



भारतीय प्रतिभूति
और विनियम बोर्ड
**Securities and Exchange
Board of India**

DEPUTY GENERAL MANAGER
CORPORATION FINANCE DEPARTMENT
Phone no: 022-26449373

CFD/PC/IG/CB/3866/15
February 04, 2015

M/s. International Paper APPM Limited
Krishe Sapphire Building, 8th floor
1-89/3/B40 to 42/KS/801
Hi-Tech City main road, Madhapur
Hyderabad,- 500081

Dear Sir,

Sub: Request for "Interpretative Letter" under the SEBI (Informal Guidance) Scheme, 2003 {Scheme} in the matter of M/s. International Paper APPM Limited {Target Company} under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 {Takeover Regulations}.

1. This has reference to your letter dated November 27, 2014 on the captioned subject.
2. You have, *inter alia*, represented as follows-
 - a. M/s. International Paper APPM Limited ("Target Company") is listed on the National Stock Exchange and the Bombay Stock Exchange. The promoter shareholding in the company is 75% of the paid up share capital of the target company and is held by IP Holding Asia Singapore Pte Ltd. ("IPS")
 - b. IPS is a private unlisted company incorporated under the laws of Singapore and is wholly owned subsidiary of IP International holdings Inc. ("IPUS").
 - c. International Paper Holding Luxembourg ("IPHL") is also wholly owned subsidiary of IPUS.
 - d. International Paper Investment Luxembourg ("IPIL") is a wholly owned subsidiary of IPHL and thus, a step down subsidiary of IPUS.
 - e. International Paper group acquired shares in the target company through IPS in the following manner:

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- 53.46% stake was acquired from L N Bangur group, the erstwhile promoters of APPM.
 - 21.54% from the public shareholders after completion of the open offer process.
- f. The above acquisition was funded by IPS through debt raised from IPUS and IPIL.
- g. As part of the internal reorganization, IPS proposes to transfer 75% stake held in the target company to IPIL and IPUS in satisfaction to the debt payable to the respective companies. Transfer of shares shall be in the same proportion in which debt was raised from the respective companies. Thus, IPS would transfer 54.95% of its shareholding in the target company to IPIL and 20.05% to IPUS.
- h. Further, price for transfer of shares shall not exceed the threshold provided under proviso to regulation 10(1)(a) of Takeover Regulations.
3. In view of the above, you have sought no-action letter from SEBI confirming that ~~the proposed transaction would not trigger open offer requirement under regulation 3 and 4 of the Takeover Regulations.~~
4. We have considered the submissions made by you in your letter under reference. Without necessarily agreeing with your analysis, our view is that although the proposed transaction would trigger open offer requirement under regulation 3 and 4 of the Takeover Regulations, it would qualify for exemption in terms of regulation 10(1)(a)(iii) of Takeover Regulations subject to compliance with conditions specified therein.
5. The above position is based on the information furnished in your letter under reference. Different facts or conditions might lead to a different result. Further, this letter does not express a decision of the Board on the questions referred.
6. Vide your letter dated November 27, 2014, you have requested for confidentiality in respect of your interpretative letter. Acceding to your request, it has been



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decided that the interpretative letter issued to you in this matter will not be made public for a period of 90 days from the date of issuance of this letter.

7. You may also note that the above views are expressed only with respect to the clarification sought in your letter under reference with respect to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and do not affect the applicability of any other law or requirements of any other SEBI Regulations, Guidelines and Circulars administered by SEBI or of the laws administered by any other authority.

Yours faithfully,

Amit Tandon