

January 2, 2017

Department of Corporate Services,
B S E Ltd.,
14th Floor, P.J. Towers,
Dalal Street,
MUMBAI -400 001

Listing Department,
National Stock Exchange of India Ltd,
"Exchange Plaza",
Bandra-Kurla Complex,
Bandra (E)
MUMBAI 400 051

(BSE Scrip Code No.502330)

(Symbol – IPAPPM ; Series – EQ)

Dear Sirs,

Sub: Minutes of Meeting of Equity Shareholders of the Company.

In continuation of our letter dated December 22, 2016, we send herewith a copy of the Minutes of the Court Convened Meeting of Equity Shareholders of the Company held on December 21, 2016.

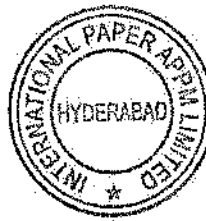
We request you to kindly take it on records.

Thanking you,

Yours faithfully,
For INTERNATIONAL PAPER APPM LIMITED

C. Prabhakar

C.PRABHAKAR
SR. VICE PRESIDENT (CORPORATE AFFAIRS) &
COMPANY SECRETARY



Encl: As above

INTERNATIONAL PAPER APPM LIMITED

(Formerly known as The Andhra Pradesh Paper Mills Limited)

(Corporate Identity Number: L21010AP1964PLC001008)

Corp. Office: Krishe Sapphire Building, 8th Floor, 1-89/3/B40 to 42/KS/801,
Hi-tech City Main Road, Madhapur, Hyderabad – 500 081, Telangana, India.

Tel : +91-40-3312 1000 Fax: +91-40-3312 1010 website: www.ipappm.com

Regd. Office: Rajahmundry – 533 105, East Godavari Dist., Andhra Pradesh, India.

An ISO 9001, ISO 14001 and OHSAS 18001 Certified Company

Minutes of the Meeting of Equity Shareholders of International Paper APPM Limited convened pursuant to the Order dated November 7, 2016 of the Hon'ble High Court of Judicature at Hyderabad for the State of Telangana and the State of Andhra Pradesh in Company Application Nos. 1531 and 1532 of 2016 held on Wednesday, December 21, 2016 at 10.30 A.M. at Hotel La Hospin, Celebrations, 6th Floor, Pushkarghat, Rajahmundry – 533 104, East Godavari District, Andhra Pradesh, India for the purpose of considering and if thought fit, approving with or without modification the Scheme of Arrangement for re-classification and transfer of amounts lying to the credit of General Reserves to the Profit & Loss Account of the Company.

Present:

1. Mr. Rampraveen Swaminathan Chairman of Court Convened Meeting

Chairman of the Board of Directors of the Company and also as an Authorized representative of International Paper Investments (Luxembourg) S.à.r.l. and IP International Holdings, Inc.,
2. Mr. C. Prabhakar Senior Vice President (Corporate Affairs) & Company Secretary and as a Member of the Company.
3. Mr. Badrinath Chellappa Chief Financial Officer

MEMBERS/PROXIES:

- a) Members: 115 as per Attendance Record
- b) Other Proxies: 7 holding 1,24,548 shares as per Attendance Record.

- 1) In accordance with Order dated November 7, 2016 passed by the Hon'ble High Court of Judicature at Hyderabad for the State of Telangana and the State of Andhra Pradesh in Company Application Nos. 1531 and 1532 of 2016 (Order), Mr. Rampraveen Swaminathan, Court appointed Chairman presided over the Meeting.
- 2) At 10.30 A.M., Mr. C. Prabhakar announced that the requisite quorum as fixed by the Order i.e. 50 equity shareholders of the Company, was present in person. The Chairman welcomed the Members present to the Meeting of the equity shareholders (Court Convened Meeting) of International Paper APPM Limited (Company) convened pursuant to the Order for the purpose of considering and if thought fit, approving with or without modification, the Scheme of Arrangement amongst the Company and its Members under Sections 391 to 394 and other relevant provisions of the Companies Act, 1956 and the Companies Act, 2013 as applicable and any amendments or re-enactments thereof (the Scheme of Arrangement).



