



Tamil Nadu Newsprint and Papers Limited

(A Govt. of Tamil Nadu Enterprise)

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TNPL - The Corporate Identity Number : L22121TN1979PLC007799

Dated: August 22, 2019

To BSE Limited (BSE) Corporate Relationship Department Phiroze Jeejeebhoy Towers 25th Floor, Dalal Street Mumbai- 400001	To National Stock Exchange of India Limited NSE) Listing Department Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051
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Sub: Submission of 39th Annual General Meeting Notice and Annual Report, Intimation of Book Closure and Dividend

We wish to inform you that 39th Annual General Meeting (AGM) of the Members of the Company will be held on Thursday, the 19th September, 2019 at 10.15 am at the at Music Academy Main Hall, 168, T T K Road, Alwarpet, Chennai 600 014.

Pursuant to the requirements of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith the Notice and the Annual Report for the financial year 2018-19 for your ready reference.

Pursuant to the Regulation 42(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and Share Transfer Books shall remain closed as per details provided in the table below:

Security Code (BSE)	Security Symbol (NSE)	Type of Security and Paid up value	Book Closure or Record Date	Purpose
531426	TNPL	Equity Shares of Rs. 10/- each fully paid up	13.09.2019 to 19.09.2019 (both days inclusive}	For the purpose of Annual General Meeting scheduled to be held on 19 th September, 2019 and payment of dividend @ Rs. 7.50/- per equity share upon being declared thereat.

The remote e-voting facility shall commence on 15th September, 2019 from 9.00 a.m. and end on 18th September, 2019 at 5.00 p.m.



Tamil Nadu Newsprint and Papers Limited

Payment of dividend if declared at the Thirty Ninth Annual General Meeting being convened on 19th September 2019 will be credited / dispatched on 23rd September 2019, to those shareholders whose names appear:

- a. as beneficial owners as at the end of the business on Thursday, 12th September 2019, as per the details furnished by National Securities Depositories Ltd and Central Depository Services (I) Ltd in respect of the shares held in electronic form; and
- b. as members in the Register of Members of the Company after giving effect to all valid share transfers in physical form lodged with the Company before the end of business on Thursday, 12th September 2019.

Thanking you,

Yours faithfully,

For TAMIL NADU NEWSPRINT AND PAPERS LIMITED


COMPANY SECRETARY

NOTICE

NOTICE is hereby given that the Thirty Ninth Annual General Meeting of the Members of Tamil Nadu Newsprint and Papers Limited will be held on Thursday, 19th September, 2019 at 10.15 AM at the Music Academy Main Hall, 168, T T K Road, Alwarpet, Chennai 600 014 to transact the following business :

ORDINARY BUSINESS

1. Adoption of Financial Statements:

To receive, consider and adopt the Audited Statement of Profit and Loss for the year ended 31st March 2019, the Cash Flow Statement for the year ended 31st March, 2019, the Balance Sheet as at that date and the Reports of the Board of Directors and the Statutory Auditors and the comments of the Comptroller and Auditor General of India, thereon.

2. Declaration of Dividend:

To declare dividend on equity shares for the year 2018-19.

3. Fixation of the Auditors Remuneration:

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

"RESOLVED THAT consent of the Company be and is hereby accorded for the payment of remuneration of Rs 13,00,000/- to M/s. Brahmayya & Co. (Firm Registration No.000511S), Chartered Accountants, Chennai, Statutory Auditors, besides reimbursement of Travel & out of pocket expenses (annual) at actual subject to ceiling of Rs.75000/- and other terms and conditions laid down by the Office of the Comptroller and Auditor General of India in their letter No., NO./CA.V/COY/TAMIL NADU, TNEWSP (1)/1379 dated 03/10/2018.

SPECIAL BUSINESS

4. Ratification of Remuneration to the Cost Auditors:

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies

(Audit and Auditors) Rules 2014, (including any statutory modifications or re-enactment thereof for the time being in force) the remuneration of Rs. 2,75,000/- plus travelling and out of pocket expenses subject to a maximum of Rs. 30,000/- and applicable Taxes for the financial year ending 31st March, 2020 as approved by the Board of Directors of the Company to be paid to M/s. Geeyes & Co, (Firm Registration No. 000044), Cost Accountants, Chennai, appointed by the Board as Cost Auditors to conduct the audit of the cost accounts of the Company for Paper, Board Plant, Cement and Energy segments be and is hereby ratified and confirmed."

"RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. Appointment of Thiru. N Muruganandam, IAS (DIN 00540135) as a Director:

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

"RESOLVED THAT pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Rules made there under (including any statutory modification(s) or re-enactments thereof for the time being in force), Thiru. N Muruganandam, IAS (DIN 00540135) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 04.03.2019 and who holds the said office pursuant to the provisions of Section 161 of the Companies Act, 2013 upto the date of this Annual General Meeting ('AGM') and who is eligible for appointment under the relevant provisions of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation".

6. Appointment of Tmt. Reeta Harish Thakkar, IAS (DIN 06976936) as a Director:

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

"RESOLVED THAT pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Rules made there under (including any statutory modification(s) or re-enactments thereof for the time being in force), Tmt. Reeta Harish Thakkar, IAS (DIN 06976936) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 9.11.2018 and who holds the said office pursuant to the provisions of Section 161 of the Companies Act, 2013 upto the date of this Annual General Meeting ('AGM') and who is eligible for appointment under the relevant provisions of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation".

7. Appointment of Thiru. S Krishnan, IAS (DIN 03439632) as a Director:

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

"RESOLVED THAT pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Rules made there under (including any statutory modification(s) or re-enactments thereof for the time being in force), Thiru. S Krishnan, IAS (DIN 03439632) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 16.07.2019 and who holds the said office pursuant to the provisions of Section 161 of the Companies Act, 2013 upto the date of this Annual General Meeting ('AGM') and who is eligible for appointment under the relevant provisions of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation".

BY ORDER OF THE BOARD

Place : Chennai
Date : 13.08.2019

V. SIVAKUMAR
Company Secretary

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.

2. Proxies in order to be effective must be lodged with the Company not later than 48 hours before the meeting.

A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholders.

3. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the company provided that not less than three days of notice in writing is given to the Company.

4. The relative Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Business set out under Items 4 to 7 is annexed hereto and forms part of the notice.

5. Pursuant to the provisions of Section 91 of the Act and the Listing Regulations, the Register of Members and Share Transfer Books of the Company will be closed from 13.09.2019 to 19.09.2019 (both days inclusive) for the purpose of AGM and payment of the dividend for the financial year ended 31st March, 2019.

6. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the AGM.

7. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.

8. Subject to the provisions of the Companies Act, 2013, the dividend for the year ended 31st March,

2019 as recommended by the Board, if declared at the meeting, will be paid within a period of 30 days from the date of declaration, in respect of shares held in physical form to those members whose names appear in the company's Register of Members on 19th September, 2019. In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership as per details furnished by National Securities Depository Limited and Central Depository Services (India) Limited for this purpose.

9. Pursuant to Section 124 of the Companies Act, 2013, all unclaimed dividends upto the financial year ended March 31, 2011 have been transferred to the Investor Education and Protection Fund established by Central Government as per Section 125 of the Companies Act, 2013.
10. Pursuant to the provisions of IEPF Rules, all shares in respect of which dividend has not been paid or claimed for seven consecutive years shall be transferred by the Company to the designated Demat Account of the IEPF Authority ("IEPF Account.") within a period of thirty days of such shares becoming due to be transferred to the IEPF Account.

Shares in respect of which dividend for the year ended 31st March, 2009, 31st March, 2010 and 31st March, 2011 have been transferred to the Investor Education and Protection Fund ("IEPF") of the Central Government in November 2017, December 2017 and November 2018 respectively pursuant to Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("Rules") read with section 124 of the Companies Act, 2013. Details of these shares are available in the Company's website and can be viewed at <http://www.tnpl.com/DisplayPage.aspx?file=transfer-of-shares-to-IEPF.html>

11. As regards dividend pertaining to the financial year ended March 31, 2012 and thereafter, amounts remaining in the Unpaid Dividend Accounts of the company have to be transferred to 'The Investor Education and Protection Fund' established by the Central Government at the expiry of seven years from the date of transfer to the respective year's Unpaid Dividend Account. Such transfer has already been effected with regard to the unpaid dividend for the financial years 1997-98 to 2010-2011. The unpaid dividend for the financial year 2011-12 (final) will be transferred

to the above fund during November 2019. The shares in respect of dividend for the year 2011-12 will also be transferred by the Company to the 'Investor Education and Protection Fund' as per section 124 of the Companies Act, 2013 and the applicable rules. Individual notices will be sent to the members concerned requesting them to encash their unclaimed dividends failing which the corresponding shares will be transferred to IEPF. An Advertisement will also be published in the newspapers. Members are therefore requested to lodge their claims for unpaid dividend, if any, immediately with the Registrar and Share Transfer Agent or with the Company at the Company's registered office.

12. In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 securities of listed companies can only be transferred in dematerialized form with effect from 1st April, 2019. In this regard, members are advised to dematerialize shares held by them in physical form.
13. Members holding shares in physical form are requested to quote their Registered Folio No. in all their correspondences and notify promptly change, if any, in their Address/ bank mandate to the company's Registrar and Share Transfer Agent viz. Cameo Corporate Services Limited, Unit : Tamil Nadu Newsprint and Papers Limited, 'Subramanian Building', 1 Club House Road, Chennai 600 002. In respect of shares held in dematerialized form, the same may be communicated with your depository participant.
14. Details as required in sub-regulation (3) of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard on General Meeting (SS-2) of the Institute of Company Secretaries of India. ("ICSI"), in respect of the Directors seeking appointment/re-appointment at the AGM, forms integral part of the Notice of the AGM. Requisite declarations have been received from the Directors for seeking appointment/re-appointment.
15. Electronic copy of the Notice of the 39th Annual General Meeting of the company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email Ids are registered with the Company Depository Participants(s) for communication purposes

unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copy of the same is being sent through permitted mode.

16. Members may note that the Notice of the 39th Annual General Meeting and the Annual Report for Financial Year 2018-2019 will also be available on the company's website www.tnpl.co.in for their download. The physical copies of the aforesaid documents will also be available in the company's Registered Office in Chennai for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the company's investor email id: invest_grievances@tnpl.co.in
17. A route map showing directions to reach the venue of the 39th AGM is given at the end of this notice as per the requirement of the Secretarial Standards-2 on "General Meeting".
18. Voting through electronic means
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 39th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (remote e-voting) will be provided by Central Depository Services Limited (CDSL).
 - II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
 - III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
 - IV. The remote e-voting period commences on 15th September, 2019 (9.00 a.m. IST) and ends on 18th September 2019 (5.00 pm IST). During this period members of the company holding shares either in physical form or in dematerialized form, as on the cut off date (i.e. 12th September 2019), may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
 - V. A person who is not a member as on the cut-off date should treat this Notice of the AGM for information purpose only.
 - VI. The process and manner for remote e-voting are as under:
 - A. IN CASE OF MEMBERS RECEIVING E-MAIL**
 - i. The shareholders should log on to the e-voting website www.evotingindia.com.
 - ii. Click on Shareholders.
 - iii. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - iv. Next enter the Image Verification as displayed and Click on Login.
 - v. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - vi. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</p> <p>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <p>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).</p>

- vii. After entering these details appropriately, click on "SUBMIT" tab.
- viii. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to

mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- ix. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x. Click on the EVSN for the Tamil Nadu Newsprint and Papers Limited.
- xi. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option "YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiii. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xv. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvi. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xvii. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

xviii. Note for Non-Individual Shareholders & Custodians:

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates and Custodians respectively.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details they should create compliance user using the admin login and password. The Compliance user would be able to link the depository account(s) / folio numbers on which they wish to vote.
- The list of accounts linked in the login should be e-mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

B. IN CASE OF MEMBERS RECEIVING THE PHYSICAL COPY:

- xix. Please follow all steps from Sl. No. (i) to (xviii) in Point A above to cast vote
19. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked

Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

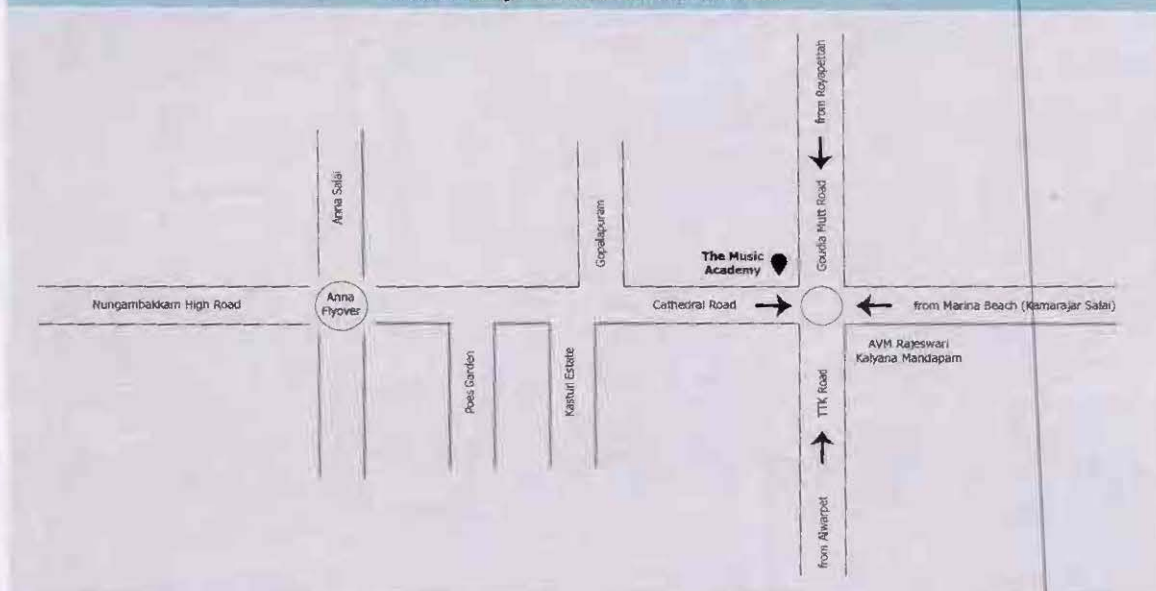
20. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the company as on the cut-off date of 12th September, 2019.
21. Any person who acquires shares of the company and becomes member of the company after dispatch of the Notice of AGM and holding shares as of the cutoff date i.e. 12th September 2019, may obtain the login Id and password by sending a request at helpdesk.evoting@cdslindia.com. However, if you are already registered with CDSL for remote e-voting, then you can use your existing user Id and password for casting your vote. If you have forgotten your password, you can reset your password by using 'Forgot User Details/Password' option available on www.evotingindia.com
22. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
23. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
24. Thiru. R. Sridharan, Practicing Company Secretary (Membership No.F4775) of M/s R. Sridharan and Associates has been appointed as the Scrutiniser to scrutinize the voting and remote e-voting process in a fair and transparent manner. Their email id is rsaevoting@gmail.com.
25. The Chairman shall at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
26. The Scrutiniser shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at

least two witnesses not in the employment of the company and shall make not later than 48 hours of the conclusion of the AGM, a consolidated scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

- 27 The results declared alongwith the report of the Scrutiniser shall be placed on the website of the company www.tnpl.com and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE, and National Stock Exchange.
28. Additional information pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 in respect of the Directors seeking appointment / re-appointment at the AGM are furnished and forms a part of the Notice. The Directors have furnished the requisite consents / declarations for their appointment / re-appointment.
- 29 In case of any change of particulars including address, bank mandate & nomination of shares held in demat form, it should be notified only to the respective Depository Participants(DPs) where the member has opened his demat account. The company or its share transfer agent will not be able to act on any direct request from these Members for change of such details.
30. Members are informed that the Company is extending the Electronic Clearing Service (ECS) facility to enable them receive their dividend through electronic mode in their bank account. In order to avail the ECS facility, the Members are requested to fill, sign and send the ECS mandate form, which forms part of this Annual Report, along with a photocopy of the cheque issued by the bank for verifying the accuracy of the MICR code number to Cameo Corporate Services, whose address is given in Point No.13 (in case of members holding shares in physical mode) or to the Depository Participants concerned (in case of members holding shares in electronic mode/dematerialized form). Members holding shares in demat form may please note that the bank account details given by them to their DPs and passed on to the company by such DPs would be printed on the dividend warrants of the concerned members. However, if any member(s) wants to receive dividend in any other bank account, he/she should change/correct the bank account details with their concerned DPs and also intimate about ECS payment requirement.
31. Members/Proxies/Authorised Representatives are requested to bring the attendance slip sent with Annual Report duly filled in for attending the meeting.
32. Members are requested to bring their copies of Annual Report for the meeting. Copies of the Annual Report will not be distributed at the Annual General Meeting.
33. Members desiring any information as regards accounts are requested to write to the Company at least 7 days before the meeting so as to enable the Management to keep the information ready.
34. Equity shares of the company have been placed under Compulsory Demat Trading w.e.f. 08.05.2000. Members who have not dematerialised their physical holding in the company are advised to avail the facility of dematerialisation of equity shares of the company.
35. Members holding shares under different folios in the same names are requested to apply for consolidation of folios and send relevant share certificates to the Company's Registrar and Share Transfer Agent.
36. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the company, a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
37. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore requested to submit their PAN to their DPs with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Share Transfer Agents M/s. Cameo Corporate Services Ltd.

38. The Ministry of Corporate Affairs, New Delhi ("MCA") has undertaken a "Green Initiative" in the field of Corporate Governance by permitting paperless compliances by companies (vide its Circular No.17/2011 dated April 21, 2011 and Circular No.18/2011 dated April 29, 2011). Further, the Ministry has also clarified that the service of documents by a company can be made through electronic mode instead of sending the physical copy of the document(s). Members are requested to support this green initiative by registering/updating their e-mail addresses, in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with Cameo Corporate Services Ltd.
39. The documents referred to in the notice and the explanatory statement will be available for inspection at the Registered Office of the company on any working day during business hours of the company upto the date of the AGM.

Route map for the venue of AGM



ANNEXURE TO THE NOTICE

Notes on directors seeking appointment/ re-appointment as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015:

Profile of Directors being appointed / reappointed**ITEM NO.5****Profile of Thiru. N. Muruganandam, IAS**

Name	Thiru. N. Muruganandam, IAS
Age	51 years
Qualification	BE (Comp.Sci), MBA (IIM)
Experience	Thiru N. Muruganandam, IAS belongs to the 1991 batch of Indian Administrative Service. He has held various key positions in departments of Government of Tamilnadu. Currently, Thiru N. Muruganandam, IAS, holds the position of Principal Secretary to Government, Industries Department.
Inter-se Director Relationship	Thiru N. Muruganandam, IAS is not having any inter se relation with other Directors of the Company.
Shareholding	Thiru N. Muruganandam, IAS does not hold any shares in TNPL.
Directorships and Committee Memberships of other companies	His Directorships and Committee memberships of other Companies are as follows:

4.	Tamilnadu Generation and Distribution Corporation Board	Director	-
5.	Titan Company Limited	Chairman	-
6.	TIDEL Park Limited	Chairman	-
7.	Tamilnadu Pertoproducts Limited	Chairman	-
8.	Tamilnadu Minerals Limited	Chairman	-
9.	TANCEM	Director	-
10.	IIT Madras Research Park	Director	-
11.	Tamilnadu Industrial Guidance and Export Promotion Bureau	Chairman	-
12.	Chennai Metropolitan Development Authority	Member	-
13.	Entrepreneurship Development Institute	Director	-
14.	Mono Rail Empowered Committee	Member	-

ITEM NO.6**Profile of Tmt. Reeta Harish Thakkar, IAS**

Sl. No.	Company	Position	Committee* Membership
1.	Tamilnadu Industrial Development Corporation Limited	Director	-
2.	State Industries Promotion Corporation of Tamilnadu Limited	Chairman	-
3.	Tamilnadu Industrial Investment Corporation Limited	Chairman	-

Name	Tmt. Reeta Harish Thakkar, IAS	
Age	52 years	
Qualification	B.Sc., MBA	
Experience	Tmt. Reeta Harish Thakkar, IAS belongs to the 2002 batch of Indian Administrative Service. She has held various key positions in departments of Government of Tamil Nadu as under:	
	Joint Commissioner, Relief & Rehabilitation	2008
	District Collector, Pudukottai	2008-2009

	Deputy Secretary (Revenue) /	2009
	Joint Commissioner, Municipal Administration	2009-2010
	Member Secretary, Fourth State Finance Commission & Joint Commissioner, Municipal Administration	2009-2010
	Joint Commissioner, Municipal Administration	2010-2011
	Additional Commissioner of Industries and Commerce	2011-2017 (upto August)
	Member Secretary, Sports Development Authority of India	31.08.2017 to 21.09.2018
	Commissioner of Sugar and Managing Director, TASCO	From 22.09.2018
	Currently, she is holding the position of Commissioner of Sugar and Managing Director, TASCO since 22.9.2018	
Inter-se Director Relationship	Tmt. Reeta Harish Thakkar, IAS is not having any inter se relation with other Directors of the Company.	
Shareholding	Tmt. Reeta Harish Thakkar, IAS does not hold any shares in TNPL.	
Directorships and Committee Memberships of other companies	Her Directorships and Committee Memberships of other Companies are as follows:-	

Sl. No.	Company	Position	Committee Membership
1.	Tamilnadu Sugar Corporation Limited	Managing Director	-
2.	Perambalur Sugar Mills Limited	Chairman & Managing Director	-

ITEM NO.7**Profile of Thiru. S Krishnan, IAS.**

Name	Thiru S Krishnan, IAS
Age	52 years
Qualification	B.A (Hons), M.A (Economics)
Experience	Thiru S Krishnan, I.A.S., aged 52 years, belongs to 1989 batch of Indian Administrative Service. Thiru S Krishnan, I.A.S., has 30 years of service in various departments of Government of Tamil Nadu. Earlier, Thiru S Krishnan, I.A.S., was director on the Board of Directors of TNPL from 15.09.2011 to 25.7.2013. Currently, Thiru S Krishnan, I.A.S., holds the position of Principal Secretary to Government, Finance Department, Government of Tamilnadu.
Inter-se Director Relationship	Thiru S Krishnan, I.A.S., is not having any inter se relation with other Directors of the Company.
Shareholding	Thiru S Krishnan, I.A.S., does not hold any shares in TNPL.
Directorships and Committee Memberships of other companies	Thiru S Krishnan, I.A.S., is having Directorships and Committee Memberships in the following Companies:

Sl. No.	Company	Position	Committee* Membership
1.	Chennai Metro Rail Limited	Director	Audit Committee
2.	Tamilnadu Transmission Corporation Limited	Director	Audit Committee
3.	Tamilnadu Generation and Distribution Corporation Limited	Director	Audit Committee
4.	TNEB Limited	Director	Audit Committee

5.	Tamilnadu State Marketing Corporation Limited	Director	-
6.	Tamilnadu Industrial Development Corporation Limited	Director	-
7.	State Industries Promotion Corporation of Tamilnadu Limited	Director	Audit Committee
8.	Tamil Nadu Skill Development Corporation	Director	-
9.	Tamilnadu Small Industries Development Corporation Limited	Director	Audit Committee
10.	New Tiruppur Area Development Company Limited	Director	-
11.	Tamilnadu Infrastructure Fund Management Corporation Limited	Director	Audit Committee

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013

ITEM NO.4

The Board of Directors at their meeting held on 28th May, 2019 have approved the appointment of M/s. Geeyes & Co. (Firm Registration No. 000044), Cost and Management Accountants, Chennai as Cost Auditors to conduct the audit of the Cost Accounts of the Company pertaining to Paper, Cement, Energy and Paper Board for the financial year 2019-20 at a remuneration given in the resolution in the notice.

As per Rule 14 of the Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditors is to be ratified by the shareholders. Accordingly, the resolution is placed before the members for consideration and approval.

None of the Directors and Key Managerial Personnel either directly or through their relatives are in any way concerned or interested whether financially or otherwise in the proposed resolution. The Board recommends the passing of the resolution as set out under item no. 4 as an ordinary resolution.

ITEM NO.5

Government of Tamil Nadu vide G.O.(D). No. 36 dated 25.02.2019 nominated Thiru. N. Muruganandam, I.A.S., as a Director on the Board of the Company.

Accordingly, Thiru. N. Muruganandam, I.A.S. (DIN 00540135) was appointed as an Additional Director of the Company with effect from 4.03.2019, by the Board of Directors in terms of Section 161(1) of the Companies Act, 2013. Thiru. N. Muruganandam, I.A.S., holds office upto the date of this Annual General Meeting. The Company has received a notice in writing from a member proposing his candidature for the office of Director under Section 160 of the Act.

Thiru N. Muruganandam, I.A.S., belongs to the 1991 batch of Indian Administrative Service. He has held various key positions in departments of Government of Tamilnadu. Currently, Thiru N. Muruganandam, IAS, holds the position of Principal Secretary to Government, Industries Department.

The Board of Directors recommends this resolution for your approval.

None of the Directors of the Company and key managerial personnel either directly or through their relatives other than Thiru. N. Muruganandam, I.A.S., is interested or concerned in the resolution.

ITEM NO.6

Government of Tamil Nadu vide G.O. (R.t). No. 3357 dated 26.10.2018 nominated Tmt. Reeta Harish Thakkar, I.A.S., as a Director on the Board of the Company.

Accordingly, Tmt. Reeta Harish Thakkar, I.A.S. (DIN 06976936) was appointed as an Additional Director of the Company with effect from 9.11.2018, by the Board of Directors in terms of Section 161(1) of the Companies Act, 2013. Tmt. Reeta Harish Thakkar, I.A.S., holds office upto the date of this Annual General Meeting. The Company has received a notice in writing from a member proposing her candidature for the office of Director under Section 160 of the Act.

Tmt. Reeta Harish Thakkar, IAS belongs to the 2002 batch of Indian Administrative Service. Currently, Tmt. Reeta Harish Thakkar, I.A.S., holds the position of Director of Sugar and Managing Director, Tamil Nadu Sugar Corporation Limited.

The Board of Directors recommends this resolution for your approval.

None of the Directors of the Company and key managerial personnel either directly or through their relatives other than Tmt. Reeta Harish Thakkar, I.A.S., is interested or concerned in the resolution.

ITEM NO.7

Government of Tamil Nadu vide Letter No. 28025/ Finance (BPE)/2019-2, dated 08.07.2019 (Copy enclosed) has appointed Thiru S Krishnan, I.A.S., Principal Secretary to Government, Finance Department as Director on the Board of the Company.

Accordingly Thiru S Krishnan, I.A.S., (DIN 03439632) was appointed as an Additional Director of the Company with effect from 16.07.2019, by the Board of Directors in terms of Section 161(1) of the Companies Act, 2013. Thiru S Krishnan, I.A.S., holds office upto the date of this Annual General Meeting. The Company has received a notice in writing from a

member proposing his candidature for the office of Director under Section 160 of the Act.

Thiru S Krishnan, I.A.S., belongs to 1989 batch of Indian Administrative Service. Thiru S Krishnan, I.A.S., has 30 years of service in various departments of Government of Tamil Nadu. Earlier, Thiru S Krishnan, I.A.S., was director on the Board of Directors of TNPL from 15.09.2011 to 25.7.2013. Currently, Thiru S Krishnan, I.A.S., holds the position of Principal Secretary to Government, Finance Department, Government of Tamilnadu

The Board of Directors recommends this resolution for your approval.

None of the Directors of the Company and key managerial personnel either directly or through their relatives other than Thiru S Krishnan, I.A.S., is interested or concerned in the resolution.

Registered Office
67 Mount Road Guindy
Chennai-600032

Place : Chennai
Date : 13.08.2019

BY ORDER OF THE BOARD
V Sivakumar
Company Secretary



Tamil Nadu Newsprint and Papers Limited

39th Annual Report

2018-2019



Where Technology meets Nature...

Reels and reels of Progress...

