



# Seshasayee Paper and Boards Limited

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CIN : L21012TZ1960PLC000364

Ref: SH/ S-6/ 618

2024.06.02

National Stock Exchange of India Limited  
Exchange Plaza, 5<sup>th</sup> Floor  
Plot No C/1, G Block  
Bandra - Kurla Complex, Bandra (E)  
Mumbai 400 051

BSE Limited  
Floor 25  
P J Towers  
Dalal Street  
Mumbai 400 001

**Stock Code: SESHAPAPER**

**Stock Code : 502450**

Dear Sir,

**Sub: 64<sup>th</sup> Annual General Meeting (AGM) Proceedings**

With regard to the 64<sup>th</sup> Annual General Meeting of the Company held on June 01, 2024, through Video Conference, we enclose the following for your reference and records:

- 1 A copy of the Proceedings of the Meeting, in deference to Regulation 30 read with Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 2 A copy of Transcript of Meeting, in deference to General Circular No. 14/2020 dated April 08, 2020 issued by the Ministry of Corporate Affairs, Government of India.

Thanking you,

Yours faithfully

**For Seshasayee Paper and Boards Limited**

**K NARAYANAN**  
**Company Secretary & Compliance Officer**  
**Membership No. A13779**

Encl: as above





**Seshasayee Paper and Boards Limited**

*Fine Papers - Lasting Impressions*

**Proceedings of the  
64<sup>th</sup> Annual General Meeting of the Company  
held on June 01, 2024 at 11:00 AM**

**SESHASAYEE PAPER AND BOARDS LIMITED**  
**CIN: L21012TZ1960PLC000364**

**Sixty Fourth Annual General Meeting**

**Proceedings**

**Date** : Saturday, June 01, 2024

**Time** : 11.00 AM

**Venue** : Video Conference

**PRESENT THROUGH VIDEO CONFERENCE**

Sri N Gopalaratnam : Chairman

Sri A L Somayaji : Independent Director & Chairperson of the  
Nomination and Remuneration Committee,  
Stakeholders Relationship Committee and  
Corporate Social Responsibility Committee

Sri S Durgashankar : Independent Director & Chairperson of the  
Audit Committee

Sri Mohan Verghese Chunkath : Independent Director & Chairperson of the  
Risk Management Committee

Dr Nanditha Krishna : Independent Director

Smt Sheela Balakrishnan : Independent Director & Chairperson of the  
Project Committee

Sri T Ritto Cyriac, IFS : Nominee Director of Govt. of Tamilnadu,  
liable to retire by rotation

Sri K S Kasi Viswanathan : Managing Director

Sri Ganesh Balakrishna Bhadti : Director (Operations)

Sri Arun J Bijur : By invitation

**Key Managerial Personnel**

Sri S Srinivas : Senior Vice President & CFO

Sri K Narayanan : Company Secretary & Compliance Officer

**Statutory Auditor**

Sri Sanjeev Aditya : Partner, M/s Suri & Co.

**Internal Auditor**

Sri N R Suresh : Partner, M/s Maharaj N R Suresh and Co LLP

**Secretarial Auditor**

Mrs Swetha Subramanian : Partner, M/s Lakshmmi Subramanian & Associates

**Cost Auditor**

Mrs Meena Ramji : Partner, M/s S Mahadevan & Co.

**Scrutiniser**

Sri K Sankara Subramanian : K Sankara Subramanian & Associates

**Members present in person** : 361 holding 2,74,37,322 Shares

**I CHAIRMAN OF THE MEETING:**

Sri N Gopalaratnam, Chairman of the Board of Directors, being the Chairman of the Meeting, in terms of Article 70 of the Articles of Association of the Company, took the Chair.

**II QUORUM**

The Chairman noted that 361 Shareholders were present in Video Conference (VC) at the beginning of the meeting. Requisite quorum being present, the Chairman called the meeting to order and welcomed the Shareholders present. The meeting commenced at 11.00 AM.

**III INTRODUCTION**

The Chairman introduced the Directors present at the meeting to the Shareholders. Chairman took the roll call and each Director present, identified himself / herself and registered their presence in the AGM held thro' VC.

Chairman noted the presence of Statutory Auditor, Secretarial Auditor, Cost Auditor and Internal Auditor.

Sri K Narayanan, Company Secretary & Compliance Officer provided the general instructions to the members regarding participation in the meeting.

**IV REGISTERS**

The Register of Directors and Key Managerial Personnel and their shareholdings and Register of Contracts were made available electronically for inspection by the Members during the AGM.

**V NOTICE AND BOARD'S REPORT**

The Notice for the meeting and the Board's Report to the Shareholders were taken as read with the consent of the Shareholders present.

**VI CORPORATE VIDEO**

A short Corporate Video, showcasing the Genesis and Growth Story of SPB was played, with the approval of the Chairman.

**VII CHAIRMAN'S SPEECH**

The Chairman then addressed the Shareholders. The Chairman's address covered areas of Global / Indian Economy, status of Indian Paper Industry, near term challenges, Company's performance in FY 2023-24 and outlook for financial year 2024-25, etc.

**VIII PRESENTATION BY MANAGING DIRECTOR**

Sri K S Kasi Viswanathan, Managing Director, made a presentation on the performance of the Company and the key highlights for the Financial Year 2023-24.

**IX AUDIT REPORT**

Sri S Srinivas, Senior Vice President & CFO, informed the shareholders that pursuant to Section 146 of the Companies Act, 2013, the Report of the Statutory Auditor, viz., M/s Suri & Co. who was present through their respective partner, included in Pages 154 to 167 relating to Standalone Ind-AS Financial Statements and Pages 231 to 240 relating to Consolidated Ind-AS Financial Statements of the 64<sup>th</sup> Annual Report does not contain any qualifications, reservations or adverse comments. Thereupon, the Auditors' Report to Shareholders was taken as read.

**X SECRETARIAL AUDIT REPORT**

Sri S Srinivas, Senior Vice President & CFO, informed the Shareholders that the Company has obtained Secretarial Audit Report from M/s Lakshmmi Subramanian & Associates, Practicing Company Secretaries, pursuant to Section 204 of the Companies Act, 2013 which is included in Pages 146 to 150 of the 64<sup>th</sup> Annual Report. He informed the Shareholders that there are no qualifications, observations or comments or other remarks mentioned in the Secretarial Audit Report.

**XI INTRODUCTION TO RESOLUTIONS**

The Chairman observed that there are four Resolutions proposed to be passed at this 64<sup>th</sup> Annual General Meeting - 3 Ordinary Resolutions and 1 Special Resolution. He briefly narrated the background and purpose of each of these Resolutions.

**XII VOTING OPTIONS**

The Chairman mentioned that the Company has offered two alternative voting options to Shareholders, viz., Remote e-voting and E-voting during AGM.

**XIII REMOTE E-VOTING**

The Chairman mentioned that Remote e-voting facility had been offered pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014. The Company engaged the services of National Securities Depository Limited (NSDL) for this purpose. The Remote e-voting commenced on 29<sup>th</sup> May 2024 (09.00 AM) and closed on 31<sup>st</sup> May 2024 (05.00 PM).

**XIV E-VOTING DURING AGM**

The Chairman informed the Shareholders that pursuant to the amended Rule 20 & Rule 22 of the Companies (Management and Administration) Rules, 2014 and the circulars issued by the Ministry of Corporate Affairs in this regard, the Company is also offering the facility to vote through electronic means during the meeting. He further informed that only Shareholders who have not already exercised their voting rights under Remote e-voting would now be entitled to cast their vote at the AGM.

**XV SCRUTINISER**

The Chairman mentioned that Sri K Sankara Subramanian, Practicing Company Secretary (Membership No. F11241 / COP:15994) has been appointed as Scrutiniser for the e-voting process. He would furnish individual as well as combined report in respect of votes cast for all the four Resolutions proposed at this meeting.

**XVI QUERIES AND REPLY**

The Chairman thereupon invited queries from the Shareholders relating to Annual Report, Accounts and functioning of the Company.

The Company had received requests from 6 shareholders, to be a 'Speaker Shareholder' for the purpose of AGM. All 6 shareholders were present in the VC and raised their questions.

The Queries raised by the shareholders were answered by the Chairman.

**XVII ANNOUNCEMENT OF VOTING RESULTS**

The Chairman observed that only Shareholders who have not already exercised their voting rights under Remote e-voting can vote 'E-Voting during the meeting', which will be open until 15 minutes after the closure of the meeting. The Chairman authorised Sri K Narayanan, Company Secretary, to declare the result of the voting and place the results on the website of the Company at the earliest.

The Chairman declared that the resolutions, as set forth in the Notice, shall be deemed to be passed today subject to receipt of requisite number of votes.

**XVIII CONCLUSION OF MEETING**

The Chairman declared the meeting as closed by 12.50 PM.