- 3) Mr. C. Prabhakar announced that until 48 hours before the commencement of Court Convened Meeting, 44 valid proxies covering a total of 2,44,523 shares and 2 authorizations from Promoters covering a total of 2,98,27,529 shares have been received and relevant documents were placed on the table for inspection.
- 4) Mr. C. Prabhakar announced that the following documents and Registers were placed on the table which were open for inspection during the Court Convened Meeting:
- a) Notice of the Court Convened Meeting of Equity Shareholders.
 - b) Copy of the Order dated November 7, 2016 passed by the Hon'ble High Court of Judicature at Hyderabad for the State of Telangana and the State of Andhra Pradesh in Company Application Nos.1531 and 1532 of 2016 directing the Company to convene the Court Convened Meeting.
 - c) Copy of the Scheme of Arrangement.
 - d) Memorandum and Articles of Association.
 - e) Annual Reports of the Company for the last 3 years ended March 31, 2014, March 31, 2015 and March 31, 2016.
 - f) Register of Directors and Key Managerial Personnel and their shareholding.
 - g) Copies of the Complaint Reports dated July 11, 2016 and July 14, 2016 submitted by the Company to National Stock Exchange of India Limited and BSE Limited respectively.
 - h) Copies of the Resolution passed by the Audit Committee and Board of Directors dated April 22, 2016 approving the Scheme of Arrangement.
 - i) Copies of the Observation Letters dated April 1, 2016 issued by BSE Limited and dated August 2, 2016 issued by National Stock Exchange of India Limited to the Applicant Company.
 - j) Proxy Register with 44 no. of Proxies lodged with the Company in connection with Court Convened Meeting.

Thereafter, the Chairman requested Mr. C. Prabhakar to read out the Notice and the Scheme of Arrangement.

- 5) With the consent of the Members present, the Notice of Court Convened Meeting along with the enclosures was taken as read out at the Court Convened Meeting. It was explained that the Statement under Section 393 of Companies Act 1956 circulated along with the Notice set out in detail the rationale of the proposed Scheme of Arrangement.



- 6) The Chairman then briefed the Members on the salient features of the Scheme of Arrangement and stated that it is proposed to reclassify and transfer the amount of Rs.288.76 crores lying to the credit of the General Reserves as on March 31,2016 to the Profit & Loss Account of the Company to enable pay out to the Members in accordance with the terms of Scheme and as per the discretion of the Board regarding the mode, quantum and timing of such pay out.
- 7) Upon the proposed Scheme of Arrangement coming into effect, it would permit the Company to utilize these funds with greater flexibility to enable, inter alia, pay out to the Members in such manner and to such an extent as the Board of Directors in its sole discretion may decide from time to time and in accordance with the Companies Act, 2013 and other applicable Laws.

Thereafter, the Chairman moved the following Resolution:

“RESOLVED THAT pursuant to the provisions of Section 391 and other applicable provisions of the Companies Act, 1956 and/or under the corresponding provisions of the Companies Act, 2013, as applicable, the rules, circulars and notifications made thereunder (including any statutory modification or re-enactment thereof) as may be applicable, the Securities and Exchange Board of India Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015 on Scheme of Arrangement by Listed Entities, the observation letters issued by BSE Limited dated August 1, 2016 and National Stock Exchange of India Limited dated August 2, 2016, and relevant provisions of applicable laws, and subject to the approval of the Hon’ble High Court of Judicature at Hyderabad for the State of Telangana and the State of Andhra Pradesh, the Scheme of Arrangement amongst the Applicant Company and its Members, to reclassify and transfer the amount of Rs.288.76 crores lying to the credit of the General Reserves to the ‘Profit and Loss Account’ of the Applicant Company under the terms of Scheme, as placed before the meeting and initialed by the Chairman of the meeting for the purpose of identification, be and is hereby approved and agreed to, with/without any modifications and/or conditions, if any, which may be required and/or imposed and/or permitted by the Hon’ble High Court of Judicature at Hyderabad for the State of Telangana and the State of Andhra Pradesh while sanctioning the Scheme of Arrangement, and/or by any other authorities under applicable law(s).

