

Minutes of the 49th Annual General Meeting of the Members of The Andhra Pradesh Paper Mills Limited held on Tuesday, August 6, 2013 at 11.30 A.M. at Cherukuri Subbarao Gannemma Udyana Kalyanavedika, Jawaharlal Nehru Road, Rajahmundry - 533 103, East Godavari District, Andhra Pradesh.

PRESENT: DIRECTORS:

1. Mr. W. Michael Amick Jr., Executive Chairman
2. Mr. Milind Sarwate, Chairman, Audit Committee
3. Mr. Rampraveen Swaminathan, Managing Director & CEO

MEMBERS/PROXIES:

4. IP Holding Asia Singapore Pte. Ltd: represented by Mr. W. Michael Amick Jr. (Holding Company)
5. Other Members: 432 as per Attendance Record.
6. Proxies : 138 as per Attendance Record.

BY INVITATION:

7. Mr. Ganesh Balakrishnan, Partner, Deloitte Haskins & Sells
Statutory Auditors

IN ATTENDANCE:

8. Mr. C. Prabhakar, Sr. Vice President (Corporate Affairs) &
Company Secretary
9. Ms. Jayashree Satagopan, Sr. Vice President & CFO

Mr. C. Prabhakar after ascertaining the presence of quorum declared that the required quorum for the meeting was present and requested the Chairman to conduct the proceedings.

Accordingly, Mr. W. Michael Amick Jr. Executive Chairman presided over the meeting and conducted the proceedings.

The Chairman welcomed the Members to the 49th Annual General Meeting and introduced the Directors present. Later, he delivered his speech.

Mr. Ganesh Balakrishnan, Partner, Deloitte Haskins & Sells read out the Auditors' Report on the Accounts of the Company for the 15 month period ended 31st March, 2013.



Mr. C. Prabhakar announced that the Register of Directors' Shareholding maintained pursuant to Section 307 of the Companies Act, 1956 and the Proxy Register were placed on the table for inspection by the Members during the meeting.

Later, the Chairman moved the following Resolutions before the Members for their approval:

1. **Adoption of Annual Accounts and the Reports of Directors and Auditors thereon:**

Proposed by : Mr. W. Michael Amick Jr.

Seconded by : Mr. D. Venkateswara Rao

As an Ordinary Resolution:

"RESOLVED THAT the Balance Sheet as at March 31, 2013, Statement of Profit and Loss Account for the year (15 month period) ended as on that date and the Reports of Directors and Auditors thereon be and are hereby adopted."

Before putting the resolution to vote, the Chairman invited questions from the members and no queries were raised.

The Chairman, thereafter, put the resolution to vote by show of hands and declared that it was carried unanimously.

2. **Re-appointment of Auditors:**

Proposed by : Mr. G. Gangadhara Rao

Seconded by : Mr. V. Srinivasu

As an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 224 and other applicable provisions, if any, of the Companies Act, 1956, 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 Meeting until the conclusion of the next Annual General Meeting at a remuneration as may be decided by the Board of Directors of the Company."

The Chairman, thereafter, put the resolution to vote by show of hands and declared that it was carried unanimously.



3. Appointment of Mr. M.K. Sharma as Independent Director:

Proposed by : Mr. N V V Satyanarayana Murthy

Seconded by : Mrs. G. Sarada Devi

As an Ordinary Resolution:

"RESOLVED THAT Mr. M. K. Sharma be and is hereby appointed as Independent Director of the Company in the vacancy created by the resignation of Mr. P. K. Paul, Independent Director and in respect of which vacancy, the Company has received a notice in writing, proposing his candidature under the provisions of Section 257 of the Companies Act, 1956."

The Chairman, thereafter, put the resolution to vote by show of hands and declared that it was carried unanimously.

4. Appointment of Mr. Adhiraj Sarin as Independent Director:

Proposed by : Mr. P. Niranjan Babu

Seconded by : Mr. K.V.R.N. Sarma

As an Ordinary Resolution:

"RESOLVED THAT Mr. Adhiraj Sarin be and is hereby appointed as Independent Director of the Company in the vacancy created by the resignation of Mr. P. R. Ramakrishnan, Independent Director and in respect of which vacancy, the Company has received a notice in writing, proposing his candidature under the provisions of Section 257 of the Companies Act, 1956."

The Chairman, thereafter, put the resolution to vote by show of hands and declared that it was carried unanimously.

5. Appointment of Mr. Milind Sarwate as Independent Director:

Proposed by : Mr. B. Prabhakar Rao

Seconded by : Mr. M.V.V. Satyanarayana

As an Ordinary Resolution:

"RESOLVED THAT Mr. Milind Sarwate be and is hereby appointed as Independent Director of the Company in the vacancy created by the resignation of Mr. Rajiv Kapasi, Independent Director and in respect of which vacancy, the Company has received a notice in writing, proposing his candidature under the provisions of Section 257 of the Companies Act, 1956."

The Chairman, thereafter, put the resolution to vote by show of hands and declared that it was carried unanimously.



6. Appointment of Mr. Kenneth P. Huelskamp as a Director:

Proposed by : Mr. N.Ch. Purushottam
Seconded by : Mr. Gour Kanhaiyalal

As an Ordinary Resolution:

"RESOLVED THAT Mr. Kenneth P. Huelskamp who was appointed as an Additional Director of the Company by the Board of Directors under Article 129 of the Articles of Association of the Company and who ceases to hold office pursuant to Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956 in writing, proposing his candidature for the office of Director be and is hereby appointed as Director of the Company."