**XIX SCRUTINISER'S REPORT**

The combined voting based on the Scrutiniser's Report in respect of the four items of Resolutions, of which 3 are Ordinary Resolutions and 1 is Special Resolution:

Item No. of Notice and Description of Resolution(s)	Votes For					Votes Against				
	No. of Members		No. of votes		Vote %	No. of Members		No. of votes		Vote %
	Poll	e-voting	Poll	e-voting		Poll	e-voting	Poll	e-voting	
Adoption of Accounts, etc.	--	482	--	31234111	99.999	--	3	--	301	0.001
Declaration of Dividend for the year 2023-24.	--	486	--	31414386	99.999	--	1	--	50	0.001
Re-appointment of Sri N Gopalaratnam, director retiring by rotation in this AGM.	--	480	--	31250672	99.478	--	7	--	163764	0.522
Remuneration to Cost Auditor.	--	480	--	31413991	99.999	--	7	--	445	0.001

Note: (a) There were no invalid votes, in the voting at the venue.

(b) Vote % is based on total number of valid votes cast (for and against).

**XX VOTING RESULTS**

Accordingly all the 4 Resolutions proposed in the Notice for the 64<sup>th</sup> Annual General Meeting have been passed with overwhelming majority and in due compliance of relevant provisions of the Companies Act, 2013, the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**XXI DECLARATION**

The following Resolutions have been duly passed by the Shareholders in terms of the voting done through Remote e-voting and voting at the AGM based on the Scrutiniser's Report on the Results of voting dated June 01, 2024 and these Resolutions shall be deemed to be passed at and on the date of the General Meeting, viz., June 01, 2024.

- (i) **Adoption of Audited Financial Statements (Including the Consolidated Financial Statements) of the Company for the year ended March 31, 2024 and Report of Directors and Auditors thereon.**

“RESOLVED THAT the Audited Financial Statements, including the Consolidated Financial Statements, of the Company for the financial year ended March 31, 2024 and the reports of the Board of Directors and Auditors thereon be and are hereby considered and adopted”.

**Declared that this Resolution has been passed by overwhelming majority as an Ordinary Resolution.**

- (ii) **Declaration of Dividend**

“RESOLVED THAT

- a) a dividend of Rs 5.00 (Rupees five only) per fully paid up Equity Share, be and is hereby declared for the Financial Year 2023-24 on 6,30,68,140 Equity Shares of Rs 2/- each fully paid-up;
- b) the dividend amount to each shareholder be rounded off to the nearest rupee;
- c) the dividend be paid to those Members of the Company whose names appear in the Register of Members of the Company in the case of physical holding and to the beneficial owner of the shares recorded with the Depositories in the case of demat holding as per details furnished by National Securities Depository Limited / Central Depository Services (India) Limited, as on May 22, 2024”.

**Declared that this Resolution has been passed by overwhelming majority as an Ordinary Resolution.**

- (iii) **Re-appointment of Sri N Gopalaratnam, retiring by rotation in this AGM**

“RESOLVED THAT Sri N Gopalaratnam, Chairman (DIN: 00001945), who retires by rotation, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation”.

**Declared that this Resolution has been passed by overwhelming majority as a Special Resolution.**

- (iv) **Remuneration to Cost Auditor**

“RESOLVED THAT pursuant to the provisions of 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), M/s S Mahadevan & Co., Cost Accountants (Firm Registration No.000007), the Cost Auditor appointed by the Board of Directors of the Company, to conduct the audit of cost records of the Company for the financial year 2024-25, be paid



the remuneration as set out in the Statement annexed to the Notice convening this meeting.

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

**Declared that this Resolution has been passed by overwhelming majority as an Ordinary Resolution.**

**Place : Erode**

**Date : 01.06.2024**

**(N GOPALARATNAM)**

Chairman



**Seshasayee Paper and Boards Limited**

*Fine Papers - Lasting Impressions*

**Transcript of the  
64<sup>th</sup> Annual General Meeting of the Company  
June 01, 2024 at 11:00 AM**



## **AGM - JUNE 2024**

### **WELCOME ADDRESS - SRI N GOPALARATNAM, CHAIRMAN**

Dear Shareholders

Good morning to all of you. I extend a warm welcome to all of you for the 64<sup>th</sup> Annual General Meeting of the Company. I hope the shareholders are able to hear us and the audio and video are clear. I am N.Gopalaratnam, Chairman of Seshasayee Paper and Boards Limited and by virtue of the Articles of the Association of the Company, I am the Chairman for this meeting.

As permitted by the Ministry of Corporate Affairs, we are now having this AGM thro' VC.

### **INTRODUCTION:**

I am joining this AGM from the Corporate Office of the Company, at Erode. Before we start the main proceedings of the meeting, I request the other Board members, on the video conference, to introduce themselves.

**Mr.A L Somayaji, Independent Director & Chairperson of the Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee:**

Mr A.L.Somayaji: Good Morning to the Shareholders. I am Somayaji, Independent Director.

**Dr. Nanditha Krishna, Independent Director:**

Dr Nanditha Krishna: Good Morning to the Shareholders. I am Dr.Nanditha Krishna, Independent Director. I am joining this meeting for the Corporate Office of the Company.

**Mr Mohan Verghese Chunkath, Independent Director and Chairperson of the Risk Management Committee:**



Mr Chunkath: Good Morning to the Shareholders. I am Mohan Chunkath, Independent Director. I am joining this meeting from my daughter's house in Boston.

**Mr S.Durgashankar, Independent Director and Chairperson of the Audit Committee:**

Mr S.Durgashankar: Good Morning to the Shareholders. I am Durgashankar, Independent Director.

**Smt. Sheela Balakrishnan, Independent Director and Chairperson of the Project Committee:**

Smt. Sheela Balakrishnan: Good Morning to the Shareholders. I am Smt. Sheela Balakrishnan, Independent Director.

**Mr. Ritto Cyriac, IFS, Special Secretary, Environment and Forests Department, Nominee Director from Govt. of Tamil Nadu :**

Mr. Ritto Cyriac: Good Morning to the Shareholders. I am Mr. Ritto Cyriac, IFS, Nominee Director.

**Mr. K S Kasi Viswanathan, Managing Director of the Company:**

Mr. Kasi Viswanathan: Good Morning to the Shareholders. I am K.S.Kasi Viswanathan, Managing Director.

**Mr. Ganesh Balakrishna Bhadti, Director (Operations):**

Mr. Ganesh Bhadti : Good Morning to the Shareholders. I am Ganesh Bhadti, Director (Operations).

**Mr. Srinivas, Senior Vice President & CFO:**

Mr. Srinivas : Good Morning to the Shareholders. I am Srinivas, CFO.

**Mr. K Narayanan Company Secretary & Compliance Officer:**

Mr. Narayanan: Good Morning to the Shareholders. I am Narayanan, Company Secretary.



**Auditors :**

Following auditors joined the meeting.

Mr. Sanjeev Aditya, Partner, M/s. Suri & Co., Statutory Auditor,

Mr. N.R.Suresh, Partner, Maharaj N.R.Suresh & Co LLP, Internal Auditor

Mrs. Swetha Subramanian, Partner, M/s.Lakshmmi Subramanian & Associates, Secretarial Auditor

Ms. Meena Ramji, Partner, S.Mahadevan & Co., Cost Auditor

Mr. Shankar Subramaniam, Scrutiniser

**QUORUM**

361 shareholders have now joined the meeting thro' video conference.

Hence, we have the requisite quorum present through video conference to conduct the proceedings of this meeting. Participation of members through video conference is being reckoned for the purpose of quorum as per the circulars issued by MCA and Section 103 of the Companies Act, 2013. The quorum being present, I call this meeting to order.

I now request Mr K Narayanan, Company Secretary and Compliance Officer of the Company, to provide general instructions to the members regarding participation in this meeting.

**INSTRUCTION TO MEMBERS:**

**Sri. K Narayanan, Company Secretary:**

Good Morning to our Directors and to our Shareholders. Members may note that the 64<sup>TH</sup> Annual General Meeting is being held through video conference in accordance with the provisions of the Companies Act 2013 and circulars issued by the Ministry of Corporate Affairs and SEBI. Facility for joining this meeting through video conference or other audio-visual means is made available for the members on a first-come-first-served basis. The Register of Directors and Key Managerial Personnel, the Register of



Contracts or Arrangements, has been made available electronically for inspection by the members during the AGM.

Members seeking to inspect such documents can send their requests to [secretarial@spbltd.com](mailto:secretarial@spbltd.com).

As the AGM is being held through video conference, the facility for appointment of proxies by the members is not applicable and hence the proxy register for inspection is not available.

The Company has received requests from few members to register them as speakers at the meeting. Accordingly, the floor will be open for these members to ask questions or express their views. The moderator will facilitate this session once the Chairman opens the floor for questions and answers. Members can also post their views or questions on the "Ask a question" tab on their video conference screens before 12.00 Noon IST. It may be noted that the Company reserves the right to limit the number of members asking questions depending on the availability of time at the AGM.

The Company had provided the facility to cast the votes electronically, on all resolutions set forth in the Notice. Members who have not cast their votes yet electronically and who are participating in this meeting cast their votes during the meeting through the e-voting system provided by NSDL, between 12:00 Noon and 01:00 PM.

Members are requested to refer to the Instructions provided in the notice or appearing on the video conference page, for a seamless participation through video conference. In case members face any difficulty, they may reach out on the helpline numbers of NSDL mentioned in the notice to this AGM.

Thank you Chairman.