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution and for removal of any difficulties, the Board of Directors of the Applicant Company (herein referred to as the **“Board”**, which term shall deem to include any Committee or any person(s) which the Board may nominate or authorise to exercise its powers, including the powers conferred under this resolution), be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, usual or proper, and to settle any questions or difficulties that may arise, including passing of such accounting entries and/or making such adjustments in the books of accounts as considered necessary to give effect to the above resolution, or to carry out such modifications as may be required and/or imposed and/or permitted by the High Court of Judicature at Hyderabad for the State of Telangana and the State of Andhra



Pradesh while sanctioning the Scheme of Arrangement, or by any other authorities under applicable law and as is acceptable to the Board.”

The above resolution was proposed by Mr. Praful Chavada (Client ID No.1205140000084599 and seconded by Mr. Ryali Suryanarayana (Folio No. R001758).

9) After the above resolution was proposed and seconded, the Chairman ordered poll on the above resolution and invited the Members to share their views on the proposed Scheme of Arrangement so that the Members present could give their considered vote on the Scheme of Arrangement. The Chairman responded to the queries raised by the Members present at the Court Convened Meeting and informed the shareholders regarding the poll process.

10) He further informed that Mr. D. Hanumanta Raju, Partner, M/s. D. Hanumanta Raju & Co., Practicing Company Secretaries, Hyderabad has been appointed as Scrutinizers along with Mr. S. Rama Subba Rao, shareholder for over-seeing the poll process.

11) The Chairman, thereafter, announced that the result of voting on the poll would be announced on December 22, 2016 and displayed on the website of the Company and also on the websites of BSE and NSE. He further informed that the result of voting will also be reported to the Hon'ble High Court of Judicature at Hyderabad for the State of Telangana and the State of Andhra Pradesh within the stipulated period.

The Court Convened Meeting concluded at 11.30 A.M.

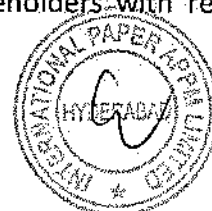
The Chairman, thereafter, handed over the voting process to the Scrutinizers.

On the basis of Scrutinizers' report dated December 22, 2016 in respect of the poll which was conducted on December 21, 2016, the results of the poll as given below were declared on December 22, 2016:

Resolution No.	Particulars	% of Votes in favour	% of Votes against
1	To consider and if thought fit, approving with or without modification the proposed Arrangement embodied in the Scheme amongst International Paper APPM Limited and its Members to re-classify and transfer the amounts lying to the credit of General Reserves to the Profit & Loss Account of the Company.	100.00	0.00

13 Members holding 2,819 shares abstained from voting.

Based on the Report of the Scrutinizers, the Resolution as set out in the Notice of the Court Convened Meeting has been duly approved by the shareholders with requisite majority.



The Resolution as set out in Notice of Court Convened Meeting dated November 18, 2016 duly approved by the Members with requisite majority and the Scheme of Arrangement (Annexure) are recorded hereunder as part of proceedings of Court Convened Meeting held on December 21, 2016:

“RESOLVED THAT pursuant to the provisions of Section 391 and other applicable provisions of the Companies Act, 1956 and/or under the corresponding provisions of the Companies Act, 2013, as applicable, the rules, circulars and notifications made thereunder (including any statutory modification or re-enactment thereof) as may be applicable, the Securities and Exchange Board of India Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015 on Scheme of Arrangement by Listed Entities, the observation letters issued by BSE Limited dated August 1, 2016 and National Stock Exchange of India Limited dated August 2, 2016, and relevant provisions of applicable laws, and subject to the approval of the Hon’ble High Court of Judicature at Hyderabad for the State of Telangana and the State of Andhra Pradesh, the Scheme of Arrangement amongst the Applicant Company and its Members, to reclassify and transfer the amount of Rs.288.76 crores lying to the credit of the General Reserves to the ‘Profit and Loss Account’ of the Applicant Company under the terms of Scheme, as placed before the meeting and initialed by the Chairman of the meeting for the purpose of identification, be and is hereby approved and agreed to, with/without any modifications and/or conditions, if any, which may be required and/or imposed and/or permitted by the Hon’ble High Court of Judicature at Hyderabad for the State of Telangana and the State of Andhra Pradesh while sanctioning the Scheme of Arrangement, and/or by any other authorities under applicable law(s).

