dissent (AGAINST) and send it to the Scrutinizer, Mr. D. Hanumanta Raju, Partner, D. Hanumanta Raju & Co., Company Secretaries, duly appointed by the Board of Directors of the Company, in the enclosed postage prepaid self-addressed envelope. Postal Ballot Forms deposited in person or sent by post or courier at the expense of the Member will also be accepted at the Registered Office of the Company.
- iii. Please convey your assent in Column "FOR" and dissent in the column "AGAINST" by placing a tick (✓) mark in the appropriate column in the postal ballot form only. The assent/dissent received in any other form/manner will not be considered.
- iv. Duly completed and signed postal ballot forms shall reach the Scrutinizer on or before Wednesday, August 26, 2015 (5.00 p.m. IST). The postal ballot forms received after the said date/time shall be strictly treated as if the reply from the Member has not been received.
- v. Unsigned/incomplete postal ballot forms will be rejected. Scrutinizer's decision on validity of the postal ballot form shall be final.
- vi. A Member may request duplicate postal ballot form, if so required, by writing to the Company at its Registered Office or by sending an E-mail on Nagendrarao.Mittapalli@ipaper.com by

mentioning their Folio No./DP ID and Client ID. However, the duly filled in duplicate postal ballot form should reach the scrutinizer not later than Wednesday, August 26, 2015 (5.00 p.m. IST).

- vii. A Member can opt for only single mode of voting i.e. either through remote E-voting or by postal ballot form. If a Member casts votes by both modes then voting done through remote E-voting shall prevail and vote by postal ballot shall be treated as invalid. Members who have cast their votes by remote E-voting prior to the meeting may also attend the annual general meeting, however those Members are not entitled to cast their vote again at the general meeting.

- 3. Voting at AGM:** The Members, who have not cast their vote either electronically or through postal ballot form, can exercise their voting rights at the AGM. The Company will make necessary arrangements in this regard at the AGM Venue.

Other Instructions:

- i. In case of any queries, you may refer Help & FAQ section of <https://evoting.karvy.com> (Karvy Website) or call Karvy on 040-6716 1500 & Toll Free No.1800 4250 999.
- ii. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- iii. The remote E-voting period commences on Monday, August 24, 2015 (10.00 a.m. IST) and ends on Wednesday, August 26, 2015 (5.00 p.m. IST). During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Thursday, August 20, 2015, may cast their vote electronically in the manner and process set out herein above. The remote E-voting module shall

be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

- iv. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. Thursday, August 20, 2015.
- v. The Board of Directors has appointed Mr. D. Hanumanta Raju (Membership No. F4044 and PCS No. 1709), Partner, D. Hanumanta Raju & Co., Company Secretaries, B-13, F-1 & F-2, P.S. Nagar, Vijayanagar Colony, Hyderabad 500 057 as the Scrutinizer to scrutinize the remote E-voting process in a fair and transparent manner.
- vi. The results shall be declared either by the Chairman or by an authorized person of the Chairman and the resolution(s) will be deemed to have been passed on the AGM date subject to receipt of the requisite number of votes in favour of the resolution(s).
- vii. Immediately after declaration of results, the same shall be placed along with the Scrutinizer's Report on the Company's website **www.ipappm.com** and on the website of Karvy at <https://evoting.karvy.com>, and communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed for placing the same on their website.
16. 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, till the date of the Annual General Meeting.
17. The route map to the venue of meeting is displayed on the inside cover page of the Annual Report and also on the website of the Company: www.ipappm.com.

UPDATION OF EMAIL ID

Kindly ensure to update your Email ID with the Company/Depository, if you have changed the same.

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

Item 4

The Board of Directors of the Company on the recommendation of Nomination and Remuneration Committee appointed Ms. Ann Barbara Wroblewski as an Additional Director with effect from April 23, 2015 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. Ann Barbara Wroblewski 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 in the Notice for approval by the Members.

None of the Directors, Key Managerial Personnel of the Company and their relatives except Ms. Ann Barbara Wroblewski, being appointee, is concerned or interested, financial or otherwise, in the Resolution as set out at Item 4.