## **VIDEO PRESENTATION:**

### **Chairman**

I thank all the members, colleagues on the Board and Auditors for joining this meeting over video conference. Before I go ahead with my address to the shareholders, for the benefit of the shareholders who have joined the AGM of the Company for the first time, I would like to play you a Short Video presentation, capturing the Genesis and the Growth Story of SPB, over more than 6 decades.

*Corporate Video was played to all the participants.*

I hope that the Video was visible as well as audible and also hope that the video helped the Shareholders of the Company to understand and appreciate the Growth story of SPB and the continuous work done by SPB team in the areas of Efficient operations, development of New products, Green Energy, Tree Farming & other ESG Initiatives etc..

With that, I would like to move on to the customary Chairman's address to the shareholders.



## **CHAIRMAN SPEECH**

I extend a warm welcome to all our shareholders, my colleagues on the Board, Auditors and other stakeholders of the Company to this 64<sup>th</sup> Annual General Meeting.

Over the last 4 years, AGM proceedings are being held thro' Video Conference. However, I look forward to the opportunity to meet you all in person, in the upcoming AGMs.

Let me start my speech with a small update on the Global Scenario.

### **Global Scenario**

As per IMF's "World Economic Report", the global economy remains remarkably resilient, with growth holding steady as inflation returns to target. The journey has been eventful, starting with Supply-chain disruptions in the aftermath of the pandemic, Russia-Ukraine war that triggered a global energy and food crisis, Political strife and violent conflicts from Nigeria and Sudan to Gaza and Israel and a considerable surge in inflation, followed by a globally synchronized monetary policy tightening.

Despite many gloomy predictions, the world avoided a recession, the banking system proved largely resilient, and major emerging market economies did not suffer sudden stops. The performance of the United States Economy is impressive and has been a major driver of global growth. In the euro area, growth is expected to pick up this year, but from very low levels. China's economy is affected by the continued down- turn in its property sector.

The inflation surge—despite its severity and the associated cost-of-living crisis—did not trigger uncontrolled wage-price spirals. Instead, almost as quickly as global inflation went up, it has been coming down.





### **Global outlook:**

IMF has predicted global growth for 2024 and 2025 to be 3.2 %, after recording just 2.3% at the end of 2022.

As per the survey published by World Economic Forum in January 2024, the following are identified as major risks in Global landscape for the year 2024 :

- Extreme Weather, AI-generated mis-information and disinformation, Societal and political polarisation, Cost-of-living crisis, Cyber-attacks, Economic downturn, Disrupted supply chain for critical goods and services and Escalation or outbreak of interstate armed conflicts.

### **India Outlook**

India's Economic Growth has been resilient against Global headwinds for three fiscals now. Policy and regulatory support and prudence have helped, as has the gradual reinvigoration of the private sector.

As per CRISIL Report, India's GDP growth is expected to moderate to 6.8% after a better-than-expected 7.6% expansion for FY24.

Additionally, uneven economic growth of key trading partners of India, ongoing Red Sea Crisis and escalation of geopolitical uncertainties is expected to be a drag on exports.

The report further highlights that, an assessment of investment trends across 20 sectors that represent more than 70% of the total industrial investment in the country, indicates private CAPEX will rise to Rs 6.5 lakh crore annually on average between fiscals 2024 and 2028 from Rs 3.9 lakh crore in the preceding 5 years. With Rs 5-7 lakh crore incremental CAPEX, the emerging sectors (Electronics, EV, Energy transition intensive) will likely contribute 20% of the overall industrial investment over next 4 fiscals.

### **Indian Paper Industry**

The paper industry's volume growth is expected to shrink to 2-5 % in FY2024 from about 7 % in FY2023, as per report by ICRA. As per that report, the



industry revenues are projected to contract by about 7-10 % in FY2024 amid sharp fall in realisations, followed by a rebound in FY2025 with an estimated growth of ~6-9 %.

The market conditions were favourable and buoyant for most varieties / grades of Writing & Printing (W&P) during the entire FY 2022-23. However, effective May 2023, the Domestic Paper market had turned adversely due to :

- (i) Increased availability of Imported Paper from China, Indonesia and other Asian countries, at Cheaper Prices in the Indian market.
- (ii) The overall unfavourable global demand situation resulting in increased supply situation to the Indian Market, thereby resulting in Demand-Supply mismatch.

Both these factors contributed to significant reduction in the prices of Paper during the year. Price reduction were seen almost every month from May 2023. Domestic Paper mills had to drop prices in competition with imported paper to liquidate their production and inventory.

The International market for Paper, which remained extremely buoyant by end of calendar year 2022, had seen severe pricing pressures by the end of Q4 of previous year. This had continued into FY 2023-24 as well. The International market has not shown any signs of recovery till now. Demand remains flat although some short- term bumps are seen.

On the cost front, the Indian Paper Mills with integrated pulping operations, suffered significantly due to exorbitant increase in the cost of wood. The price of Wood continues to remain at these elevated levels, due to availability issues, with impact being more profoundly felt by the Paper Mills in the State of Tamilnadu.

Domestic market conditions are expected to remain challenging at-least until the first 2 quarters of the FY 2024-25 for Writing and Printing grades, as per the present market trends.



### **Year under Review**

The Company had registered few landmarks during the FY 2023-24, in spite of challenging market conditions.

- 2<sup>nd</sup> highest annual production at 2.40 lakh tonnes.
- Highest ever Annual Production in Unit : Erode at 1.65 lakh tonnes.
- 2<sup>nd</sup> highest annual sales at 2.23 lakh tonnes
- 2<sup>nd</sup> Highest Total Income @ Rs. 1853 crores
- 2<sup>nd</sup> Highest PAT.

The Company's Profit after tax stood at Rs 259 crores in the FY 2023-24 as against Rs 386 crores in the previous year.

The Annual Report and Audited Accounts for the year under review, have been with you for some time now. I trust you would have reviewed the same by now and you are happy with the results posted by the Company.

The Board of Directors have recommended a Dividend of 250% on face value, the 2<sup>nd</sup> highest ever in the history of the company.

The Company continues to report NIL Net Debt position.

Mr. Kasi Viswanathan, Managing Director would be covering the details of FY 2023-24 performance with a detailed presentation, after my address.

### **Growth Plans:**

The Company has acquired the assets of Servalakshmi Paper Limited as a going concern, situate close to our existing Tirunelveli unit, in an e-auction sale approved by Hon'ble NCLT and has taken over possession of the assets and is currently contesting the appeals in Hon'ble NCLAT challenging the Honourable NCLT's order.

The repair, refurbishment and upgradation of the Plant and Machinery of this unit is estimated to take a year's time after disposal of appeals in Hon'ble



NCLAT. This unit can manufacture about 75000 tonnes per annum of Fine Papers.

The Company is also currently taking steps to augment the pulp and paper production in Unit : Erode by 20% and is seeking the environment clearance for the same.

### **Indian Paper Industry - 2024 and beyond:**

As mentioned by me in my speech at the time of last AGM, Paper consumption in India is likely to grow steadily, largely driven by emphasis on education and literacy coupled with growth in organised retail trade. The paper Industry holds immense potential for growth in India as the per capita consumption globally is one of the lowest. Around 15 per cent of the world population lives in India but consumes only 5 per cent of the total paper produced in the world. Paper Industry has gone up the sustainability curve and has become far more technologically advanced. In the last five to seven years. An amount of over Rs 25,000 crores has been invested in new efficient capacities and induction of clean and green technologies.

However, Indian Paper Industry has been plagued for many years with challenges on 2 major accounts:

1. Raw Material (Wood) availability.
2. Increased import of Paper at NIL duties into India.

India's Pulp & Paper Industry has agro forestry roots and strong backward linkages with the farming community, from whom wood, which is a key raw material, is sourced. Of the total demand for wood, over 90% is sourced from industry driven agro / farm forestry, rest from government and other sources. India's Paper Industry is wood-positive, that is, it plants more trees than it harvests.

In India an estimated 5 lakh farmers are engaged in growing plantations of Eucalyptus, Subabul, Casuarina, Acacia, Poplar, etc. About 1.25 lakh hectares are being brought under agro / farm forestry on an annual basis,



with around 12 lakh hectares on a cumulative basis across the country. This has generated significant employment opportunities for the local community, especially in the rural areas, apart from increasing the green cover in the country. However, lack of adequate land has been a major constraint in enhancing wood production by the Industry.

The Government should consider the long pending appeal by the Industry and making available some part of the country's degraded forest land, FDC (Forest Development Corporation) land and non-forest Government land available to the Paper Industry in the close proximity of the Mills for pulpwood (+ fuel wood/fodder) plantation under collaborative arrangement.

Our Company has, on its part, expanded its wood sourcing programmes with sourcing from nearby states, sourcing of newer varieties of wood, enhancing the areas under plantation and thro' Tree Farming and Contract Farming initiatives.

Also, you may have noted from our Corporate Video, in line with the company's vision to remain wood positive, over 115 crore seedlings were made available during the last 7 years at subsidised rates, for planting in over 1.3 lakh acres of land.

The next major challenge is from Imported Paper.