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution and for removal of any difficulties, the Board of Directors of the Applicant Company (herein referred to as the **“Board”**, which term shall deem to include any Committee or any person(s) which the Board may nominate or authorise to exercise its powers, including the powers conferred under this resolution), be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, usual or proper, and to settle any questions or difficulties that may arise, including passing of such accounting entries and/or making such adjustments in the books of accounts as considered necessary to give effect to the above resolution, or to carry out such modifications as may be required and/or imposed and/or permitted by the High Court of Judicature at Hyderabad for the State of Telangana and the State of Andhra Pradesh while sanctioning the Scheme of Arrangement, or by any other authorities under applicable law and as is acceptable to the Board.”

Date: December 22, 2016
Place: Rajahmundry

Sd/-xxxxx
Rampraveen Swaminathan
Chairman of the Court Convened Meeting
of Equity Shareholders



**SCHEME OF ARRANGEMENT
AMONGST INTERNATIONAL PAPER APPM LIMITED
AND
ITS MEMBERS**

UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956

PART A- GENERAL

1. Introduction

- 1.1 International Paper APPM Limited is a public limited company, originally incorporated under the Companies Act, 1956 and having its Registered Office at Rajahmundry, East Godavari District, Andhra Pradesh, India ("the Company"). The name of the Company was changed from The Andhra Pradesh Paper Mills Limited to International Paper APPM Limited with effect from December 16, 2013 vide fresh Certificate of Incorporation consequent upon change of name dated December 16, 2013 issued by Registrar of Companies, Andhra Pradesh, Government of India, Ministry of Corporate Affairs. The Company is one of the largest integrated paper and Pulp manufacturers in India. The Company produces writing, printing and copier papers for foreign and domestic markets and is having manufacturing facilities at Rajahmundry and Kadiyam, both in the State of Andhra Pradesh with a total production capacity of 2,40,000 tons per annum. The equity shares of the Company are listed on BSE Ltd and NSE of India Ltd.
- 1.2 The Company's product portfolio includes, *inter alia*, the following brands: Primavera, Primavera Write, TruPrint, True Print Ultra, CCS, Hygieia Pharma Grade paper, Skytone, Star White and WriteChoice under Writing and Printing Paper segment; Reflection, Hammer Mill, HP Paper under Copier paper category and poster, Cupstock, Stiffner, etc. under Specialty Paper Category.
- 1.3 The Company has been demonstrating consistent growth, sustained improvement in profitability and robust cash generation over the past 2 years. The key financial highlights relating to operating performance for the last 2 years are given below:



(Rs. in crores)

S. No.	Parameter	Financial Year 2014-15	Financial Year 2015-16
1.	Gross Sales	1230.74	1216.25
2.	Cash generated from Operations	128.29	111.33
3.	Profit After Tax	0.25	36.89
4.	Earnings per share(Face value of Rs.10/-each) (Rs.)	0.06	9.28

- 1.4 The Company's improved performance over the last 2 years has helped in maintaining robust cash generation.
- 1.5 The Company has net cash & cash equivalent of investment of Rs.10.14 crores as on March 31, 2016.
- 1.6 The Company has built-up Reserves from its retained profits by way of transfer to General Reserves. The excess Reserves can be effectively utilized for the Company's overall growth strategy.
- 1.7 In view of the foregoing, the Company now proposes to transfer the amount of Rs.288.76 crores lying to the credit of General Reserves to the Profit & Loss Account to enable, inter alia, pay out to the Members (as defined hereinafter) in such manner and to such extent as the Board (as defined hereinafter) in its sole discretion may decide from time to time and in accordance with the provisions of the Act and other applicable Laws.
- 1.8 As an Investor-friendly measure and in the interests of the transparency and good corporate governance, the Company has proposed this Scheme of Arrangement between the Company and its members under Section 391 to 394 of the Act pursuant to which and upon its coming into effect, the entire amount of Rs.288.76 crores lying in the General Reserve of the Company as of the appointed Date (as defined hereinafter), be credited to Profit and Loss Account of the Company to enable, inter alia, payout to its Members as per the discretion of the Board (regarding the mode, quantum and time of such Payout, subject to consideration of all relevant factors), from time to time in accordance with the provisions of the Act and other applicable Laws and various other matters consequential to or otherwise integrally connected with the above.
- 1.9 The Scheme is divided into the following parts:
- Part A**, which deals with the introduction and definition and sets out the share capital and details of reserves and surplus of the Company;
 - Part B**, which deals with utilization and reclassification of amounts standing to the credit of the General Reserves for the purpose of Payout to Members, as per the discretion of the Board of Directors, from time to time; and
 - Part C**, which deals with the general terms and conditions.