Board of Directors



Thiru N Muruganandam, IAS
Chairman



Thiru S. Sivashanmugaraja, IAS
Managing Director



Thiru S Krishnan, IAS
Director



Tmt. Reeta Harish Thakkar, IAS
Director



Thiru V Chandrasekaran
Independent Director



Thiru V Nagappan
Independent Director



Tmt. Soundara Kumar
Independent Director

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COMPANY INFORMATION

BOARD OF DIRECTORS

Thiru N Muruganandam, IAS (w.e.f 04.03.2019)	Chairman
Thiru K Gnanadesikan, IAS (From 31.01.2018 - 04.03.2019)	Chairman
Thiru S Sivashanmugaraja, IAS	Managing Director
Thiru S Krishnan, IAS (w.e.f 16.07.2019)	Director
Thiru K Shanmugam, IAS (From 11.07.2016 - 16.07.2019)	Director
Tmt. Reeta Harish Thakkar, IAS (w.e.f 09.11.2018)	Director
Tmt. Anu George, IAS (From 19.09.2017 - 09.11.2018)	Director
Thiru V Nagappan	Director
Tmt. Soundara Kumar	Director
Thiru V Chandrasekaran	Director
Thiru V Narayanan (From 01.04.2014 - 18.09.2018)	Director
Thiru N Narayanan, IAS (Retd.) (From 14.07.2016 - 13.07.2019)	Director

COMPLIANCE OFFICER

Thiru V Sivakumar	Company Secretary
--------------------------	-------------------

REGISTERED OFFICE

67, Mount Road, Guindy,
Chennai - 600 032

CIN

L22121TN-1979PLC007799

FACTORY

Unit I	Kagithapuram - 639 136, Karur District, Tamil Nadu.
Unit II	Mondipatti Village - 621 306, Thiruchirapalli District, Tamil Nadu

STATUTORY AUDITORS

M/s Brahmayya & Co.
Chartered Accountants,
48, Masilamani Road, Balaji Nagar,
Royapettah, Chennai - 600 014

COST AUDITORS

M/s Geeyes & Co,
A-3 III Floor, 56 Seventh Avenue,
Ashok Nagar,
Chennai - 600 083

SECRETARIAL AUDITORS

M/s R Sridharan & Associates,
Company Secretaries in Practice,
New No. 5 Old No.12,
Sivasailam Street,
T.Nagar, Chennai - 600 017

REGISTRAR AND SHARE TRANSFER AGENT

M/s Cameo Corporate Services Ltd.
V Floor, "Subramanian Building"
No. 1, Club House Road,
Chennai - 600 002
Tel. No. 044 28460390, 28460395
Fax No. 044 28460390

BANKERS

State Bank of India
Canara Bank
Indian Bank
Karur Vysya Bank Limited
HDFC Bank Limited
DBS Bank India Limited
Syndicate Bank
Oriental Bank of Commerce
Union Bank of India
Punjab and Sind Bank

FINANCIAL HIGHLIGHTS - 10 YEARS AT A GLANCE

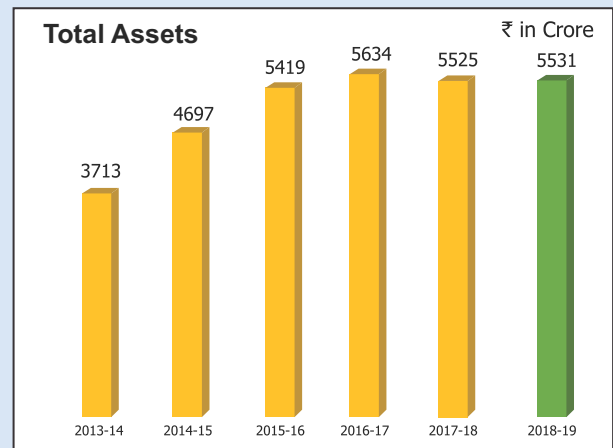
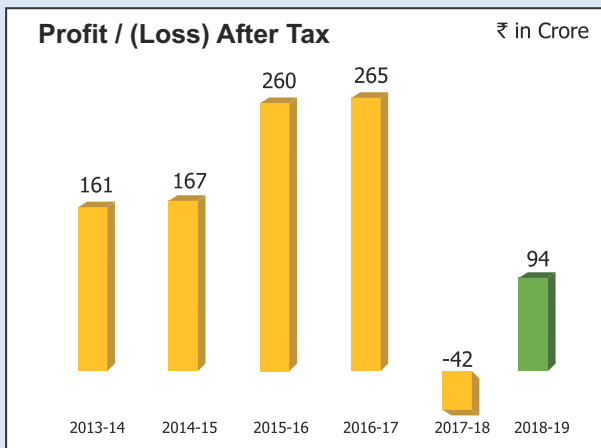
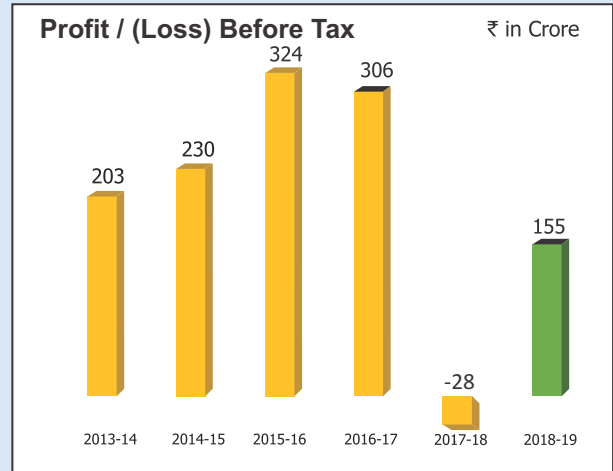
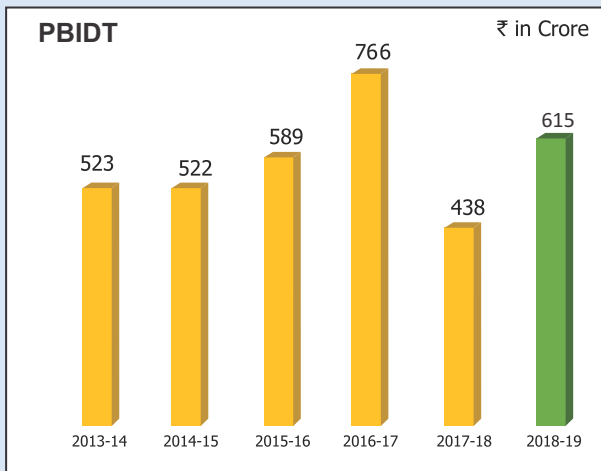
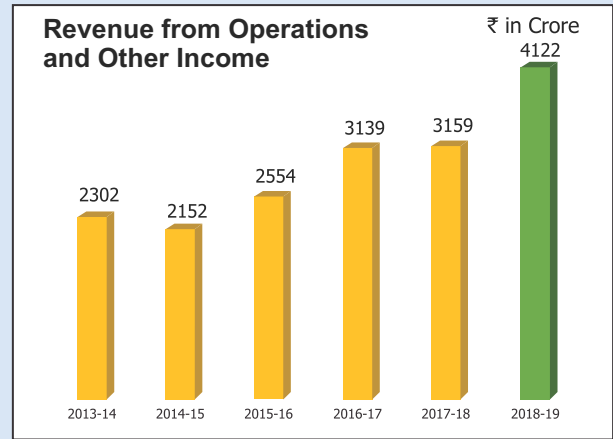
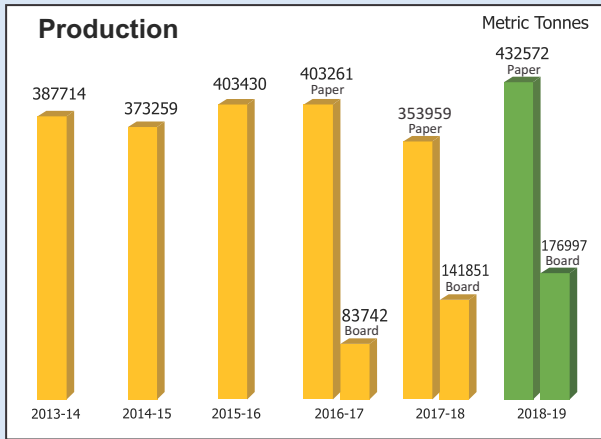
Description	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10
REVENUE (₹ in Lakhs)										
Revenue from Operations & Other Income	412195	315870	313872	255384	215237	230195	188118	153899	122504	107362
PBIDT	61524	43847	76591	58919	52236	52320	42207	43543	36274	31980
Depreciation & Amortisation	22668	22183	20768	14377	13730	19232	17500	16905	12337	11556
Finance Cost	23336	24463	25202	12185	15493	12821	12097	14127	4424	4618
Profit Before Tax (PBT)	15520	(2799)	30621	32358	23013	20268	12611	12511	19514	15806
Income-tax	6081	1417	4164	6377	6340	4150	3463	1617	4615	3200
Profit After Tax (PAT)	9439	(4216)	26457	25981	16673	16118	9148	10894	14899	12606
BALANCE SHEET (₹ in Lakhs)										
Equity										
Share capital	6938	6938	6938	6938	6938	6938	6938	6938	6938	6938
Other Equity	158230	153375	163527	144022	113226	107660	96610	90131	84641	73512
Shareholders Fund (Net worth)	165168	160313	170465	150960	120164	114597	103548	97069	91579	80450
Non-Current Liabilities										
Borrowings	124699	145032	165212	193872	136917	63699	65729	85083	107305	95510
Deferred tax liabilities (Net)	22865	22166	20853	23379	35959	31664	29046	26976	24961	21013
Non-Current Liabilities - Others	10847	11039	10523	10044	10133	9154	8397	7434	7052	5808
Current Liabilities										
Borrowings	28314	50857	74259	59040	47528	45040	49586	58341	41505	40781
Current maturities of Long Term borrowings	42851	46669	42871	15777	22121	38772	34707	29955		
Current Liabilities-Others	158404	116389	79525	88799	96927	68339	57090	50632	35132	27598
Total Equity and Liabilities	553148	552465	563438	541871	469750	371265	348102	355490	307535	271159
Non Current Assets										
Net Assets including CWIP and Intangible Assets	390263	408901	415797	425201	304083	252819	254101	249593	232442	209659
Non-Current investments	67	103	107	99	114	114	114	114	114	1140
Non-Current assets others	6494	9839	11502	10025	42119	26931	11146	12810	16455	10498
Current Assets	156324	133622	136032	106545	123433	91400	82741	92973	58524	49863
Total Assets	553148	552465	563438	541871	469750	371265	348102	355490	307535	271159
No of shares	69210600	69210600	69210600	69210600	69210600	69210600	69210600	69210600	69210600	69210600
Book value Per Share ₹	238.65	231.63	246.3	218.12	173.62	165.58	149.61	140.25	132.32	116.24
EPS ₹	13.64	(6.09)	38.23	37.54	24.09	23.29	13.22	15.74	21.53	18.21
Dividend %	75	50	75	75	60	60	50	50	50	45
Debt (LTL) to Equity	1.01	1.2	1.24	1.39	1.32	0.89	0.97	1.19	1.17	1.19

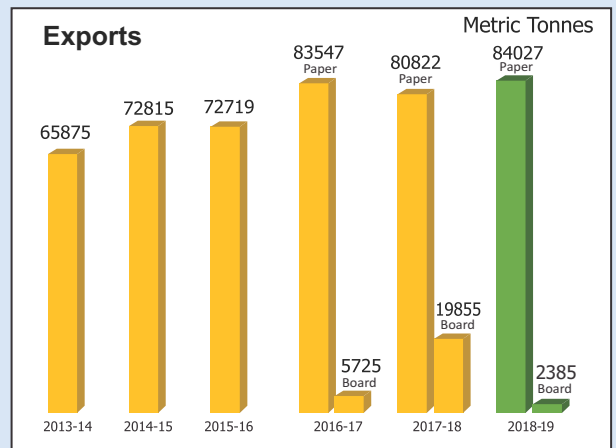
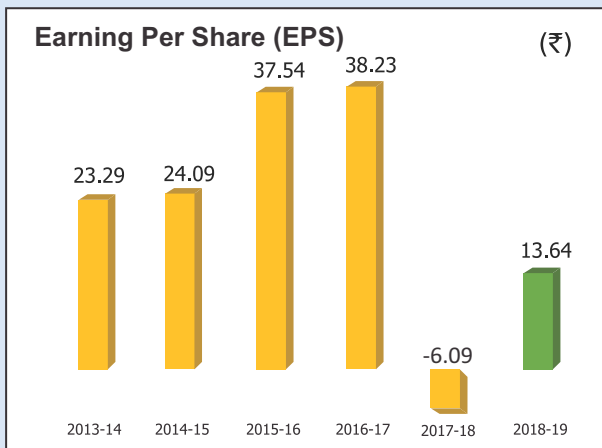
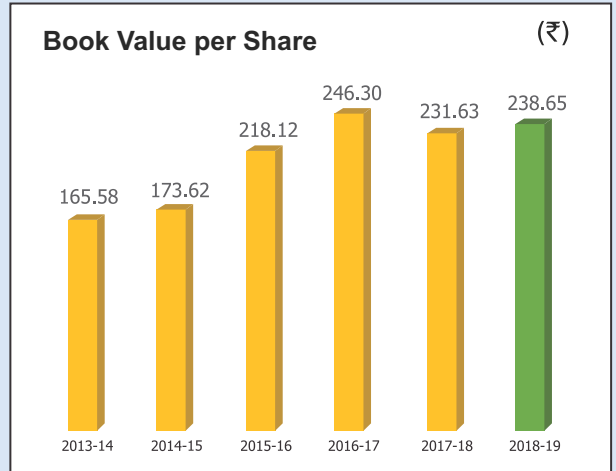
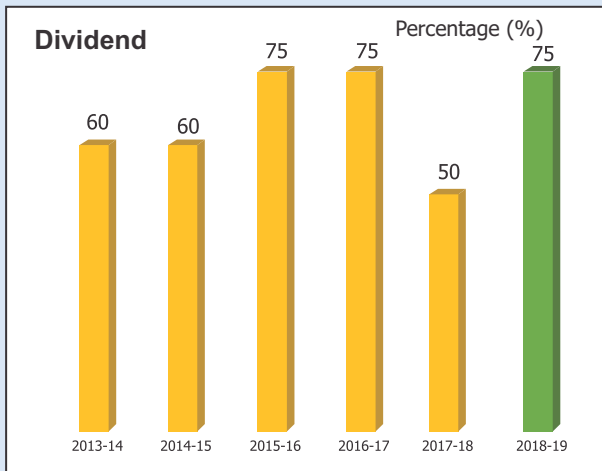
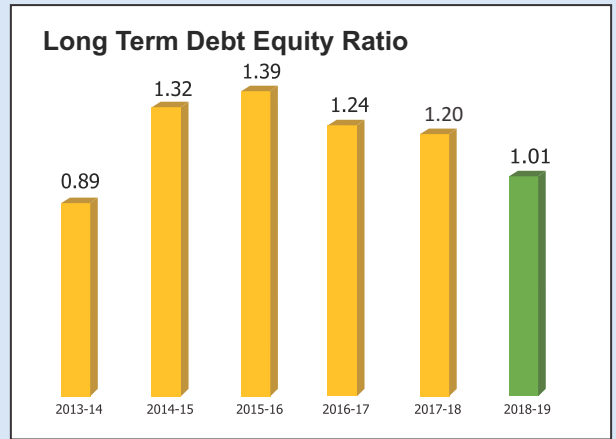
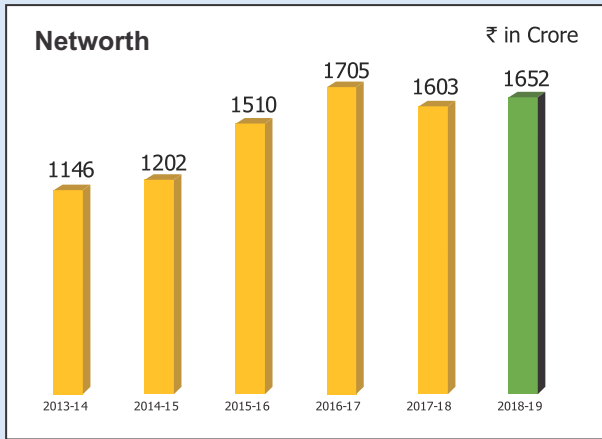
Figures upto 2010-11 as per Old Schedule VI, From 2011-12 to 2014-15 as per Revised Schedule VI, From 2015-16 onwards as per Ind AS, Previous year 2017-18 figures have been regrouped to confirm to the current year 2018-19 figures wherever necessary

HIGHLIGHTS 2018-19

1. The Company's turnover during the year 2018-19 is Rs. 4040.87 crore.
2. During the Year the Paper production was 432572 MT.
3. Achieved Paper sales of 445389 MT during the FY 2018-19. Domestic sales account for 81% and Exports at 19%.
4. The packaging paper board plant production was 1,76,997 MT during the financial year 2018-19, equivalent to 89% of capacity.
5. The packaging paper board sales during the year 2018-19 was 1,77,047 MT. Domestic sales account for 99%.
6. Market Capitalization was Rs.1425.74 Crores as on 31.03.2019.
7. 3,53,018 tonnes of Hardwood, Chemical Bagasse Pulp and Deinked Pulp were produced during the year.
8. 8220 lakh units of power were generated of which 7740 lakh units were consumed and 585 lakh units were exported to the state grid. Power drawn from state grid contributes only 1.36% of total power consumed.
9. The bio-methanation plants have generated methane gas of 65.23 lakh m³ during 2018-19. The methane gas was consumed in lime kiln and power boilers in replacement furnace oil 3848 KL and imported coal 105 MT.
10. The wind farms with an installed capacity of 35.5 MV capacity have generated 435 lakh kWh units of 'Green Power' during the year.
11. The Paper & pulp mill have implemented various water conservation projects and reduced the overall consumption of water to 32 KL/per ton of paper which is one of the lowest in paper industry.
12. TNPL is the First and only company in the Indian Paper Industry to have established a cement manufacturing factory to convert the mill wastes lime sludge and fly ash into high grade cement as part of its solid waste management system. During the year, the Company has manufactured 2,33,876 MT of cement.
13. The Company has reduced overall debt (Term Loan and Working Capital) to an extent of Rs. 466.94 Crore during the financial year 2018-19.
14. TNPL bagged the "Most Innovative Project" award - Environmental Best Practices Award 2018 conducted by CII- Sohrabji Godrej Green Business Centre, Hyderabad during June'18 at Chennai.
15. TNPL bagged first place during "15th National Award for Excellence in Cost Management 2017-"Good Performance Award" under the category MANUFACTURING – PUBLIC Organization – from the Institute of Cost Accountants of India" during October 2018 at New Delhi.
16. TNPL received IEI Industry Excellence Award 2018, from Institution of Engineers India (IEI, Kolkatta). This award has been instituted to recognize industry leaders for their innovation, excellence in engineering and operation & services, their capacity to sustain excellence in a competitive manner.
17. TNPL have been awarded a Special commendation for Prestigious Golden Peacock National Quality Award for the year 2018-19, by the Institute of Directors (IOD), India. The award was presented to TNPL at a convention conducted by IOD at Dubai, during March 2019.

FIGURES AT A GLANCE





TECHNOLOGY

TNPL is an acknowledged leader in the technology of manufacture of paper from bagasse – the sugar cane residue. TNPL's first unit in Kagithapuram, Karur District, was established in 1984. Started with an initial capacity of 90,000 tonnes per annum (tpa) on a single Paper Machine, the capacity of TNPL's Unit I in Kagithapuram was enhanced to 400,000 tpa in 2011, by implementing three major brown field expansions. During the period of its mill operation for over 35 years, TNPL brought several new technologies in the company's fold like ECF bleaching, Oxygen delignification, integrated Chlorine dioxide production, Wash presses, Odour-free recovery boiler, Collection and Incineration of NCG (Non-Condensable Gases), production of bio-gas from bagasse wash effluent. For the first time in the country, the mill has installed a printing and writing grade Recycled Pulp line by installing a three loop, two disperser system followed by Oxidative and Reductive bleaching. Today, by way of implementing the state-of-the-art technologies, TNPL enjoys the status of the most environmentally conscious and friendly mill in the country with least water consumption. To further enhance the operation, the company is examining the ways and means to reduce dependency on the fresh water intake. The mill is also examining the possibilities of moving towards Zero Liquid Discharge by adopting modern technologies.

As part of TNPL's organic growth, a project for manufacture of Paper Board was conceived. TNPL established its Unit II, at about 90 KM away from Unit I, for manufacturing 200,000 MT per annum Multilayer Coated Paper Board machine (BM 4), along with a 30 MW captive co-generation power plant. The Unit was commissioned in January 2016. Like in Unit I, the Unit II also features latest technologies in the mill operations. The Board machine is a four layer machine, first of its kind in the country. The Board machine is controlled by the latest Distributed Control System (DCS) and Quality Control Systems (QCS). TNPL has installed a state-of-the-art fully Automatic Storage and Retrieval System (ASRS) with a capacity to store

30,000 MT Reels and 6,000 MT Sheets. The power plant of the TNPL Unit II is equipped with high efficient boilers operating with AFBC technology. The Turbo Generator is equipped with an Air Cooled Condenser (ACC) to conserve water. The Board machine also has facility to recover the white water and reuse to the extent possible. For optimizing the consumption, variable frequency drives have been introduced in various sections of the Board machine and power plant. TNPL Unit II is having a Roll Grinding facility equipped with high end control automation including online measurements and CNC based Grinder Control System, for carrying out grinding of various rolls in Board machine.

The modern waste water treatment plant in TNPL Unit II enables utilization of the entire waste water generated from the mill to be used for irrigation in TNPL's own lands to an extent of 575 acres. In the plantation area, drip irrigation method is deployed, to raise more than 6 lakh trees, with various varieties of fruit bearing, flowering, avenue trees including some pulp wood species.

As part of its growth plan, a comprehensive Mill Expansion Plan (MEP) is being implemented in TNPL Unit II to enhance the mill capacity by another 1,65,000 tpa. As part the MEP, TNPL will be installing a modern Hardwood ECF Pulp Mill and a Paper Machine. The project has been accorded environmental clearance. Implementation of Phase 1 of the project comprising Pulp Mill and associated Recovery island is in progress and is targeted for commissioning by May 2021. The company has initiated action for inviting bids from the leading global suppliers of Pulp and Recovery systems. TNPL will be building a technically advanced Pulp Mill with least environmental impact. Towards this, cleaner technologies will be chosen to reduce and recycle water to the maximum extent, reduce odour, lower atmospheric emission, besides recycling of solid wastes.



State-of-the-art Board machine in TNPL Unit II



Part of greenery developed in Unit II, using treated waste water



Bird's eye view of TNPL Unit II – As seen from Eastern side



Part of Greenery being developed in 575 Acres of land near TNPL Unit II

ENVIRONMENT

- TNPL believes that the environment and associated natural capitals must be protected and used in a sustainable way to cater to today's demand as well as the needs of future generations.
- On environmental front, TNPL is committed to:
- Design, Manufacture and Supply of quality products by adopting contemporary technologies for overall efficiency, in a clean environment.
- Achieve Environment objectives through sustained R & D efforts and process improvements.
- Attain Environmental protection by continual improvements in process and technology.
- Comply with all relevant environment legislation and regulation, by forming a separate Environment Management Cell for analysing, taking counter measures and committing to report to the Board of Directors, for any non-compliance.
- Report the Environmental performance and compliance on all relevant legal and other statutory requirements of its facilities to the Board of Directors and other relevant stakeholders on a regular basis.
- Stimulate optimal usage of Water, Energy and other Natural Resources through technological improvements and behavioural aspects.
- Minimize waste and Maximize reuse/recycling.
- Integrate Quality, Energy, Environment, Health and Safety requirements with business decisions by adapting the Manufacturing Excellence Model.

TNPL Unit I, Kagithapuram, Karur District.

• Conservation of Forest wood through eco-friendly Raw Material:

TNPL is built on the concept that environment should be protected for the benefit of present and future generations. TNPL has perfected the technology of manufacturing writing and printing paper from bagasse, an agricultural residue and consumes one million tons of bagasse per annum. The mill has used about 7,37,978 MT of depithed Bagasse during the year as the primary raw material for production of 1,39,844 MT of bagasse pulp during the year 2018-19 which has facilitated in conservation of about 6.1 Lakh MT of pulpwood. Similarly, TNPL has produced 94,166 MT of Deinked pulp using waste paper as raw material thereby conserving about 4.1 Lakh MT of wood in the year 2018-19.

- TNPL sources wood through its Captive plantation and Farm Forestry model and also from Tamil Nadu Forest Plantation Corporation. The Unit has raised pulp wood in 22,356 acres during 2018-19 totaling about 1,46,436 acres of land covering various parts of Tamil Nadu, through its Captive Plantations and Farm Forestry schemes. Further, pulpwood is certified by both Forest Stewardship Council Forest Management (FSC-FM) and Forest Stewardship Council Chain of Custody (FSC-COC) which ensures that paper manufacture from wood is managed in a socially and environmentally responsible manner.

• Water Management and Rain Water Harvesting:

The mill has implemented several water conservation measures and reduced water consumption to about 32 KL per ton of paper during 2018-19 which is the lowest figure in the Integrated Pulp and Paper industry in the National level. In view of harvesting Rain Water, the Unit has engaged the services of Anna University to identify potential areas, and accordingly constructed three Rain Water Collection Pits, each about 5000 Sq. meter surface area in its housing colony premises and one reservoir with a surface area of about 30,000 Sq. Meter within the mill premises.

• Fuel Management by Waste-to-Wealth concept:

By utilizing about 1,97,000 MT of internally generated agro fuels such as Pith, Wood dust and Bark as fuel in Power Boilers, TNPL conserved about 74,000 MT of imported coal.

The unit has fired about 4.92 Lakh MT of Black Liquor solids generated from Hard Wood and Bagasse Plant in Chemical Recovery Boiler and the steam thus generated is utilized to produce power and process steam. This has led to conservation of about 3.38 Lac MT of imported coal.

The Unit has commissioned Bio-methanation Plant III to handle additional 5580 KLD of Bagasse effluent. This facility has paved way for generation of 12,000 Cu.M/day of additional Bio gas in addition to supplementary arrangement for treating Bagasse wash effluent. Further, the unit had taken up major overhauling including complete replacement of internals in one of the Bio-reactors of Bio-methanation Plant I during the current year, at a cost of Rs.3.00 Crores between Aug'18 and Apr'19. Upon stabilization, it is envisaged that an additional

7000 Cu.M per day of gas generation is expected from the unit. During the year, three bio-methanation plants have cumulatively generated about 65 lakh Cu.M of Bio gas which resulted in conservation of about 3848 KL of furnace oil at lime kilns and around 105 MT of imported coal in Power Boilers.

• **Innovation on Solid Waste Management:**

TNPL had enhanced its Cement Plant production capacity from 600 to 900 TPD capacity for producing high grade cement from inorganic solid wastes. viz., Lime sludge and Fly ash. TNPL is the first and only paper mill in the country to have set up a cement plant within the factory premises to produce Cement from Paper Mill wastes. Every day, about 200 tonnes of lime sludge, 100 tonnes of fly ash from the power boilers, 40 MT of De-Inking Plant Sludge and 30 MT of other waste materials like Lime Grit, Omya Grit, Bed Ash Rejects & Colour Coating Kitchen Sludge are converted into high grade cement. During 2018-19, the cement plant consumed about 53403 MT of lime sludge on dry basis generated in TNPL's main plant (Pulp and Paper manufacturing facility), which is equivalent to conservation of about 61132 MT of lime stone. Further, 67010 MT of fly ash, 9147 MT of De-Inking Plant Sludge and 11217 MT of waste materials like Lime Grit, Omya Grit, Bed Ash Rejects & Colour Coating Kitchen Sludge were also used in the manufacture of cement during the year.

• **Innovation on Emission control:**

TNPL had set up a satellite Precipitated Calcium Carbonate plant with an annual production capacity of 60,000 MT adjacent to mini cement plant on "Build Own, Operate" basis. This plant had consumed 5500 MT of carbon di- oxide content in the flue gas which was utilized as raw material for production of 15768 MT of PCC thus avoiding GHG emissions.

• **Biodiversity Park:**

TNPL has established a Biodiversity Park by assembling more than 100 species of trees in about 6.07 hectares of land at TNPL Housing colony area during the last year under the concept of biodiversity enrichment to sustain the green environment. In addition to the above, another 60 species of trees/shrubs comprising of flowering, fruit

bearing, medicinal, ornamental, timber varieties etc., are included in the current year. The ecosystem maintained in the Biodiversity Park is assessed periodically for effective monitoring of flora and fauna in the park. The trees have started flowering / fruiting which results in attraction of fauna that include butterfly, birds, reptiles and insects which are being evidenced at the site. This facilitates the improvement of the Biodiversity Park by introduction of new species by pollination and seed-transfer through migration of birds. In future, it is planned to undertake a detailed study of the flora and fauna in the Biodiversity Park.

• **Implementation of Management Systems:**

TUV India Private Limited, a subsidiary of TUV NORD CERT GmbH, which recertified TNPL Unit I for Integrated Management System comprising both Quality and Environment, had recommended to maintain the certificate for the period of one year based on the surveillance audit carried out during Jan' 2019.

TNPL Unit - II Mondipatti Village, Trichy District

• **Rain Water Harvesting:**

TNPL Unit - II has constructed 225 numbers of individual rain water harvesting pits which are provided at the roof tops of fifteen major buildings to cover about 29055 Sq. meter area, to recharge the ground water table during rains.



- **Increased Biodiversity**

Within one year of implementation of the project, the microclimate of the location has significantly improved and multifold increase in flora and fauna population could also be observed.



- **Green Belt Development**

TNPL Unit – II has developed a Green Belt in and around the plant premises in about 650 Acres of land. A sum of about six lakhs plants belonging to 79 species have been planted, among them species like Ficus, Eucalyptus, Neem, Ashok, Citrus, Coconut, Artocarpus, Dalbergia, Melia, Pongamia, Syzygium, etc. are some of them. The Green Belt development makes the eco system more complex and functionally more stable, making the climate more conducive and restore water balance. The Green Belt also helps to capture the fugitive emissions and to attenuate the noise generated in the plant, apart from improving the aesthetics of the plant site. Increase in flora and fauna population could also be observed.



- **Emission Control**

Ambient air and Stack emission are continuously monitored by Online Continuous Emissions Monitoring System and also through an MoEF&CC accredited environmental testing Laboratory.



Continuous Ambient Air Quality Monitoring Stations



Ambient air quality display board at entrance



Continuous Stack Emission Monitoring Stations



Server Room

- **Implementation of Management Systems**

TNPL Unit-II has implemented an Integrated Management System comprising Quality ISO 9000, Environment ISO 14000 and OHSAS 18000 Safety standards. Further, the unit is also in the process of implementing Energy and Food Safety Management Systems FSMS ISO 22000.

- **FSC-Chain of-Custody Certification**

TNPL Unit-II is certified for Forest Stewardship Council Chain of-Custody by NEPCo, Estonia for the requirements of FSC-STD-40-004 V3-0; FSC-STD-40-007 V2-0; FSC-STD-50-001 V2-0 on 14.02.2019. The certification is valid from 14.02.2019 to 13.02.2024.

PLANTATION

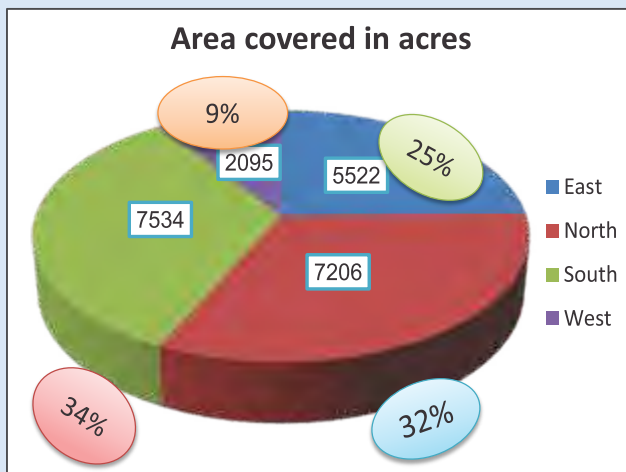
Pulpwood Raw Material Requirement

To meet the annual pulpwood raw material requirement of about 5 lakh MT, TNPL has implemented various Plantation schemes to develop pulpwood plantation and covered about 1,24,080 acres till March 2018. In view of Mill Expansion Plan, the annual pulpwood requirement will increase from 5 lakh MT per annum to 12 lakh MT per annum from the year 2021-22. Therefore, the company intensified the plantation development activities by fixing annual target of 25,000 acres from the year 2018-19.

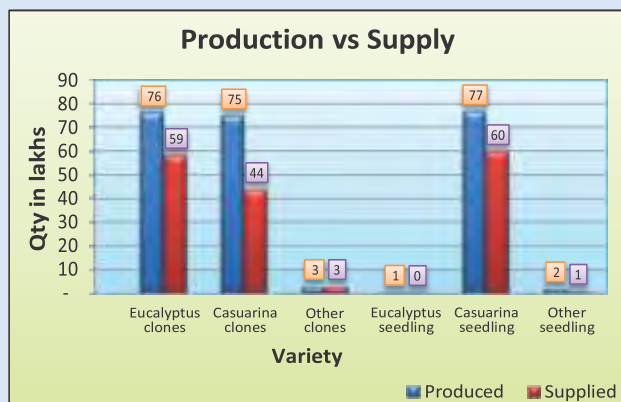
Initiatives

The following new initiatives were taken during the current year to achieve the target of 25,000 acres.

- Operational area is divided into four zones viz., North, South, East and West zones.

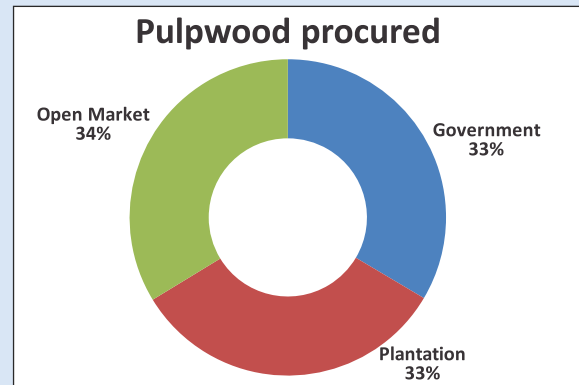


- The focus was given to increase the Casuarina plantation under irrigated conditions.



Achievements:

- Against the target of 25,000 acres, 22,356 acres were registered, of which 68% (15092 acres) was under Casuarina and 32% (7264 acres) under Eucalyptus and other species.
- About 235 lakh plants were produced, out of which 167 lakh plants were supplied to farmers.