Imports of paper and paperboard in India, in volume terms have jumped from 11.45 lakh MT in 2021-22 to 14.36 lakh MT in 2022-23 to 19.29 lakh MT in 2023-24, according to the latest data issued by the Directorate General of Commercial Intelligence & Statistics (DGCI&S). This translates to an increase of over 68% in 2 years by volume terms.

Imports from China have increased a stupendous 181 % during the past 2 years, and from ASEAN countries by 247 % during the last 2 years.

The duty-free import of Paper into India renders domestic paper non-competitive, thereby endangering the sustainability of the Indian Paper



Industry. Suitable safeguard, anti-dumping and countervailing duties on imports of various grades of paper should be expeditiously imposed.

Issue of quality control orders (QCOs) by the Government of India on all grades of paper and making BIS certification mandatory, like done for Copier grades earlier, will not only assure supply of quality products to the Indian consumers but also check the import of sub-standard products into the country.

Government is aware of the challenge from duty free Imports and have been vigorously holding discussions with Industry representatives to find suitable measure to mitigate the negative impact from imports.

Amidst these challenges, company has entered FY 2024-25 with a note of caution but is well prepared to pursue growth opportunities with focus on augmenting both in-house pulp and paper capacities.

**ESG:**

The Company's ESG framework and the updates on the initiatives taken by the company on this front are given as Annexure-III to the Board's Report. Staying committed to the principles of Environmental and Social Governance, SPB always strives in the manufacture of paper in a CLEAN and GREEN ENVIRONMENT.

Our primary fibrous raw materials are obtained through sustainable models helping the local community.

Our processes are ENERGY EFFICIENT and CLEAN. Major portion of our Energy requirements are addressed with GREEN sources. SPB is committed to be a truly sustainable and socially responsible business.

The Company's ESG roadmap, Green initiatives and targets have been integrated with the Growth Strategy of the business.



## **Directorate**

The second term of Independent Directorship of Dr. S. Narayan, IAS (Retd) and Sri V. Sridar ended on 31st March, 2024. They have been in the Board of our Company from the year 2007 and 2009 respectively. Your Directors place on record the valuable services rendered by Dr.S.Narayan and Mr.V.Sridar and are in grateful appreciation of their outstanding contributions to the growth and governance of the company.

I take pleasure in welcoming Mr.S.Durgasankar and Mrs.S.Sheela Balakrishnan, IAS (Retd) as Independent Directors of the Company. Their appointments as Independent Directors were approved by the shareholders of the company, thro' Postal Ballot during the year.

Mr.Durgasankar is a Chartered Accountant and an Alumni of Harvard Business School (Advanced Management Program). He has experience of nearly 40 years as a senior finance professional and has handled a wide spectrum of roles like CFO, Group Financial Controller, Head of M&A, Corporate Finance, Investor Relations & Secretarial functions in leading listed Companies.

He will chair our Audit Committee.

Smt. Sheela Balakrishnan, the 1976 batch Indian Administrative Service (IAS) officer, has held various positions like Director of Social Welfare, Commissioner of Industries and Commerce, Transport Secretary, Head of the Anna Institute of Management, Additional Chief Secretary (social welfare and nutritious meal programme), before she was elevated to the pivotal position of Chief Secretary for the Tamil Nadu Government during the period from 2013 to 2014. On retirement, she was made advisor to the Govt. of Tamil Nadu from 2014 to 2017. She comes with rich and varied administrative experience.



Mr. Mohan Verghese Chunkath completed his 1<sup>st</sup> 5 year term as Independent Director in March 2024 and his appointment as Independent Director for the 2<sup>nd</sup> term effective April 2024, was approved by the shareholders of the company, thro' Postal Ballot during the year.

**Acknowledgement :**

My whole-hearted thanks are due to all our Shareholders for their sustained support to the Company. Shareholders strength has now swelled to over **26,000** from about 12500 in 2019. We are pleased with the support that we receive from a large base of shareholders.

I am extremely grateful to my colleagues on the Board for their guidance, support and wise counsel which helped us to steer the Company safely during challenging times.

Executives and employees of all ranks of the Company have put in creditable performance. My thanks also are due to them.

My special word of thanks to the supporting Lift Irrigation Scheme farmers and the participating farmers in our Tree Farming program.

I am grateful to all our Stakeholders, Customers, Indentors, Stockists, Overseas Agents, Suppliers and Service Providers for their whole-hearted support and co-operation.

My thanks are equally due to various departments of Central and State Governments and Banks.

Thank you Ladies and Gentlemen for your patient hearing.





## **MD'S PRESENTATION:**

I now request Mr.Kasi Viswanathan, Managing Director to make a short slide presentation on the performance review of the year 2023-24.

**Sri K S Kasi Viswanathan, Managing Director.**

Thank you Chairman and good afternoon to all the shareholders. I will now take you thro' key highlights of our performance in FY 2023-24.

*[Presentation made by the Managing Director is enclosed as Annexure-1]*

## **AUDITORS REPORTS**

### ***Chairman***

I now request Mr. Srinivas, CFO of the Company, to provide a summary of the Auditors' Report.

***Mr. S.Srinivas, CFO :***

The Statutory Auditors' report on standalone financial statements and consolidated financial statements are available in Page numbers 153 and 230 of the annual report, respectively. The report of the statutory auditors contain notes on the basis for their opinion, Key Audit Matters for FY 2023-24, responsibilities of Management and those charged with Governance for the financial statements, Auditor's responsibility for the audit of the financial statements, report on Other legal and Regulatory requirements, statement on matters specified in the Companies (Auditors' Report) Order, 2020 to the extent applicable to the company, among other matters.

Secretarial Auditor report is enclosed as Annexure 8 to the Board's report on Page number 146 of the annual report. The report of the secretarial auditor contain notes on the basis for their opinion, material laws applicable to the company, Board processes, Compliance Mechanism followed by the company and commentary on Key specific events or actions, among other matters.



The Statutory Auditors, M/s. Suri & Co and the Secretarial Auditor, Lakshmmi Subramanian & Associates, have expressed unqualified opinion in their respective audit reports for the financial year 2023-2024. There were no qualifications, observations or adverse comments on financial statements and matters.

Thank you.

**RESOLUTION:**

**Chairman**

As the Notice is already circulated to all the members, I take the Notice convening the meeting as read.

Before we proceed, I am pleased to bring to your notice that, as required under the Companies Act, 2013, the Company had provided you all the facility to cast your vote electronically, on all Resolutions set forth in the Notice. The period for 'Remote E-voting' has concluded by 5:00 PM yesterday.

Members who have not cast their vote electronically and who are participating in this meeting will have an opportunity to cast their votes through the e-voting system provided by NSDL. Members may please note that there will be no voting by show of hands.

We now take up the 4 Resolutions as set forth in the Notice. We will open the floor for any questions by members after all the Resolutions are tabled.

**Item No. 1 of the Notice – Adoption of Financial Statements.**

The Financial Statements of the Company including the consolidated financial statements for the financial year ended March 31, 2024 including the reports of Board of Directors and Auditors have already been provided to the members.



**Item No. 2 of the Notice** - Declaration of Dividend.

The Board of Directors has recommended payment of Dividend of Rs. 5.0 per Equity Share of face value of Rs. 2 each, for the financial year 2023-24.

**Item No. 3 of the Notice** – Re-appointment of Sri N. Gopalaratnam, director retiring by rotation in this meeting, as Director, by a Special Resolution

**Item No. 4 of the Notice** – Remuneration to Cost Auditor for FY 2024-25.

The text of the Resolutions along with explanatory statement is provided in the Notice circulated to the members.

Members who have not cast their vote thro' "Remote E-voting", may cast their votes now through the e-voting system provided by NSDL. The platform is already open to the shareholders to cast their vote.

We have received requests from 6 shareholders to be "Speaker Shareholders". I will now call out their names one-by-one. The Speaker shareholders are requested to restrict their queries to the accounts for the FY 2023-24 and confine their observations / comments to preferably about 5 minutes. I need your co-operation.

Before we go live with the Q&A, here are some points to note for your convenience. Kindly turn on your video when you are projected on the broadcast screen, kindly unmute yourself, and proceed to ask the question. Please mention your name, Folio Number, and the location from where you are joining.

**QUERIES & ANSWERS**

**Chairman** : Now I'm opening the floor for Q&A. I request Mr. Pawan Nahar, speaker shareholder No. 1 to Unmute himself and kindly proceed with his question. Mr. Pawan Nahar, please.



**Mr. Pawan Nahar :**

I want to make a positive comment. Two or three agms' back I made a request about the quarterly results and the speed, with which they could be delivered and I am extremely happy to say, forget in the paper industry in general, there are not many companies that are able to deliver results within three weeks of the closing quarter and four weeks for the annual audited numbers I was amazed to see the speed with which the annual report was delivered within 6 weeks from the end of the year. So, communication wise I am extremely pleased and thank you for that.

The second thing a shareholder would always want apart from good communication is dividend. Last two years have been the best years in our history. I mean in FY 24, despite having half our networth as cash and investments and with return on equity at 15 %, still, our dividend payout is at only 12 %. Last year it was 9 % and over the years it has been going down. The payout dividend as a percentage of total profits, has been going down. Now I understand we've got significant CapEx.