The Chairman, thereafter, put the resolution to vote by show of hands and declared that it was carried unanimously.

7. Appointment of Mr. Michael Baymiller as a Director:

Proposed by : Mr. R. Suryanarayana
Seconded by : Mr. V. Srinivasu

As an Ordinary Resolution:

"RESOLVED THAT Mr. Michael Baymiller who was appointed as an Additional Director of the Company by the Board of Directors under Article 129 of the Articles of Association of the Company and who ceases to hold office pursuant to Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956 in writing, proposing his candidature for the office of Director be and is hereby appointed as Director of the Company."

The Chairman, thereafter, put the resolution to vote by show of hands and declared that it was carried unanimously.

8. Appointment of Mr. Michael Amick Jr. as a Director and Executive Chairman:

When this item was taken up, the Chairman stated that he may be deemed to be interested in resolution no.8, and therefore requested Mr. Milind Sarwate, Chairman, Audit Committee to take the chair.

Accordingly, Mr. Milind Sarwate acted as Chairman for item no.8 of Notice and moved the resolution:

Proposed by : Mr. B. Vani Sankar
Seconded by : Mr. B.S.V. Prasad



As a Special Resolution:

"RESOLVED THAT Mr. W. Michael Amick Jr. who was appointed as an Additional Director of the Company by the Board of Directors under Article 129 of the Articles of Association of the Company and who ceases to hold office pursuant to Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956 in writing, proposing his candidature for the office of Director be and is hereby appointed as Director of the Company.

FURTHER RESOLVED THAT subject to the provisions of Section 269 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 or any other statutory modification(s) or re-enactment thereof, the consent of the Company be and is hereby accorded to the appointment of Mr. W. Michael Amick Jr. as Whole time Director designated as Executive Chairman of the Company, who will not be liable to retire by rotation, for a period of five years with effect from August 23, 2012 without any remuneration.

The contract of appointment of five years may be terminated by either party by giving six months' notice in writing to the other party"

Mr. Milind Sarwate, thereafter, put the resolution to vote by show of hands and declared that it was carried unanimously.

Mr. Milind Sarwate then requested Mr. W. Michael Amick Jr. Chairman to continue the proceedings and accordingly, Mr. Mr. W. Michael Amick Jr. resumed the chair.

9. Payment of minimum remuneration to Mr. Rampraveen Swaminathan, Managing Director and CEO:

Proposed by : Mr. K.V.R.N. Sarma
Seconded by : Mr. B. Prabhakar Rao

As a Special Resolution:

"RESOLVED THAT in partial modification of the resolution passed at the 48th Annual General Meeting held on March 22, 2012 and in accordance with the provisions of Sections 198, 269, 309, 310, 311 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or reenactment thereof for the time being in force) and subject to such consents, sanctions and permission as may be necessary in law, approval of the Company be and is hereby given for payment of remuneration to Mr. Rampraveen Swaminathan for a period of three years from March 2, 2012 to March 1, 2015 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 of the Company during the tenure of Mr. Rampraveen Swaminathan as Managing Director & CEO, the remuneration as set out in the Explanatory Statement shall be paid and allowed to him 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 authorised to do all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to this Resolution."

The Chairman, thereafter, put the resolution to vote by show of hands and declared that it was carried unanimously.

10. Payment of minimum remuneration to Mr. P.K. Suri, former Director (Operations):

Proposed by : Mr. B Veerabhadra Kumar
Seconded by : Mr. B. Vani Sankar

As a Special Resolution:

"RESOLVED THAT in modification of the resolutions passed at the 44th Annual General Meeting held on September 27, 2008 and 46th Annual General Meeting held on July 15, 2010 and in accordance with the provisions of Sections 198, 269, 309, 310, 311 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof for the time being in force), the approval of the Company be and is hereby accorded for payment of remuneration of Rs.31.10 lakhs to Mr. P.K. Suri, former Director (Operations) during the period from January 1, 2012 to July 13, 2012 as minimum remuneration as set out in the Explanatory Statement notwithstanding the absence or inadequacy of profits."

The Chairman, thereafter, put the resolution to vote by show of hands and declared that it was carried unanimously.

11. Revision of limit on donations to charitable trusts and other funds:

Proposed by: Mr. D. Venkateswara Rao
Seconded by: Mr. P. Niranjan Babu



As an Ordinary Resolution:

"RESOLVED THAT in supersession of the resolution passed by the Members at the 19th Annual General Meeting of the Company held on December 29, 1983 and pursuant to the provisions of Section 293(1)(e) and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force), the Board of Directors of the Company (hereinafter referred to as "the Board") be and is hereby authorised to contribute, from time to time, to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, such amount or amounts, as the Board may in its absolute discretion deem fit PROVIDED HOWEVER THAT the total amount that may be so contributed in any financial year of the Company shall not exceed Rs.20,000,000 (Rupees Two Crore only) or five per cent of the Company's average net profits as determined in accordance with the provisions of Sections 349 and 350 of the Companies Act, 1956 during the three financial years immediately preceding, whichever is greater."

FURTHER RESOLVED THAT for the purpose of giving effect to the above Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary and/or expedient for implementing and giving effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard on behalf of the Company."

The Chairman, thereafter, put the resolution to vote by show of hands and declared that it was carried unanimously.

The meeting concluded with a vote of thanks to the Chair by Managing Director & CEO.

Certified True Copy

EXECUTIVE CHAIRMAN

For The Andhra Pradesh Paper Mills Limited

C. Prabhakar

C. PRABHAKAR

**Sr. Vice President (Corporate Affairs) &
Company Secretary**