Item 5

The existing Articles of Association (AoA) are based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the Companies Act, 2013.

With the coming into force of the Act, several regulations of the existing AoA of the Company require alterations or deletions in several Articles. Given this position, it is considered expedient to wholly replace the existing AoA by a new set of Articles.

The new AoA to be substituted in place of the existing AoA are based on Table 'F' of the Act which sets out the model articles of association for a company limited by shares. Members attention is invited to certain salient provisions in the new draft AoA of the Company viz:

- a. New provision for appointment of Key Managerial Personnel;
- b. The nominee(s) of deceased sole member are recognized as having title to the deceased interest in the shares;
- c. Provision for issue of bonus debentures/preference shares;

- d. Provision for postponement of a General Meeting in certain circumstances;
- e. The statutory provisions of the Companies Act, 2013 which permit a company to do some acts "if so authorized by its Articles" or provisions which require a company "to do acts in the prescribed manner" or "Unless the Articles otherwise provide" have been specifically included; and
- f. The provisions of existing Articles of Association which are already a part of the statute in the Act have not been reproduced in the new draft Articles of Association as they only lead to duplication.

The proposed new draft AoA is being uploaded on the Company's website for perusal by the Members.

In terms of Section 14 of the Companies Act, 2013, approval of the Members by way of a Special Resolution is required to alter the existing Articles of Association of the Company. The Board commends the Resolution as set out in the Notice for approval by the Members by way of Special Resolution.

None of the Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the Resolution as set out at Item 5.

Item 6

Mr. Rampraveen Swaminathan was appointed as Managing Director & CEO of the Company for a period of five years with effect from March 2, 2012 with the approval of the Members of the Company obtained at the 48th Annual General Meeting held on March 22, 2012 and for the payment of remuneration which was revised with the approval of Members at the 49th Annual General Meeting held on August 6, 2013 for a period of three years from March 2, 2012 to March 1, 2015 in terms of Notification No. G. S. R. 534(E) dated July 14, 2011 read with clarification No. F.No.14/11/2012-CL-VII dated August 16, 2012 issued by Ministry of Corporate Affairs, Government of India as detailed below:

- i. **Salary:** ₹800,000 (Rupees Eight Lakhs only) per month with such increments as may be determined by the Board of Directors of the Company from time to time in the salary range of ₹800,000 to ₹1,600,000.
- ii. **Performance incentive:** Not exceeding 40% of the salary payable annually for each financial year as may be decided by the Board. However, depending on the performance of the Company, it may go up to 80% of the salary, as may be determined by the Board.

iii. **Personal Allowance:** 23.96% of basic per month.

iv. **Perquisites**

- a. **Housing:** The expenditure incurred by the Company in providing furnished accommodation to the Managing Director shall not exceed 60% of his salary. In case no accommodation is provided by the Company, he shall be entitled to house rent allowance at 60% of salary per month.
 - b. **Conveyance:** Car with driver to be provided by the Company.
 - c. **Telephone:** Provision of telephone at the residence and cell phone.
 - d. **Leave travel concession, contribution to provident fund and gratuity:** As per the Rules applicable to the senior staff of the Company.
 - e. **Medical reimbursement:** ₹1,250 per month.
 - f. **Club fees:** Fees of clubs subject to a maximum of two clubs.
 - g. **Leave:** Leave in accordance with rules applicable to the senior staff of the Company.
 - h. Such other benefits, amenities, facilities and perquisites as may be permitted by the Board of Directors to the Managing Director.
 - i. Group Health insurance, group term life insurance and group personal accident insurance in lieu of personal accident insurance, shall be as per the schemes/rules applicable to the senior staff of the Company.
- v. **Use of Company's car** for official purposes, cell phone, telephone at residence and encashment of leave at the end of the tenure and contribution to provident fund, and gratuity will not be considered as perquisites.
- vi. The Managing Director & CEO shall be entitled to the above remuneration package of salary and perquisites, irrespective of the condition that the said remuneration shall exceed the ceiling on remuneration under Sections 198 and 309 of the Act and also of the condition where the Company has no profits or its profits are inadequate.
- vii. The Managing Director & CEO shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.
- viii. The contract of appointment of five years may be terminated by either party by giving six months' notice in writing to the other party.