- But if you were to mention CAPEX, please also mention what will be the debt equity, what will be the absolute debt after CAPEX?. I think it will not be a significant number. Because your CapEx is going to be done over two years. So, 12 % payout, it is just too low sir. I think you should go to at least one third for shareholders. You don't seem to be appreciating my point.
- I understand even for me as a shareholder dividend is a very expensive affair, but the problem is if you don't do a buyback, then what do we, get as a shareholder?
- The other point I wanted to make was, you know, two or three Agms' back you had mentioned in response to a question about succession planning and that is work in progress and we are going to hear about it very soon.
- So kindly update on the subject of succession planning and buyback?

**Chairman:** 2<sup>nd</sup> Shareholder is Mr. Santosh Kumar Saraf.

- Mr. Saraf you are unmuted, please ask your question? You are listening to me? How is your health?

Santosh Kumar Saraf

- Well fine. Are you doing well?



Chairman

- Well, how are you? I'm ok and how many meetings you have attended so far.

Santosh Kumar Saraf

- Sir just started with this meeting because your meeting is held 16 days before than last year.

Chairman

- You only wanted me to advance the date.

Santosh Kumar Saraf

- Today election at Calcutta and I have voted and joined the meeting sir

Chairman

- Okay nice.

Santosh Kumar Saraf

- Thank you and nice to see you. Please continue with this VC meeting.
- I personally feel that, why people want your retirement or successor, I never want that, because you are so young.
- So why I want your retirement and successful plans? If you're working very well, then why I want this a retirement successful plan? I hope you will continue and I will see you on the meeting sir. Sir I have 1st to thank I know that during place because of.
- You have a paid a good dividend.
- I have only two questions sir. Yeah, 1st question is about takeover of Servalakshmi Papers.
- When the takeover process will be completed? When the production will start? How much production will increase?
- Your speech and presentation was very good.
- I want to know, when you will go for woman empowerment.



- Because only out of 1064 employees, you have only ten women employees sir. This is important, because women are so sincere and hard workers. You can appoint them in any position.
- Thank you., I wish all our directors and their family, all our worker and their family for a good health and good future

Chairman

- We will meet again on 5<sup>th</sup> and 8<sup>th</sup> in Ponni and HEB AGMs. Thank you for your participation as well I wish a good health. Thank you.

**Chairman** : 3rd Shareholder is Mr. Saket Kapoor.

Mr. Saket Kapoor

- Thank you sir. So firstly as our 1st Speaker Mr. Pawan did alluded to the fact that there are more positives to our company and that are keeping us aside and differentiators are there when you are conducting a AGM, the type of deliberations done by the management are really commendable and these are, some of the examples where which must be set in front of MCA and other so that these practices may maybe followed for this empowerment of investors. So, my kudos to the team for organizing such a wonderful and elaborate AGM.
- However, I have a certain small points to mention. So firstly about the succession planning, definitely we will hear from you as you have already alluded to. The highlights which was shared by our MD during the speech that can also be made available to us even before this AGM. Since you are already sharing the volume numbers and other things with us on a quarterly basis and even on the annual numbers, there were some bits and pieces which were not present in your letter to us but were presented by the MD. So, if an elaborate PPT being sent to us that suffice the case and we've been not kept it pending for another 40 days since these are all older data. Only a few points pertaining to the business update and others can be updated.
- My first understanding that in your opening remark, you alluded to the point of lower demand globally. If you could give us some more color of what you were trying to explain, I missed your point about.
- Global demands shrinking that was there in your opening remark. So correct me there whether I heard it right or not, you spoke and how will that affect the business sentiment and also if you could give some color on.



- what is our market share domestically, since we have been operating at, at optimum level one unit at 100% capacity and the other one at 84% capacity even in these situations where the profitability has taken ahead. So if you could give us some understanding of our current market share, in the segments where we operate.
- You did allude to the factors which gives us an understanding why our employee cost, power and fuel costs were lower. So other than the production issue, what were the factors that resulted in the lower power and fuel cost?
- And whether the steps taken by you are in for continuity, if you could give us some color, what led to this lower power and fuel cost on an annual basis. However, our production numbers were more or less on the similar ground only. So give us some, some understanding on the same.
- Important part of the story also sir, you, you did provide an update on unabated import from China and in Indonesia. But I missed your point on the quality. So since BIS being implemented, they are matching the quality standards with the one which are produced domestically.
- If that been the case, what else is left for us for reintroducing any type of, anti-dumping duty or what makes the case for them, whether they are selling below price or is it only the demand destruction in Europe and the other geographies that are leading to the Flux of the volumes to the country. If you could just give us some more understanding for the Servalakshmi paper mill, about our cost of acquisition currently, since I think you have mentioned about some cases pending and you have also mentioned about the capacity at 70000. So with the de bottlenecking and other exercise will cost? How much we have already spent? If you can give me the number on how much more CAPEX need to be done to make the mill run.
- And sir, in your previous release also you have mentioned that the MDP-4 has been revised, now it will be done in two phases. Earlier it was a 40 % and now it is 20 % in two phases and for 20 % you categorically mentioned that we do not need any physical hearing or a public hearing, if my understanding is correct. So that is the only reason that we are dividing it into two, two phases? How much are we going to spend on the MDP-4 phase one and phase two and the type of capacity augmentation that we are going to see going ahead and these capacities are in Erode only.



- So post this MDP-4 four, where can we, look forward to augment more capacity and give us some more color. Lastly sir, you have always adhered to our request in answering investors wherever we have pointed out things. Like sending an investor update along with the results, if we get investor presentation in the PPT format, that would also aligned with your release.
- And last point was on the factors that affected our profitability. Sir, there were four factors outlined by you. You spoke about the increase in cost of wood. You spoke about lower sales volume for paper, average realization going down and this shut and the outages in our boilers.
- So what are the factors that will get reversed or the factor that will get aggregated for the current year? And if you could give us some idea of what the per tonne profit and profit trajectory would be. You alluded in your presentation where we will be in terms for this financial year. Just a ballpark number to get an understanding, how the market is shipping up. I know the market is dynamic sir, but you must have worked your business plan for the year sir. I hope and wish for the best for the company and people and people like you are setting an example sir, people should follow the way.
- We hope forward for the continuity of AGM also in the hybrid mode. So even if physical are head kindly look into it and also represent MCA on the type of benefits that these platform provides and all the best to the team sir. Thank you for the extension.

**Chairman :**

- Great discussion. Good, thank you Mr. Kapoor. I think you have host of questions and I think ,we will try to address them after I finish hearing the other speakers.

**Next speaker is Mr. Ramasundaram.**

**Mr. Ramasundaram**

Vanakkam Sir.

- Sir, I have noted down that the losses were increased by Rs.128 Crores comparing with the previous year. You have explained in the balance sheet with details. In-spite of that, I wish to state that, ETP pulp is the another reason where you have reduced Rs.2000/- and you need a proper person to administer that.





- You have also reduced dividend by 50% due to reduced profit. My request is please conduct the AGM in SPB colony in hybrid mode. Also, kindly finalise the wage settlement with unions quickly.
- I also advised to concentrate on Solar and windmill instead of depending more on coal, so that power and fuel cost may be reduced.

**Chairman**

- I have noted down all your point. I am ready to clarify now, but you are telling that you are not able to hear properly. Hence, one day you come and meet the MD and get clarified the points raised by you.

**Chairman**

**Next Speaker shareholder is Mrs. Prakashini Shenoy.**

**Mrs. Prakashini G. Shenoy**

- Am I audible?

**Chairman**

- Yes, you are audible.

**Mrs. Prakashini G. Shenoy**

- Yeah, I'm Prakashini from Bombay.
- Respected honorable chairman and my fellow shareholders. Good afternoon to all of you. I received the annual report well in time, which is colorful, transparent, information, and contains all the information as per the corporate governance. I thank Mr. Narayanan for the same. I should not forget to thank you once again for giving me the link and phoning me and reminding me of the today's meeting without which I won't be in a position to speak.
- Narayanan sir, once again, thank you very much. Chairman Sir, you have given a beautiful picture regarding the company and it's working in all parameters. Thank you chairman. Sir It was a wonderful speech to hear from you. For your information, this is the 1st time I'm attending your meeting sir.
- And I felt that, I have missed all your earlier meetings, what I realized today. So congratulations and thank you very much for your outstanding information regarding the company and its working in all parameters.



- Chairman sir, I'm glad to note that the company is doing extremely well in all parameters. I congratulate one and all. At the outset, I'm thankful to the board for recommending the dividend for the financial year 2023-24.
- And I'm also glad to note that the company is doing outstanding work in the field of CSR activities. And also congratulate one and all for their hard work and sincerity for getting the various awards for the company. Once again congratulations to one and all.
- I have few questions. My 1st question, what is the future of the company?
- my 2<sup>nd</sup> question is, how are we planning to increase the revenue in future?
- And my 3<sup>rd</sup> question is, how do we adopt digital technology to increase profitability?
- My next question is, how much amount was spent on CSR during the year?
- My next question is, what the total strength of the staff is and what the percentage of women folk in the company is.
- And my next question is who are our competitors?
- What initiatives taken by our company to reduce carbon footprint and water conservation? And
- what shall be the CAPEX for next two years? Last but not the least.