2. Definition and Interpretation

2.1 In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meanings:

"Act" means the Companies Act, 2013 [to the extent of the sections thereof that have been brought into force) and the Companies Act, 1956 (to the extent of the sections thereof that have not been repealed);

"Appointed Date" means close of business hours of March 31, 2016, or such other date as may be fixed by the High Court;

"Board of Directors" or "Board" means the Board of Directors of the Company and shall include a Committee duly constituted and authorized for the purposes of matters pertaining to the Scheme and/or any other matter relating thereto;

"Capital Reserves" means and includes the capital reserves, capital redemption reserve and the securities premium account as reflected in the accounts of the Company;

"Company" shall have the meaning assigned to it in Clause 1.1;

"Effective Date" means the last of the dates on which all the conditions and matters referred to in Clause 7 of this Scheme occur or have been fulfilled or waived in accordance with this Scheme. References in this Scheme to date of 'coming into effect of the Scheme' or 'effectiveness of the Scheme' shall mean the Effective Date;

"General Reserves " means and includes the General Reserves of the Company which have been built primarily through transfer of retained undistributed profits, pursuant to the provisions of the Companies Act, 1956 and the erstwhile rules notified thereunder, namely, the Companies [Transfer of Profits to Reserves] Rules, 1975 and which forms a part of the free reserves of the Company, as reflected in the accounts of the Company;

"Governmental Authority" means any applicable Central, State or Local Government, legislative body, regulatory or administrative authority, agency or Commission, including a Stock Exchange or any Court, Tribunal, Board, Bureau, instrumentality, judicial or arbitral body;

"High Court" shall mean the High Court of Andhra Pradesh and Telangana at Hyderabad having jurisdiction in relation to the Company and shall include the National Company Law Tribunal, as applicable, or such other forum or authority as may be vested with any of the powers of a High Court for the purposes of Sections 391 to 394 of the Companies Act, 1956 or Sections 230 to 232 of the Companies Act, 2013, as may be applicable;

"Member" means every person holding shares of the Company at the relevant time and the term "Members" shall be construed accordingly;

"Registrar of Companies" means the Registrar of Companies, Andhra Pradesh;



"Scheme" mean this Scheme of Arrangement, as amended or modified in accordance with the provisions hereof;

"SEBI" means the Securities and Exchange Board of India; and

"SEBI Scheme Circular" means Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015 on Scheme of Arrangement by Listed Entities, and shall include any statutory modifications, re-enactment or amendments thereof.

2.2 References to clauses, sub-clauses and recitals, unless otherwise provided, are to clauses, sub-clauses and recitals of and to this Scheme.

2.3 The headings herein shall not affect the construction of this Scheme.

2.4 Any phrase introduced by the terms 'including', 'include', 'in particular' or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

2.5 Unless the context otherwise requires :

(i) the singular shall include the plural and vice versa; and references to one gender include all genders; and

(ii) references to any law or to any provision thereof shall include references to any such law or to any provision thereof as it may, after the date hereof, from time to time, be amended, supplemented or re-enacted, or to any law or any provision which replaces it, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

2.6 Reference to a person includes any individual, firm, body corporate (whether incorporated or not), Governmental Authority, or any joint venture, association, partnership, works council or employee representatives body (whether or not having separate legal personality).