Pulpwood Plantation

22,356 acres involving 3417 farmers were registered. Cumulatively, 1,46,436 acres of plantation raised by involving 27,596 farmers



Pulpwood Procurement

1.74 Lakhs MT of pulpwood was procured directly from farmers. Cumulatively 11.74 lakh MT of pulpwood were received from Plantation Sources



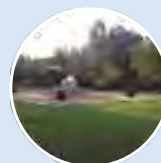
Pulpwood plants Production & Supply

235 lakh plants were produced and 167 lakh plants were supplied. So far 1226 lakh of plants were produced and 1125 lakh of plants were supplied.



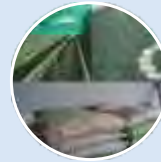
Research & Development

Three new Eucalyptus Clones viz., TNPL 523, 526 & 529 were developed.



Improvement of Landscape & Greenerly

About 1 lakh ornamental plants and Evergreen tree saplings were produced. About 45,000 tree saplings were planted as green belt during 2018-19.



Solid waste Management

Around 16,800 Kg of Vermicompost and 10,000 Kg of Biocompost were produced from the wastes generated inside the colony.

CORPORATE SOCIAL RESPONSIBILITY

TNPL is committed to being a socially responsible corporate citizen. The Companies Act, 2013 mandates every company having net worth of Rs. 500 crore or more or turnover of Rs. 1000 crore or more or a net profit of Rs. 5 crore or more during any financial year has to spend 2% of their net profit towards CSR activities and they have to constitute a CSR Committee of the Board. The Company has constituted the following CSR Committee:

1. Thiru. N. Narayanan, IAS (Retd) - Chairman
2. Tmt. Soundara Kumar - Member
3. Thiru. V. Nagappan - Member

As per section 135(5) of the Companies Act 2013, TNPL spends 2% of the average net profit of the Company made during three preceding financial years towards CSR activities viz., Education, Healthcare and Medical Service, Infrastructure Development, Social Development, Livelihood and Economic Development, Environment & Sanitation, Culture & Heritage, Soil and Water Conservation. The Company during the year 2018-2019 has spent Rs. 405.59 lakhs against the allocated amount of Rs. 400.00 lakhs. The Company aims to spend Rs. 290.00 lakhs on CSR activities during the financial year of 2019-2020, on the basis of 2% of the average net profit of the Company made during the three preceding financial years.

TNPL undertakes Community Development activities in the surrounding villages in association with various government bodies, Bankers, Agricultural Institutions, Government and Private Hospitals, Skill development Institutions etc.

TNPL is mainly focusing to enhance the socioeconomic status by conducting skill development programmes, sponsoring students to study Paper Technology, Creating Model schools, conducting spoken English classes, providing note books and question-answer booklets, providing drinking water facilities, conducting General Medical camps, Cancer screening camp, Eye camps and Blood donation camps, apart from providing medical assistance to the needy people. Further, CSR activities also include Constructing a Community hall, Toilets, Concrete roads, providing water pipeline, street lights, sponsoring and conducting District / State level sports activities, organizing specific skill development programmes such as Industry-ready job oriented training in JCB operations, Costume jewellery making etc., for self-employed rural women. This has led to income generation for rural communities. These activities have given a good mileage in developing positive rapport with the local community around.



Talent Expo, 2018



Anemia Eradication Programme for Govt. School Girl Students



Water tank provided in Panchayat Union Primary School, Koolagoundanur



Conducting Spoken English classes in Govt. Schools



Special Cattle Care Camp



JCB & Crane Operating Training for rural unemployed youth

PRODUCT PROFILE

TNPL produces a wide portfolio of high quality surface-sized and non-surface sized papers best suited for printing and writing; and coated and uncoated boards best suited for the packing industry.

PREMIUM PAPER BRANDS

TNPL Elegant Printing

An ideal printing substrate with superior brightness and high smoothness with low two-sidedness, it provides better visual appeal due to its subtle pink and polite blue tone resulting in unmatched readability and viewing pleasure. As a surface sized grade, it delivers exceptional performance in web offset and sheet offset with high surface strength providing higher print throughput. It is the best choice for text books, calendars, diaries & annual reports and is truly a printer's delight.

TNPL Radiant Stationery

A specially designed surface sized grade to deliver peak performance in the conversion of student exercise note books, text books, brochures and commercial grade printing. This Maplitho grade provides smooth surface for writing with a variety of pens. The high brightness level coupled with a pleasant shade has made it a most sought after grade in the domestic and international markets.

TNPL Radiant Platinum

This speciality grade is produced in a new state of the art machine to provide high bulk, even-formation and absolutely even-sided smoothness, which is a very rare combination in the paper industry. The high resilience of this paper makes this grade an ideal substrate for very high quality text book printing applications / deluxe note book making and other high end four-color printing applications. The superior strength properties and surface sizing renders this paper a robust one for demanding jobs. This grade is much sought after for calendar and computer stationery printing.

TNPL Print Fine

Print Fine is a printer's delight. The extraordinary smoothness turns out perfect image reproduction with minute details. It is presented in a pleasant shade which is readily accepted by printers who are very concerned about faithful colour reproduction. This stock caters to High end multi colour printing jobs and reproduction of high definition text books.

TNPL Copier

TNPL Copier paper is known for its outstanding performance. Its features include Trouble free running, No multi-feed or jamming, Low toner consumption, Low abrasion of drums, Very high stiffness, High dimensional stability and Air tight packing. All these characteristics are attributed to the well formulated furnish mix, addition of engineered fillers, state of the art surface sizing, soft nip calendering precise cutting and packing in the state of the art automatic cut pack machines. This grade is known for high value for money and minimum wastage.

TNPL Copy Crown

TNPL Copy Crown is a premium grade multipurpose office stationery paper presented in very high brightness and immaculate cleanliness. Its features include Trouble free running, No multi-feed or jamming, Low toner consumption, Low abrasion of drums, Very high stiffness, High dimensional stability and Air tight packing. This very special export grade contains special recipe in the furnish blend to meet the exacting performance in high speed copiers. The robust construction and visual appeal makes this grade suitable for office stationery applications.

TNPL Pigmented Paper

TNPL Pigmented Paper is an ultimate extra premium grade from the House of TNPL. This matt finished two-side lightweight coated paper satisfies the quest of quality conscious printers who want to achieve extraordinary results. This special grade is engineered to generate high print gloss with the technology of soft nip calendering. The silky surface accentuates all the best results expected out of a printing substrate. This grade is used in applications such as high quality four colour printing jobs, FMCG covers / packets / paper sachet, High colour quality journals, High intense text book printing like medical books and High quality labels, inserts etc.

TNPL Printers' Choice

A grade exclusively designed for sheet fed offset printing applications. It is cut in ideal sizes to make it a 'ready to use' commodity for speciality printing jobs in sheet offset. The brightness level and the cool shade delivers outstanding printing results, faithful colour reproduction with

precise details. This high smooth surface variety is apt for those who look for a versatile print media to impress perfectionists.

TNPL Ace Marvel

A star product in TNPL's range with two variants. Ace Marvel Bright – the runnability and dimensional stability of the product in the demanding applications of multiple coating has made this product a preferred one. This grade is cherished by those who make thermal paper / carbon paper / carbonless paper. The higher GSM of this grade is preferred for paper sachets, sublimation and diary segment due to its eye capturing print quality. Ace Marvel Standard – this exclusive lower GSM paper with high opacity has no match in the country for high speed web offset publishers.

TNPL Eco Maplitho

A versatile and popular grade for those who seek quality at an optimum cost – value for money. Used in multifarious applications like text book printing, note book making, wide range of stationery items/labels/wrappers etc. The pleasant shade and the even smoothness & formation make it the most wanted grade; it is also available in natural shades. The usage of engineered fillers has made this grade highly opaque with a matt finish.

TNPL Hi-tech Maplitho

A product created to provide a brilliant look and a favourable impression. An ideal substrate for quality multicolour text book printing and calendars, this grade is best suited for computer stationery and Note books. The fine and smooth surface provides faithful image sharpness and exceptional writing pleasure.

TNPL Green Pal

TNPL Green Pal office papers and notebooks are made from 100% bagasse and recycled pulp, ensuring that not a single tree was cut in the production of our premium office and student stationery. The brilliant shade of this stock ensures optimum brightness level and a soothing visual impact. The engineered fillers used in this grade render high opacity. Though designed for note books, this grade is highly welcomed as home stationery paper.

TNPL'S EXCLUSIVE RANGE OF COATED & UNCOATED MULTI-LAYER BOARDS FOR PACKAGING

Aura Fold Premium

Aura Fold Premium is a two side coated folding box board with 100% bleached chemical pulp on the top and bottom layers with mechanical fibres sandwiched in the middle layer. It has good bulk and stiffness coupled with premium printability and is naturally the perfect choice for high end packaging and suitable for 1PE and 2 PE (Poly Extrusions) applications. It is widely used for premium FMCG packaging, Personal Care Products, Cosmetics and cartons of Industrial & Automotive products.

Aura Fold Plus

Aura Fold Plus is a top-side coated folding box paperboard with 100% bleached chemical pulp on the top and bottom layers with mechanical fibres sandwiched in the middle layer. It is the perfect choice for high end acceptable packaging because it has high bulk and stiffness coupled with premium printability and suitable for 1PE and 2 PE (Poly Extrusions). It is ideal for Boxes for Cosmetics & Industrial purposes / Auto goods Cartons & boxes, All FMCG packaging, Spirits / Liquor Packaging and Panel & Picture Mount Boards.

Aura Fold Eco

Aura Fold Eco is a two-sided coated folding box board with 100% bleached chemical pulp on top and bottom layers and mechanical fibres sandwiched in the middle layer. It is the perfect choice for economical packaging; it has medium bulk and stiffness coupled with premium printability; it is suitable for 1PE and 2 PE (Poly Extrusions) applications. It is ideal for normal FMCG Cartons, POP Dangles, Menu Cards, Brochure Covers and Notebook Covers.

Aura Fold Blu

Aura Fold Blu is a two side coated Folding Box Board with 100% bleached chemical pulp on top & bottom layers and engineered with special mechanical fibres in the middle layer. It has high whiteness, brightness & brilliance, good Bulk and stiffness coupled with premium printability; it is naturally the perfect choice for high end and demanding packaging like Pharmaceutical Packaging, Personal Care Products, Cosmetics, Notebook Covers, Hosiery Boxes and Garment Tags.

Aura Celebration

Aura celebration is an uncoated paperboard with 100% bleached chemical pulp on top and bottom layers and enriched mechanical fibres sandwiched in the middle layer. It has high bulk, stiffness and superior convertibility and suitable for motif prints, embossing, debossing and hot foil stamping applications with royal touch. It is ideal for Invitation Cards, Greeting Cards, Wedding Cards, Menu Cards, Brochure Covers and Folders.

Aura Flute Supreme

Aura flute supreme is a coated solid bleached Sulphate Board, made for high end hot and cold beverages (cup stock) with 100% virgin pulp in all three layers. The coated top surface comes with superior printability & gloss and is perfect for high end cup-making. Its medium bulk, high stiffness and good top side smoothness makes it the perfect material for Paper cups with one side or two side poly extrusion and superior edge wicking resistance. It is designed for poly extrusion & multi colour printing. It conforms to direct food contact applications and is free from optical brightening agents, colouring dyes and chemicals.

Aura Flute

Aura flute is a solid bleached sulphate uncoated board with 100% bleached chemical pulp in all layers. It has high stiffness and stretch designed for high speed cup conversion machines for wide range of cup sizes with acceptable printing. It's medium bulk, high stiffness and good top side smoothness makes it the perfect material for Paper cups with one side or two side poly extrusion and superior edge wicking resistance. It is free from optical brightening agents, colouring dyes and chemicals, conforming to direct food contact applications.

Aura Flute Plus

Aura flute plus is a solid bleached sulphate uncoated board with 100% bleached chemical pulp in all layers. It has high edge wick resistance, improved bulk, stiffness and good top side smoothness coupled with acceptable printability; it is the perfect material for Paper cup application with one side or two side poly extrusion. It has high stiffness and stretch designed for high speed cup conversion machines for wide range of large volume tubs and cups

where stiffness is absolutely important for product performance. It is free from optical brightening agents, colouring dyes and chemicals, conforming to direct food contact applications.

Aura Grafik

Aura Grafik is a two side coated solid bleached sulphate board with 100% bleached chemical pulp in all the layers with excellent brilliance and snow white shade. It has medium density, high level of surface smoothness coupled with premium printability; it is the perfect choice for high end printing applications and downstream conversion. It is ideal for Pharmaceutical packaging, Personal Care Products, Cosmetics, Advertising and superior Graphics, High end Catalogue, Notebook Covers and Scratch Cards.

Aura Pearl

Aura Pearl is a four layered Board with top side superior double coated virgin pulp. Under the top layer, it has the processed white pulp, recycled fibre pulp in the middle layer and bleached chemical pulp in the bottom layer. It has a good bulk and stiffness coupled with premium printability and lamination capabilities which makes it the perfect choice for high and medium range packaging. It is ideal for Notebook Covers, FMCG Cartons, Pharmaceutical, Apparels Box and tags, Shade Cards in Garments, Industrial / Auto goods Cartons.

Aura Green

Aura green is a multi layered board. It has superior double coated virgin pulp on the top side, recycled fibre pulp in the middle and bottom layers. It has a good bulk and stiffness coupled with premium printability and lamination capabilities make it the perfect choice for medium range and general packaging. It is ideal for Notebook Covers, FMCG Cartons, Pharmaceutical, Match Box Shells, Apparels Box and tags, Shade Cards in Garments, Industrial / Auto goods Cartons.

Aura Green Match

Multi layered coated paperboard engineered exclusively for match box industry for trouble free high speed autofilling match box conversion machines. It is a four layered board with virgin pulp on topside, processed white pulp in the under top and recycled pulp in the middle and back layers. It has a superior print surface, high bulk, stiffness and good dimensional stability.

ENERGY

Pulp and Paper Industry is Energy intensive and the Energy cost is around 25% of its Manufacturing cost. TNPL is taking constant efforts to reduce the carbon footprint. TNPL consumes bio-fuel and bio-gas to a larger extent. The Consumption of bio-fuel and bio-gas accounts for 42.25 % of the total Energy consumed during 2018-19 as against 35.41 % in 2017-18.

Agro / Internally generated waste Fuels Utilised	2018-19 MT	2017-18 MT
Agro fuel	848	461
Pith	185048	99483
Wood Dust/bark	11764	6891

TNPL is operating two bio-methanation plants to treat high organic wastewater from bagasse handling and storage system and to generate biogas under waste to energy concept. The Biogas generated is utilized in the lime kiln to replace furnace oil. Biogas generation for the year 2018-19 is 65.23 Lakh NM3 as against 62.07 Lakh NM3 in the previous year. The bio gas generated is used in lime kiln as fuel to replace 3847.63 KL of furnace oil and in Power Boiler to replace 105 MT of Imported Coal.

TNPL is self sufficient in power in both the units. The installed capacity of Power Plant in Unit-1 is 103.62 MW and Unit-2 is 30 MW. Power Generation and consumption details are as given below.

(in Lakh Units)

	Genera-tion	Self Consumption	Export	Import
2018-19 Captive power Unit				
- Unit-1	6382.90	6394.67	78.69	90.46
- Unit-2	1387.72	1292.78	99.92	4.98
- Wind Farm	449.20	52.82	406.42	10.04
Total	8219.82	7740.27	585.03	105.48
2017-18 Captive power Unit				
- Unit-1	5262.94	5294.59	61.83	93.48
- Unit-2	1130.37	1068.28	92.17	30.08
- Wind Farm	515.40	44.66	470.74	--
Total	6908.71	6407.53	624.74	123.56

As a part of Energy Conservation Act 2001, the Ministry of Power notified the list of designated consumers (DCs) of various power intensive industries across the country on 30th March 2012. It also specified the baseline energy consumption of the individual DCs and their targeted energy consumption norms to be met in the period from FY 2012-13 to FY 2014-15 as per "Perform Achieve and Trade" (PAT) scheme. For 1st PAT Cycle BEE notified Specific Energy Consumption for TNPL was 0.572 TOE/TON and the Target was 0.550 TOE/TON. TNPL Achieved 0.530 TOE/TON during the assessment year 2014-15. As TNPL over achieved against the target and claimed 4969.22 ESCerts and the same was audited by M&V auditors. BEE issued 4969.22 ESCerts.

The Ministry has also notified the Second PAT cycle on 31st Mar 2016 and the values of SEC were given without normalization. Accordingly the target value for TNPL is 0.7234 TOE/TON against the baseline value of 0.768 TOE/TON. This target is to be achieved by 31st March 2019 i.e at the end of three year PAT II cycle starting from 2016-17.

TNPL Unit II is considered as a Designated Consumer (DC) by BEE and included under PAT Scheme in Cycle-V vide Ministry of Power Notification S.O. 1473(E) dated 29th March 2019. Baseline Energy Audit has been conducted by FICCI under the directions from BEE in the month of Jan 2019 and Specific Energy Consumption was arrived as 0.3991 TOE/TON taking 2017-18 as the baseline year.

BEE has set the target of Specific energy consumption (TOE/TON of product) for the year 2021-22 as 0.3761 TOE/TON. TNPL Unit-II has achieved a Specific Energy Consumption of 0.348 TOE/TON for the year 2018-19. ISO:50001-2011(E), Energy Management System has been introduced in Unit-II.

TNPL has obtained the Energy Efficient Unit award for the year 2018 from Confederation of Indian Industry (CII). During the FY 2018-19, TNPL has saved 55.69 Lakh units of Power (previous year 24.97 Lakhs units), 4235.51 MT of Imported coal (previous year 2417.38 MT) and 3847.63 KL of furnace oil (previous year 3760.11 KL) by implementing various Energy saving projects.

Year of Installation	Capacity
1993-94	15.00 MW
2000-01	3.00 MW
2003-04	3.75 MW
2005-06	6.25 MW
2006-07	7.50 MW
Total	35.50 MW



NOTICE

NOTICE is hereby given that the Thirty Ninth Annual General Meeting of the Members of Tamil Nadu Newsprint and Papers Limited will be held on Thursday, 19th September, 2019 at 10.15 AM at the Music Academy Main Hall, 168, T T K Road, Alwarpet, Chennai 600 014 to transact the following business :

ORDINARY BUSINESS

1. Adoption of Financial Statements:

To receive, consider and adopt the Audited Statement of Profit and Loss for the year ended 31st March 2019, the Cash Flow Statement for the year ended 31st March, 2019, the Balance Sheet as at that date and the Reports of the Board of Directors and the Statutory Auditors and the comments of the Comptroller and Auditor General of India, thereon.

2. Declaration of Dividend:

To declare dividend on equity shares for the year 2018-19.

3. Fixation of the Auditors Remuneration:

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

"RESOLVED THAT consent of the Company be and is hereby accorded for the payment of remuneration of Rs 13,00,000/- to M/s. Brahmayya & Co. (Firm Registration No.000511S), Chartered Accountants, Chennai, Statutory Auditors, besides reimbursement of Travel & out of pocket expenses (annual) at actual subject to ceiling of Rs.75000/- and other terms and conditions laid down by the Office of the Comptroller and Auditor General of India in their letter No., NO./CA.V/COY/TAMIL NADU, TNEWSP (1)/1379 dated 03/10/2018.

SPECIAL BUSINESS

4. Ratification of Remuneration to the Cost Auditors:

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies

(Audit and Auditors) Rules 2014, (including any statutory modifications or re-enactment thereof for the time being in force) the remuneration of Rs. 2,75,000/- plus travelling and out of pocket expenses subject to a maximum of Rs. 30,000/- and applicable Taxes for the financial year ending 31st March, 2020 as approved by the Board of Directors of the Company to be paid to M/s. Geeyes & Co, (Firm Registration No. 000044), Cost Accountants, Chennai, appointed by the Board as Cost Auditors to conduct the audit of the cost accounts of the Company for Paper, Board Plant, Cement and Energy segments be and is hereby ratified and confirmed."

"RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. Appointment of Thiru. N Muruganandam, IAS (DIN 00540135) as a Director:

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

"RESOLVED THAT pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Rules made there under (including any statutory modification(s) or re-enactments thereof for the time being in force), Thiru. N Muruganandam, IAS (DIN 00540135) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 04.03.2019 and who holds the said office pursuant to the provisions of Section 161 of the Companies Act, 2013 upto the date of this Annual General Meeting ('AGM') and who is eligible for appointment under the relevant provisions of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation".

6. Appointment of Tmt. Reeta Harish Thakkar, IAS (DIN 06976936) as a Director:

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

"RESOLVED THAT pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Rules made there under (including any statutory modification(s) or re-enactments thereof for the time being in force), Tmt. Reeta Harish Thakkar, IAS (DIN 06976936) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 9.11.2018 and who holds the said office pursuant to the provisions of Section 161 of the Companies Act, 2013 upto the date of this Annual General Meeting ('AGM') and who is eligible for appointment under the relevant provisions of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation".

7. Appointment of Thiru. S Krishnan, IAS (DIN 03439632) as a Director:

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

"RESOLVED THAT pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Rules made there under (including any statutory modification(s) or re-enactments thereof for the time being in force), Thiru. S Krishnan, IAS (DIN 03439632) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 16.07.2019 and who holds the said office pursuant to the provisions of Section 161 of the Companies Act, 2013 upto the date of this Annual General Meeting ('AGM') and who is eligible for appointment under the relevant provisions of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation".

BY ORDER OF THE BOARD

Place : Chennai
Date : 13.08.2019

V. SIVAKUMAR
Company Secretary

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies in order to be effective must be lodged with the Company not later than 48 hours before the meeting.

A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholders.
3. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the company provided that not less than three days of notice in writing is given to the Company.
4. The relative Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Business set out under Items 4 to 7 is annexed hereto and forms part of the notice.
5. Pursuant to the provisions of Section 91 of the Act and the Listing Regulations, the Register of Members and Share Transfer Books of the Company will be closed from 13.09.2019 to 19.09.2019 (both days inclusive) for the purpose of AGM and payment of the dividend for the financial year ended 31st March, 2019.
6. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
7. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
8. Subject to the provisions of the Companies Act, 2013, the dividend for the year ended 31st March,

2019 as recommended by the Board, if declared at the meeting, will be paid within a period of 30 days from the date of declaration, in respect of shares held in physical form to those members whose names appear in the company's Register of Members on 19th September, 2019. In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership as per details furnished by National Securities Depository Limited and Central Depository Services (India) Limited for this purpose.

9. Pursuant to Section 124 of the Companies Act, 2013, all unclaimed dividends upto the financial year ended March 31, 2011 have been transferred to the Investor Education and Protection Fund established by Central Government as per Section 125 of the Companies Act, 2013.
10. Pursuant to the provisions of IEPF Rules, all shares in respect of which dividend has not been paid or claimed for seven consecutive years shall be transferred by the Company to the designated Demat Account of the IEPF Authority ("IEPF Account.") within a period of thirty days of such shares becoming due to be transferred to the IEPF Account.

Shares in respect of which dividend for the year ended 31st March, 2009, 31st March, 2010 and 31st March, 2011 have been transferred to the Investor Education and Protection Fund ("IEPF") of the Central Government in November 2017, December 2017 and November 2018 respectively pursuant to Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("Rules") read with section 124 of the Companies Act, 2013. Details of these shares are available in the Company's website and can be viewed at <http://www.tnpl.com/DisplayPage.aspx?file=transfer-of-shares-to-IEPF.html>

11. As regards dividend pertaining to the financial year ended March 31, 2012 and thereafter, amounts remaining in the Unpaid Dividend Accounts of the company have to be transferred to 'The Investor Education and Protection Fund' established by the Central Government at the expiry of seven years from the date of transfer to the respective year's Unpaid Dividend Account. Such transfer has already been effected with regard to the unpaid dividend for the financial years 1997-98 to 2010-2011. The unpaid dividend for the financial year 2011-12 (final) will be transferred

to the above fund during November 2019. The shares in respect of dividend for the year 2011-12 will also be transferred by the Company to the 'Investor Education and Protection Fund' as per section 124 of the Companies Act, 2013 and the applicable rules. Individual notices will be sent to the members concerned requesting them to encash their unclaimed dividends failing which the corresponding shares will be transferred to IEPF. An Advertisement will also be published in the newspapers. Members are therefore requested to lodge their claims for unpaid dividend, if any, immediately with the Registrar and Share Transfer Agent or with the Company at the Company's registered office.

12. In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 securities of listed companies can only be transferred in dematerialized form with effect from 1st April, 2019. In this regard, members are advised to dematerialize shares held by them in physical form.
13. Members holding shares in physical form are requested to quote their Registered Folio No. in all their correspondences and notify promptly change, if any, in their Address/ bank mandate to the company's Registrar and Share Transfer Agent viz. Cameo Corporate Services Limited, Unit : Tamil Nadu Newsprint and Papers Limited, 'Subramanian Building', 1 Club House Road, Chennai 600 002. In respect of shares held in dematerialized form, the same may be communicated with your depository participant.
14. Details as required in sub-regulation (3) of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard on General Meeting (SS-2) of the Institute of Company Secretaries of India. ("ICSI"), in respect of the Directors seeking appointment/re-appointment at the AGM, forms integral part of the Notice of the AGM. Requisite declarations have been received from the Directors for seeking appointment/re-appointment.
15. Electronic copy of the Notice of the 39th Annual General Meeting of the company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email Ids are registered with the Company / Depository Participants(s) for communication purposes

unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copy of the same is being sent through permitted mode.

16. Members may note that the Notice of the 39th Annual General Meeting and the Annual Report for Financial Year 2018-2019 will also be available on the company's website www.tnpl.co.in for their download. The physical copies of the aforesaid documents will also be available in the company's Registered Office in Chennai for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the company's investor email id: invest_grievances@tnpl.co.in
17. A route map showing directions to reach the venue of the 39th AGM is given at the end of this notice as per the requirement of the Secretarial Standards-2 on "General Meeting".
18. Voting through electronic means
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 39th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (remote e-voting) will be provided by Central Depository Services Limited (CDSL).
 - II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 15th September, 2019 (9.00 a.m. IST) and ends on 18th September 2019 (5.00 pm IST). During this period members of the company holding shares either in physical form or in dematerialized form, as on the cut off date (i.e. 12th September 2019), may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. A person who is not a member as on the cut-off date should treat this Notice of the AGM for information purpose only.
- VI. The process and manner for remote e-voting are as under:
 - A. IN CASE OF MEMBERS RECEIVING E-MAIL**
 - i. The shareholders should log on to the e-voting website www.evotingindia.com.
 - ii. Click on Shareholders.
 - iii. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - iv. Next enter the Image Verification as displayed and Click on Login.
 - v. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - vi. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</p> <p>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <p>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).</p>

- vii. After entering these details appropriately, click on "SUBMIT" tab.
- viii. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to

mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- ix. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x. Click on the EVSN for the Tamil Nadu Newsprint and Papers Limited.
- xi. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option "YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiii. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xv. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvi. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xvii. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

xviii. Note for Non-Individual Shareholders & Custodians:

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates and Custodians respectively.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details they should create compliance user using the admin login and password. The Compliance user would be able to link the depository account(s) / folio numbers on which they wish to vote.
- The list of accounts linked in the login should be e-mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

B. IN CASE OF MEMBERS RECEIVING THE PHYSICAL COPY:

- xix. Please follow all steps from Sl. No. (i) to (xviii) in Point A above to cast vote
19. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked

Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

20. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the company as on the cut-off date of 12th September, 2019.
21. Any person who acquires shares of the company and becomes member of the company after dispatch of the Notice of AGM and holding shares as of the cutoff date i.e. 12th September 2019, may obtain the login Id and password by sending a request at helpdesk.evoting@cdslindia.com. However, if you are already registered with CDSL for remote e-voting, then you can use your existing user Id and password for casting your vote. If you have forgotten your password, you can reset your password by using 'Forgot User Details/Password' option available on www.evotingindia.com
22. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
23. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
24. Thiru. R. Sridharan, Practicing Company Secretary (Membership No.F4775) of M/s R. Sridharan and Associates has been appointed as the Scrutiniser to scrutinize the voting and remote e-voting process in a fair and transparent manner. Their email id is rsaevoting@gmail.com.
25. The Chairman shall at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
26. The Scrutiniser shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at

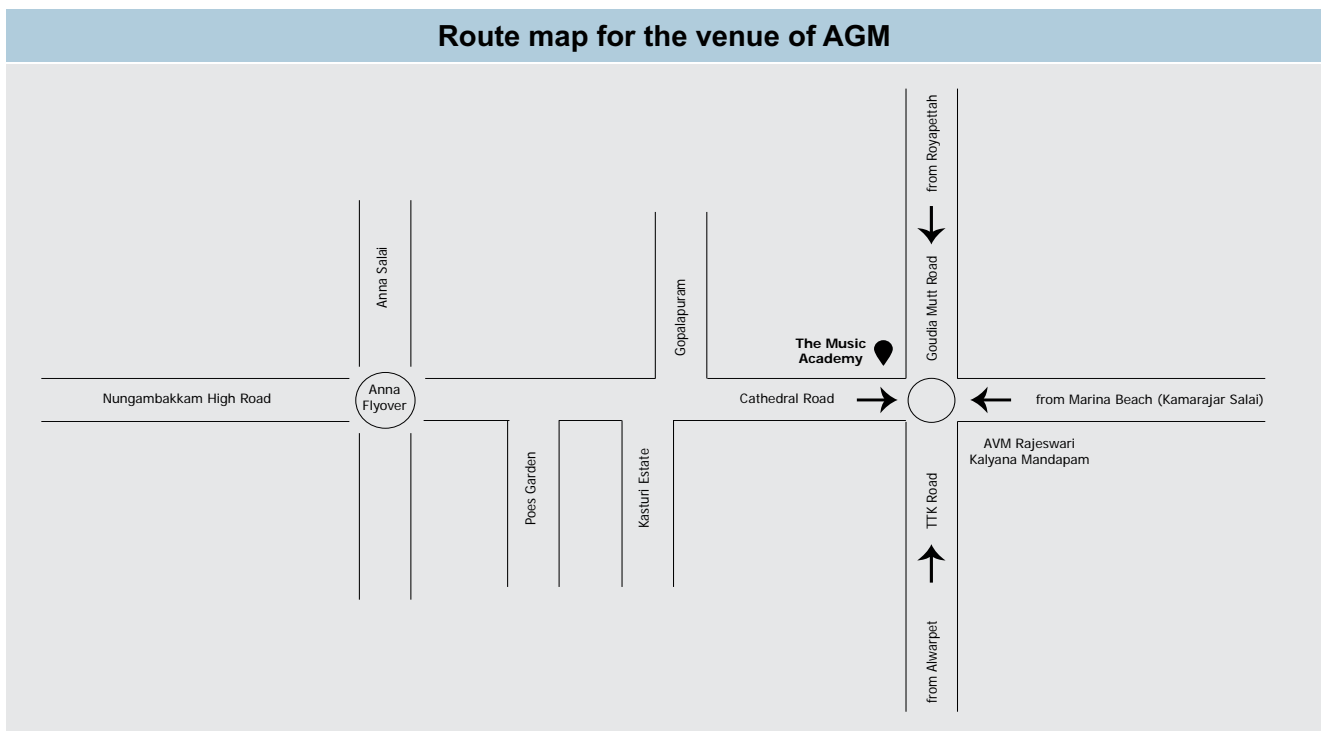
least two witnesses not in the employment of the company and shall make not later than 48 hours of the conclusion of the AGM, a consolidated scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

27. The results declared alongwith the report of the Scrutiniser shall be placed on the website of the company www.tnpl.com and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE, and National Stock Exchange.
28. Additional information pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 in respect of the Directors seeking appointment / re-appointment at the AGM are furnished and forms a part of the Notice. The Directors have furnished the requisite consents / declarations for their appointment / re-appointment.
29. In case of any change of particulars including address, bank mandate & nomination of shares held in demat form, it should be notified only to the respective Depository Participants(DPs) where the member has opened his demat account. The company or its share transfer agent will not be able to act on any direct request from these Members for change of such details.
30. Members are informed that the Company is extending the Electronic Clearing Service (ECS) facility to enable them receive their dividend through electronic mode in their bank account. In order to avail the ECS facility, the Members are requested to fill, sign and send the ECS mandate form, which forms part of this Annual Report, along with a photocopy of the cheque issued by the bank for verifying the accuracy of the MICR code number to Cameo Corporate Services, whose address is given in Point No.13 (in case of members holding shares in physical mode) or to the Depository Participants concerned (in case of members holding shares in electronic mode/dematerialized form). Members holding shares in demat form may please note that the bank account details given by them to their DPs and passed on to the company by such DPs would be printed on the dividend warrants of the concerned members. However, if any member(s) wants to receive dividend in any other bank account, he/she should change/correct the bank account details with their concerned DPs and also intimate about ECS payment requirement.
31. Members/Proxies/Authorised Representatives are requested to bring the attendance slip sent with Annual Report duly filled in for attending the meeting.
32. Members are requested to bring their copies of Annual Report for the meeting. Copies of the Annual Report will not be distributed at the Annual General Meeting.
33. Members desiring any information as regards accounts are requested to write to the Company at least 7 days before the meeting so as to enable the Management to keep the information ready.
34. Equity shares of the company have been placed under Compulsory Demat Trading w.e.f. 08.05.2000. Members who have not dematerialised their physical holding in the company are advised to avail the facility of dematerialisation of equity shares of the company.
35. Members holding shares under different folios in the same names are requested to apply for consolidation of folios and send relevant share certificates to the Company's Registrar and Share Transfer Agent.
36. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the company, a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
37. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore requested to submit their PAN to their DPs with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Share Transfer Agents M/s. Cameo Corporate Services Ltd.