My personal request to you is please continue with VC so that people like me can speak and attend the meeting and my one more personal request is please take us for a factory visit.

I wish the company good luck for a bright future and the profit of the company shall reach in due course. So I strongly and wholeheartedly support all the resolutions put forth in today's Meeting. Thank you chairman.

Chairman

Thank you.

I think you have asked me a host of questions and I think we start answering them, I think the meeting may extend by an hour or so. Now I will try to provide you some answers. I request Mr. Narayanan to speak to you and clarify point by point.

**Chairman**

Mr. Manisundaram, next speaker please join.



**Mr. Mani Sundaram**

- Hello, Hello? Are you able to hear me.

**Chairman**

- Yes sir. Where are you?

**Mr. Manisundaram**

- I'm from Salem.

**Mr. Manisundaram**

- How are you sir? Very happy to attend this 64<sup>th</sup> Annual General Meeting of Seshasayee Paper and Boards Limited.
- Specially, I thank Mr. Gopalaratnam Sir, Chairman, board of director, shareholders, Company Secretary, CFO, and secretarial auditor, First of all, I am very happy to attend this meeting. Today I have four meetings by video conference. This is the 2<sup>nd</sup>.
- The balance sheet is very good one. In page number five, you have given transparently the details about the company. You have continuously declared dividend. I am very happy.
- One of the shareholder previously told about the continuance of video conference, please continue the same. Last month I have attended the meeting in Bangalore ABB. They have conducted the physical meeting and also hybrid meeting I was very happy to attend that meeting. You can practice next year also hybrid meeting. So all the shareholders according throughout the India and also in the places, nearby our company will be very happy.
- You have declared dividend 250 % and book value is also raised, I am happy sir. In page number five, EPS is reduced comparing with the previous year. Reason is not ascertainable. If you provide reasons, I will be happy sir.
- In Page number 35, The Company has received various good awards from the government and also industrial department, very happy sir.



- Related to the page number 80, details of shares transferred to IEPF for the year 2015-16, there are 113 shareholders and number of shares 34854. You can do the needful to transfer them to their relatives.
- In page 242, Current liability is increase comparing with the last year . Please consider to minimize the current liability and also I pray God all the person's good health, good business and also health and well.
- In Page no.243 -other income is increased and reason may be explained.
- In page number 151. How many companies are subsidiary for us? What is the main income to the parent company?
- Then page number 163, there is a lot of disputes for about long years. Please take necessary steps to settle the disputes.
- I'm very happy to attend this meeting. Please consider hospitality who have attend the meeting by means of video conference and also we support always board of directors and all the resolutions to the company.

#### **Chairman**

- Thanks a lot. I have taken note the points that you have mentioned.
- First on the questions from Mr. Pawan Nahar:
- I think I just checked again and the payout is 12% last year and 10 year average is about 14%.
- Regarding succession planning, it's work in progress.
- On Servalakshmi, I have mentioned I think the capacity will be about 75000 tons annually. Our Erode Unit has a capacity of 1,65,000 tonnes p.a. Our Unit-2 in Tirunelveli has a capacity of 90,000 tonnes p.a. With Commissioning of Servalkshmi Unit and 75,000 tonnes getting added, the total capacity of the company will become 3,30,000 tpa.
- Next, Saraf also asked about low employee women employee. I think.
- We actually have employed many more than these ten numbers that you are talking. These ten are are in a permanent role. There are at least about another 50 or 60 of them are on various levels of training.



- The problem with them is that they don't stay here for long. They attend the training and then they get married and they go somewhere. That is the reason why I am not able to increase the number. 2nd one is we are a 24 x 7 company.
- This is another problem. I can employ them in the laboratory. I can employ them in marketing or in office work.
- We have women engineers and accountants.
- On Servalakshmi Unit, we have started doing some initial work for receipt of power, water connection, and also get the permission from the pollution control board. These works are currently going on and we'll also now start taking up the refurbishment activities.
- The refurbishment should take about nine months. But this mill has been remaining shut for more than seven years. The acquisition cost so far is about Rs 105 crores.
- I do expect that by the time we come into production, we have to spend about another two hundred crores.
- The plant also has got about 12- 14 MW of inhouse power. In my view, it will be a good addition.
- On sharing investor Presentation: I thought I am doing well and within about half an hour of my board meeting, I am sending you a detailed letter. Mr.Kapoor, I thought you would be quite happy with it.
- You appear to be happy but still you are not very happy that I'm not sending you the presentation. Let me try to implement your suggestion.
- On MDP-IV : Up to 40 % you can expand and by there are some special consideration by which Government can dispense with public hearing also. So we went through that route.
- Somehow, I now find that this 40 % discretion has not been used by the committee, at all in the past. They were there very reluctant to give us permission.
- We now would be applying for environment clearances for 20% increase.
- On the queries raised by Mrs. Shenoy, Mr. Narayanan, our Company Secretary, will call the shareholder and clarify on her queries.
- I think more or less I have covered the questions.



## **CONCLUDING REMARKS**

Members may note that the voting on the NSDL platform will continue to be open for 15 more minutes after the closure of the meeting. I am happy to note that during the meeting, our shareholder participation crossed 500 numbers. I am thankful to the shareholders for their sustained interests.

Members who have not cast their vote yet are requested to do so. The Board of Directors has appointed Mr. Sankarasubramanian, Practicing Company Secretary, as the scrutinizer to supervise the e-voting process.

I also hereby authorise Mr. K.Narayanan, Company Secretary, to declare the result of the voting and place the results on the website of the Company at the earliest.

The Resolutions, as set forth in the Notice, shall be deemed to be passed today subject to receipt of requisite number of votes.

We are grateful to all our shareholders from across the country who have participated in this AGM, thro' video conferencing. Thank you all for attending the meeting and I hereby declare the proceedings as closed. Kindly Take Care for your health and Stay Safe. Thank you for your sustained support to the Company.

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# Seshasayee Paper and Boards Limited

**Report on the performance during  
FY 2023-24**

**ANNUAL GENERAL MEETING**

**01.06.2024**

**VENUE : ERODE**



## Highlights

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## KEY HIGHLIGHTS FOR FY 2023-24

Landmarks in  
FY'24 amidst  
challenging  
market  
conditions :



2<sup>nd</sup> highest production @ **2.40 lakhs MT**  
(Highest : 2.41 lakhs in 2022-23)



Highest ever production in Unit : Erode –  
**1.65 lakhs MT (100% of capacity)**



2<sup>nd</sup> highest annual sales at **2.23 lakhs MT**  
(Highest : 2.41 lakhs MT in 2022-23)



2<sup>nd</sup> Highest Total Income – **Rs.1853 crores**  
(Highest:Rs.2113 crores in 2022-23)

**\*\* FY 2022-23 was an extra-ordinarily  
buoyant year for the Paper Industry.**

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## KEY HIGHLIGHTS FOR FY 2023-24



2<sup>nd</sup> Highest PAT at **Rs 259 crores**  
(Highest : Rs. 366 crores in FY  
2022-23)



**ZERO Stock of Finished Goods**  
achieved in TVL Unit, as on  
31.03.2024



In Unit : Erode – FG Stock stood  
at 15,315 MT as on 31.03.2024

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**KEY AREAS OF  
CONCERN IN FY  
2023-24**



**Competition from Cheaper Imports of Paper**



**High Price & poor availability of Wood**



# Volume Details & Financials

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**PRODUCTION & SALES (tonnes)**

<b>PRODUCTION</b>	<b>2022-23</b>	<b>2023-24</b>
<b>Unit : Erode</b>	<b>163909</b>	<b>165116</b>
<b>Unit : Tirunelveli</b>	<b>77236</b>	<b>75267</b>
<b>Total</b>	<b>241145</b>	<b>240383</b>
<b>SALES</b>		
<b>Domestic</b>	<b>201692</b>	<b>194008</b>
<b>Exports</b>	<b>38957</b>	<b>29246</b>
<b>Total</b>	<b>240649</b>	<b>223254</b>