The Board of Directors at its meeting held on January 23, 2015 on the recommendation of Nomination and Remuneration Committee appointed Mr. Rampraveen Swaminathan as Chairman & Managing Director with effect from November 1, 2014 with the restructured remuneration as detailed below for the remainder of his tenure:

1. **Performance Incentive:** ₹44.17 lakhs for the calendar year 2014 with such increases for the subsequent period as may be decided by the Board from time to time.
2. **Perquisites:**
 - a. Use of chauffeur driven Company's car, cell phone and telephone at residence
 - b. Membership of two clubs
 - c. Group health insurance, group term life insurance and group personal accident insurance as per the schemes/rules applicable to the senior staff of the Company.

Notwithstanding anything stated elsewhere, Mr. Rampraveen Swaminathan during the currency of his tenure as Chairman & Managing Director, shall be entitled to the above remuneration or such remuneration as specified under Section II (A) of Part II of Schedule V of the Companies Act, 2013 or within such ceilings as may be prescribed from time to time and as may be amended or re-enacted from time to time as minimum remuneration notwithstanding the absence or inadequacy of profits in any year. Consequent upon his appointment as Managing Director of International Paper (India) Private Limited (IPIPL), he is also drawing remuneration from IPIPL effective November 1, 2014.

In terms of Schedule V of the Companies Act, 2013 as required, a statement giving required information is enclosed along with this notice.

The Board commends the Resolution as set out in the Notice for approval by the Members by way of **Special Resolution**.

None of the Directors, Key Managerial Personnel of the Company and their relatives except Mr. Rampraveen Swaminathan is concerned or interested, financial or otherwise, in the Resolution as set out at Item 6.

Item 7

The Board of Directors at its Meeting held on April 23, 2015 approved the appointment of Messrs Narasimha Murthy & Co., Cost Accountants, Hyderabad as Cost Auditors of the

Company for the financial year ending March 31, 2016 and also payment of remuneration of ₹6.15 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 22, 2015 in terms of provisions of Rule 14a(ii) of the Companies (Audit and Auditors) Rules, 2014 subject to the ratification by the Members.

The Board commends the Resolution as set out in the Notice 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 Resolution as set out at Item 7.

Item 8

The Members had, at the Annual General Meeting of the Company held on July 15, 2010, passed a Special Resolution under Section 309(4) of the Companies Act, 1956, approving the payment of commission to the Directors who are not in whole-time employment of the Company, of a sum not exceeding one per cent per annum of the net profits of the Company, calculated in accordance with the provisions of the Companies Act, 1956. The approval is valid for each of the five financial years commencing from April 1, 2010 to March 31, 2015. However, commission on profits was paid to Non-executive Directors only for the financial year 2009-10.

The current competitive business environment, stringent accounting standards and corporate governance norms require considerably enhanced levels of involvement of the Independent Directors in the decision making process. The responsibility of the Independent Directors has become more onerous and the Independent Directors are required to give more time and attention to the business of the Company. It is, therefore, proposed to pay commission to the Independent Directors of the Company. The Board of Directors will determine each year, the specific amount to be paid as commission to the Independent Directors which shall not exceed one per cent of the net profits of the Company for that year, as computed in the manner referred to in Section 198 of the Companies Act, 2013.

In view of the above, the Members approval is being sought pursuant to Sections 197, 198 and other applicable provisions of the Companies Act, 2013, if any, for the payment of commission to the Independent Directors of the Company for a period of five years commencing from April 1, 2015. The payment of commission would be in addition to the sitting fees payable for attending Meetings of the Board and Committees thereof.

The Board commends the Resolution as set out in the Notice for approval by the Members.

All the Independent Directors of the Company are interested in the Resolution as set out in Notice.

None of other Directors, Key Managerial Personnel of the Company and their relatives is interested or concerned, financial or otherwise in the Resolution as set out at Item 8.