3. Share Capital and General Reserves

3.1 Share Capital structure as on March 31, 2016:

A. Authorised Capital	Amount in Rs.
4,00,00,000 equity shares of Rs.10/- each	40,00,00,000
500,000 Redeemable cumulative preference shares of Rs.100/- each	5,00,00,000
Total	45,00,00,000



B. Issued, Subscribed and Paid-up Share Capital	Amount in Rs.
3,97,70,039 equity shares of Rs.10/- each	39,77,00,390
Total	39,77,00,390

3.2 The Reserves and Surplus of the Company, including the General Reserves, as per the audited Balance Sheet of the Company as of the Appointed Date, are as under:

Total Reserves	Rs. In crores
1. General Reserves as defined and referred in this Scheme	288.76
2. Securities Premium Account Other reserves and surplus not forming part of the reclassification specified in Part B of this Scheme	182.11
3. Capital Redemption Reserve	5.98
4. (Deficit) in Statement of Profit & Loss Account	(65.68)
Total	411.17

3.3 The Scheme does not seek to reduce or otherwise alter the issued, subscribed and paid-up share capital of the Company in any manner and the same will, therefore, remain unaltered as a result of the Scheme. Similarly, the Scheme does not affect the Capital Reserves in any manner.

PART B- RECLASSIFICATION AND UTILISATION OF THE GENERAL RESERVES AND PAYOUT TO MEMBERS

4. Reclassification and utilization of the General Reserves

4.1 The General Reserves of the Company, as on the Appointed Date being Rs. 288.76 Crores (Rupees Two Hundred and Eighty Eight Crores and Seventy Six Lakhs only) have been, primarily, built up over the years through the transfer of profits to the reserves by the Company (prior to declaration of dividend) in accordance with the provisions of the Companies Act, 1956 and the erstwhile rules notified thereunder, namely, the Companies (Transfer of Profits to Reserves) Rules, 1975.



4.2 Upon this Scheme becoming effective and with effect from the Appointed Date, the entire amount of Rs.288.76 Crores (Rupees Two Hundred and Eighty Eight Crores and Seventy Six Lakhs only) standing to the credit of the General Reserves of the Company shall be reclassified and credited to the 'Profit and Loss Account' of the Company, and subsequent thereto, such amounts credited to the 'Profit and Loss Account' of the Company shall be reclassified as and constitute accumulated profits of the Company for the previous financial years, arrived at after providing for depreciation in accordance with the provisions of the Act and remaining undistributed in the manner provided in the Act and other applicable laws. It is clarified that such amounts shall be available for utilisation by the Company in relation to any Payout in the manner set out in Clause 5 below.

5. Payout of Surplus Funds to Members

5.1 Upon the Scheme becoming effective and subsequent to the reclassification of the amounts standing to the credit of the General Reserves and credit thereof to the 'Profit and Loss Account' pursuant to Clause 4 of the Scheme, the amount so credited may be paid out to the Members of the Company, from time to time, by the Board of Directors, at its sole discretion, in such manner, quantum and at such time as the Board of Directors may decide (each such event constituting a "Payout").

5.2 Each Payout of surplus funds including the quantum, manner and timing thereof shall be undertaken in accordance with the provisions of the Act, the Scheme and other applicable laws, taking into account all relevant factors including applicable regulatory and fiscal considerations, the nature and quantum of each Payout and subject to payment of applicable taxes.

6. Accounting Treatment

Upon this Scheme becoming effective and with effect from the Appointed Date:

The entire amount of Rs.288.76 crores (Rupees two hundred eighty eight crores seventy six lakhs only) standing to the credit of the General Reserves of the Company shall be reclassified and credited to the 'Profit and Loss Account' of the Company and the resulting balance in the Profit and Loss Account shall be Rs. 223.08 crores (Rupees two hundred twenty three crores eight lakhs only).

7. Scheme conditional on

7.1 The Scheme is conditional on and subject to :

- a) the Scheme being approved by the requisite majority of the Members of the Company as required under the Act, unless such meeting is otherwise dispensed with by the High Court;
- b) approval of Creditors including Banks;
- c) the High Court having accorded its sanction to the Scheme;
- d) the approval/comments of SEBI in terms of the SEBI Scheme Circular being obtained upon this Scheme being sanctioned by the High Court, if applicable;
- e) such other approvals and sanctions of any Governmental Authority as may be required in respect of the Scheme being obtained; and
- f) the certified copy of the order of the High Court approving the Scheme being filed with the Registrar of Companies.