38. The Ministry of Corporate Affairs, New Delhi (“MCA”) has undertaken a “Green Initiative” in the field of Corporate Governance by permitting paperless compliances by companies (vide its Circular No.17/2011 dated April 21, 2011 and Circular No.18/2011 dated April 29, 2011). Further, the Ministry has also clarified that the service of documents by a company can be made through electronic mode instead of sending the physical copy of the document(s). Members are requested to support this green initiative by

registering/updating their e-mail addresses, in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with Cameo Corporate Services Ltd.

39. The documents referred to in the notice and the explanatory statement will be available for inspection at the Registered Office of the company on any working day during business hours of the company upto the date of the AGM.



ANNEXURE TO THE NOTICE

Notes on directors seeking appointment/ re-appointment as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015:

Profile of Directors being appointed / reappointed

ITEM NO.5

Profile of Thiru. N. Muruganandam, IAS

Name	Thiru. N. Muruganandam, IAS
Age	51 years
Qualification	BE (Comp.Sci), MBA (IIM)
Experience	Thiru N. Muruganandam, IAS belongs to the 1991 batch of Indian Administrative Service. He has held various key positions in departments of Government of Tamilnadu. Currently, Thiru N. Muruganandam, IAS, holds the position of Principal Secretary to Government, Industries Department.
Inter-se Director Relationship	Thiru N. Muruganandam, IAS is not having any inter se relation with other Directors of the Company.
Shareholding	Thiru N. Muruganandam, IAS does not hold any shares in TNPL.
Directorships and Committee Memberships of other companies	His Directorships and Committee memberships of other Companies are as follows:

Sl. No.	Company	Position	Committee* Membership
1.	Tamilnadu Industrial Development Corporation Limited	Director	-
2.	State Industries Promotion Corporation of Tamilnadu Limited	Chairman	-
3.	Tamilnadu Industrial Investment Corporation Limited	Chairman	-

4.	Tamilnadu Generation and Distribution Corporation Board	Director	-
5.	Titan Company Limited	Chairman	-
6.	TIDEL Park Limited	Chairman	-
7.	Tamilnadu Pertoproducts Limited	Chairman	-
8.	Tamilnadu Minerals Limited	Chairman	-
9.	TANCEM	Director	-
10.	IIT Madras Research Park	Director	-
11.	Tamilnadu Industrial Guidance and Export Promotion Bureau	Chairman	-
12.	Chennai Metropolitan Development Authority	Member	-
13.	Entrepreneurship Development Institute	Director	-
14.	Mono Rail Empowered Committee	Member	-

ITEM NO.6

Profile of Tmt. Reeta Harish Thakkar, IAS

Name	Tmt. Reeta Harish Thakkar, IAS	
Age	52 years	
Qualification	B.Sc., MBA	
Experience	Tmt. Reeta Harish Thakkar, IAS belongs to the 2002 batch of Indian Administrative Service. She has held various key positions in departments of Government of Tamil Nadu as under:	
	Joint Commissioner, Relief & Rehabilitation	2008
	District Collector, Pudukottai	2008-2009

	Deputy Secretary (Revenue) /	2009
	Joint Commissioner, Municipal Administration	2009-2010
	Member Secretary, Fourth State Finance Commission & Joint Commissioner, Municipal Administration	2009-2010
	Joint Commissioner, Municipal Administration	2010-2011
	Additional Commissioner of Industries and Commerce	2011-2017 (upto August)
	Member Secretary, Sports Development Authority of India	31.08.2017 to 21.09.2018
	Commissioner of Sugar and Managing Director, TASCO	From 22.09.2018
	Currently, she is holding the position of Commissioner of Sugar and Managing Director, TASCO since 22.9.2018	
Inter-se Director Relationship	Tmt. Reeta Harish Thakkar, IAS is not having any inter se relation with other Directors of the Company.	
Shareholding	Tmt. Reeta Harish Thakkar, IAS does not hold any shares in TNPL.	
Directorships and Committee Memberships of other companies	Her Directorships and Committee Memberships of other Companies are as follows:-	

Sl. No.	Company	Position	Committee Membership
1.	Tamilnadu Sugar Corporation Limited	Managing Director	-
2.	Perambalur Sugar Mills Limited	Chairman & Managing Director	-

ITEM NO.7**Profile of Thiru. S Krishnan, IAS.**

Name	Thiru S Krishnan, IAS
Age	52 years
Qualification	B.A (Hons), M.A (Economics)
Experience	Thiru S Krishnan, I.A.S., aged 52 years, belongs to 1989 batch of Indian Administrative Service. Thiru S Krishnan, I.A.S., has 30 years of service in various departments of Government of Tamil Nadu. Earlier, Thiru S Krishnan, I.A.S., was director on the Board of Directors of TNPL from 15.09.2011 to 25.7.2013. Currently, Thiru S Krishnan, I.A.S., holds the position of Principal Secretary to Government, Finance Department, Government of Tamilnadu.
Inter-se Director Relationship	Thiru S Krishnan, I.A.S., is not having any inter se relation with other Directors of the Company.
Shareholding	Thiru S Krishnan, I.A.S., does not hold any shares in TNPL.
Directorships and Committee Memberships of other companies	Thiru S Krishnan, I.A.S., is having Directorships and Committee Memberships in the following Companies:

Sl. No.	Company	Position	Committee* Membership
1.	Chennai Metro Rail Limited	Director	Audit Committee
2.	Tamilnadu Transmission Corporation Limited	Director	Audit Committee
3.	Tamilnadu Generation and Distribution Corporation Limited	Director	Audit Committee
4.	TNEB Limited	Director	Audit Committee

5.	Tamilnadu State Marketing Corporation Limited	Director	-
6.	Tamilnadu Industrial Development Corporation Limited	Director	-
7.	State Industries Promotion Corporation of Tamilnadu Limited	Director	Audit Committee
8.	Tamil Nadu Skill Development Corporation	Director	-
9.	Tamilnadu Small Industries Development Corporation Limited	Director	Audit Committee
10.	New Tiruppur Area Development Company Limited	Director	-
11.	Tamilnadu Infrastructure Fund Management-Corporation Limited	Director	Audit Committee

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013

ITEM NO.4

The Board of Directors at their meeting held on 28th May, 2019 have approved the appointment of M/s. Geeyes & Co. (Firm Registration No. 000044), Cost and Management Accountants, Chennai as Cost Auditors to conduct the audit of the Cost Accounts of the Company pertaining to Paper, Cement, Energy and Paper Board for the financial year 2019-20 at a remuneration given in the resolution in the notice.

As per Rule 14 of the Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditors is to be ratified by the shareholders. Accordingly, the resolution is placed before the members for consideration and approval.

None of the Directors and Key Managerial Personnel either directly or through their relatives are in any way concerned or interested whether financially or otherwise in the proposed resolution. The Board recommends the passing of the resolution as set out under item no. 4 as an ordinary resolution.

ITEM NO.5

Government of Tamil Nadu vide G.O.(D). No. 36 dated 25.02.2019 nominated Thiru. N. Muruganandam, I.A.S., as a Director on the Board of the Company.

Accordingly, Thiru. N. Muruganandam, I.A.S. (DIN 00540135) was appointed as an Additional Director of the Company with effect from 4.03.2019, by the Board of Directors in terms of Section 161(1) of the Companies Act, 2013. Thiru. N. Muruganandam, I.A.S., holds office upto the date of this Annual General Meeting. The Company has received a notice in writing from a member proposing his candidature for the office of Director under Section 160 of the Act.

Thiru N. Muruganandam, I.A.S., belongs to the 1991 batch of Indian Administrative Service. He has held various key positions in departments of Government of Tamilnadu. Currently, Thiru N. Muruganandam, IAS, holds the position of Principal Secretary to Government, Industries Department.

The Board of Directors recommends this resolution for your approval.

None of the Directors of the Company and key managerial personnel either directly or through their relatives other than Thiru. N. Muruganandam, I.A.S., is interested or concerned in the resolution.

ITEM NO.6

Government of Tamil Nadu vide G.O. (R.t). No. 3357 dated 26.10.2018 nominated Tmt. Reeta Harish Thakkar, I.A.S., as a Director on the Board of the Company.

Accordingly, Tmt. Reeta Harish Thakkar, I.A.S. (DIN 06976936) was appointed as an Additional Director of the Company with effect from 9.11.2018, by the Board of Directors in terms of Section 161(1) of the Companies Act, 2013. Tmt. Reeta Harish Thakkar, I.A.S., holds office upto the date of this Annual General Meeting. The Company has received a notice in writing from a member proposing her candidature for the office of Director under Section 160 of the Act.

Tmt. Reeta Harish Thakkar, IAS belongs to the 2002 batch of Indian Administrative Service. Currently, Tmt. Reeta Harish Thakkar, I.A.S., holds the position of Director of Sugar and Managing Director, Tamil Nadu Sugar Corporation Limited.

The Board of Directors recommends this resolution for your approval.

None of the Directors of the Company and key managerial personnel either directly or through their relatives other than Tmt. Reeta Harish Thakkar, I.A.S., is interested or concerned in the resolution.

ITEM NO.7

Government of Tamil Nadu vide Letter No. 28025/ Finance (BPE)/2019-2, dated 08.07.2019 (Copy enclosed) has appointed Thiru S Krishnan, I.A.S., Principal Secretary to Government, Finance Department as Director on the Board of the Company.

Accordingly Thiru S Krishnan, I.A.S., (DIN 03439632) was appointed as an Additional Director of the Company with effect from 16.07.2019, by the Board of Directors in terms of Section 161(1) of the Companies Act, 2013. Thiru S Krishnan, I.A.S., holds office upto the date of this Annual General Meeting. The Company has received a notice in writing from a

member proposing his candidature for the office of Director under Section 160 of the Act.

Thiru S Krishnan, I.A.S., belongs to 1989 batch of Indian Administrative Service. Thiru S Krishnan, I.A.S., has 30 years of service in various departments of Government of Tamil Nadu. Earlier, Thiru S Krishnan, I.A.S., was director on the Board of Directors of TNPL from 15.09.2011 to 25.7.2013. Currently, Thiru S Krishnan, I.A.S., holds the position of Principal Secretary to Government, Finance Department, Government of Tamilnadu

The Board of Directors recommends this resolution for your approval.

None of the Directors of the Company and key managerial personnel either directly or through their relatives other than Thiru S Krishnan, I.A.S., is interested or concerned in the resolution.

Registered Office
67 Mount Road Guindy
Chennai-600032

Place : Chennai
Date : 13.08.2019

BY ORDER OF THE BOARD
V Sivakumar
Company Secretary

DIRECTORS' REPORT

TO THE MEMBERS

Your Company's Directors are pleased to present the 39th Annual Report of the Company along with Audited Accounts for the financial year ended 31st March, 2019.

1. FINANCIAL RESULTS

The Financial Results for the year under review are summarized below:

(₹ in Crore)

Particulars	2018-19	2017-18
Revenue from operations (including Excise Duty)	4082.71	3125.10
Other Income	39.24	33.60
Operating Profit (PBIDT/EBIDTA)	615.24	438.47
Finance cost	233.36	244.63
Gross Profit (PBDT)	381.88	193.84
Depreciation & Amortization expense	226.68	221.83
Profit/Loss before tax (PBT)	155.20	(27.99)
Tax Expense	60.81	14.16
Profit/Loss after tax (PAT)	94.39	(42.15)
Other Comprehensive Income	(4.12)	3.10
Total Comprehensive Income (Net of Taxes)	90.27	(39.05)

The overall results are satisfactory as the company has to contend with severe raw materials shortages, steep escalation in costs. These results were driven by higher sales volume, higher sales realisations as well as record production levels and improved efficiency across all areas of operation.

Due to demand for Printing & Writing Paper throughout the year ended March 2019 and despite increase in input costs in procurement of bagasse and other raw materials, the Company has earned a PBT of Rs 155.20 Crores. This performance in adverse environment is a commendable achievement by the Management.

2. DIVIDEND

In accordance with "the Companies (Declaration and payment of dividend) Rules, 2014, your directors recommend a dividend of 75% (i.e. Rs. 7.5/- per share) for the year ended 31st March, 2019. The

dividend, if approved by the shareholders at the AGM, will be paid to the equity shareholders whose names appear in the Register of Members as on 19th September, 2019. The cash outgo on the proposed dividend including Dividend distribution tax, will be Rs. 62.58 Crs.

3. PERFORMANCE HIGHLIGHTS OF THE YEAR

a. Operations

1. The Company's turnover during the year 2018-19 is Rs. 4040.87 crore.
2. Profit before tax is Rs. 155.20 crore and Profit after tax Rs. 94.39 crore.

Printing and Writing Paper

3. During the year the Paper production was 4,32,572 MT.
4. Achieved Paper sales of 4,45,389 MT during the FY 2018-19. Domestic Sales accounted for 81% and Exports at 19%.

Packaging Paper Board

5. The packaging paper board plant production was 1,76,997 MT during the financial year 2018-19, equivalent to 89% of capacity.
6. The packaging paper board sales during the year 2018-19 was 1,77,047 MT. Domestic Sales account for 99%.
7. 3,53,018 tonnes of Hardwood, chemical Bagasse Pulp and Deinked Pulp were produced during the year.
8. 8220 lakh units of Power was generated of which 7740 lakh units was consumed and 585 lakh units were exported to the State Power Grid. Power drawn from State Grid consumed only 1.36% of total Power consumed.
9. The bio-methanation plants have generated methane gas of 65.23 lakh m³ during 2018-19. The methane gas was consumed in lime kiln and power boilers in replacement of furnace oil 3,848 KL and imported coal 105 MT.
10. The wind farms with an installed capacity of 35.5 MW capacity have generated 435 lakh Kwh Units of 'Green Power' during the year.

11. The paper & pulp mill have implemented various water conservation projects and reduced the overall consumption of water to 32 KL/per ton of paper which is one of the lowest in paper industry.
12. TNPL is the first and only company in the Indian Paper Industry to have established a cement manufacturing factory to convert the mill wastes lime sludge and flyash into high grade cement as part of its solid waste management system. During the year, the Company has manufactured 2,33,876 MT of cement.
13. The Company has reduced overall debt (Term Loan and Working Capital) to an extent of Rs. 466.94 Crore during the financial year 2018-19.
14. Market Capitalization was Rs. 1425.74 crores as on 31.03.2019.

b. Projects Implemented:

Key Development Projects Implemented

Revamping of Bio-gas reactor in TNPL Unit I

Presently, the company operates six (6) nos. of UASB reactors in the Bio-methanation plant, including the two no. reactors commissioned during August 2017, to handle High COD effluent stream of 15,000 to 16,000 m³/day and COD load of 75,000 to 85,000kg/day. In order to improve the operational efficiency and to capture methane gas effectively, the company took up revamping of one of the bio-reactors by changing the internals and replacing the Carbon steel hoods with Stainless steel hoods. The revamp job was commenced in October 2018 and completed in March 2019. This will ensure better performance of the plant and longer life of the equipment.

PROJECTS UNDER IMPLEMENTATION

Mill Expansion Plan of TNPL Unit II

As part of its growth plan, TNPL has embarked on a Mill Expansion Plan (MEP) to enhance the capacity of TNPL Unit II by 1,65,000 MT of paper per annum, by installing a Paper Machine along with captive pulping facility, at an estimated capital outlay of Rs.2520 Crore. The project will feature installation of a state-of-the-art 400 tpd chemical hardwood pulping along with chemical recovery facility and augmentation of service utilities viz., Captive power plant and Waste water treatment plant.

As per the Terms of Reference (TOR) prescribed by the Ministry of Environment, Forest and Climate Change (MOEFCC), a detailed EIA (Environment Impact Assessment) report for the Project, was prepared by the Consultants. Based on the EIA report, a Public consultation was conducted by the Tamil Nadu Pollution Control Board (TNPCB) on September 6, 2018, as per the requirements of MOEFCC. The EIA report along with the Public consultation comments was reviewed by the Expert committee on Jan 10, 2019. Based on the appraisal, the MOEFCC has issued a formal Environment Clearance (EC) for the Mill Expansion Project of Unit II.

With issuance of EC, the company is now proceeding with finalization of orders for major, long delivery plant and machinery like Hardwood Pulp Mill, Chemical recovery Boiler, Turbo Generator etc. The project scope includes installation of a Hardwood Pulp Mill, which is scheduled for commissioning within 24 months from the date of order. This captive pulp production in Unit II will improve the profitability of the Unit II to a large extent.

With the implementation of the expansion plan, the overall paper and packaging board production capacity in Unit I and Unit II of your company will be increased to 7,65,000 MT per annum from the current capacity of 6,00,000 MT per annum along with pulping facilities.

Installation of additional sheeting facility in Unit II

To cater to the sheet orders of the Paper boards, the company is installing an additional sheet cutter of capacity 100 tons/day, at a capital outlay of Rs.10 Crore. The sheeter has been ordered and the manufacturing is in progress. The sheet cutter machine is scheduled for delivery in July 2019 and commissioning is targeted for October 2019.

Upgrade of Chlorine dioxide plant in Unit I

The Unit I has an integrated Chlorine dioxide plant of capacity 15 tpd, to cater to the bleach chemical demands of the pulp mill. With stabilization of the plant operations resulting in improved production levels and due to surge in chemical demands especially while handling varying quality of input raw materials, the Chlorine dioxide plant becomes a bottleneck for production. Therefore, the company has initiated an upgrade plan to enhance the production by 10%, at a capacity

outlay of Rs.5 Crore. The upgrade is planned to be completed by August 2019.

c. Contribution to Environment

1. TNPL is one among the 35 of the world's most important pulp and paper manufacturers participated in WWF Environmental Paper Company Index (EPIC) 2017.
2. Production of 1,39,844 MT of bagasse pulp and 94,166 MT of Deinked pulp during the year has facilitated conservation of 9.82 Lakh MT of pulwood.
3. "World Environment Day", "International Ozone Day" and "World Water Day" were celebrated involving school children in planting trees.
4. The Company has generated about 435 Lakh KWH Wind energy during 2018-19.
5. 65.23 Lakh m³ methane generated in the Bio-methanation plant was consumed in lime kiln and Power Boilers saving 3848 KL of Furnace oil and 105 Mt of imported coal.

d. Corporate Social Responsibility (CSR)

The Company has undertaken CSR activities as per the CSR policy (available on your company's website www.tnpl.com) the details are contained in the Annual Report on CSR activities vide **Annexure – I**, forming part of this Report.

e. Contribution to Innovation and New knowledge development

1. The company nurtures creativity and innovation through its R&D activities which are carried out largely in-house. A few activities are out sourced when warranted.
2. The R&D activities focus on product development, process improvement, raw material substitution, and development of new products and protection of the environment.
3. The company has spent Rs. 10.44 Crore on R & D activities during the year.

f. Awards

The company received the following awards and accolades during the year:

1. TNPL bagged the "Most Innovative Project" award for Environmental Best Practices Award

2018 conducted by CII - Sohrabji Godrej Green Business Centre, Hyderabad during June'18 at Chennai

2. TNPL bagged first place during "15th National Award for Excellence in Cost Management 2017 – "Good Performance Award" under the category MANUFACTURING - PUBLIC Organization - from the Institute of Cost Accountants of India." during October 2018 at New Delhi.
3. TNPL received the IEI Industry Excellence Award 2018, from Institution of Engineers India (IEI, Kolkata). This award has been instituted to recognize industry leaders for their innovation, excellence in engineering and operation & services, their capacity to sustain excellence in a competitive manner.
4. TNPL have been awarded a Special Commendation for prestigious Golden Peacock National Quality Award for the year 2018-19, by the Institute of Directors (IOD), India. The award was presented to TNPL at a convention conducted by IOD at Dubai during March 2019.

4. MARKET TRENDS

a. Printing and Writing Paper

The printing and writing paper demand and price were relatively better during 2018-19, compared to the market prevailed during the previous fiscal year. With the significant growth in consumption, the additional capacities have been fully absorbed. One of the major pulls during 2018-19 was the unprecedented surge in Cut Size Paper consumption. As the TNPL Copier Brand has become a household name, the demand for the product was high and the production was increased to 16% from the normal level of 10 – 11% of the overall production. The surge in the paper demand resulted in major players expanding and enlarging the cutting and finishing capacities with new paper conversion installations.

b. Packaging Boards

The market for Packaging Board is the fastest growing segment in the industry. Grey-Back Board account for 45%, White-back and other high end varieties (FBB, SBS, Cup Stock.) account for the remaining 55%. The demand growth for packaging boards is estimated at 10-12% per annum.

Some key trends of packaging industry are growth in consumer packaged goods, growth of organized retail, increasing use of flexible packaging, increasing usage of tetra packs for diary and juice products,

coding and marking, aseptic packaging, usage of recyclable packaging material, vacuum packaging, modified atmosphere packaging, aerosol packaging, skin packaging, shrink and stretch packaging and tamper evident packaging etc. Paper packaging industry has seen some major regime shifts during the recent periods that are creating opportunities and threats in the industry.

These include the waste paper import ban in China, global restrictions on single-use plastic, deforestation and the emergence of e-commerce. Increasing awareness among consumers towards eco-friendly and sustainable packaging options along with increasing trend towards reducing the use of plastic has led to a sustained demand for paper and board packaging. This trend is encouraging for continued expansion of the paper packaging demand globally, especially in the high growth regions of the world among which India plays a primary position.

OUTLOOK

a) Printing and Writing Paper

The domestic paper sector is likely to see marginal improvement in demand from education and corporate sectors, aided by expected higher GDP growth of the country. The per capita paper consumption is estimated at 13.0 kg. The demand that picked up during 2018-19 appears to continue. Major reasons are, increase in Literacy Rate and increasing enrolment in education which could lead to higher demand of paper in India. When globally, paper consumption has witnessed negative / stagnant growth, in India the past few years has been very strong. With increasing income levels and urbanization per capita paper consumption in the country will gradually improve resulting in higher demand mainly in consumer paper grades like Writing and Printing with various end-applications like text book publishing, Student Notebooks, cut-size paper for photo copier and inkjet printers.

b) Packaging Boards

Increasing trend in the e-Commerce space will usher higher packaging boards for delivery purpose. Also, due to ban on one time use plastic bags, food delivery applications have started using packaging paper boards for delivery purpose which could lead to higher demand of these grades. With the consistent economic growth, demand for packaging paper will show improvement in the coming months.

5. DIRECTORS & KEY MANAGERIAL PERSONNEL

The details of Directors/ key managerial personnel who were appointed or have ceased to be Director/

KMP of the Company during the year 2018-19 are as follows:

Sl. No.	Name of Director/KMP	Date of Appointment / Cessation	Appointment / Cessation
1.	Thiru. N. Muruganandam, IAS	04.03.2019	Appointed as Additional Director, designated as Chairman
2.	Thiru. K Gnanadesikan, IAS	04.03.2019	Ceased to be a Chairman
3.	Tmt. Anu George, IAS	09.11.2018	Ceased to be a Director.
4.	Tmt Reeta Harish Thakkar, IAS	09.11.2018	Appointed as Additional Director
5.	Thiru. V Narayanan	18.09.2018	Ceased to be a Director.

Your Company has seven directors out of whom three are independent and other three are Government nominee directors. The remaining one is Managing Director.

The independent directors are appointed for a fixed period of three years. The three Government Nominee directors are appointed in replacement for existing Government Nominees only during the financial year whose appointments have to be confirmed in the Annual General Meeting. The remaining one director i.e. Managing Director is not liable for retirement by rotation as per Article 141 of the Articles of Association. Hence no director is proposed for retirement by rotation.

5.1 Declaration from Independent Directors on Annual Basis

The Independent directors have submitted their disclosure to the Board confirming that they fulfill all the requirements as to qualify for their appointment as an Independent Director under the provisions of Section 149 of the Companies Act, 2013 as well as SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, hereinafter referred to as SEBI Regulations. The Board confirms that the said independent directors meet the criteria as laid down under the Companies Act, 2013 as well as SEBI Regulations.

5.2 Remuneration Policy

The Board, on the recommendation of the Nomination & Remuneration Committee has framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The details of policy are provided in the website of the Company and in the Corporate Governance Report forming part of this report (Annexure VII).

5.3 Meetings

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year, seven meetings of the Board and Six meetings of the Audit Committee were convened and held, the details are given in the Corporate Governance Report forming part of this report (Annexure VII). The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and Regulation 17(2) of the SEBI Regulations.

5.4 Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of the SEBI Regulations, the Board has internally carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit and Nomination & Remuneration Committees for the financial year ended 31st March, 2019. The guidance note dated January 5, 2017 as suggested by SEBI was referred to, while carrying out the annual performance evaluation. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board on the following broad criteria i.e. attendance and level of participation at meetings of the Board/Committees, independence of judgement exercised by Independent Directors, interpersonal relationship etc.

The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors in their meeting held on 29.03.2019. The Directors expressed their satisfaction

with the evaluation process.

6. INTERNAL COMPLAINTS COMMITTEE

In accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 & Rules made there under, the Company has constituted an Internal Complaint Committee (ICC) (hereinafter referred to as ICC) as per section 4 of the SHWW Act, 2013 read with its Rules. The ICC comprises of the following members:

Tmt. R. S. Tamilarasy, Emp. No.1664, Senior Manager (Lab) – Presiding Officer

Thiru. P. Sundaram, Emp.No.1879, Senior Manager – HR / Member

Tmt. M. Pemila Beham, Emp.No.3003, Officer – HR / Member

Thiru. M. Velliangiri, President, Kanmani Trust, Karur – Member representing NGO

The above members are from amongst employees (except Mr. Velliangiri) preferably committed to the cause of women, have experience in social work, have legal knowledge. During the year under review there were no complaints referred to the committee.

7. AUDITORS

a) Statutory Auditors : The Comptroller and Auditor General of India appointed M/s. Brahmayya & Co., Chartered Accountants, Chennai, as the Statutory Auditors of the Company for the financial year 2018-19

b) Cost Auditors : Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the company in respect of its paper, cement and energy activities are required to be audited. Your Directors had, on the recommendation of the Audit Committee, appointed M/s Geeyes & Co, to audit the cost accounts of the company for the year 2018-19. The cost audit report for the year 2018-19 will be submitted to the Central Government before the due date.

Cost Audit report for the financial year 2017-18 was filed in scheduled time.

c) Secretarial Auditor: Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s R. Sridharan & Associates, a firm of Company Secretaries in practice to undertake the Secretarial Audit of the company. The Report of the secretarial audit is annexed herewith as "**Annexure II**".

8. NON- CONVERTIBLE DEBENTURES

No Non-Convertible Debentures is outstanding as on 31.03.2019.

9. FIXED DEPOSITS

The company has stopped accepting fresh deposits from 1st June, 2002 and renewals from 1st August, 2005. During the year under review, the Company has not accepted deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptances of Deposits) Rules, 2014.

10. RISK MANAGEMENT FRAMEWORK

TNPL has established a Risk Management Framework under which the risks covering the entire operation have been identified and categorized as high, medium and low.

All the risks are discussed periodically in the Senior Management Committee meetings and appropriate actions are taken pro-actively.

The risk details and mitigation plans are placed before the Audit Committee and the Board, bi-annually.

11. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

TNPL has instituted adequate internal control procedures commensurate with the size of its operations. TNPL has also prepared an 'Internal Control Procedure Manual' to ensure that the control procedures are followed by all departments. The departments concerned in the company are complying with the stipulations in the manual without deviating

the procedures. The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company.

Internal controls are supported by internal audit and management reviews. The Audit Committee meets periodically with the Management, External-Internal auditors, Internal Auditors, Statutory Auditors and reviews the Annual Audit plans and internal controls. All significant observations of the Auditors are acted upon. The Audit Committee met 6 times during the financial year. The review of Management Response to Audit Observations constitutes an important aspect of the Agenda for each meeting.

12. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The company has framed a Vigil Mechanism / Whistle Blower Policy, the details of such Policy are explained in the Corporate Governance Report and also posted on the website of the Company at www.tnpl.com.

13. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

14. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

During the year, the company has transferred Rs.11,58,295.00/- being the Dividend amount which was due and payable and remained unclaimed and unpaid for a period of seven years, to the Investor Education and Protection Fund, as required under Section 124(5) of the Companies Act, 2013.