Item 9

IP India Foundation, a wholly owned subsidiary company was incorporated on June 20, 2013 under Section 25 of the Companies Act, 1956 to undertake CSR activities. Company intends to undertake its CSR Activities through IP India Foundation as per the CSR Policy of the Company by giving grants, other assistance etc. pursuant to Section 134 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014. Pursuant to Section 188 of the Companies Act, 2013 read with explanation 2 to Rule 15(3) of the Companies (Meetings of Board and Powers) Rules, 2014, approval of Members of holding company by way of special resolution is required to enter into any transaction between a wholly owned subsidiary and the holding company.

The Board commends the Resolution as set out in the Notice for approval by the Members by way of **Special Resolution**.

None of the Directors, Key Managerial Personnel of the Company and their relatives except Mr. Rampraveen Swaminathan, Chairman & Managing Director and Mr. C. Prabhakar, Senior Vice President (Corporate Affairs) & Company Secretary being Directors of IP India Foundation is concerned or interested, financial or otherwise, in the Resolution as set out at Item 9.

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:

Ms. Shiela Pallerne Vinczeller (Item 2)

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

Ms. Shiela Pallerne Vinczeller joined International Paper in 2006. She 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, she joined the privately held Belgian industrial company: the Lhoist Group in a global HR role. Her responsibility included setting up a Greenfield 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.

Ms. Ann Barbara Wroblewski

Ms. Ann Barbara Wroblewski was appointed as an Additional Director of the Company with effect from April 23, 2015. She is currently Vice President, Global Government Relations, for International Paper. She is responsible for public policy and advocacy and has staff in five state capitals as well as Washington, Brussels, Moscow, São Paulo, Beijing and New Delhi.

Before joining International Paper, Ann served as Vice President, International, at the American Forest & Paper Association (AF&PA). She spent the previous nine years in government relations consulting, as chief executive officer of Halliday, Inc., and in executive roles at the Jefferson Group. Her U.S. Government service includes positions in Congress, the White House and the State Department. She was nominated by President Reagan and confirmed by the U.S. Senate to serve as Assistant Secretary of State and as the U.S. Representative to a UN organization. She was accorded the personal rank of Ambassador as the lead U.S. negotiator for a UN Convention. She also served in the Reagan White House as Projects Director and as a senior aide in the U.S. House and U.S. Senate. Ann is past Chair of the Executive Council on Diplomacy and is a member of the Economic Club of Washington and the Federal City Council. She previously served as Chair of the U.S. Government's International Trade Advisory Committee on Forest Products and as a member of the Agricultural Advisory Policy Committee.

Ms. Ann Barbara Wroblewski holds a bachelor's degree in Arts from Stephens College and is a Trustee Emeritus, having chaired the Board of Trustees of the College for six years.

She does not hold any shares in the Company.

Mr. Rampraveen Swaminathan

Mr. Rampraveen Swaminathan is a Commerce Graduate from St. Josephs Commerce College, Bengaluru with a Post Graduate Diploma in Industrial Management from T.A. Pai Management Institute, Manipal. He also attended an Executive Education program at Harvard Business School on 'Strategic Agility' in 2007. He assumed charge as Managing Director & CEO on March 2, 2012. Subsequent to the resignation of Mr. W. Michael Amick Jr. as Executive Chairman effective November 1, 2014, Mr. Rampraveen Swaminathan was appointed as Chairman & Managing Director effective November 1, 2014.

Mr. Rampraveen Swaminathan served as Executive Director, Power Systems Business in Cummins Inc, USA. In this role, he had global responsibility for Integrated Power Systems, Power Distribution and Power Projects. Mr. Rampraveen Swaminathan joined Cummins in 1999, and his prior roles in Cummins include leading the global Power Electronics Business, and leading the Power Generation Business in India. Prior to Cummins, he worked with the Tata Group, and was a member of the Tata Administrative Service.

Mr. Rampraveen Swaminathan is a director of EROEI Power Solutions Private Limited and IP Holding Asia Singapore Pte. Limited, Chairman of IP India Foundation, Managing Director of International Paper (India) Private Limited and Executive Committee Member of Federation of Indian Chambers of Commerce & Industry.

He does not hold any shares in the Company.

**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 30, 2015