7.2 The approval of the Scheme by the Members shall be deemed to be sufficient for the purposes of effecting the re-classification of the amounts standing to the credit of the General Reserves and credit thereof to the 'Profit and Loss Account' and no further resolution under any other applicable provisions of the Act would be required to be separately passed.

In the event of this Scheme failing to take effect by March 31, 2017 or such other date as may be agreed by the High Court, this Scheme shall stand revoked, cancelled and be of no effect and become null and void, and in that event, no rights and liabilities shall accrue to, or, be incurred inter se between the Company and any other person and the Company shall bear and pay the costs, charges and expenses for and/or in connection with the Scheme.

PART C- GENERAL TERMS AND CONDITIONS

8. Upon this Scheme becoming effective, the Balance Sheet of the Company, as on the Appointed Date, shall be reorganized in accordance with the terms of this Scheme.

9. Dividends

9.1 Nothing contained herein shall be construed as restricting the Company from being entitled to declare and pay dividends, subject to availability of profits whether interim or final, to its shareholders whether during the pendency of the Scheme or otherwise and the holders of the shares of the company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under the Articles of Association, including the right to receive dividends, if any.

9.2 It is clarified that the aforesaid provisions in Clause 9.1 in respect of declaration of dividend are enabling provisions only and shall not be deemed to confer any right on any member of the Company to demand or claim any dividends which, subject to the provisions of the said Act, shall be entirely at the discretion of the Board of Directors and subject to the approval, if required, of the Members.

10. Applications

The Company shall make necessary applications before the High Court for the sanction of this Scheme under Sections 391 to 394 of the Act and any other applicable provisions of law.

11. Modifications to the Scheme

11.1 The Company (acting through its Board of Directors) may, in its full and absolute discretion:

- a) assent to any alteration[s] or modification[s] to this Scheme which the High Court and/or any other Governmental Authority may deem fit to approve or impose and to do all acts, deeds and things as may be necessary, desirable or expedient for the purposes of this Scheme;



- b) give such directions as it may consider necessary to settle any question or difficulty arising under the Scheme or in regard to, and of the meaning or interpretation of the Scheme, or implementation thereof, or in any matter whatsoever connected therewith (including any question or difficulty arising as a result of inadequacy of information provided by a Member or in connection with any deceased or insolvent Member of the Company or to review the position relating to the satisfaction of various conditions to the Scheme and if necessary, to waive any of those (to the extent permissible under law] or, that otherwise as may be considered to be in the best interest of the Company and its Members and do all acts, deeds and things as may be necessary, desirable or expedient for giving effect to the Scheme;
- c) modify, vary or withdraw this Scheme prior to the Effective Date in any manner at any time;
- d) any modification to the Scheme by the Company, after receipt of sanction by the High Court, shall be made only with the prior approval of the High Court.

12. Severability

12.1 The provisions contained in this Scheme are inextricably inter-linked with the other provisions and the Scheme constitutes an integral whole. The Scheme would be given effect to only if is approved in its entirety unless specifically agreed otherwise by the Board of Directors of the Company.

12.2 If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Company, affect the validity or implementation of the other parts and/or provisions of this Scheme.

13. Tax related provisions

Every Payout shall be subject to payment or deduction at source of applicable taxes as per applicable law.

14. Costs

All costs, charges and expenses of the Company in relation to or in connection with the Scheme and of carrying out and implementing/ completing the terms and provisions of the Scheme and/ or incidental to the completion thereof in pursuance of the Scheme, shall be borne and paid by the Company.



15. Binding Effect

This Scheme when sanctioned by the High Court and upon effectiveness shall be binding on the Company, all its creditors, Members and all other persons, notwithstanding anything to the contrary in any other instrument, deed or writing.

Date: December 22, 2016
Place: Rajahmundry

Sd/-xxxxxxxxx
Rampraveen Swaminathan
Chairman of the Court Convened Meeting
of Equity Shareholders

//Certified True Copy//



For INTERNATIONAL PAPER APM LIMITED

C. Prabhakar
C. PRABHAKAR
SR. VICE PRESIDENT (CORPORATE AFFAIRS) &
COMPANY SECRETARY