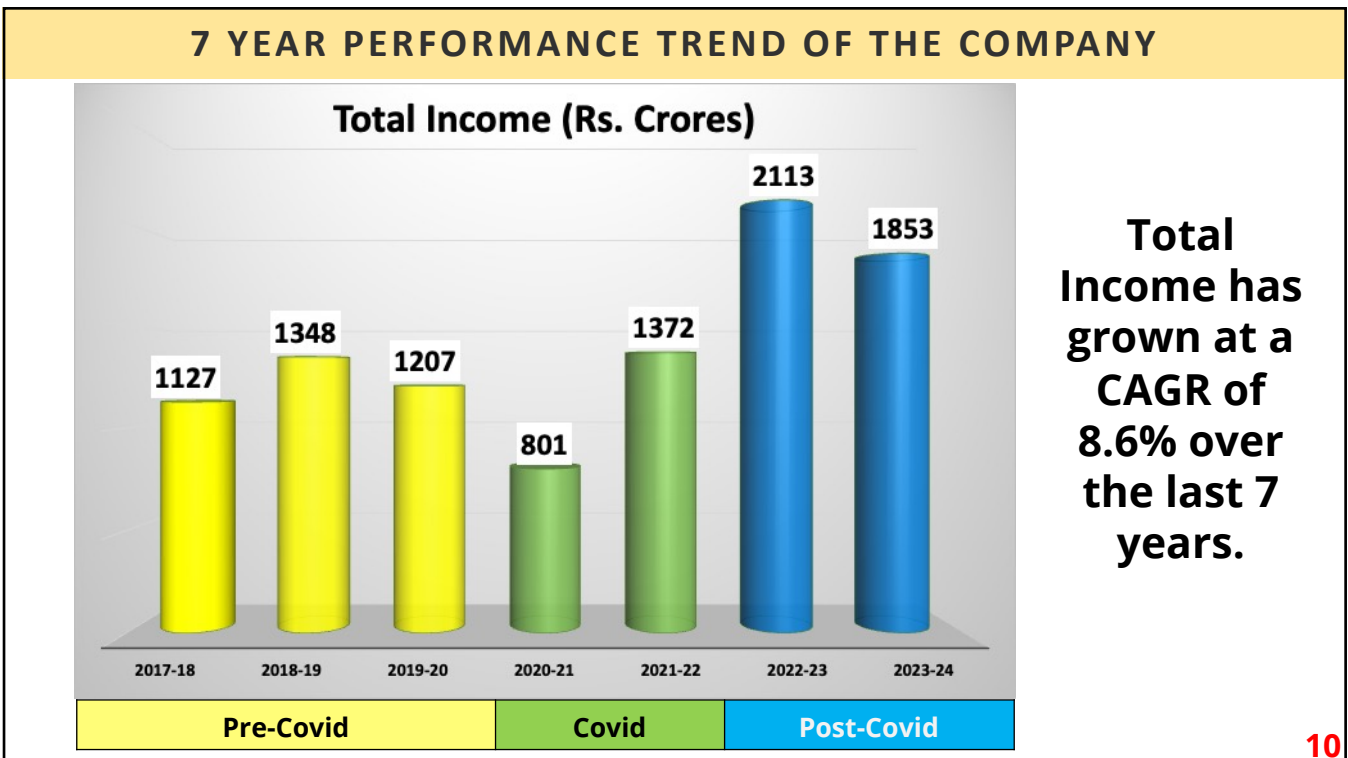
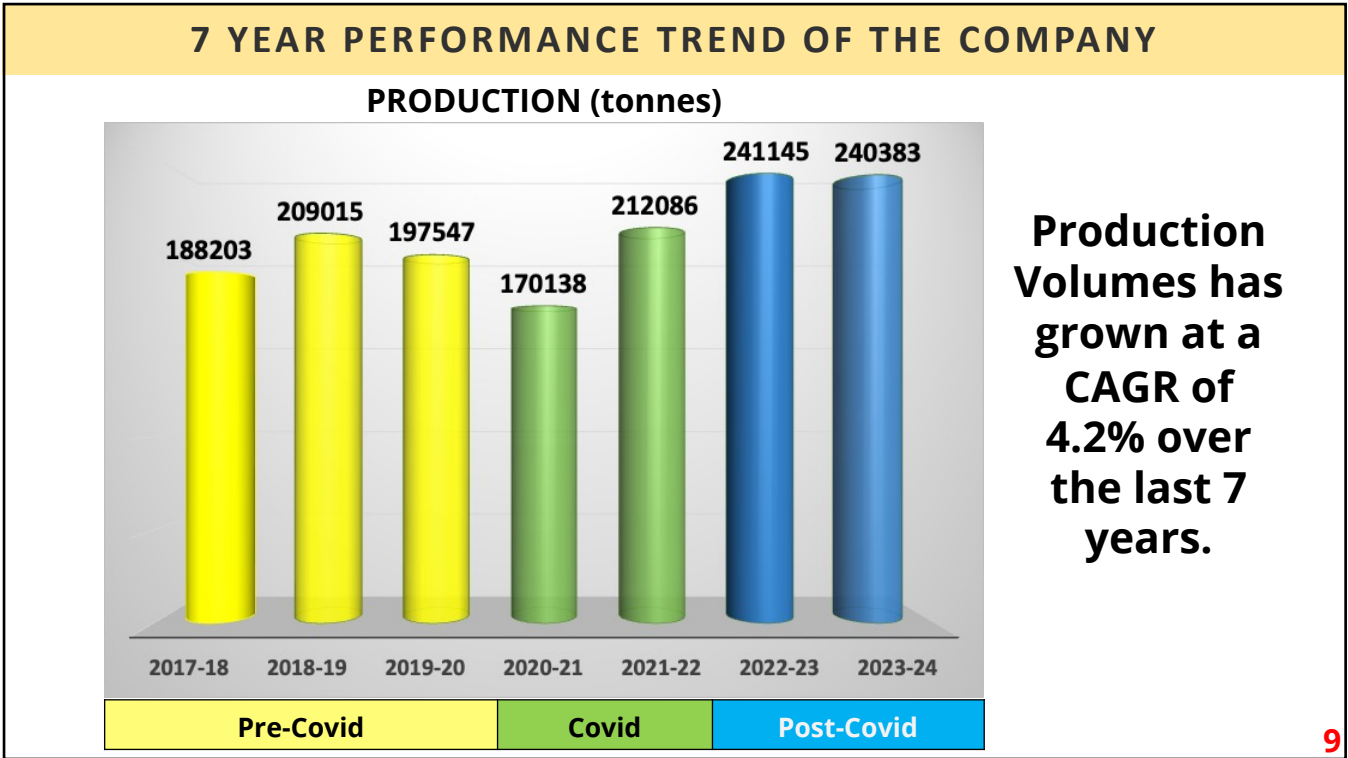
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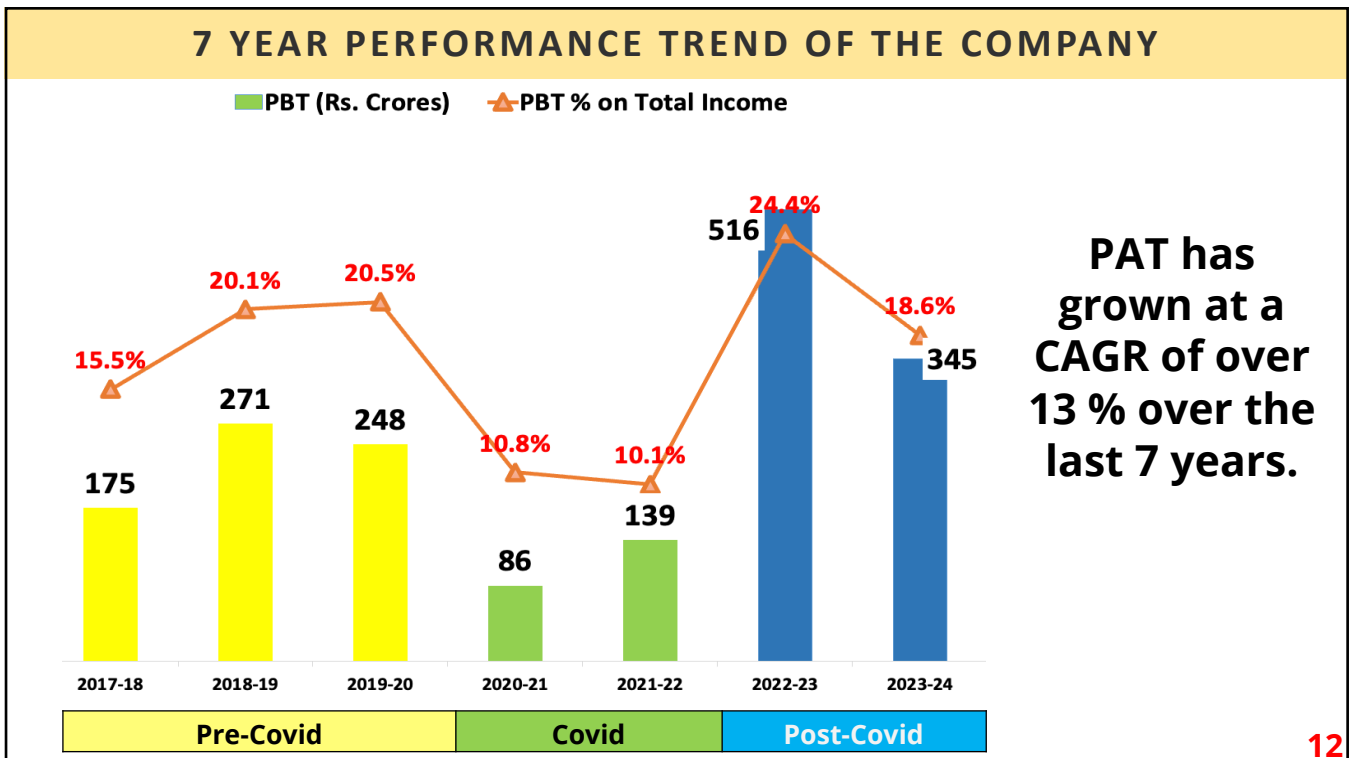
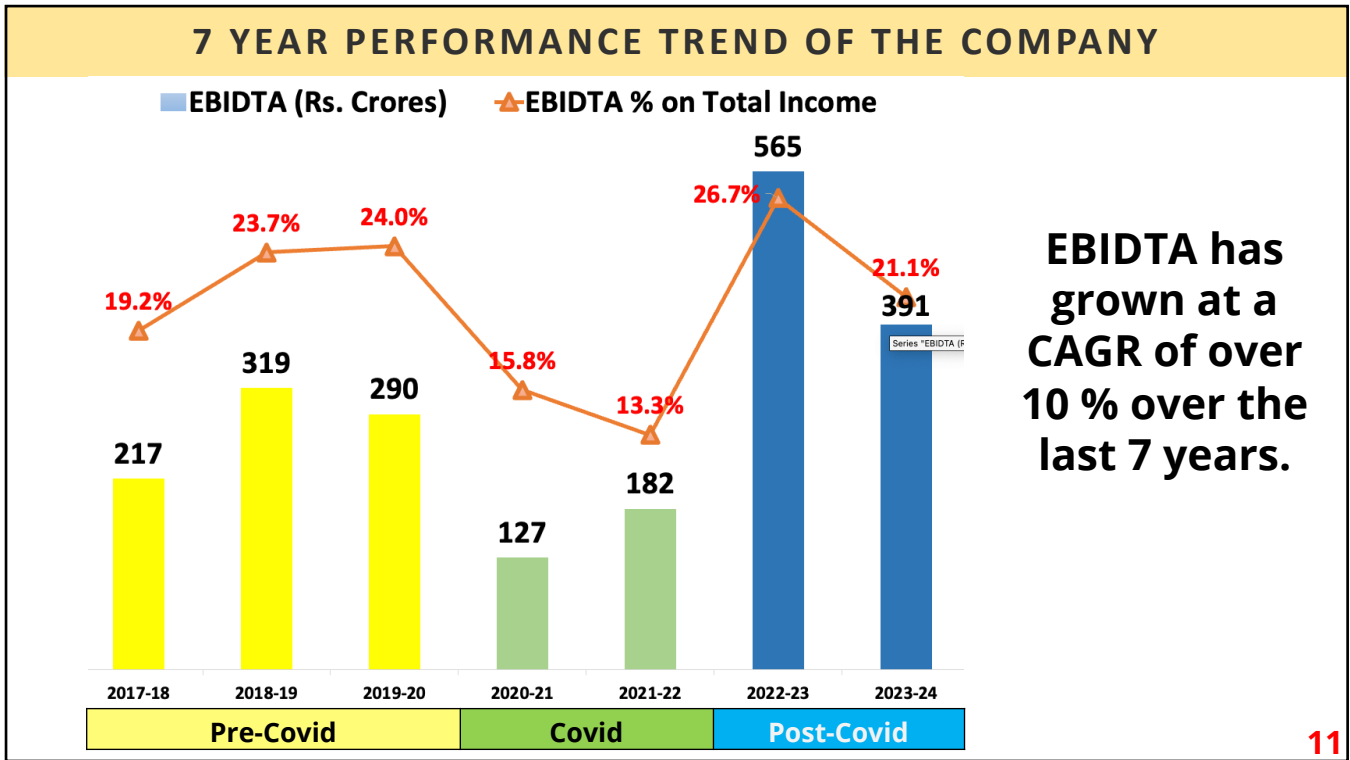
**SUMMARY PROFITABILITY**