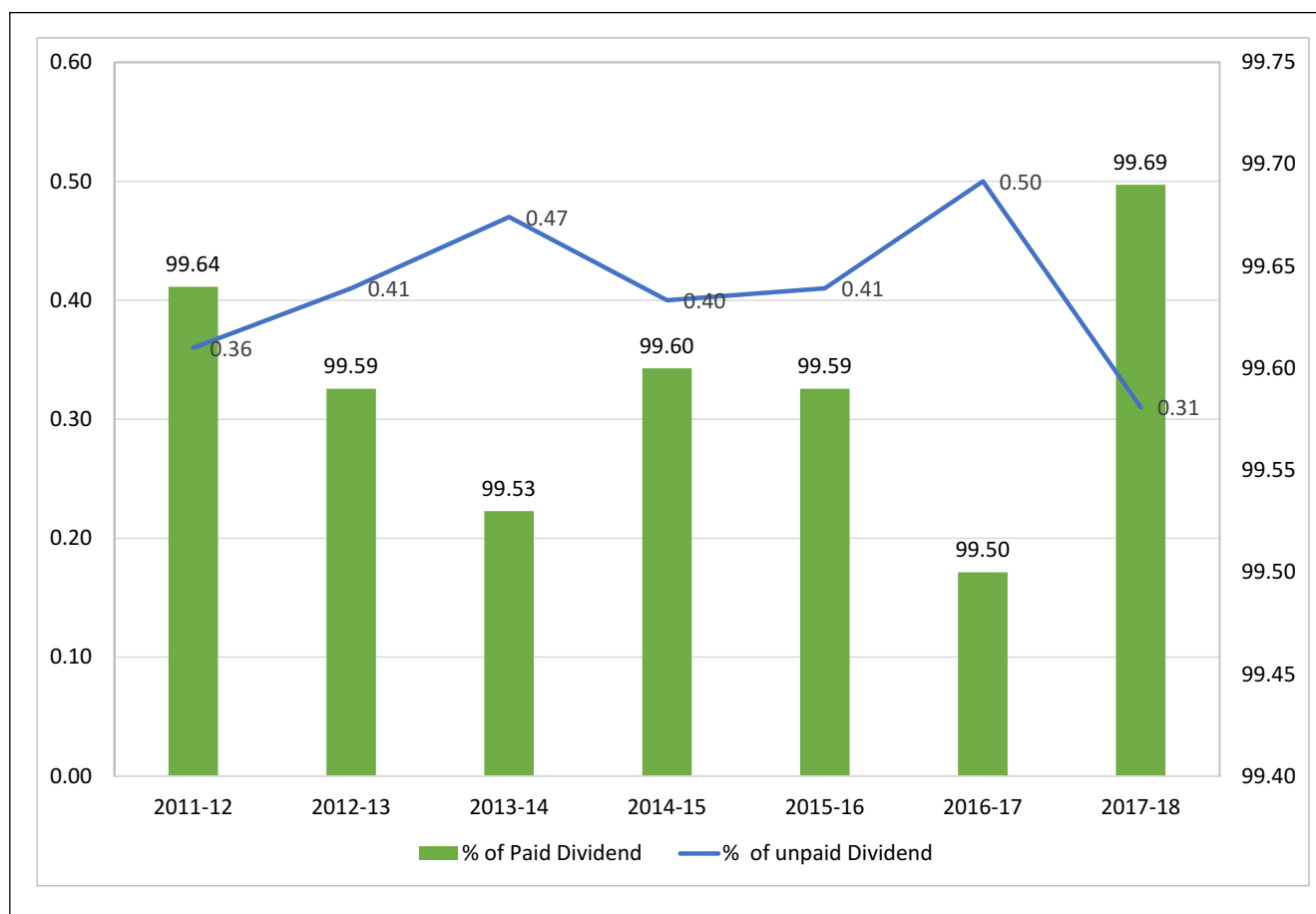
15. UNPAID DIVIDEND STATUS

Dividend was remaining unpaid due to non-confirmation of their new addresses by the concerned shareholders. The unpaid dividend warrants were returned by the postal authorities. Effective follow-up by the Company has resulted in Unpaid Dividend being consistently equal or below 0.5% of the total dividend. As and when the shareholders communicate the new address, the dividend is sent to the shareholders. At the end of seven years, the unpaid dividend is transferred to Investor Education and Protection Fund. The table and graph given below summarize the status of Unpaid Dividend.

DIVIDEND STATUS FOR THE LAST 7 YEARS

(₹ In lakhs)

SL No.	YEAR	SHARE CAPITAL	DIVI-DEND%	DIVIDEND AMOUNT	DIVIDEND PAID	DIVIDEND UNPAID AS ON 31.3.2019	%OF PAID DIVIDEND	%OF UNPAID DIVIDEND
1	2011-12	6921.06	50	3460.53	3448.09	12.44	99.64	0.36
2	2012-13	6921.06	50	3460.53	3446.23	14.30	99.59	0.41
3	2013-14	6921.06	60	4152.63	4132.96	19.67	99.53	0.47
4	2014-15	6921.06	60	4152.63	4136.19	16.44	99.60	0.40
5	2015-16	6921.06	75	5190.80	5169.60	21.20	99.59	0.41
6	2016-17	6921.06	75	5190.80	5165.07	25.73	99.50	0.50
7	2017-18	6921.06	50	3460.53	3449.95	10.58	99.69	0.31



16. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EARNINGS AND OUTGO

The particulars required under Sec. 134(3) (m) of the Companies Act 2013, read with the Rule 8 of The Companies (Accounts) Rules, 2014, is furnished in **Annexure III** to this Report.

17. HEALTH

TNPL is committed to take care of the health of its employees. An Occupational Health Centre is functioning in both the units. In addition, every week, one specialist Doctor in Cardiology, General Medicines, Ortho, Skin, Eye, Dental, ENT etc., visits the Occupational Health Centre. Entire medical expenses of employees for serious ailments viz., Heart ailment, Cancer, Kidney Transplantation, Paralysis, Leprosy, Tuberculosis and Brain Surgery are borne by the Company. In addition, 180 days of Special Leave is being sanctioned to those employees, who suffer from one of the above serious ailments. When employees sustain injuries while on duty, Company bears the entire medical expenses. Further, under a Special Medical Assistance Scheme, 50% of the hospitalization expenses for the employee and their dependents are borne by the Company. A Comprehensive Master health Check-up is done for employees four times at the age of 40, 50, 56, and 59. Every year, Audiometry test is conducted to those employees, who are exposed to high noise areas. Once in 2 years, eye test is being carried out for employees, who are in driving job.

18. SAFETY

TNPL has adopted a clearly defined Occupational Health and Safety Policy. Suitable Personal Protective Equipment's (PPE) are provided to all employees. Periodical Training Programs are conducted on handling of hazardous chemicals, Material handling, Usage of PPEs, Electrical safety, road safety, First aid, fire fighting etc. to improve safety awareness among the employees including contract workmen. Caution boards, posters, slogans, Do's and Don'ts etc. are displayed at prominent places to promote safety at work places. Safety Committee with representatives from Management and Workmen has been constituted. Safety Committee meetings are conducted periodically and suggestions given to improve safety aspects are implemented.

Accidents and incidents are investigated and preventive / corrective actions are taken to avoid recurrence. Mill wide Safety Audit, HAZOP study and Risk Analysis are

carried out periodically through experts in industrial safety and the recommendations are implemented. An updated On-site Emergency Plan (OEP) and Off-site Emergency Plan are available to mitigate emergencies. Periodic mock drills for hazardous chemical leakages and fire incident are conducted to ensure the effectiveness of emergency preparedness. The entire Mill is covered with fire hydrant points with pressurized water ring mains for fire fighting. Also different types of fire extinguishers according to the nature of fire are provided at strategic points since inception, TNPL has maintained an excellent safety record.

19. PARTICULARS OF EMPLOYEES

None of the employees of the company was in receipt of remuneration in excess of the limits prescribed under the Companies Act, 2013 and the rules framed there under. The information as required under Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the company, is annexed as **Annexure IV**.

20. CASH FLOW STATEMENT

As required under Regulation 34(2) (c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, a Cash Flow Statement prepared in accordance with the Indian Accounting Standard 7 (IND AS-7) is attached to the Balance Sheet.

21. EXPORT HOUSE STATUS

TNPL has been awarded status of "Three Star Export House" by DGFT -Government of India in accordance with Foreign Trade Policy. This status is valid till 11/10/2020.

22. INDUSTRIAL AND PERSONNEL RELATIONS

The Company continues to have healthy industrial and employee relations at all levels. Despite severe competition, the enthusiasm and unstinting efforts of the employees have enabled the company to remain at the forefront of the Industry.

Your Company continued to receive co-operation and unstinted support from the distributors, retailers, stockists, suppliers and others associated with the Company as its trading partners. The Directors wish to place on record their appreciation for the same and your Company will continue in its endeavor to build and nurture strong links with trade, based on mutuality, respect, co-operation with each other and consistent with consumer interest.

23. ENHANCING SHAREHOLDERS' VALUE

Your Company believes in the importance of its Members who are among its most important stakeholders. Accordingly, your Company's operations are committed to the goal of achieving high levels of performance and cost effectiveness, growth building, enhancing the productive asset and resource base and nurturing overall corporate reputation. Your Company is also committed to creating value for its stakeholders by ensuring that its corporate actions have positive impact on the socio-economic and environmental growth and development.

24. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

1. in the preparation of the annual accounts for the year ended 31st March, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
2. the directors had selected accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the company for that period;
3. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. the Annual Accounts were prepared for the financial year ended 31st March, 2019 on a going concern basis;
5. the directors have laid down proper internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively;
6. the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and are operating effectively.

25. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as **"Annexure V"**.

26. MANAGEMENT DISCUSSION AND ANALYSIS AND CORPORATE GOVERNANCE

The Report on Management Discussion and Analysis and the Report on Corporate Governance forming part of Directors' Report are attached as **"Annexures VI and VII"**.

As required by the SEBI Regulations, an Auditor's Certificate on Corporate Governance and a Declaration by the Chairman & Managing Director with regard to Code of Conduct are attached to the Report on Corporate Governance.

27. BUSINESS RESPONSIBILITY REPORT

The 'Business Responsibility Report' (BRR) of the Company for the year 2018-19 forms part of the Annual Report as required under Regulation 34(2) (f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached as **"Annexure VIII"**.

28. RELATED PARTY TRANSACTIONS

There are no materially significant transactions with related parties during the year with Promoters, Directors, Key Managerial Personnel or other designated persons which are potentially conflicting with the interest of the Company at large.

The Board of Directors have framed the policy on Related Party Transactions and the same is uploaded on the Company's website at www.tnpl.com.

None of the Directors or Key Managerial Personnel have any pecuniary relationships or transactions vis-à-vis the Company.

Accordingly, the disclosures of Related Party Transactions required under section 134 (3) (h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

29. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

30. MATERIAL CHANGES OCCURRED AFTER END OF FINANCIAL YEAR

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year and date of this report.

31. CEO/CFO CERTIFICATION

As required by Regulation 17(8) of the SEBI Regulation, a Certificate on the Financial Statements and Cash Flow statement of the company for the year ended 31st March, 2019 duly signed by the Managing Director and Chief Financial Officer was submitted to the Board of Directors at their meeting held on 28th May, 2019.

32. ACKNOWLEDGEMENT

The Board has pleasure in recording its appreciation for the assistance, co-operation and support extended to the company by the Govt. of Tamil Nadu, Commercial Banks, Financial Institutions, Sugar Mills and Dealers.

The Board also places on record its sincere appreciation of the positive response received from the Company's valued customers and thanks them for their continued support.

Date: 13th August, 2019
Place: Chennai

The company is grateful to all employees for their exemplary co-operation during the year. Their contribution has been truly outstanding. The Directors place on record their appreciation of the excellent effort made by every employee to enhance the company's performance in adverse market conditions.

Finally, the Board of Directors sincerely thank the shareholding community for their solid support and for the confidence they have reposed in the Company.

33. CAUTIONARY STATEMENT

Statements in the Board's Report and the Management Discussion & Analysis describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable securities laws and regulations. The Company cannot guarantee the accuracy of assumptions and the projected future performance of the Company. The actual results may materially differ from those expressed or implied in this report. Important factors that could influence the Company's operations include global and domestic demand and supply conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

For and on behalf of the Board

N.MURUGANANDAM, IAS
CHAIRMAN

ANNEXURE - I**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES****1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**

This policy is framed with the larger objective of seeking comprehensive all round development of the area where TNPL's plants are located, primarily in a radius of 5 to 10 km from plant locations at Kagithapuram and Mayanur in Karur district and Mondipatti in Trichirapalli District. TNPL will also undertake holistic development on a pilot basis in adjoining areas. The broad sector included in TNPL's CSR Policy are Education, Health Care and Medical Service, Infrastructure Development, Social Development, Livelihood/Economic Development, Environment & Sanitation, Culture & Heritage and Soil and Water Conservation. The primary focus will be the well-being of all citizens in the area. The policy intends to provide the basis for sustainable development of the area. The policy recognizes that the plants cannot function in isolation but be socially responsible. It seeks to promote continuous dialogue with the community upholding ethical practices. The economic and social aspirations of the people in the area are to be recognized and promoted.

CSR policy is stated herein below:

Web link : http://www.tnpl.com/template /images/CSR_POLICY.pdf

2. Composition of the CSR Committee

S. No.	NAME OF THE MEMBER	DESIGNATION
1	Thiru. N. Narayanan, IAS (Retd.)	Chairman of the Committee
2	Thiru. V. Nagappan	Member
3	Tmt. Soundara Kumar	Member

3. Average net profit of the Company for last three financial years:

Average net profit Rs. 200.59 crores.

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)

The Company is required to spend Rs.400 lakhs.

5. Details of CSR spent during financial year:

- a. Total amount budgeted to be spent during the financial year : Rs. 4,00,00,000.00
- b. Total actual amount spent during the year : Rs. 4,05,59,413.52
- c. Amount unspent relating to the current year if any : Nil
- d. Manner in which the amount spent during the financial year is detailed below:

CSR BUDGET AND ITS UTILIZATION 2018-2019

S. NO	CSR Projects / Activities	Sector in which the project/ activity is covered	Projects or programs (1) Local area or Other (2) Specify the State and District where projects or programs was undertaken	Amount outlay (budget) project or programs wise (Rs. In lakhs)	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads: (Rs. in lakhs)	Cumulative expenditure upto the reporting period (Rs. in Lakhs)	Amount Spent: Direct or through Implementing agency
1	CULTURALCOMPETITIONS, FREE EDUCATION, INFRASTRUCTURE DEVELOPMENT IN GOVT. SCHOOLS, SPORTS PROMOTIONS.	EDUCATION	TAMILNADU, KARUR AND TRICHY DISTRICT.	8,100,000.00	8,833,835.75	8,833,835.75	SPENT DIRECTLY AND THROUGH TNPL ARAKKODAI TRUST, KARUR
2	SPECIAL MEDICAL CAMPS, BLOOD DONATION CAMPS, MONTHLY MOBILE MEDICAL CAMPS, SANITATION,WELFARE TO THE DIFFERENTLY ABLED PERSONS, BLACK TOPPED ROAD AND CONCRETE FLOORING WORK IN GOVERNMENT HOSPITAL, KARUR.	HEALTH CARE AND MEDICAL SERVICE	TAMILNADU, KARUR AND TRICHY DISTRICT.	9,000,000.00	3,710,116.11	12,543,951.86	
3	CONCRETE ROAD, REST ROOM AND VEHICLE SHED AT POLICE STATION, BLACK TOPPED ROAD, LAYING PIPE 2" PVC 6KG LINE AND LAYING OF 3" PVC LINE, RETAINING WALL FOR SEEPAGE, DRAIN PIPELINE FOR 450 MTR AND FIXING 5 - HP SUB - MOTOR WITH CABLE, BUS PASSENGER SHELTER SETTING UP OF PUBLIC LIBRARIES.	INFRA-STRUCTURE DEVELOPMENT	TAMILNADU, KARUR AND TRICHY DISTRICT.	5,750,000.00	8,397,603.62	20,941,555.48	
4	PROVIDING STREET LIGHT, 5HP ELECTRIC MOTOR WITH PANEL BOARD, DRINKING WATER SUPPLY, RELIEF TO FLOOD AFFECTED PEOPLE	SOCIAL DEVELOPMENT	TAMILNADU, KARUR AND TRICHY DISTRICT.	2,660,000.00	7,001,402.60	27,942,958.08	
5	POLICE CONSTABLE SELECTION TRAINING, TAILORING, COMPUTER AND TYPEWRITING TRAINING, CATTLE CARE CAMPS, VOCATIONAL TRAINING, SKILL DEVELOPMENT PROGRAMME	LIVELIHOOD / ECONOMIC DEVELOPMENT	TAMILNADU, KARUR AND TRICHY DISTRICT,	8,030,000.00	6,244,257.24	34,187,215.32	
6	CONTRIBUTION TOWARDS DEVELOPMENT OF GREENERIES AROUND FACTORY, GREENBELT AND GARDEN IN RAILWAY LAND, VEHICLE TO CARRY AND DISPOSE THE SOLID WASTES, GREEN COVER BY PLANTING TREES, BIODIVERSITY PROGRAMMES.	ENVIRONMENT & SANITATION	TAMILNADU, KARUR AND TRICHY DISTRICT,	1,700,000.00	3,287,119.18	37,474,334.50	
7	PRESERVATION OF HERITAGE BUILDINGS, PROMOTION OF TAMIL LITERATURE, FOLK, TRADITIONAL DANCE ETC.,	CULTURE & HERITAGE	TAMILNADU, KARUR AND TRICHY DISTRICT.	2,890,000.00	2,094,105.32	39,568,439.82	
8	DESILTING OF BUNDS AND SUPPLY OF DRINKING WATER.	SOIL AND WATER CONSERVATION	TAMILNADU, KARUR AND TRICHY DISTRICT.	1,870,000.00	990,973.70	40,559,413.52	
			TOTAL	40,000,000.00	40,559,413.52		

- 6. In case the Company has failed to spend the two per cent, of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report.**

NOT APPLICABLE

- 7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.**

The TNPL Board and CSR Committee are wholeheartedly committed to fulfilling the Company's CSR vision of aspiring to be a trusted partner while striving to contribute to a safer and better quality of life.

The CSR Committee hereby confirms that the implementation and monitoring of CSR policy, is in compliance with the CSR objectives and Policy of the Company.

S.SIVASHANMUGARAJA, IAS
Managing Director

N. NARAYANAN, IAS (Retd.)
Chairman of the Committee

ANNEXURE - II**SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended]

To
The Members,
TAMILNADU NEWSPRINT AND PAPERS LIMITED
67, Mount Road,
Guindy, Chennai- 600 032

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **TAMILNADU NEWSPRINT & PAPERS LIMITED** [Corporate Identification Number: L22121TN1979PLC007799] (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) the Company has complied with the applicable provisions of Foreign Exchange Management Act,

1999 and the rules and regulations made there under. There are no Foreign Direct Investment, Overseas Direct Investments and External Commercial Borrowings during the year under review;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) During the year under review, the Company has not issued any new securities mandating compliance of the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 & Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d) The Company has not formulated any Scheme of ESOP/ESPS and hence the requirement of compliance of the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 does not arise;
 - e) The Company has not issued any debentures during the period under review, and hence the requirement of compliance of the provisions of The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 does not arise;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- g) During the year under review, the Company has not delisted its Securities from any of the Stock Exchanges in which it is listed and hence the compliance of the provisions of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 is not applicable; and
- h) The Company has not bought back any shares during the period under review and hence the provisions of compliance of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 & Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 is not applicable;
- (vi) We have reviewed the compliance management systems and information provided by the Company for ensuring compliances under the other applicable Acts, Rules, Regulations and Guidelines prescribed under various laws which are applicable to the Company and categorized under the following major heads/groups:
1. Factories Act, 1948;
 2. Labour laws and other incidental laws related to labour and employees appointed by the Company including those on contractual basis as relating to wages, gratuity, prevention of sexual harassment, dispute resolution, welfare, provident fund, insurance, compensation, etc.;
 3. Industries (Development & Regulation) Act, 1991;
 4. Acts relating to consumer protection including The Competition Act, 2002;
 5. Acts and Rules prescribed under prevention and control of pollution;
 6. Acts and Rules relating to Environmental protection and energy conservation;
 7. Acts and Rules relating to hazardous substances and chemicals;
 8. Acts and Rules relating to electricity, fire, petroleum, drugs, motor vehicles, explosives, boilers etc.;
 9. Acts relating to mining activities;
 10. Acts relating to protection of IPR;
 11. The Information Technology Act, 2000;
 12. Land revenue laws and

13. Other local laws as applicable to various plants and offices.

We believe that the audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion. In our opinion and to the best of our information and according to explanations given to us, we believe that the company has adequately complied with the laws as mentioned above.

We have not examined compliance by the Company with applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory auditor, tax auditor, and other designated professionals.

We have also examined compliance with the applicable clauses / regulations of the following which have been generally complied by the Company:

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- (ii) The Uniform Listing Agreement entered into with BSE Limited and National Stock Exchange of India Limited pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors before the schedule of the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Notes on agenda which are circulated less than the specified period, the necessary compliances under the Companies Act, 2013 and Secretarial Standards on Board Meetings are complied with.

Based on the verification of the records and minutes, the decisions were carried out with the consent of

the Board of Directors / Committee Members and no Director / Member dissented on the decisions taken at such Board / Committee Meetings. Further, in the minutes of the General Meeting the Members who voted against the resolution(s) have been recorded.

We further report that based on the review of compliance mechanism established by the Company, we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

We further report that the above mentioned Company being a Listed entity this report is also issued pursuant to Regulation 24A of SEBI (Listing Obligations

and Disclosure Requirements) Regulations, 2015 as amended and circular No.CIR/CFD/CMD1/27/2019 dated 8th February, 2019 issued by Securities and Exchange Board of India.

We further report that as per the information and explanation provided by the Management, the Company does not have any Material Unlisted Subsidiary (ies) Incorporated in India pursuant to Regulation 16 (c) and 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the period under review.

We further report that during the audit period, there were no specific events having major bearing on the Company's affairs in pursuance of above referred laws, rules, regulations, guidelines and standards.

Note : This report is to be read with our letter of even date which is annexed as **ANNEXURE -1** and forms an integral part of this report

PLACE : CHENNAI
DATE : 28TH MAY, 2019

**For R.SRIDHARAN & ASSOCIATES
COMPANY SECRETARIES**

**CS R.SRIDHARAN
CP No. 3239, FCS No. 4775
UIN : S2003TN063400**

'ANNEXURE -1'

To
The Members
TAMILNADU NEWSPRINT AND PAPERS LIMITED
67, Mount Road, Guindy, Chennai – 600 032.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company

PLACE : CHENNAI
DATE : 28TH MAY, 2019

**For R.SRIDHARAN & ASSOCIATES
COMPANY SECRETARIES**

**CS R.SRIDHARAN
CP No. 3239, FCS No. 4775
UIN : S2003TN063400**

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

Pursuant to Regulation 34 (3) read with Schedule V Para-C Sub clause (10) (i) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Members,
TAMILNADU NEWSPRINT & PAPERS LIMITED
67, MOUNT ROAD, GUINDY,
CHENNAI- 600032

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of TAMILNADU NEWSPRINT & PAPERS LIMITED (CIN: L22121TN1979PLC007799) and having its Registered Office at 67, MOUNT ROAD, GUINDY, CHENNAI- 600032 (hereinafter referred to as "The Company") produced before us by the Company for the purpose of issuing this certificate, in accordance with Regulation 34 (3) read with Schedule V Part-C Sub clause 10 (i) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

In our opinion and to the best of our information and according to the verification (including Director Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, We hereby certify that None of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March 2019 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authority.

S.NO	DIN	NAME OF THE DIRECTOR	DESIGNATION	DATE OF APPOINTMENT
1	00540135	N Muruganandam	Non-Executive- Non Independent Director	04th March, 2019
2	00794191	K Shanmugam	Non-Executive- Non Independent Director	11th July, 2016
3	01271378	V Nagappan	Non-Executive- Independent Director	09th April, 2013
4	01974515	Soundara Kumar	Non-Executive- Independent Director	30th June, 2017
5	03076340	N Narayanan	Non-Executive- Independent Director	14th July, 2016
6	03126243	V Chandrasekaran	Non-Executive- Independent Director	13th November, 2017
7	06684301	S Sivashanmugaraja	Managing Director	29th November, 2017
8	06976936	Reeta Harish Thakkar	Non-Executive- Non Independent Director	09th November, 2018

Ensuring the eligibility of for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

PLACE : CHENNAI
DATE : 28TH MAY, 2019

**For R.SRIDHARAN & ASSOCIATES
COMPANY SECRETARIES**

**CS R.SRIDHARAN
CP No. 3239, FCS No. 4775
UIN : S2003TN063400**

ANNEXURE - III

PARTICULARS UNDER SECTION 134(3) (m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014.

REPORT ON ENERGY CONSERVATION DURING THE YEAR 2018-19

I (A) ENERGY CONSERVATION MEASURES TAKEN

- a. 1. Stopping one vacuum pump based on the requirement resulted in saving of **2182719 units** of power and the cost saving of **Rs.79.01 Lakhs**
(Implemented in Apr 2018)
2. Paper Machine # 1 flash steam recovery by using TG condensate resulted in **2714 MT** of LP steam saving equivalent imported coal saving of **455.5 MT** and the cost saving of **Rs. 28.63 Lakhs.**
(Implemented in Apr 2018)
3. Implementation of condensate collection system at 104/64 PRDS area near TG # 6 resulted in **535 MT** of LP steam saving and equivalent Imported coal saving of **89.82 MT** and the cost savings of **Rs. 5.65 Lakhs**
(Implemented in Apr 2018)
4. Elimination of Lime Kiln # 2 LMCD 11 Kw filtrate pump resulted in savings of **1,35,300 Units** of Power and cost savings of **Rs. 4.89 Lakhs.**
(Implemented in Apr 2018)
5. Replacing 498 Nos. of 36 W Tube lights by 498 Nos. of 18 W LED Lights in Admin block resulted in **36,371 Units** of Power saving and the cost savings of **Rs. 1.32 Lakhs.**
(Implemented in Apr 2018)
6. Reducing the Lime mud clari disc filter vacuum pump speed, resulted in saving of **2,67,300 Units** of Power and the cost saving of **Rs. 9.68 Lakhs**
(Implemented in July 2018)
7. Optimisation of Cooling Tower-1 Fan operation by utilizing seasonal effect resulted in savings of **1,73,691 Units** of Power and cost saving of **Rs. 6.29 Lakhs**
(Implemented in July 2018)
8. Optimisation of Cooling Tower-2 Fan operation by utilizing seasonal effect resulted in **1,21,662 Units** of Power and cost savings of **Rs. 4.40 Lakhs.**
(Implemented in Nov 2018)
9. Modification of cooling water media in CB-ECF Bleach plant alkaline heat exchanger resulted in reduction of **84.74 MT** of LP steam and the equivalent Imported coal saving of **14.22 MT** and the cost savings of **Rs. 0.89 Lakhs.**
(Implemented in Dec 2018)
10. By increasing the cooling media flow in CB-ECF Bleach plant heat exchanger resulted in savings of **578.96 MT** of LP steam and the equivalent imported coal saving of **97.16 MT** and the cost savings of **Rs. 6.11 Lakhs.**
(Implemented in Feb 2019)
11. Stopping of Power Boiler 5 fly ash compressors and making use of available compressed air from Mill air system, resulted in power savings of **7,64,328 Units** and cost savings of **Rs. 27.67 Lakhs**
(Recurring savings)
12. **64,12,720M³** of Bio gas consumption in Lime Kiln resulted in saving of **3847.63 KL** Furnace oil and the net cost saving of **Rs. 1368.60 Lakhs.**
(Recurring savings)
13. Usage of **11764 MT** of Wood Dust/ Bark in Power Boilers resulted in saving of **3429 MT** of Imported coal and the cost savings of **Rs. 215.6 Lakhs.**
(Recurring savings)
14. **83,192 M³** of Bio gas consumption in Power Boilers resulted in saving of **105 MT** of Imported coal and the net cost saving of **Rs. 6.6 Lakhs.**
(Recurring savings)

15. Stopping of Lip opening Shower Pump (elimination of 15 KW) equipment resulted in **1,18,800 units** of power savings and the cost savings of **Rs. 4.30 Lakhs.**
(Recurring savings)
16. By shifting the filtrate receiving tank from ground floor to second floor, LMCD Filtrate Pump was stopped which resulted in power savings of **1,10,880 units** and cost savings of **Rs. 4.01 Lakhs**
(Recurring savings)
17. Reduction of Vacuum Pump pulley size and there by speed of the vacuum pump is reduced in Lime Mud dewatering area which resulted in power savings of **2,03,280 units** and cost savings of **Rs. 7.36 Lakhs.**
(Recurring savings)
18. Down sizing of 22KW water pump for cement plant from BR#3 by 15KW pump resulted in power saving of **55,440 units** and the cost savings of **Rs.2.01 Lakhs.**
(Recurring savings)
19. Installation of VFD for Caustisizing plant (25 KW) first stage slackers sump box pumps resulted power savings of **1,62,360 units** and cost savings of **Rs. 5.88 Lakhs.**
(Recurring savings)
20. Thermal Energy Savings by taking Recovery Boiler-3 wash water in WWL tank instead of WBL tank thereby reducing **267 MT** of LP steam and Equivalent imported coal saving of **44.81 MT** and the cost savings of **Rs 2.82 Lakhs.**
(Recurring Savings)
21. Stopping of dregs filter in Caustisizer plant (74 KW) resulted in power saving of **4, 90,644 units** and the cost saving of **Rs.17.76 Lakhs.**
(Recurring Savings)
22. Reduction of POW#1 Hydraulic oil motor rating from 160KW to 132 KW resulted in savings of **1,98,000 units** of power and the cost saving of **Rs.7.17 Lakhs**
(Recurring Savings)
23. Removal of one aqua collection conveyor of 5.5kw capacity in CBP#3 resulted in savings of **43,560 units** of power and the cost saving of **Rs.1.58 Lakhs.**
(Recurring Savings)
24. Replacement of 110 KW Depither motor by 55 KW motor resulted in savings of **1,18,800 units** of power and the cost saving of **Rs.4.30 Lakhs**
(Recurring Savings)
25. Installation of VFD for Cloudy water pump (power reduction from 120 KW to 108 KW) in Paper Machine # 1 resulted in **66,000 units** of power saving and the cost saving of **Rs. 2.39 Lakhs.**
(Recurring Savings)
26. Installation of VFD for Cross travel (power reduction from 20 KW to 12KW) in Maintenance crane resulted in **33,825 units** of power saving and the cost saving of **Rs.1.22 Lakhs.**
(Recurring Savings)
27. Replacing the End section rope carrier DC motor with AC motor (elimination of 11.4 KW) resulted in **75,240 units** of power savings and the cost savings of **Rs.2.72 Lakhs.**
(Recurring Savings)
28. Upgrading of Warm water Pump in Paper Machine #1 by replacing 2 Nos. of 110 KW pump with 1 No. 160kw pump resulted in **2,11,200 units** of power saving and the cost saving of **Rs.7.65 Lakhs.**
(Recurring Savings)
- (b) Additional investment incurred in implementing of the above proposals – Rs. 238.48 Lakhs
- (c) Impact of measures at a-b in reduction of energy consumption - Rs.1598.03 Lakhs
- Impact on the cost of production per ton of paper - Rs.368.49/MT

Unit II**I (A) ENERGY CONSERVATION MEASURES TAKEN**

1. Providing ducting in Finishing House Milltex sheet cutter for heat rejection resulted in annual savings of **29,200** units of power and the cost savings of **Rs.1.1Lakhs.**
(Implemented in Aug 2018)
2. Replacement of 40 Nos. of 150 KW metal halide lamps with 65 KW CFL LED lamps in Boiler house resulted in annual savings of **8,760 units** of power and a cost saving of **Rs.0.35 Lakhs.**
(Implemented in Dec 2018)
3. Replacement of 12 Nos. of 400 W High Bay lighting with 150 W LED Light fittings in Board Plant resulted in annual savings of **12,045 Units** of power and a cost savings of **Rs.0.48 Lakhs.**
(Implemented in Dec 2018)
4. Replacement of 4 Nos. of 400 W Flood light fitting with 200 W LED Light fittings in Colony temple area resulted in annual savings of **2,920 Units** of power and a cost savings of **Rs.0.12 Lakhs.**
(Implemented in Mar 2019)
5. Replacement of 4 Nos. of 400 W High Bay fitting with 60 W LED Light fittings in TG Floor resulted in annual savings of **4960 Units** of power and a cost savings of **Rs.0.19 Lakhs.**
(Implemented in Oct 2018)

I (B) RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION**I. SPECIFIC AREAS IN WHICH R&D CARRIED OUT BY THE COMPANY**

A Circular Economy is a regenerative system in which resource input, waste, emission, and energy leakage are minimized by slowing, closing, and narrowing energy and material loops. This can be achieved through long-lasting design, maintenance, repair, reuse, remanufacturing, refurbishing, recycling, and upcycling. This is in contrast to a linear economy which is a 'take, make, dispose' model of production. TNPL's Research &

Development (R & D) is focusing on the above concept to save the universe. The various activities adopted are enumerated below.

Pulping and Bleaching:**Synthetic Chlorogen:**

R & D has optimized the usage of Synthetic Chlorogen (S-Chlorogen) in laboratory stage and it is adopted in the plant scale trial at D0 stage of CBECF plant. Synthetic Chlorogen (S-Chlorogen) is prepared for the first time across the globe successfully. The plant trial report indicated that D0 stage pulp brightness and cleanliness is at par with normal Chlorine Dioxide usage at D0 stage of CBECF plant. Study to reduce the cost of production of Synthetic Chlorogen (S-Chlorogen) and the safety measures in plant scale are under progress.

Combo Pulp Bleaching in CBECF Plant:

Due to scarcity of bagasse availability in Tamil Nadu, the mill has been forced to find out bleached pulp production with reduced pulp cost. Mill R&D has studied various alternate source of agro based raw material to meet the target pulp production with reduced cost. Hence, R&D suggested to mix 10-20 % of Hardwood unbleached pulp with bagasse unbleached pulp for further processing in CBECF plant. The mixed combo pulp was processed in CBECF plant's screening, washing, oxygen delignification and D0EOPD1 sequence bleaching. During the trial period, black liquor balances between Hardwood and Bagasse plants were optimized with the help of process personnel and continued the combo pulp bleaching without any modification in the Chemical Bagasse plant. Thereafter, the combo bleached pulp was used in paper making process. This combo bleached pulp was also wet lapped and sent to unit-2 Board Machine for multi-layer board manufacturing. During this financial year 2018-19, 9010 tons of HW screened pulp was bleached in CBECF plant.

Oxidative Bleaching Chemical Trial:

R&D studies were carried out to find out suitable alternate bleaching chemical for the replacement of Hydrogen Peroxide due to its rising cost. During this study, one of the oxidative bleaching chemical showed encouraging result of 100% peroxide replacement and 30-50% of caustic replacement in Extraction stage without addition of oxygen to achieve the comparable brightness. This particular oxidative bleaching chemical plant trial was carried out in the month of

Nov'18. During this plant trial following observations were identified:-

- Smooth transitions of the oxidative bleaching chemical to replace hydrogen peroxide in EOP stage with reduced sodium hydroxide and oxygen addition thereby maintaining the EOP stage pH and brightness.
- Uniformity in EOP filtrate color during the oxidative bleaching trial helps to maintain consistent brightness of inlet ODL stage.
- Oxidative bleaching chemical replaced totally the hydrogen peroxide dosage in HWECEP EOP stage, 40 % of Sodium Hydroxide consumption (5 kg/t) and 40 % reduction of oxygen (2.5kg/t) dosage.

Studies on Increase in Pulping Yield with Cooking Aid

CBECEP pulp throughput is decreased to 20 T per hour instead of 25 T per hour due to the shortage of bagasse. To compensate the bagasse shortage and to decreasing the average bleached pulp production cost, excess screened HW pulp (48 T/day) is transferred to CBECEP plant for further processing. Further, to increase the HW unbleached pulp production digester additive was used. Laboratory cooking trial was carried out with suitable cooking aid to increase the pulp yield with lower reject content and decreased total pulping time. After obtaining encouraged Laboratory result, the cooking aid plant trial in HWECEP plant was recommended to determine the cooking chemical reduction in pulping, rejects generation after pulping and bleaching chemical reduction in bleaching sequence during the plant trial.

Pulping Studies of an Alternate Agro based Fiber Source for replacement of bagasse pulp

Pulping and bleaching studies of an alternate agro based waste raw material varieties were carried out to find its suitability for paper making pulp. Pulping and bleaching studies of these samples were carried in R & D laboratory under same cooking and bleaching conditions. The unbleached and bleached pulp properties were compared with bagasse pulp. Unbleached pulp yield of Horn husk was much lower than Maize Hy stalk and Cumbu Napier Stalk – Co5. The unbleached pulp yield of Maize Hy stalk and Cumbu Napier Stalk –Co5 are comparable with bagasse pulp. The unbleached pulp yield of Maize Hy stalk and Cumbu Napier Stalk – Co5 does not show any significant variation but Cumbu Napier Stack – Co5 shows higher tensile, tear and burst index than other agro pulp. Bleaching studies of oxygen delignified

pulp with D₀EPD₁ bleaching sequence of these agro waste raw materials does not show any significant variation. Further progress on the usage of above raw materials is in progress.

Deinking Plant

Increase of Indigenous Waste Paper consumption:

R&D has studied the out throws in waste paper and recommended for Increase in low cost indigenous waste paper consumption for the production of deinked pulp based on out throws. R&D has closely monitored the ERIC value to enhance the indigenous waste paper consumption thereby the quality of deinked pulp has been improved

Paper Making and Wet end Chemistry

Optimization of Native Starch in PM#1:

The surface starch (soup) viscosity is a key parameter for uniform smoothness, printability and surface strength of the paper. The viscosity of PM#1 soup was maintained below 10cps. This lower viscosity of the surface soup has affected the surface quality of the paper.

R&D has addressed the low viscosity issue by adopting following techniques:-

- By adjusting the steam valve by throttling, the release of steam and vibration has been arrested gradually. With this adjustment, low viscosity input issue has been addressed.
- Starch solids percentage decreased from 10% to 8% and secondary makeup dilution decreased from 90% to 85% to avoid spillage of starch and steam escaping.
- By optimising the cooking condition and monitoring the quality of the incoming native starch, currently the soup viscosity in PM#1 is maintained in the range of 20-40cps.

New Product Development - High Opacity Paper:

R & D has developed a high opacity product called CRH, which has higher opacity (min 88.0%), and high scatter. Using the specific pigments like sodium, magnesium, aluminium silicate, the high level of opacity has been achieved, which is quite challengeable with lower ash and lower gsm. A sequential approach has been followed to achieve this high opacity and high scatter which has resulted in a positive way to manufacture this product effortlessly. Feedback from the customers about this product is encouraging and the product is at par with their expectation.

New Product Development – Carry Bag Base Paper:

A new product called Carry Bag Base Paper (CBB) with higher strength has been developed by R&D team with the objective to replace one time use plastic carry bags banned by Tamil Nadu Government. The trial production has been taken in the month of November 2018. The specification of the new product was established and the carry bag base paper (CBB) was manufactured successfully by using existing paper machine infrastructure.

New Product Development – Two Natural shade product (CNS) for publishing and thermal coating (CRN)

R & D has developed two new products namely Ace marvel natural shade (CRN) and Creamwove Eco maplitho natural shade (CNS) which are in the state of validation for the market sector like thermal coating and publishing respectively. These new products have quickly attracted the market as the new products contain no coloring dye and optical whitening agents (OBA). Due to non-addition of coloring dye, OBA and reduced Pollution load, these products are considered to be environment friendly products.

New Product Development – Radiant Print Natural shade

R & D has developed another new product, which is in pipeline to target the image transfer printing, a booming sector in the textile and printing segment. The requirement of this product in market is good. Hence TNPL's R&D is matching the required quality of the product with the imported players such as China and Indonesia.

Product improvements:

R & D has made a detailed study and optimized the Tensile Stiffness Orientation (TSO) angle after installation in Valmet Auto Paper Lab which resulted in good dimensional stability to the paper and reduced customer complaints.

Dry curl measurement has been introduced by the Quality Control team across the deckle for the copier variety to ensure free from curling and jamming during photo copying.

Quality Control team has made a study to reduce the finishing abnormalities like counting error, poor packing, defective sorting and wrong labelling with the restriction of finisher quantity to a maximum of 5t/shift.

Studies on Packing Material:

R & D team is doing studies to fix the specification for shrink film, stretch film, core plug and transparent tape. Specification for transparent tape has been established based on TNPL's requirements after a detailed study with Central Institute of Plastic Engineering and Technology (CIPET), Chennai.

Board Making Process:

New Product Developments

Aurafold Supreme: R & D has developed this new product of Coated Cup stock with coating on top side for high quality printing. The product is suitable for high end special customized cup making segment.

Aurafold Eco Blue: R & D has developed a new product using eco friendly components like Bagasse pulp and Deinked pulp in the board. This product was developed as an offshoot of Aurafold blue, with comparatively lower bulk. This eco friendly product with medium bulk and pleasing white brilliant shade is meeting the requirements of packaging and premium notebook segments.

Aura Green 210 GSM: R & D has developed a **first of its kind in the market Aura Green with Low GSM grey back recycled board.** This product is developed for the corrugated carton top liner and is suitable for high end packaging cartons as the product has excellent print surface with premium multi-color print quality.

Import substitution for Board making product:

R&D has made efforts to substitute the imported pulp component in board manufacturing with usage of eco-friendly alternatives such as Wood powder, bagasse pulp and deinked pulp in selected board grades. These products not only reduce the manufacturing cost but also make the board eco-friendly.

Process/Product improvements:

ASA sizing was introduced in middle layer of board in both virgin and recycled grades of Board to reduce wet end deposits, to reduce fluff generation in dryers and to have improved machine runnability. This ASA sizing introduction resulted in cost benefit.

R&D has adopted total rosin sizing and surface sizing only with starch, avoiding surface sizing agent.

The surface energy of cup stock was improved for better sealability.

R&D made Improvement in stiffness of folding box board to the tune of 10% to 20% by improving the

board construction with optimized layer wise gsm and formation improvement.

R&D has identified the pigment dyes and administered the same to achieve improved color stability of board upon storage.

Soda recovery Island

Study report on Flue Gas and ESP ash properties in RB-2 & RB-3

R & D has made a detailed analysis to find the possible reasons for acid formation in RB-2 flue gas and suggested that the acid formation may be controlled by increasing the dry solids content in RB-2 cascade system and to avoid the cascade jamming, introduction of steam coil is recommended to improve the boiler efficiency.

Study Report on the Recovery Boiler #3 ESP

R & D has made a detailed study on Electro Static Precipitator ash of Recovery Boiler #3 and reported on the low flow and low pH of ESP chambers. R & D has suggested maintenance of the solids concentration to avoid low loads which in turn would be associated with lower temperatures in flue gas.

The low pH of ESP ash was due to excess air flow which increased the heat loss and favored acid formation.

R & D has also suggested identification of air ingress, arrested the leakages in all the three chambers to avoid corrosion and monitoring of acid dew points and periodical gas distribution test to overcome the above problems

Study Report on Settling of Sludge in Furnace Oil Storage Tank

R&D has analyzed and explored the causes of sludge formation in main furnace oil storage tank soda recovery plant and suggested the following:-

- To maintain the furnace oil temperature in the main oil tank between 55°C to 60°C
- To circulate the furnace oil continuously.
- Capacity of the tank to be adequate,

Reduction of Sulphide concentration:

R & D has analyzed sulphide generation in Foul condensate, vacuum pump seal water, and process condensate. R & D has also explored the sources of sulfide generation and suggested optimization of the White liquor consumption and sulphidity percentage in white liquor to reduce the sulphide concentration.

R & D has also carried out pilot plant scale treatment to reduce sulphide concentration by Air Stripping method for foul condensate. Reduction efficiency of 70% was achieved by Air Stripping method.

Environment

Micronutrient trial in Activated Sludge Lagoon (ASL) completion report

R & D has carried out Laboratory study in the month of May 2018 to improve the discharged effluent quality by the addition of micronutrient replacing urea and diammonium phosphate and the study was encouraging. R & D has also explored the possibility of plant scale trial in the month of Nov 2018.

The addition of micronutrient eliminated the addition of Alum (750 kg /day) and polymer (10 kg / day) in Activated Sludge lagoon (ASL) outlet. The addition of micronutrient reduces the presence of filamentous bacteria and new microbes like stalked ciliate and free swimming ciliate were identified in ASL outlet. The floc size of the sludge has been reformed to Granular shape from dispersed form which indicated the healthier micro-organism's growth during the trial period. The population of Mixed Liquor Volatile Suspended Solids (MLVSS) in Mixed Liquor Suspended Solids (MLSS) has been increased from 65.5 % to 71.5 % during the trial period which showed good growth of micro organism by the consumption of organic material. The turbidity of treated effluent has reduced to 10 – 35 NTU. The addition also leads to improvements in Dissolved oxygen by 0.5 ppm.

Reduction of temperature in Activated Sludge Lagoon:

R & D has suggested reducing the temperature in Activated Sludge Lagoon by:-

- Operating the cooling tower for the effluent generated in Hardwood plant.
- Operating two numbers of heat exchangers for the effluent generated Chemical Bagasse plant.
- Installation of two numbers of baby cooling tower in PC-2 outlet.
- Increasing the depth height for 9 numbers of energy efficient aerators.

Mobile Reverse Osmosis Plant

R & D has explored the possibility to treat waste water through membrane technology and plant scale trial was taken to generate 5,000 m³/day of water from the treated effluent through mobile membrane

plant supplier. R & D established process technology for 65% recovery of process water from discharge effluent for the first time in Indian Pulp and Paper Industry.

In House Water Conservation

TNPL R & D team coordinated with Water Conservation Team and explored the availability of total quantity of Paper Machine Back Water, total generation of Soda Recovery Plant Process Condensate and its usage to other process and complied with the water conservation measures carried out in water crisis period of 2013, 2017 and 2018. The compilation discussed about the bottle necks due to water conservation and the projects were classified as temporary and permanent projects.

II. BENEFITS DERIVED AS A RESULT OF ABOVE R&D STUDIES

- The usage of Synthetic Chlorogen (S-Chlorogen) resulted in reduction of caustic consumption by 5 kg per ton of pulp.
- Printing opacity of Paper is marginally increased by the usage of bleached combo pulp. The runnability of the paper machines has been increased due to increased drainability by the usage of bleached combo pulp in all the paper machines.
- This combo pulp bleaching process reduced 48000 tons of imported pulp procurement.
- The direct cost saving by the usage of oxidative bleaching chemical is **Rs. 67.80** per ton of pulp and the cost saving per day is **Rs. 24, 000**. At source, Sodium Hydroxide reduction by the usage of oxidative chemical helps to reduce the sodium level in EOP filtrate which subsequently reduces the Sodium concentration of effluent from HWEFC and maintain the ODL pulp inlet brightness without much variation.
- Digester additive studies help to increase the hard wood pulp yield and enhance the combo pulp production.
- Alternate raw materials like Horn Husk, Maize Hy stalk and Cumbu Napier Stalk – Co5 have been identified for pulp production.
- Optimization of Native Starch increases the soup viscosity from 10 cps to 20-40 cps.
- Development of High Opacity paper increases the scattering coefficient with desired level of show thoroughness and printability.
- Development of Carry Bag base paper will replace the one time use and throw plastic carry bag.
- Dimensional stability of paper was improved after introduction of measurement of Tensile Stiffness Orientation (TSO) angle.
- Customer complaints have been reduced after tensile stiffness orientation angle and dry curl measurement.
- Fixation of specification for packing material will avoid damage of paper and reduce the cost of packaging material.
- New product variant Aurafold Supreme meets the requirements of high end special customized cup making segment, Aurafold Eco Blue meets the requirements of packaging and premium notebook segments and Aura Green 210 GSM meets the requirements of high end packaging cartons.
- R & D efforts of indigenous substitution against the imported raw material reduces cost as well as minimizes environmental impact of board manufacturing. R & D efforts also improved the stiffness of folding box, color stability of Board. Introduction of ASA sizing in middle layer of board reduces wet end deposits, fluff generation in dryers.
- Study report on flue gas and ESP ash properties in RB#2 & RB#3 improved the boiler efficiency
- Detailed study report on the recovery boiler #3 ESP has helped to find out the root cause of the low flow in one of the chambers and improve the ESP ash properties
- Study report on settling of sludge in furnace oil storage tank identified the possibility of sludge formation which is the potential problem leading to corrosion and also checking of oil pipes, filter nozzles safety valves and its mitigation plan to help avoid the sludge formation which enhances the usage of furnace oil in lime kiln.
- Through membrane technology, 84440 m³ of process water was produced and used in the process for paper making.
- Increase of indigenous waste paper reduces ash content in the deinked pulp which increases the pulp yield and reduces the cost of deinked pulp.

III. FUTURE PROJECTS**Process improvement and optimization:**

- Silicate free peroxide stabilizer in Deinking of waste paper.
- Reduction of Caustic & Hydrogen peroxide in De-Inking Plant.
- Optimization of Poly Aluminum Chloride in Paper machine.
- Developing procedure for making hard wood pulp by consuming 60% Casurina and 40% Eucalyptus Hybrid.

Product improvements:

- Developing of New natural shade Product with reduced no colorant and whitening agent.
- Reducing colorant dye in paper and thus producing new product with natural shade with good appeal.
- Developing of sublimation for image in dresses for textile industry use.

Environment improvement:

- Alternative source for Nitrogen and Phosphorous to activated sludge microbes in Effluent Treatment Plant.
- Adaptability of Tertiary treatment for secondary Clarifier outlet effluent

Recycling of material:

- Development of wooden core plugs using industrial wastes such as bagasse pith and wood dust which replace plastic core plug.
- Using of waste plastics from Deinking plant in laying high quality CERAPLAST Road at TNPL Bagasse yard

IV Expenditure on R&D

	(Rs. In lakhs)
a) Capital	52.90
b) Recurring	990.87
c) Total	1043.77
d) Total R&D expenditure as a percentage on turnover	0.26 %

I (C) FOREIGN EXCHANGE EARNINGS**a. Activities relating to Exports**

During the year company exported 84027 metric tonnes of paper to 36 countries. Top few countries are Sri Lanka, Iran, Nigeria, Sudan, Uganda, Turkey, Kenya, South Africa, Malaysia, Ghana.

b. Foreign Exchange Earnings

₹ In lakh

Export of PWP & Board (C&F value)	55084.99
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I (D) FOREIGN EXCHANGE OUTGO**a. Imports (on CIF basis)**

(₹ In lakh)

Raw materials	91320.06
Components, and Spare parts & chemicals	1945.70
Imported coal	31527.45
Capital goods	153.78
Total	124946.99

b. Other than imports

(₹ In lakh)

Engineering & Supervision charges	68.18
Interest	1079.24
Repayment of foreign currency loan (Long Term)	1051.83
Others	170.57
Total	2369.82

ANNEXURE IV
Disclosure pursuant to Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The information required under Section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year*:

Sr. No.	Name of Director	Designation	Ratio to median Remuneration
1.	Thiru S Sivashanmugaraja, IAS	Managing Director	6.55
2.	Thiru V. Ramanathan	Executive Director (Finance) & Chief Financial Officer	5.33

b. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year *:

Sl.No.	Name of the Director	Designation	% increase in remuneration in the financial year
1.	Thiru S. Sivashanmugaraja, IAS	Managing Director	343.57 *
2.	Thiru V. Ramanathan	Executive Director (Finance) & Chief Financial Officer	190.66 #
3.	Thiru V. Sivakumar	Company Secretary	5.97

* Thiru S. SIVASHANMUGARAJA, IAS assumed office as MD of TNPL on 29-Nov-2017 and drawn salary for part of the financial year in 2017-18 and drawn full salary in the financial year 2018-19 and hence salary for the financial years 2017-18 and 2018-19 are not comparable.

Thiru V. RAMANATHAN, ED (F) assumed office as ED (F) on 11-Oct-2017 and not KMP during the financial year 2017-18. Hence salary for the financial years 2017-18 and 2018-19 are not comparable.

* Note: The Non-Executive Directors of the Company are entitled for sitting fees as per the statutory provisions and within the limits prescribed under the Companies Act, 2013 and Rules made there under. The details of remuneration of Non-Executive Directors are provided in the Corporate Governance Report. The ratio of remuneration and percentage increase for Non- Executive Directors Remuneration is therefore not considered for the purpose above.

c. The percentage increase in the Median remuneration of Employees in the Financial Year : 19.13%

d. The number of permanent employees on the rolls of Company (March 2019). : 2650

- e. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

For the year 2018-19, excluding KMPs, the total head count is 2765 and remuneration is Rs. 212.25 Crores. For the financial year 2017-18, excluding KMPs, the total head count was 2822 and remuneration was Rs.192.93 Crores. Thus increase in remuneration of employees other than KMPs is 10.01% during the financial year 2018-19 over financial year 2017-18.

The average increase in remuneration of KMPs is 1.94%. The total head count of KMPs in 2018-19 is three (3) and the total remuneration is Rs.99.05Lakhs. Total head count of KMPs in 2017-18 was five (5) and the remuneration was Rs.97.16 lakhs. Thus increase in remuneration of KMPs is 1.94% during the financial year 2018-19 over the financial year 2017-18.

- f. Affirmation that the remuneration is as per the remuneration policy of the company:**

The Company affirms remuneration is as per the remuneration policy of the Company.

- g. The statement containing particulars of employees as required under section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.**

There is no such employee.

ANNEXURE V**Form No.MGT-9****EXTRACT OF ANNUAL RETURN****as on the financial year ended on 31st March, 2019**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule12 (1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

1	CIN	L22121TN1979PLC007799
2	Registration Date	16 th April1979
3	Name of the Company	Tamil Nadu Newsprint and Papers Limited
4	Category/Sub-Category of the Company	Public Company limited by shares
5	Address of the Registered office and contact details	67, Mount Road, Guindy, Chennai-600032. Phone:044-2301094-97, 22354415-16&18 Email: invest_grievances@tnpl.co.in
6	Whether listed company Yes/No	Yes
7	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Cameo Corporate Services Ltd. VFloor,SubramanianBuilding,No.1Club House Road, Chennai-600002 Tel.No.044-28460390-28460395 FaxNo.044-28460129 E-mail:cameo@cameoindia.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1.	Paper and Board	1701	96.75%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	%OF SHARES HELD	APPLICABLE SECTION
1	N.A	N.A	N.A	N.A	N.A

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**i. Category-wise Share Holding**

Category code	Category of Shareholders	No. of shares held at the beginning of the year As on 1st April, 2018				No. of shares held at the end of the yearAs on 31 st March, 2019				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	SHAREHOLDING OF PROMOTER ANDPROMOTER GROUP									
1.	INDIAN									
a.	INDIVIDUALS/ HINDU UNDIVIDED FAMILY	0	0	0	0.0000	0	0	0	0.0000	0.0000
b.	CENTRAL GOVERNMENT/ STATE GOVERNMENT(S)	24444900	0	24444900	35.3196	24444900	0	24444900	35.3196	0.0000
c.	BODIES CORPORATE	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	FINANCIAL INSTITUTIONS/ BANKS	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	ANY OTHER									
	SUB - TOTAL (A)(1)	24444900	0	24444900	35.3196	24444900	0	24444900	35.3196	0.0000
2.	FOREIGN									
a.	INDIVIDUALS (NON-RESIDENT INDIVIDUALS/ FOREIGN INDIVIDUALS)	0	0	0	0.0000	0	0	0	0.0000	0.0000
b.	BODIES CORPORATE	0	0	0	0.0000	0	0	0	0.0000	0.0000
c.	INSTITUTIONS	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	ANY OTHER									
	SUB - TOTAL (A)(2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	TOTAL SHARE HOLDING OF PROMOTER AND PROMOTER GROUP (A) = (A)(1)+(A)(2)	24444900	0	24444900	35.3196	24444900	0	24444900	35.3196	0.0000

B.	PUBLIC SHAREHOLDING									
1.	INSTITUTIONS									
a.	MUTUAL FUNDS/ UTI	11040663	5400	11040663	15.9600	11640806	5400	11646206	16.8271	0.8671
b.	FINANCIAL INSTITUTIONS/ BANKS	430771	1400	432171	0.6244	447173	1400	448573	0.6481	0.0236
c.	CENTRAL GOVERNMENT/ STATE GOVERNMENT(S)	1342820	1465760	2808580	4.0580	1342820	1465760	2808580	4.0580	0.0000
d.	VENTURE CAPITAL FUNDS	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	INSURANCE COMPANIES	9353957	400	9354357	13.5157	9248436	400	9248836	13.3633	-0.1524
f.	FOREIGN INSTITUTIONAL INVESTORS	0	0	0	0.0000	0	0	0	0.0000	0.0000
g.	FOREIGN VENTURE CAPITAL INVESTORS	0	0	0	0.0000	0	0	0	0.0000	0.0000
h.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000	0.0000
i.	ANY OTHER									
	Alternate Investment Funds	416221	0	416221	0.6013	425968	0	425968	0.6154	0.0140
	Foreign Portfolio Investor (Corporate) Category I	1941788	0	1941788	2.8056	1835421	0	1835421	2.6519	-0.1536
	Foreign Portfolio Investor (Corporate) Category II	3343076	0	3343076	4.8302	2597598	0	2597598	3.7531	-1.0771
	Foreign Portfolio Investor (Corporate) Category III	754857	0	754857	1.0906	82442	0	82442	0.1191	-0.9715
		6455942	0	6455942	9.3279	4941429	0	4941429	7.1396	-2.1882
	SUB - TOTAL (B)(1)	28624153	1472960	30097113	43.4862	27620664	1472960	29093624	42.0363	-1.4499
2.	NON-INSTITUTIONS									
a.	BODIES CORPORATE	3401873	173380	3575253	5.1657	3617782	173280	3791062	5.4775	0.3118
b.	INDIVIDUALS -									
	I INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL UPTO RS. 1 LAKH	6181157	346715	6527872	9.4318	7177293	307112	7484405	10.8139	1.3820
	II INDIVIDUAL SHARE HOLDERS HOLDING NOMINAL SHARE CAPITAL IN EXCESS OF RS. 1 LAKH	3514360	0	3514360	5.0777	3116805	0	3116805	4.5033	-0.5744
d.	ANY OTHER									
	CLEARING MEMBERS	105732	0	105732	0.1527	113796	0	113796	0.1644	0.0116
	HINDU UNDIVIDED FAMILIES	452322	0	452322	0.6535	0	0	0	0000	-0.6535
	IEPF	105596	0	105596	0.1525	118675	0	118675	0.1714	0.0188

	NON RESIDENT INDIANS	334122	22000	356122	0.5145	495121	17700	512821	0.7409	0.2264
	RESIDENT HUF	0	0	0	0.0000	502882	0	502882	0.7265	0.7265
	TRUSTS	31330	0	31330	0.0452	31630	0	31630	0.0457	0.0040
	Others	1029102	22000	1051102	1.5187	1262104	17700	1279804	1.8491	0.3304
	SUB - TOTAL (B)(2)	14126492	542095	14668587	21.1941	15173984	498092	15672076	22.6440	1.4499
	TOTAL PUBLIC SHAREHOLDING (B) = (B)(1)+(B)(2)	42750645	2015055	44765700	64.6804	42794648	1971052	44765700	64.6804	0.0000
	TOTAL (A)+(B)	67195545	2015055	69210600	100.0000	67239548	1971052	69210600	100.0000	0.0000
C.	SHARES HELD BY CUSTODIANS AND AGAINST WHICH DEPOSITORY RECEIPTS HAVE BEEN ISSUED									
	Promoter and Promoter Group	0	0	0	0	0	0	0	0	0
	Public	0	0	0	0	0	0	0	0	0
	TOTAL CUSTODIAN (C)	0	0	0	0	0	0	0	0	0
	GRAND TOTAL (A)+(B)+(C)	67195545	2015055	69210600	100.0000	67239548	1971052	69210600	100.0000	0.0000

(ii) Shareholding of Promoters

SINo.	Share holder's Name	Shareholding at the beginning of the year As on 1 st April, 2018			Shareholding at the end of the year As on 31 st March, 2019			
		No. of-Shares	% of total Shares of the company	% of Shares Pledged/ encumbered Total shares	No. of-Shares	%of total Shares of the company	%of Shares Pledged/ encumbered Total shares	%change in shareholding during the year
1.	Governor of Tamil Nadu	24444900	35.3196	0.00	24444900	35.3196	0.00	0.00

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year As on 1 st April, 2018		Shareholding at the end of the year as on 31 st March, 2019	
		No. of shares	%of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	No change during the year			
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/ decrease (e.g. allotment/transfer/bonus/sweat equity etc):	No change during the year			
3.	At the end of the year	No change during the year			

(iv) Shareholding Pattern of top ten Shareholders

(other than Directors, Promoters and Holders of GDRs and ADRs):

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	LIFE INSURANCE CORPORATION OF INDIA				
	At the beginning of the year 01-Apr-2018	6305949	9.1112	6305949	9.1112
	At the end of the Year 30-Mar-2019	6305949	9.1112	6305949	9.1112
2	HDFC TRUSTEE COMPANY LTD - HDFC PREMIER MULTI- CAP FUND				
	At the beginning of the year 01-Apr-2018	72500	0.1047	72500	0.1047
	Purchase 08-Jun-2018	3714400	5.3668	3786900	5.4715
	Purchase 14-Dec-2018	294000	0.4247	4080900	5.8963
	At the end of the Year 30-Mar-2019	4080900	5.8963	4080900	5.8963
	HAVING SAME PAN				
2	HDFC TRUSTEE CO LTD A/C HDFC RETIREMENT SAVINGS FUND-EQUITY PLAN				
	At the beginning of the year 01-Apr-2018	140000	0.2022	140000	0.2022
	At the end of the Year 30-Mar-2019	140000	0.2022	140000	0.2022
	HAVING SAME PAN				
2	HDFC TRUSTEE CO LTD A/C HDFC RETIREMENT SAVINGS FUND-HYBRID-EQUITY PLAN				
	At the beginning of the year 01-Apr-2018	38000	0.0549	38000	0.0549
	At the end of the Year 30-Mar-2019	38000	0.0549	38000	0.0549
	HAVING SAME PAN				
2	HDFC TRUSTEE CO LTD A/C HDFC RETIREMENT SAVINGS FUND-HYBRID-DEBT PLAN				
	At the beginning of the year 01-Apr-2018	5000	0.0072	5000	0.0072
	At the end of the Year 30-Mar-2019	5000	0.0072	5000	0.0072
	HAVING SAME PAN				
2	HDFC TRUSTEE COMPANY LIMITED A/C HDFC BALANCED FUND				
	At the beginning of the year 01-Apr-2018	3714400	5.3668	3714400	5.3668
	Sale 08-Jun-2018	-3714400	5.3668	0	0.0000
	At the end of the Year 30-Mar-2019	0	0.0000	0	0.0000
	HAVING SAME PAN				