		<b>2022-23</b>	<b>2023-24</b>
<b>Total Income</b>	Rs. Crs	<b>2113</b>	<b>1853</b>
<b>EBIDTA</b>	Rs. Crs	<b>565</b>	<b>391</b>
<b>EBIDTA / t *</b>	<b>Rs / t</b>	<b>23410</b>	<b>16278</b>
<b>PBT</b>	Rs. Crs	<b>516</b>	<b>345</b>
<b>PBT / t *</b>	<b>Rs / t</b>	<b>21404</b>	<b>14369</b>
<b>Tax Expenses</b>	Rs. Crs	<b>130</b>	<b>86</b>
<b>Effective Tax Rate</b>	%	<b>25.1%</b>	<b>25.2%</b>
<b>PAT</b>	Rs. Crs	<b>387</b>	<b>259</b>
<b>PAT / t *</b>	<b>Rs / t</b>	<b>16029</b>	<b>10790</b>

*\* Per tonne of Finished Production*

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# Market updates

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## Domestic Market in FY 2023-24

- ❖ Intense Pressure from availability of Cheaper Imports (particularly from China and Indonesia) - Continuing from May 2023
- ❖ Consequently, prices dropped periodically.
- ❖ Lower Export volumes and consequently higher supplies in to Domestic Market under stressed market conditions - further aggravated the pricing pressures.

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## International Market in 2023-24

- ❖ Drop in global demand resulting in Drop in Export volumes by 25 % in 2023-24.
- ❖ Drop in price mainly from Indonesia and China - Key concern.
- ❖ Disruptions in Red Sea / Israel-Iran conflicts pose threats.
- ❖ Increased ocean freight and additional transit time for all shipments to USA and Western African Countries - concern.

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## Other updates

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## Other updates during FY 2023-24

- ❑ Good progress in Tree Farming initiative.
- ❑ Supplied over 20.4 crore seedlings / clones for plantations covering 24764 acres.
- ❑ 927 farmers (covering 3312 acres) brought under “Contract Tree Farming Programme”
- ❑ Company now certified under the Energy Management System ISO 50001 : 2018.
- ❑ Both units have achieved targets under PAT Cycle as prescribed by BEE, GoI.

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## Other updates – FY 2023-24 (Contd.)

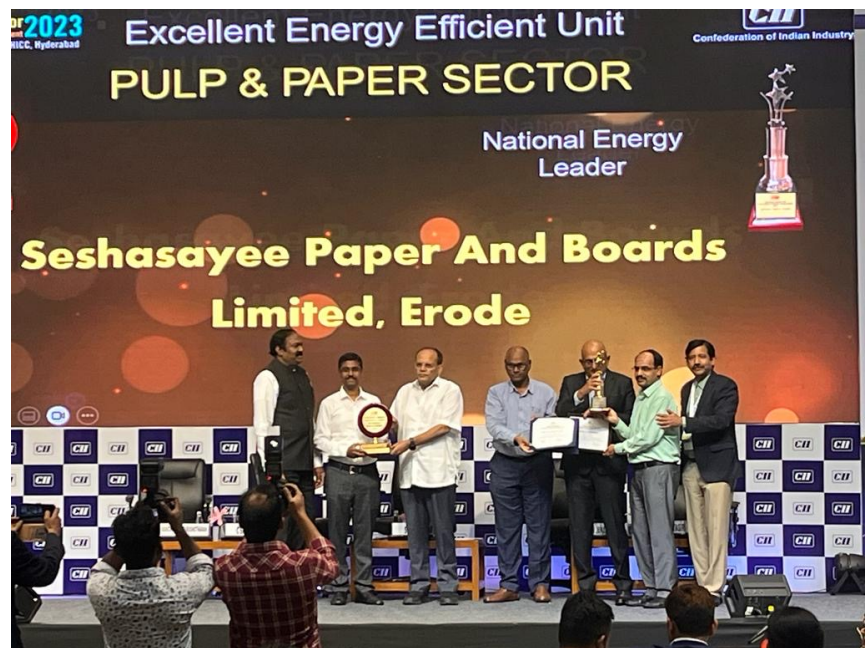
- Thanks to the consistent export performance of the company over last 5 years, Company was upgraded from 2-STAR to 3-STAR Export House Status by Ministry of Commerce & Industry, Govt. of India.
- Production improvements done in MF1, MF2 & MF3 Machines in Unit : Erode – Key contributor to Erode achieving 100% of its capacity.
- PCC Plant commissioned – This plant helps trap CO2 from Flue Gas of Lime Kiln and is a Key Investment under ESG framework.

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# Awards received during FY 2023-24

## CII – National level Energy Efficiency Summit - 23

- For the 6<sup>th</sup> consecutive years for “Excellence in Energy Efficiency unit”
- For the 4<sup>th</sup> Consecutive year as “National Energy Leaders” among the P&P sector





# CAPEXIL EXPORT EXCELLENCE AWARD

- For the 4 years from FY 2018-2022 Awarded By Ministry of Commerce & Industry, Government of India



# EHS Award from CII SR EHS Excellence Awards

- Silver Award for the year 2023



## CII EHS Excellence

Special Award in  
Energy / Carbon  
footprint for the  
year 2023



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# Updates – Current Quarter

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## Market updates in Q-I

- ❑ Domestic Market Impacted by continued cheaper imported materials and its increased availability - Market continues to remain weak.
- ❑ Global Market - Marginally better; but prices heavily depressed.
- ❑ Red sea crisis continues to impact Ocean Freight Rates.
- ❑ Pulp prices continue to escalate due to supply demand gaps; Yet to translate in to increase in Paper Prices.

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## Other Updates (Q-I) :

- ❑ 21 MW Power Plant in Unit : Erode was shut for 57 days for overhauling and retrofit.
- ❑ Wood prices continue to escalate.
- ❑ Application for environment clearances for expansion up to 20% as MDP-IV Phase-I in Unit : Erode - Will be submitted shortly.

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**THANK YOU**

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