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
2	HDFC TRUSTEE COMPANY LTD- HDFC EQUITY SAVING FUND				
	At the beginning of the year 01-Apr-2018	185000	0.2673	185000	0.2673
	Purchase 24-Aug-2018	34000	0.0491	219000	0.3164
	Purchase 12-Oct-2018	75000	0.1083	294000	0.4247
	Sale 14-Dec-2018	-294000	0.4247	0	0.0000
	At the end of the Year 30-Mar-2019	0	0.0000	0	0.0000
	HAVING SAME PAN				
2	HDFC TRUSTEE CO LTD- HDFC MULTIPLE YIELD FUND- PLAN 2005				
	At the beginning of the year 01-Apr-2018	25000	0.0361	25000	0.0361
	Sale 25-Jan-2019	-25000	0.0361	0	0.0000
	At the end of the Year 30-Mar-2019	0	0.0000	0	0.0000
3	SBI SMALL AND MIDCAP FUND				
	At the beginning of the year 01-Apr-2018	922200	1.3324	922200	1.3324
	Purchase 18-May-2018	77800	0.1124	1000000	1.4448
	Purchase 24-Aug-2018	184544	0.2666	1184544	1.7115
	Purchase 28-Sep-2018	166008	0.2398	1350552	1.9513
	Purchase 05-Oct-2018	49448	0.0714	1400000	2.0228
	Purchase 14-Dec-2018	154000	0.2225	1554000	2.2453
	Purchase 21-Dec-2018	65462	0.0945	1619462	2.3399
	Purchase 28-Dec-2018	26530	0.0383	1645992	2.3782
	Purchase 31-Dec-2018	54008	0.0780	1700000	2.4562
	Purchase 22-Feb-2019	800000	1.1558	2500000	3.6121
	At the end of the Year 30-Mar-2019	2500000	3.6121	2500000	3.6121
	HAVING SAME PAN				
3	SBI LONG TERM ADVANTAGE FUND- SERIES IV				
	At the beginning of the year 01-Apr-2018	130000	0.1878	130000	0.1878
	Purchase 07-Dec-2018	70744	0.1022	200744	0.2900
	Purchase 14-Dec-2018	29256	0.0422	230000	0.3323
	At the end of the Year 30-Mar-2019	230000	0.3323	230000	0.3323
	HAVING SAME PAN				
3	SBI RESURGENT INDIA OPPORTUNITIES SCHEME				
	At the beginning of the year 01-Apr-2018	0	0.0000	0	0.0000
	Purchase 08-Mar-2019	11674	0.0168	11674	0.0168

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
	Purchase 15-Mar-2019	86326	0.1247	98000	0.1415
	At the end of the Year 30-Mar-2019	98000	0.1415	98000	0.1415
	HAVING SAME PAN				
3	SBI MAGNUM CHILDREN'S BENEFIT FUND				
	At the beginning of the year 01-Apr-2018	0	0.0000	0	0.0000
	Purchase 11-Jan-2019	13000	0.0187	13000	0.0187
	Purchase 22-Feb-2019	8000	0.0115	21000	0.0303
	Purchase 01-Mar-2019	12000	0.0173	33000	0.0476
	Sale 15-Mar-2019	-4500	0.0065	28500	0.0411
	At the end of the Year 30-Mar-2019	28500	0.0411	28500	0.0411
	HAVING SAME PAN				
3	SBI TAX ADVANTAGE FUND SERIES II				
	At the beginning of the year 01-Apr-2018	27000	0.0390	27000	0.0390
	At the end of the Year 30-Mar-2019	27000	0.0390	27000	0.0390
	HAVING SAME PAN				
3	SBI LONG TERM ADVANTAGE FUND - SERIES III				
	At the beginning of the year 01-Apr-2018	59944	0.0866	59944	0.0866
	Purchase 31-Aug-2018	10056	0.0145	70000	0.1011
	Sale 14-Dec-2018	-70000	0.1011	0	0.0000
	At the end of the Year 30-Mar-2019	0	0.0000	0	0.0000
	HAVING SAME PAN				
3	SBI LONG TERM ADVANTAGE FUND SERIES I				
	At the beginning of the year 01-Apr-2018	43000	0.0621	43000	0.0621
	Sale 14-Dec-2018	-43000	0.0621	0	0.0000
	At the end of the Year 30-Mar-2019	0	0.0000	0	0.0000
	HAVING SAME PAN				
3	SBI LONG TERM ADVANTAGE FUND SERIES II				
	At the beginning of the year 01-Apr-2018	37000	0.0534	37000	0.0534
	Sale 14-Dec-2018	-37000	0.0534	0	0.0000
	At the end of the Year 30-Mar-2019	0	0.0000	0	0.0000
4	GENERAL INSURANCE CORPORATION OF INDIA				
	At the beginning of the year 01-Apr-2018	2110074	3.0487	2110074	3.0487
	At the end of the Year 30-Mar-2019	2110074	3.0487	2110074	3.0487

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
5	GOVERNMENT PENSION FUND GLOBAL				
	At the beginning of the year 01-Apr-2018	1710000	2.4707	1710000	2.4707
	Sale 27-Apr-2018	-2000	0.0028	1708000	2.4678
	Sale 04-May-2018	-8000	0.0115	1700000	2.4562
	Sale 17-Aug-2018	-18648	0.0269	1681352	2.4293
	Purchase 26-Oct-2018	5648	0.0081	1687000	2.4374
	Purchase 22-Mar-2019	30000	0.0433	1717000	2.4808
	At the end of the Year 30-Mar-2019	1717000	2.4808	1717000	2.4808
6	WARBURG VALUE FUND				
	At the beginning of the year 01-Apr-2018	1300000	1.8783	1300000	1.8783
	At the end of the Year 30-Mar-2019	1300000	1.8783	1300000	1.8783
7	ICICI PRUDENTIAL MULTI-ASSET FUND				
	At the beginning of the year 01-Apr-2018	0	0.0000	0	0.0000
	Purchase 19-Oct-2018	26524	0.0383	26524	0.0383
	Purchase 26-Oct-2018	5100	0.0073	31624	0.0456
	Purchase 02-Nov-2018	10497	0.0151	42121	0.0608
	Purchase 16-Nov-2018	197863	0.2858	239984	0.3467
	Purchase 23-Nov-2018	2137	0.0030	242121	0.3498
	Purchase 30-Nov-2018	72987	0.1054	315108	0.4552
	Purchase 07-Dec-2018	51317	0.0741	366425	0.5294
	Purchase 14-Dec-2018	7752	0.0112	374177	0.5406
	Purchase 18-Jan-2019	112805	0.1629	486982	0.7036
	Purchase 25-Jan-2019	208895	0.3018	695877	1.0054
	Purchase 01-Feb-2019	128300	0.1853	824177	1.1908
	Purchase 08-Feb-2019	10786	0.0155	834963	1.2064
	Purchase 22-Feb-2019	76587	0.1106	911550	1.3170
	At the end of the Year 30-Mar-2019	911550	1.3170	911550	1.3170
	HAVING SAME PAN				
7	ICICI PRUDENTIAL INFRASTRUCTURE FUND				
	At the beginning of the year 01-Apr-2018	0	0.0000	0	0.0000
	Purchase 08-Feb-2019	138287	0.1998	138287	0.1998
	Purchase 15-Feb-2019	114089	0.1648	252376	0.3646
	At the end of the Year 30-Mar-2019	252376	0.3646	252376	0.3646
	HAVING SAME PAN				

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
7	ICICI PRUDENTIAL MANUFACTURE IN INDIA FUND				
	At the beginning of the year 01-Apr-2018	0	0.0000	0	0.0000
	Purchase 07-Dec-2018	28018	0.0404	28018	0.0404
	Purchase 14-Dec-2018	70504	0.1018	98522	0.1423
	Purchase 21-Dec-2018	77315	0.1117	175837	0.2540
	Purchase 28-Dec-2018	9944	0.0143	185781	0.2684
	Purchase 31-Dec-2018	24841	0.0358	210622	0.3043
	Purchase 04-Jan-2019	9413	0.0136	220035	0.3179
	At the end of the Year 30-Mar-2019	220035	0.3179	220035	0.3179
	HAVING SAME PAN				
7	ICICI PRUDENTIAL S&P BSE 500 ETF				
	At the beginning of the year 01-Apr-2018	0	0.0000	0	0.0000
	Purchase 11-May-2018	71	0.0001	71	0.0001
	Sale 25-May-2018	-22	0.0000	49	0.0000
	Sale 27-Jul-2018	-22	0.0000	27	0.0000
	Sale 28-Sep-2018	-1	0.0000	26	0.0000
	Sale 28-Dec-2018	-1	0.0000	25	0.0000
	At the end of the Year 30-Mar-2019	25	0.0000	25	0.0000
8	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE PURE VALUE FUND				
	At the beginning of the year 01-Apr-2018	1569054	2.2670	1569054	2.2670
	Purchase 25-May-2018	37000	0.0534	1606054	2.3205
	Purchase 19-Oct-2018	16100	0.0232	1622154	2.3437
	Sale 15-Feb-2019	-103300	0.1492	1518854	2.1945
	Sale 22-Feb-2019	-780300	1.1274	738554	1.0671
	At the end of the Year 30-Mar-2019	738554	1.0671	738554	1.0671
	HAVING SAME PAN				
8	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE DIVIDEND YIELD PLUS				
	At the beginning of the year 01-Apr-2018	585000	0.8452	585000	0.8452
	Sale 12-Sep-2018	-5100	0.0073	579900	0.8378
	At the end of the Year 30-Mar-2019	579900	0.8378	579900	0.8378
	HAVING SAME PAN				

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
8	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE BALANCED ADVANTAGE FUND				
	At the beginning of the year 01-Apr-2018	765383	1.1058	765383	1.1058
	Sale 17-Aug-2018	-165383	0.2389	600000	0.8669
	Sale 07-Sep-2018	-17400	0.0251	582600	0.8417
	Sale 12-Sep-2018	-4900	0.0070	577700	0.8346
	At the end of the Year 30-Mar-2019	577700	0.8346	577700	0.8346
	HAVING SAME PAN				
8	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE RESURGENT INDIA FUND - SERIES 6				
	At the beginning of the year 01-Apr-2018	300000	0.4334	300000	0.4334
	Purchase 13-Apr-2018	100000	0.1444	400000	0.5779
	Purchase 12-Oct-2018	8000	0.0115	408000	0.5895
	At the end of the Year 30-Mar-2019	408000	0.5895	408000	0.5895
	HAVING SAME PAN				
8	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE RESURGENT INDIA FUND - SERIES 7				
	At the beginning of the year 01-Apr-2018	0	0.0000	0	0.0000
	Purchase 13-Apr-2018	80000	0.1155	80000	0.1155
	Sale 04-Jan-2019	-10000	0.0144	70000	0.1011
	At the end of the Year 30-Mar-2019	70000	0.1011	70000	0.1011
9	FINQUEST SECURITIES PVT. LTD. - CLIENT BENEFICIARY A/C				
	At the beginning of the year 01-Apr-2018	0	0.0000	0	0.0000
	Purchase 27-Jul-2018	356500	0.5150	356500	0.5150
	Sale 21-Sep-2018	-11200	0.0161	345300	0.4989
	Sale 05-Oct-2018	-9000	0.0130	336300	0.4859
	Purchase 19-Oct-2018	324000	0.4681	660300	0.9540
	At the end of the Year 30-Mar-2019	660300	0.9540	660300	0.9540
	HAVING SAME PAN				
9	FINQUEST SECURITIES PVT LTD				
	At the beginning of the year 01-Apr-2018	0	0.0000	0	0.0000
	Purchase 27-Jul-2018	35500	0.0512	35500	0.0512
	Purchase 21-Sep-2018	11200	0.0161	46700	0.0674
	Purchase 05-Oct-2018	9000	0.0130	55700	0.0804
	At the end of the Year 30-Mar-2019	55700	0.0804	55700	0.0804

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
10	TAMILNADU INDUSTRIAL DEVELOPMENT CORPORATION LTD				
	At the beginning of the year 01-Apr-2018	600000	0.8669	600000	0.8669
	At the end of the Year 30-Mar-2019	600000	0.8669	600000	0.8669
	NEW TOP 10 AS ON (30-Mar-2019)				
11	ICICI LOMBARD GENERAL INSURANCE COMPANY LTD				
	At the beginning of the year 01-Apr-2018	810000	1.1703	810000	1.1703
	Sale 06-Apr-2018	-30300	0.0437	779700	1.1265
	Sale 13-Apr-2018	-108800	0.1572	670900	0.9693
	Sale 20-Apr-2018	-75662	0.1093	595238	0.8600
	Sale 14-Sep-2018	-35755	0.0516	559483	0.8083
	Sale 21-Sep-2018	-113010	0.1632	446473	0.6450
	Sale 19-Oct-2018	-20000	0.0288	426473	0.6161
	At the end of the Year 30-Mar-2019	426473	0.6161	426473	0.6161
12	LAKSHMI CAPITAL INVESTMENTS LIMITED				
	At the beginning of the year 01-Apr-2018	620457	0.8964	620457	0.8964
	Sale 11-May-2018	-60831	0.0878	559626	0.8085
	Purchase 29-Jun-2018	30000	0.0433	589626	0.8519
	Purchase 06-Jul-2018	5941	0.0085	595567	0.8605
	Purchase 13-Jul-2018	10000	0.0144	605567	0.8749
	Purchase 27-Jul-2018	15000	0.0216	620567	0.8966
	Purchase 03-Aug-2018	15000	0.0216	635567	0.9183
	Purchase 10-Aug-2018	100000	0.1444	735567	1.0627
	Purchase 31-Aug-2018	25000	0.0361	760567	1.0989
	Purchase 21-Sep-2018	20000	0.0288	780567	1.1278
	Purchase 28-Sep-2018	90000	0.1300	870567	1.2578
	Purchase 05-Oct-2018	12000	0.0173	882567	1.2751
	Sale 14-Dec-2018	-40000	0.0577	842567	1.2173
	Sale 21-Dec-2018	-30000	0.0433	812567	1.1740
	Sale 28-Dec-2018	-15000	0.0216	797567	1.1523
	Sale 31-Dec-2018	-10000	0.0144	787567	1.1379
	Sale 04-Jan-2019	-10000	0.0144	777567	1.1234

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
	Sale 11-Jan-2019	-37000	0.0534	740567	1.0700
	Sale 18-Jan-2019	-30000	0.0433	710567	1.0266
	Sale 25-Jan-2019	-75000	0.1083	635567	0.9183
	Sale 01-Feb-2019	-15400	0.0222	620167	0.8960
	Sale 08-Feb-2019	-1000	0.0014	619167	0.8946
	Sale 15-Feb-2019	-55000	0.0794	564167	0.8151
	Sale 22-Feb-2019	-140000	0.2022	424167	0.6128
	Sale 01-Mar-2019	-147500	0.2131	276667	0.3997
	Sale 08-Mar-2019	-60000	0.0866	216667	0.3130
	Sale 15-Mar-2019	-92625	0.1338	124042	0.1792
	Sale 22-Mar-2019	-41600	0.0601	82442	0.1191
	At the end of the Year 30-Mar-2019	82442	0.1191	82442	0.1191

(v) Shareholding of Directors and Key Managerial Personnel:

SI. No	Name of the Directors and KMP	Shareholding at the beginning of the year (As on 1st April, 2018)		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Thiru N. Muruganandam ¹ , IAS, Chairman At the beginning of the year Date wise Increase/Decrease At the end of the year	- - -	- - -		
2.	Thiru K Gnanadesikan ² , IAS Chairman At the beginning of the year Date wise Increase/Decrease At the end of the year	- - -	- - -	- - -	- - -
3.	Thiru S Sivashanmugaraja IAS Managing Director At the beginning of the year Date wise Increase/Decrease At the end of the year	- - -	- - -	- - -	- - -

Sl. No	Name of the Directors and KMP	Shareholding at the beginning of the year (As on 1st April, 2018)		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4.	Thiru K Shanmugam IAS Director At the beginning of the year Date wise Increase/Decrease At the end of the year	- -	- -	-	-
5.	Tmt. Anu George, IAS ³ Director At the beginning of the year Date wise Increase/Decrease At the end of the year	- -	- -	-	-
6.	Tmt Reeta Harish Thakkar, IAS ⁴ Director At the beginning of the year Date wise Increase/Decrease At the end of the year	- -	- -	-	-
7.	Thiru V Narayanan ⁵ Director At the beginning of the year Date wise Increase/Decrease At the end of the year	- -	- -	-	-
8.	Thiru V Nagappan Director At the beginning of the year Date wise Increase/Decrease At the end of the year	- -	- -	-	-
9.	Thiru N Narayanan, IAS(Retd.) Director At the beginning of the year Date wise Increase/Decrease At the end of the year	- -	- -	-	-
10.	Tmt. Soundara Kumar Director At the beginning of the year Date wise Increase/Decrease At the end of the year	- -	- -	-	-
11.	Thiru V Chandrasekaran Director At the beginning of the year Date wise Increase/Decrease At the end of the year	- -	- -	-	-

Sl. No	Name of the Directors and KMP	Shareholding at the beginning of the year (As on 1st April, 2018)		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
12.	Thiru V. Sivakumar Company Secretary At the beginning of the year Date wise Increase/Decrease At the end of the year	10 -	0.00 -	10	0.00

- 1 Thiru N. Muruganandam, IAS was appointed as Additional Director and designated as Chairman w.e.f. 04.03.2019.
- 2 Thiru K. Gnanadesikan, IAS ceased to be a director w.e.f. 04.03.2019.
- 3 Tmt. Anu George, IAS ceased to be a director w.e.f. 09.11.2018.
- 4 Tmt. Reeta Harish Thakkar, IAS was appointed as Additional Director w.e.f. 09.11.2018.
- 5 Thiru. V. Narayanan ceased to be a director w.e.f. 18.09.2018.

V. INDEBTEDNESS

Indebtedness of the Company (Long Term Loans) including interest outstanding/accrued but not due for payment

(₹ in Lakh)

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2018)	192,436.41			
i) Principal Amount				
- Other than Debentures	191,701.76	-		191,701.76
- Debentures	-	-	-	-
ii) Interest accrued but not paid				
- Other than Debentures	-	-	-	-
- Debentures	-	-	-	-
iii) Interest accrued but not due				
- Other than Debentures	734.65	-		734.65
- Debentures	-	-	-	-
Total (i+ii+iii)	192,436.41	-		192,436.41

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2018)	1,92,436.41			1,92,436.41
Change in Indebtedness during the financial year		-	-	-
i) Addition				
- Other than Debentures	20,000	-		20,000
- Debentures	-	-		-
ii) Reduction*				
- Other than Debentures	(43,881.93)	-		(43,881.93)
- Debentures	-	-	-	-
iii) Interest Accrued but not paid				
- Other than Debentures	-	-	-	-
- Debentures	-	-	-	-
iv) Interest accrued but not due				
- Other than Debentures	(80.77)	-		(80.77)
- Debentures				
Net Change	(23,962.70)	-		(23,962.70)
Indebtedness at the end of The financial year				
i) Principal Amount				
- Other than Debentures	1,67,819.83			1,67,819.83
- Debentures	-	-	-	-
ii) Interest Accrued but not paid				
- Other than Debentures	-	-	-	-
- Debentures	-	-	-	-
iii) Interest accrued but not due				
- Other than Debentures	653.89			653.89
- Debentures	-	-	-	-
Total (i+ii+iii)	1,68,473.72			1,68,473.72

*Includes exchange fluctuation on Long Term Foreign Currency Loans.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

(₹ in Lakh)

SI. No	Particulars of Remuneration	Thiru S Sivashanmugaraja, IAS, Managing Director	Total Amount
1	Gross salary (a) Salary as per provisions contained in section17(1) Of the Income-tax Act, 1961	31.44	31.44
	(b)Value of perquisites under Section17(2)Income-taxAct,1961	-	-
	(c)Profits in lieu of salary under Section17(3)Income-taxAct,1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission		
	-as %of profit	-	-
	-Others, specify	-	-
5	Others, Pension, Leave Salary contribution, Provident fund, Reimbursement of medical expenses, tuition fees.	10.44	10.44
	Total(A)	41.88	41.88
	Ceiling as per the Act (5% of Net Profit)	778.08	778.08

B. REMUNERATION TO OTHER DIRECTORS

(₹ in Lakh)

Sl. no	Particulars of Remuneration	Name of Directors					Total Amount
		Thiru N. Narayanan (IAS (Retd.))	Thiru V Nagappan	Tmt. Soundara Kumar	Thiru V. Chandrasekaran	Thiru V Narayanan *	
1.	Independent Directors						
	Fee for attending board/committee meetings	6.00	5.20	3.20	4.95	2.00	21.35
	Commission	-	-	-			
	Others, please specify	-	-	-			
Total (1)							21.35

* Ceased to be a Director on 18.09.2018

(₹ in Lakh)

Sl. no	Particulars of Remuneration	Name of Directors					Total Amount
2.	Other Non-Executive Directors	Thiru N. Muruganandam, IAS@	Thiru K Gnanadesikan, IAS#	Thiru K Shanmugam IAS	Tmt Anu George, IAS \$	Tmt Reeta Harish Thakkar, IAS *	
	• Fee for attending board/ committee meetings	0.35	1.00	0.60	0.75	0.70	3.40
	• Commission	-	-	-			
	• Others, please specify	-	-	-			
Total(2)						3.40	
Total (B)=(1+2)						24.75	
Total Managerial Remuneration(A)+(B)						66.63	
Overall Ceiling as per the Act(11%of Net Profit)						1711.77	

@ appointed as Additional Director and designated as Chairman w.e.f. 04.03.2019

Ceased to be a Director and chairman w.e.f. 04.03.2019

\$ Ceased to be a Director w.e.f. 09.11.2018

* appointed as Additional Director w.e.f. 09.11.2018

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/ MANAGER/ WTD

(₹ in Lakh)

Sl. no	Particulars of Remuneration	Key Managerial Personnel		Total
		Thiru. V. Ramanathan Executive Director Finance & Chief Financial Officer	Thiru V. Sivakumar Company Secretary	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	28.02	18.13	46.15
	(b) Value of perquisites under section 17(2) Income-tax Act, 1961	2.20	1.71	3.91
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	
2	Stock Option	-	-	
3	Sweat Equity	-	-	
4	Commission -as % of profit	-	-	
	-Others, specify	-	-	
5	Others, please specify --Provident Fund & Superannuation	3.88	3.19	7.07
	Total	34.10	23.03	57.13

VII. PENALTIES/ PUNISHMENT/COMPOUNDING OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY Penalty Punishment Compounding			NONE		
B. DIRECTORS Penalty Punishment Compounding			NONE		
C. OTHER OFFICERS IN DEFAULT Penalty Punishment Compounding			NONE		

ANNEXURE VI

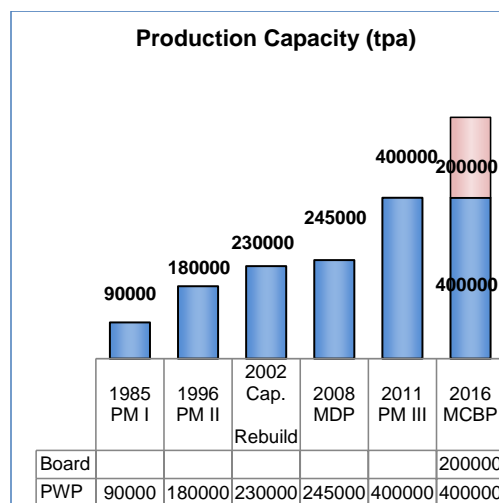
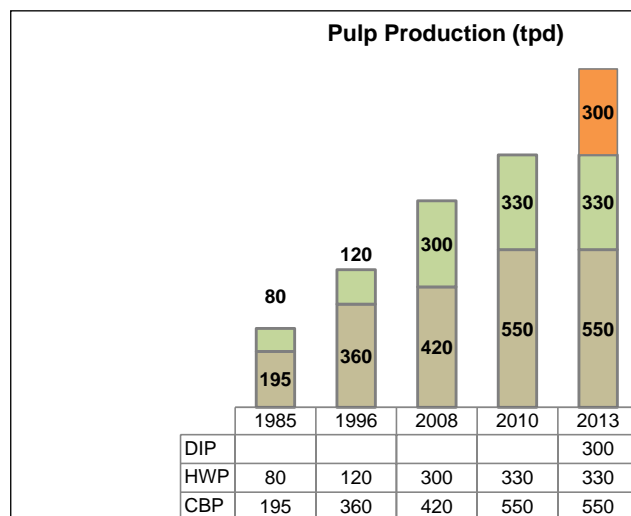
MANAGEMENT DISCUSSION AND ANALYSIS

1. INTRODUCTION

Tamil Nadu Newsprint and Papers Limited (TNPL) was promoted by the Government of Tamil Nadu in the year 1979 to produce Newsprint and Printing & Writing Paper (PWP) using bagasse as the primary raw material. The plant located at Pugalur in Karur District was commissioned during 1984 with an initial capacity of 90,000 tonnes per annum. The company has enhanced the capacity to 4,00,000 tonnes per annum in four phases. During 2016 the company has set up a state-of-the-art Multilayer Double Coated Board Plant with an annual capacity of 2,00,000 MT per annum in Mondipatti village, Manaparai taluk, Trichy District and enhanced the total capacity to 6,00,000 tonnes per annum. With this the Company has emerged as the third largest player in the Indian Paper Industry. The pulping capacity has been increased from 300 tonnes per day (tpd) in 1984 to 1,180 tonnes per day as of date.

TNPL has the following production facilities

Particulars	UOM	As of date
Paper Production	tpa	4,00,000
Board Production		2,00,000
Pulp Production - CBP	tpd	550
- HWP	"	330
- DIP	"	300
Total	"	1,180
Cement Plant	tpd	900
Captive Power Plant	MW	138.62
Wind Farm	MW	35.5



II. INDUSTRY SCENARIO

Broadly, the industry is classified into four main segments- namely, writing and printing papers, Industrial packaging paper, specialty paper and newsprint. India holds 15th rank among paper producing countries in the world with a total installed capacity of 16 million tonnes. The demand is estimated at 17 million tonnes. The per capita consumption is around 13 kgs against the Asian average of 26 kgs and World average of 58 kgs. India is considered as the fastest growing market for paper in the world with an average annual growth of 6%. The domestic consumption is expected to rise to 25 million tonnes by 2019-20.

Indian Paper Industry is highly fragmented with over 750 paper mills of varying sizes spread across the Country. Only 50 mills are of a capacity of 50,000 tpa or more. The overall capacity utilization is estimated at 80-90%.

III. STRATEGY

TNPL's operational and financial performance is one of the best in the Indian Paper Industry. TNPL's success is largely related to the following strategies which enables the company to perform well consistently:

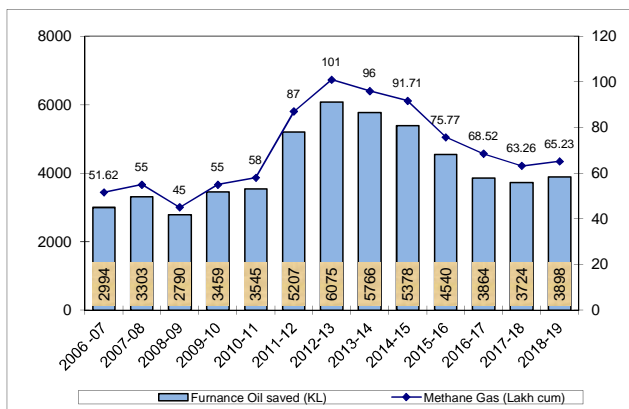
1. Efficient cost management
2. Innovation
3. Management of Human Resources
4. Customer centric
5. Continuous sustainable growth
6. Financial re-engineering

1. Efficient Cost Management

Cost saving measures are undertaken as a continuous exercise in TNPL to keep the cost of production low. TNPL has benchmarked the entire operations and monitor the actuals with reference to the targets set. The concerted actions on process improvement, productivity enhancement, cost reduction measures and self-sufficiency in major inputs-pulp, power and filler materials have enabled the company to be the least – cost producer of paper in the country.

2. Innovation:

TNPL is built on the concept that environment should be protected for the benefit of present and future generations. TNPL has perfected the technology of manufacturing newsprint and printing and writing paper from bagasse, an agricultural residue. This is an outstanding innovation.



TNPL has set up a 900 tpd Capacity Cement plant for producing high grade cement from inorganic solid wastes-lime sludge and fly ash. TNPL is the first and only paper mill in the country to have set up a cement plant within the factory premises to produce cement from mill wastes. During 2018-19, TNPL has consumed 53403 MT of lime sludge for cement manufacturing in conservation of 61132 MT of lime stone.

Two bio-methanation plants consisting of four numbers of UASB reactors set up within the factory premises have generated cumulatively 65.23 lakh m³ of methane gas during 2018 - 2019. The methane gas is consumed in lime kilns in replacement of furnace oil and power boilers in replacement of coal. With this, TNPL has saved usage of 3,848 kl of high cost furnace oil and 105 MT of imported coal during the year.

TNPL has established a separate bio-technology and bio-energy Research Centre for producing tissue culture seedlings.

3. Management of Human Resources

TNPL's vision is translated into reality by its team of dedicated executives, staff and workmen. Training is imparted to improve the knowledge and skill level of employees at all levels. Senior Executives are deputed to management programmes conducted by leading Management Institutes.

The company has implemented a periodical performance appraisal system. Key Performance Indicators (KPI) is set for the organization, the departments and the senior executives at the beginning of each year and appraisal is carried out at periodical intervals.

4. Customer Centric

Quality is a way of life in TNPL. The quality control team constantly checks the consistency in quality. A functional team consisting of executives from production, quality control and marketing conduct surveys to check customer satisfaction level.

TNPL is an ISO 9001 & ISO 14001 certified company. TNPL has exported 84027 mts of PWP to 36 countries during the year 2018-19.

Customer complaints are given utmost priority for redressal. Consistency in quality, transparency in pricing and prompt delivery, has made TNPL a household name amongst domestic and export customers.

5. Continuous and Sustainable Growth:

TNPL has grown from an initial capacity of 90,000 TPA in 1984 to 6,00,000 TPA in 2016 in tandem with the Industry growth. Currently, TNPL enjoys the third position in installed capacity and second position in production of printing and writing paper in the country. The company has three paper machines each with a capacity of 1,15,000 TPA, 1,30,000 TPA, 1,55,000 TPA respectively and one board machine with a capacity of 2,00,000 TPA. The growth is supported by the latest technology and state-of-the-art equipment's. Economies of scale and quality production driven by technology provide competitive edge to the Company in the market.

6. Financial Re-Engineering:

TNPL has implemented a sound Forex Risk Policy. The expansion schemes are funded through an appropriate mix of internal generation and borrowed funds. High cost loans are replaced with lower cost loans on regular basis. Continuous monitoring and readjusting of loan portfolio have enabled the company to keep the cost of borrowing at the minimum level. The average cost of loans outstanding as on 31.3.2019 is 8.67% (31.03.2018: 8.30%).

IV. THE SUCCESS DRIVERS

Environment Management

TNPL treats environment improvement as a priority area. Continuous studies are undertaken to reduce the water consumption with improvement in the quality of effluent. Compliance to pollution control norms and CREP regulations are strictly adhered to. The mill has implemented several water conservation measures and reduced water consumption to 32 KL per ton of paper during 2018-19 which is one of the lowest in paper industry. Continuous efforts are taken to reduce the water consumption to maximum possible extent at all stages.

Area developed under Farm Forestry Plantation during 2018-19

Ever since its establishment, TNPL has been working on three fronts to serve society i.e. Commitment to the environment, upliftment of farmers and empowering the society. Paralleling its concern for nature with the government and in line with the National Forest Policy, 1988, which says that forest based industries are to produce the required raw material, the trees that are used for pulp at TNPL are manmade, and not from the forest. This plays out in two ways; primarily it protects our forests, and secondly, barren lands have become productive.

Tamil Nadu being a land of very scanty and erratic monsoon rain, the utilization of land resources has become more critical. However, TNPL has paved the way to reap maximum benefit out of these barren lands while promoting green cover and uplifting the lives of farmers. This is attained by the introduction of two plantation schemes in the year 2004, namely the Farm Forestry Scheme and Captive Plantation Scheme. Both schemes are economically viable, socially compatible, and people centric.

Farm Forestry Scheme

The farm forestry scheme encourages the marginal and small farmers to cultivate pulpwood species such as eucalyptus, casuarina, melia and subabul. Any land suitable for raising pulpwood is eligible for this scheme. TNPL provides them with quality planting material and the seedlings or clones are supplied at a subsidized cost at the farm gate. A team of TNPL experts visit the farmers regularly providing technical advices on how to tackle the adversities of nature and updates them with the latest technological advancements, right from planting the sapling till the time of harvest.

Under this scheme, trees are planted in blocks or agro forestry model or grown as wind breaks in bunds and field boundaries. Dry land farmers are encouraged to cultivate pulp wood trees as these trees are able to thrive even in water scarce regions. TNPL enters into an agreement with the farmers to procure the wood at the higher of the two prevalent market price or minimum support price. Harvesting and transportation of the wood from farm to factory are taken up by TNPL.

Captive Plantation scheme

Lands belonging to the company, the government, educational institutions or any large land holding personnel are used to cultivate pulpwood and the revenue that results from it is shared or dealt with on a lease rental basis. Any land that measures 50 acres is eligible for this scheme.

TNPL enters into an agreement with the owners of such lands who are willing to implement the scheme and the land selected would be taken either on long term lease which spans over a period of 10 to 30 years on a gross revenue sharing basis. From the time of implementation, the development of land, plantation, fostering and maintenance of clones and harvesting the pulpwood are carried out at TNPL's expense. Finally at maturity of each rotation, the gross revenue is shared on a 70:30 ratio, with TNPL the former and the land owner the latter.

Varying climatic conditions, soil types, fluctuating water availability, and diminishing land availability, pose the challenge of cultivating more trees in lesser space. Thus, TNPL with their expert team of soil scientists, breeder, agronomist, pathologist, microbiologists and ecologists stream their knowledge together to arrive at solutions that are ecologically compliant and lucrative for farmers.

In the relentless pursuit of developing and promoting these schemes, TNPL provides superior quality seedlings and clones to farmers is the first step towards success. TNPL harnesses the powers of nature and the advantages of modern science and technology to produce the best quality saplings to be delivered to farmers.

The tree species identified for the production of pulpwood have been handpicked based on the merits of the goodness they bring to the environment and the people. These species of trees have the ability to control soil erosion, increase water retention, absorb large quantities of carbon dioxide and can thrive in water scarce regions with poor soil conditions.

TNPL produces finest quality saplings through its state of the art Forest Research and Development Team. Production of quality saplings that can tackle harsh and arid conditions involve selection of superior trees from local sources, introduction of new provenance from other countries, inter and intra hybridization, selection of candidate plus trees, analysis of genetic material, standardization of propagation technique, multi-location trials, release of new clones and production of quality saplings for commercial propagation.

TNPL houses one of India's most advanced biotech labs to propagate new superior clones through tissue culture technology. The mother plants produced in the tissue culture lab are utilized for further propagation at the Clonal Propagation and Research Centre. The clonal mother mini hedge garden sprawled over 26,700 sq. m, 9700 Sq. m of clonal mist chamber, 2800 sq.m of hardening chamber and 31,000 sq. m of open nursery make it possible for TNPL to produce a staggering 40 million seedlings and clones. The saplings produced in the Clonal Propagation and Research Centre are put to regressive quality testing before being dispatched to the fields.

Till date, these schemes have been implemented over 1,46,436 acres of which 15,875 acres are under the captive plantation scheme and 1,30,561 acres are under the Farm forestry scheme involving more than 27,596 farmers. Through these pro –afforestation schemes TNPL has been able to obtain 1.1 million MT of pulpwood directly from farmers, generate employment to the landless poor and contribute to the socio economic welfare of the farming community. Farmers who are partnered with TNPL do not face economic downfalls as the price of pulpwood never decreases and farmers do not go through the hassle of finding a market. TNPL buys from them and assures them the economically viable price. The employment

generated by the schemes is astonishing i.e., till date about 5.6 Mio mandays were employed to develop plantation over 60,000 hectares of land by TNPL.

Forest Stewardship Council (FSC) certificate

Annual audit was conducted for Forest Stewardship Council Chain of Custody certification with certification body M/s Nepcon in coordination with Research and Development team members. R & D team members coordinated to receive the recertification certificate for Forest Stewardship Council Forest Management and Chain of Custody from Rainforest Alliance, New York, USA.

ISO 9001 & 14001 Certification based on 2015 version

Second annual surveillance audit was conducted for TNPL's Quality Management system for "Design, Manufacture and Supply of Writing and Printing Paper" and TNPL's Environment Management system for "Development and Manufacture of Writing and Printing Paper" both based on 2015 version by the certification body M/s TUV India Private Limited in association with Research and Development team members.

Fuel Management

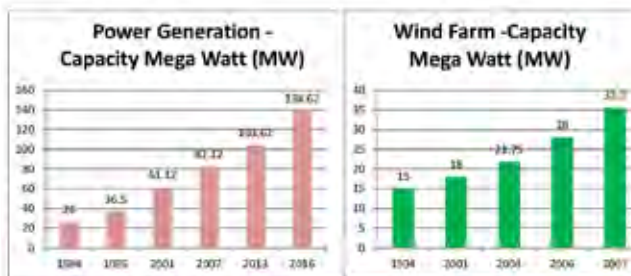
TNPL uses solid fuel in the power boilers and black liquor in the recovery boiler for generation of steam. As black liquor solid has been recognized as biomass, power generated from steam produced in the recovery boiler using black liquor solid is eligible for Renewable Energy Certificates (RECs). TNPL is the First Company in the Paper Industry to have availed this benefit. However, since 01.04.2016, this facility has been restricted to the facilities set up between 29th September 2010 and 31st March 2016. As the facility in TNPL was established prior to the cutoff date, TNPL has become ineligible to avail this facility from 01.04.2016. TNPL has generated revenue of Rs. 76.77 Crore in last 6 years through sale of RECs.

Water Management

TNPL sources water from the river Cauvery for both the units. TNPL has installed a series of rain water harvesting structures in the factory campus. With the implementation of various water conservation measures, the overall water consumption is reduced to 32 KL per ton of paper- the lowest in the Industry. The Board Plant also has implemented water conservation measures and overall specific water consumption is restricted to 10 KL per ton of board.

Energy Management

TNPL has 138.62 MW power generation capacity comprising of four power boilers and four turbo generators with a power generation capacity of 103.62 MW in Unit I and two power boilers and one Turbo generator with a generation capacity of 35 MW in Unit II. TNPL is 100% self-sufficient in power. Surplus power is exported to TANGEDCO.



TNPL installed its first Wind Farm of 15MW capacity during 1993-94 at Devarkulam and Perungudi in Tirunelveli District. Since then, TNPL has progressively increased its Wind Farm capacity till 2007 to 35.5 MW. Wind Power is exported to the grid. A small percentage is wheeled for self-consumption.

Marketing Management

In the recent years the Paper and Board market has become highly competitive due to rapid closing in gap between the so called A grade and B grade mills. The B grade mills have also increased their volume with excellent quality. This necessitates continual Marketing strategically built to maintain profitability.

- Considering the market factors and the economics of producing newsprint vis-à-vis printing & writing paper, TNPL has stopped producing Newsprint.
- Printing and writing products are marketed in all the four regions and in all segments such as offset printing, note book, computer stationery, digital printing and copier papers.
- The domestic market is served through a wide network of dealers as well as direct customers.
- About 1/5th of the total production is exported.
- The company gives greatest importance to quality parameters as demanded by the end-customer.
- Product improvement is done on a continuous basis in terms of process up-gradations, technology developments, finishing and delivery.
- Paper Board varieties are carefully placed in different regions with respect to both volume and pocket realization.

- Product Mix and Market Mix are strategically kept to improve profitability especially in Paper Board Segment.
- Based on Marketing research, facilities for cutting operations for servicing customers in ever increasing sizes have been upgraded and new installations have been planned.

Research and Development

The major issues of Pulp and Paper Industry in India are high cost of production caused by inadequate availability of raw material, high cost of raw material, non-availability of good quality fiber and environmental challenges. To overcome above hurdles TNPL's R & D focus on optimization of raw material to achieve good quality pulp. Also R & D focused on environmental challenges in particular to Soda Recover Plant and Environment operations.

Quality Control

TNPL Quality Control team plays a pivotal role to set norms for a specific product in collaboration with design and development wing, maintains the stringent quality requirements demanded by our customers through proper appraisal activities and ensures corrective action taken by production department. TNPL Quality Control uses the state-of-art automatic paper testing equipment with self-calibrating smart sensors to measure the quality parameters accurately and precisely within few minutes of sample collection. All the testing is carried out as per ISO standards following a well-designed plan prescribed in our Quality Management System.

Excellence in Corporate Governance

The Institute of Company Secretaries of India (ICSI), New Delhi, conferred on TNPL, the "ICSI National Award for Excellence in Corporate Governance" for the year 2004 recognizing the company's adoption of effective management practices, compliance with law, adherence to ethical standards, distribution of wealth and discharge of social responsibility for the benefit of all stakeholders.

V. RESOURCES & LIQUIDITY

TNPL funded the first expansion project for doubling the capacity from 90,000 tpa to 1,80,000 tpa implemented during 1993-96 through internal generation, issue of shares and borrowed funds. The capacity expansion from 1,80,000 tpa to 2,45,000 tpa and Life Cycle Extension of Paper Machine I were carried out exclusively through internal generation.

All other projects namely Mill Development Plant, Mill Expansion Plan, setting up and expansion of 900 tpd Cement mill under Lime Sludge and Fly Ash Management, setting up a 300 tpd De-inking Plant, revamping of steam & power system and setting up a state-of-the-art Multilayer Double Coated Board Plant with an annual capacity of 200,000 MT per annum were funded through appropriate mix of internal generation and borrowed funds. TNPL has repaid loans on due dates.

Term loans outstanding as on 31.3.2019 is Rs. 1675 Crore. The working capital loans outstanding as on 31.3.2019 is Rs. 283 Crore. The weighted average cost of loan outstanding as on 31.3.2019 is 8.67%.

VI. OUTLOOK, OPPORTUNITIES AND CHALLENGES

The Indian paper industry has close linkages with economic growth. Increasing literacy level increases the demand for writing and printing paper while higher industrial output leads to increased demand for industrial paper for packaging. The cumulative annual growth rate in paper consumption over the last five years has prompted Indian paper manufacturers to undertake significant capacity expansions. The cost of input material, primarily pulp and coal, has increased after remaining subdued for some time, though coal prices are highly fluctuating. With the Chinese ban on recycling of used paper the demand for pulp has increased.

Similarly, the waste paper prices have also gone up substantially due to higher demand. The increase in pulp and waste paper prices have escalated the cost of production of paper for many mills across the globe. This trend of high input prices is also due to the growing demand in emerging economies. A strong upswing in the pulp and paper market is being forecasted based on the general improvement in the economic situation and increasing literacy level in the developing countries.

Indian paper industry might witness a round of consolidation and co-operation amid different players in the next few years. The industry, that is extremely reliant on wood pulp for manufacturing of paper and paper-based products, is also attempting to broaden its raw material base. This also means that there is vast potential for the area, which can be met through the use of new technologies. While the packaging sector is enthusiastic to enlarge capacity further, decisions in this regard will depend on how soon companies can develop their financials..

In spite of the continual focus on digitization, India's requirement for paper is anticipated to rise 53 percent in the next six years, principally due to a sustained boost in the number of school-going children in rural areas. Growing consumerism, modern retailing, rising literacy and the growing use of documentation will continue to increase the demand for writing and printing paper.

The exponential enlargement of e-commerce in the nation has opened up the latest horizon and could contribute significantly to the demand where the paperboard is being predominantly used for packaging.

Though India's per capita utilization is quite low compared to global peers, things are looking up and a requirement is set to rise from the present 13 MT to an estimated 20 MT by 2020. This indicates there is a lot of headroom for development in India. Besides, strategy aspects also have a key position to play in the development of the domestic paper industry in India. The government's continued focus on literacy, active consumerism, an increase in organized retail are predictable to positively affect paper consumption and demand in our country.

RISKS AND CONCERNS

Risks and uncertainties are an inherent part of every business, and yet it is important to identify the risks and take proactive steps to mitigate them. At periodical intervals TNPL identifies and evaluates risks and takes preventive measures. Risk management is a part of the Company's business planning and controlling process.

Depending on the dynamics and severity, risks are categorized functions wise and classified further as High Risk, Medium Risk and Low risk.

VII. ENVIRONMENT

TNPL believes that the environment and associated natural assets must be protected and used in a sustainable way to cater the today's demand as well as the needs of future generations.

TNPL is committed to:

- Produce Eco-friendly quality paper adopting environment friendly technologies
- Improve environmental performance through sustained R&D efforts and continual improvement in the process
- Comply with all relevant environmental legislation and regulation.

- Stimulate rational use of resources through behavioral and technological improvements.
- Minimize waste and maximize recycling / reuse.
- Creating social and ecological awareness in Environment, Safety and Health.

Environmental Monitoring:

The continuous online data collected from final treated effluent stream, stack emissions from power boiler, recovery boiler and lime kiln, stack emissions from cement plant were successfully uplinked to TNPCB and CPCB servers during the year and being continuously displayed in the electronic board installed at the entrance of main plant and cement plant.

The Bio gas generated in Bio methanation plant using high COD Bagasse wash effluent is being used in the lime kilns to replace furnace oil and to reduce carbon foot print. During 2018-19, TNPL utilized 64.13 Lakh m³ of bio gas in lime kiln and 0.83 Lakh m³ of bio gas in power boilers resulted in savings of 3848 KL of furnace oil and 105 MT of imported coal.

VIII. HUMAN RESOURCES DEVELOPMENT

a. KNOWLEDGE SHARING:

During the year 2018-19, a portal (Alfresco portal) for Training section was created wherein, the soft copy of the training details (in-house training programme circulars, external training materials received from organizers / participants on various topics) are being uploaded for the benefit of all employees in order to go through the same. This access helps the employees, who have not attended the programme, to update their knowledge, skill, etc., which is an added benefit to employees.

b. INDUSTRIAL RELATIONS:

The company continues to maintain cordial and healthy industrial relations in all its units. The company has realized that its strength lies in harnessing the human resources and has given utmost importance in utilizing the same to the optimum level. Wage Negotiation for workmen with the representatives of the Recognized Trade Unions is in progress and the same will be amicably resolved shortly. Periodicity of Wage Settlement period is 4 years from May 2018. Bonus / Ex-gratia was amicably resolved with the 5 Recognized Trade Unions for the financial year 2018-2019. Election to elect Employees'

Representative to the "Tamil Nadu Newsprint and Papers Limited Provident Fund Trust" and Election to elect Workmen's Representative to "Canteen Managing Committee" of Industrial Canteen at Unit-I and Unit-II was conducted smoothly. The company has tapped the talents of human resources effectively and efficiently in order to achieve full capacity utilization, thereby achieving its targets. Positive work culture built over the years has enabled the company to harness its human resources to the full potential.

c. TRAINING & DEVELOPMENT:

In order to translate the TNPL's vision into reality by its team of dedicated employees at all levels and to stay ahead in the market, training is imparted to improve and update the knowledge / skill level of employees.

A training calendar is prepared at the beginning of each year to impart training to employees to meet the skill gaps and, development of their competencies. On the job training is provided to employees through the respective departmental personnel. Employees are also sent to different industrial organizations in the country to gain knowledge. The executives are also sponsored to attend seminars and workshops organized by leading institutions like IIMs, FICCI, NITIE, CII and NPC etc.

Accordingly for the year 2018 - 2019, 56 in-house training programmes were conducted on various topics by covering 1545 mandays. Besides this, over 255 mandays were covered through external training programmes.

As per Management's vision, with the objective of achieving 'Managerial Excellence', an awareness programme on '5S' was organized for the benefit of our executives. 169 executives from the level of Dy. Managers & AGMs of all departments have attended this programme.

Training programmes of TNPL facilitates the employees on their career growth in TNPL, interpersonal relationships, to meet individual and organizational objectives and to face the challenges of changing business environment and to their personal growth also.

As part of developing skill and improving the employability of the youth, TNPL has engaged 199 Graduate Apprentices, 71 Diploma Apprentices as per the guidance of the Board of Apprenticeship Training, Chennai and 167 ITI

Apprentices as per the guidance of The Regional Joint Director of Training, Trichy / Asst. Director of Training, Related Instruction Centre, Trichy at our Factory Unit I, Unit II and Cement Plant under the Apprentices Act, 1961

IX. CORPORATE SOCIAL RESPONSIBILITY

TNPL's CSR activities are implemented mostly in the villages / Town Panchayats located in the vicinity of TNPL plants. Corporate Social Responsibility in TNPL is considered and taken as a vigour and commitment towards society. Voluntarily employees come forward for carrying out several CSR initiatives. TNPL is committed to help the inhabitants of the surrounding villages by Improving infrastructure facilities in Government Schools / Government Hospitals, Providing medical equipment's to local Primary Health Centre (PHC), Constructing community hall, supplying drinking water to the local villages, de-silting strengthening of bunds, laying and improving roads, Constructing passenger sheds, culverts, providing street light facilities, Development of greeneries,

Conducting medical camps, Conducting skill development training programmes in association with nationalized banks, Providing financial assistance under medical assistance / education assistance, Contributing for Cultural programmes, Conducting Sports activities and for renovation of places of worship like Temple, Church, Mosque, etc., This has paved the way for congenial atmosphere with the inhabitants living in the local areas.

2% of the average profit before tax of the previous three years is spent generally by TNPL for various CSR activities covering Education, Health Care and Medical Service, Infrastructure Development, Social Development, Livelihood / Economic Development, Environment and Sanitation, Culture and Heritage, Soil & Water Conservation. During 2018-19, TNPL has spent Rs. 4.05 crores towards CSR activities.

As required in the Companies Act, 2013, the Company has constituted a "Corporate Social Responsibility Committee" consisting of three Independent Directors.

Key Financial Ratios

The Management had reviewed the changes in key financial ratios and have noted significant changes in all the ratios as given below:

Particulars	UOM	2018-19	2017-18	% change Inc / Dec	Remarks
Revenue from Operation	Rs Cr	4040.87	* 3037.03	33%	
EBIDTA Margin	%	** 17.0%	14.4%	18%	
Operating Profit Margin (EBIT)	%	** 22.6%	21.7%	4%	
Net Profit Margin (PAT)	%	2.3%	-1.4%	268%	Note 1
Interest cover ratio (All Loans)	times	** 2.95	1.79	65%	Note 1
Debt Equity Ratio (Long term)	times	*** 1.01	1.20	15%	
Current ratio	times	# 1.00	1.17	-14%	
Debtors Turnover (as a % on Revenue)	%	11%	20%	45%	Note 2
Inventory Turnover (as a % on Revenue)	%	21%	16%	-34%	Note 3
Return on Net Worth	%	5.7%	-2.6%	317%	Note 1

*** Debt includes "Current Maturities of Long Term Loans" grouped under current liabilities

For Current ratio, Current liability excludes "Current Maturities of Long Term Loans"

Note 1 : Due to severe drought and consequent water shortage in 2017-18, paper production was affected from February 2017 to July 2017. During the period of April - July 2017, the company lost paper production of 46041 MT, hard wood pulp production of 33302 MT and Bagasse pulp of 46350 MT. Due to this, the company incurred a loss of Rs 42.15 Cr. During 2018-19 the production was normalised and the company earned a PAT of Rs 94.39 Cr. Consequently PAT margin, interest coverage and Return on Net Worth have also improved.

Note 2 : The company has take several measures to reduce average collection period resulting in reduction of debtors balance from Rs 603 Cr to Rs 443 Cr.

Note 3 : During 2017-18, due to severe drought condition in Tamil Nadu, the company had minimum stock of bagasse and other raw materials. During 2018-19, availability of bagasse was normalised, thus sufficient stock of bagasse and other raw materials was maintained.

ANNEXURE- VII

REPORT ON CORPORATE GOVERNANCE

This Corporate Governance Report relating to the year ended on 31st March, 2019 has been issued in compliance with the requirements of Regulation 34(3) read with Clause of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and forms part of the Report of the Directors to the Members of the Company.

A. MANDATORY REQUIREMENTS

1. Company's Philosophy

TNPL's philosophy on Corporate Governance is to achieve high levels of integrity, equity and transparency in all its operations. The company believes that good Corporate Governance is essential for achieving long term goals and enhancing stakeholders' value. The Company's business objective is to manufacture and market products which create value that can be sustained over time for the benefit of customers, shareholders, employees, bankers and Government.

2. Board of Directors

a. Composition and Category of Directors

As on 31st March, 2019, the Board consisted of Eight directors - a Chairman, Managing Director (executive Director) nominated by GOTN and two non-executive Directors nominated by GOTN, and four independent non-executive Directors including one woman director.

As per Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, board of directors shall have an optimum combination of executive and non-executive directors with at least one woman director and not less than fifty percent of the board of directors shall comprise of non-executive directors. Where the chairperson of the board of directors is a non-executive director, at least one-third of the board of directors shall comprise of independent directors and where the listed entity does not have a regular non-executive chairperson, at least half of the board of directors shall comprise of independent directors provided that where the regular non-executive chairperson is a promoter of the listed entity or is related to any promoter or person occupying management positions at the level of board of director or at one level below the board of directors, at least half of the board of directors of the listed entity shall consist of independent directors.

The composition of the Board of Directors of TNPL complied with the provisions of Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Tvl. N Narayanan, IAS (Retd.), V Chandrasekaran, V Nagappan, and Tmt. Soundara Kumar are categorized as independent directors.

During the year 2018-19, following changes took place in the composition of the Board:

Sl. No.	Name of Director	Event Date	Appointment / Cessation
1.	Thiru. V Narayanan	18.09.2018	Ceased to be a Director
2.	Tmt. Anu George, IAS	09.11.2018	Ceased to be a Director
3.	Thiru K Gnanadesikan, IAS	04.03.2019	Ceased to be a Director and Chairman
4.	Tmt. Reeta Harish Thakkar, IAS	09.11.2018	Appointed as Additional Director
5.	Thiru N Muruganadam, IAS	04.03.2019	Appointed as Additional Director and designated as chairman.

There is no inter se relationship between the directors.

Board Diversity

Your Company has over the years been fortunate to have eminent persons from diverse fields as Directors on its Board.

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination & Remuneration Committee has formalized a policy on Board Diversity to ensure diversity of experience, knowledge, perspective, background, gender, age and culture. The policy is posted on the Company's website and can be accessed on web link <http://www.tnpl.com>

Independent Directors

Based on the confirmations / disclosures received from the Directors and on evaluation of the relationships disclosed, all the Non-Executive – Independent Directors are independent in terms of provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015). All the directors have made necessary disclosures regarding Committee positions held by them in other companies and do not hold the office of Director in more than twenty companies, including ten public companies. None of the directors are related to each other.

The company has issued formal letters of appointment to independent directors in the manner as provided in the Companies Act, 2013.

The terms and conditions of appointment of independent directors have been disclosed on the company's website at www.tnpl.com

The Independent Directors on the Board are experienced, competent and highly respected persons. They take active part in the Board and Committee meetings. Necessary disclosures have been made by the Directors as required by SEBI.

Separate meeting of independent directors

During the year, the Independent Directors of the Company met separately without the presence of other Directors or management representatives on 29th March, 2019 to discuss:

- Evaluation of the performance of non-independent directors and the Board of Directors as a whole
- Evaluation of the performance of the Chairman, taking into account the views of the executive and non-executive directors
- Evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.
- The Independent Directors discussed, among other matters, the performance of the company and risk faced by it, competition, strategy, leadership strengths and weaknesses, governance, compliance, Board movements and human resources matters.

Familiarization Programme

The Company has framed familiarization programme for Independent Directors. The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarise with the Company's procedures and practices. A new Director is welcomed to the Board of Directors of the Company by sharing various documents and information of the Company for his/her reference such as brief introduction to the Company and profile of Board of Directors of the Company, details of various Committees of the Board, latest Annual Reports, Code of Conduct for Directors, Code of Conduct for Senior Management and Employees, Code of Conduct for Independent Directors, Code of Conduct for Prevention of Insider Trading in shares of the Company etc. Periodic presentations are made at the Board and Committee Meetings, on business and performance updates of the Company, business strategy and risks involved. This enables the Directors to get a deeper insight into the operations of the Company. Such presentations also provide an opportunity to the Independent Directors to interact with the Senior Management team of the Company and help them to understand the Company's policies, its long term vision and strategy, business model, operations and such other areas as are relevant from time to time. The Company updates the Board

Members on a continuing basis on any significant changes therein and provides them an insight to their expected roles and responsibilities so as to be in a position to take a well-informed and timely decisions and contribute significantly to the Company.

All Directors are apprised of any changes in the codes or policies of the Company. The Board of Directors has access to the information within the Company which is necessary to enable them to perform their role and responsibilities diligently.

The Independent Directors, from time to time request management to provide detailed understanding of any specific project, activity or process of the Company. The management provides such information and training either at the meeting of Board of Directors or otherwise.

The Statutory Auditors and External Internal Auditors of the Company make presentations to the Board of Directors with regard to regulatory changes from time to time while approving the Financial Results.

The details of familiarization programme is disclosed at Company's website at www.tnpl.com.

Board Meetings Process

The Board plays a pivotal role in ensuring good governance. The Board's role, functions, responsibility and accountability are clearly defined. In addition to its primary role of setting corporate goals and monitoring corporate performance, it directs and guides the activities of the Management towards creating long term sustainable growth that benefits all stakeholders. The Board also sets standards of behavior and ethical conduct for all the employees.

It also ensures strict compliance with the law and all regulations by the Company. Board's key functions include:

- a. Reviewing and guiding corporate strategy, major plans of action, risk policy, annual budgets and business plans; setting performance objectives; monitoring implementation and corporate performance and overseeing major capital expenditures, acquisitions and divestments.
- b. Monitoring the effectiveness of the company's governance practices and making changes as needed.
- c. Selecting, compensating, monitoring and when necessary, replacing key executives and overseeing succession planning.
- d. Aligning key executive and Board remuneration with the longer term interests of the company and its shareholders.
- e. Ensuring a transparent Board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board.
- f. Monitoring and managing potential conflicts of interest of management, Board members and shareholders, including misuse of corporate assets and abuse in related party transactions.
- g. Ensuring the integrity of the company's accounting and financial reporting systems, including the independent audit and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control and compliance with the law and relevant standards.
- h. Overseeing the process of disclosure and communications.
- i. Monitoring and reviewing Board Evaluation framework..

The notice of Board Meeting is given well in advance to all the Directors. The meetings are usually held at the company's Registered Office at 67 Mount Road, Guindy, Chennai 600 032. The Agenda and Pre-reads are circulated well in advance in the prescribed agenda format before each meeting to all the Directors for facilitating effective discussion and decision making. Where it is not practicable to attach any document to the agenda, the same is placed on the table at the meeting with specific reference to this effect in the agenda. With the permission of Chairman, in special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted.

Sensitive subject matters may be discussed at the meeting without written material being circulated in advance of the meeting.

In case of business exigencies or urgency of matters, resolutions are passed by circulation and the same is placed before the Board in the next meeting.

Considerable time is spent by the Directors on discussion and deliberations at the Board Meetings.

Support and Role of Company Secretary

The Company Secretary is responsible for collation, review and distribution of all papers submitted to the Board and Committees thereof for consideration. The Company Secretary is also responsible for preparation of the Agenda and convening of the Board and Committee meetings. The Company Secretary attends all the Meetings of the Board and its Committees, advises/assures the Board on Compliance and Governance principles and ensures appropriate recording of minutes of the meetings. He acts as interface between the Board and the Management and provides required assistance and assurance to the Board and the Management on compliance and governance aspects.

Invitees & proceedings

Apart from the Board members, Company Secretary, Senior Management executives are invited as and when necessary, to provide additional inputs for the items being discussed by the Board. The Chief Financial Officer makes presentation on the quarterly and annual operating & financial performance and on annual operating & CAPEX budget. The Chief Financial Officer and other senior executives make presentations on CAPEX proposals & progress, operational health & safety, marketing & industry scenario and other business issues. The Chairman of various Board Committees brief the Board on all the important matters discussed & decided at the respective committee meetings, which are generally held prior to the Board meeting.

- b. Attendance of each Director at the Board of Directors' Meetings held during 2018-2019, the last AGM and number of other company/ies in which each of the directors of the company is a member or chairperson are as follows:**

Name of Director	Category	No. of Board meetings		Whether attended last AGM	Directorships held in other companies		Committee* Memberships held in other companies	
		Held	Attended		Director	Chairman	Member	Chairman
Thiru K Gnanadesikan, IAS, (upto 04.03.2019)	Non-Executive	6	4	Yes	9	7	-	-
Thiru N Muruganandam, IAS	Non-Executive	1	1	NA	9	6	-	-
Thiru S. Sivashanmugaraja, IAS, Managing Director	Executive	7	7	Yes	0	0	-	-
Thiru K Shanmugam, IAS	Non-Executive	7	2	No	10	0	3	2
Tmt. Anu George, IAS (upto 09.11.2018)	Non-Executive	4	3	No	2	1	0	0
Tmt Reeta Harish Thakkar, IAS	Non-Executive	3	2	NA	2	0	2	0

Name of Director	Category	No. of Board meetings		Whether attended last AGM	Directorships held in other companies		Committee* Memberships held in other companies	
		Held	Attended		Director	Chairman	Member	Chairman
Thiru V Narayanan (upto 18.09.2018)	Independent Non-Executive	3	3	NA	1	0	1	0
Thiru V Nagappan	Independent Non-Executive	7	7	Yes	2	0	1	0
Thiru N Narayanan IAS (Retd.)	Independent Non-Executive	7	7	Yes	1	0	0	0
Tmt. Soundara Kumar	Independent Non-Executive	7	3	No	7	0	2	2
Thiru V. Chandrasekaran	Independent Non-Executive	7	7	Yes	6	0	2	1

*Chairmanship / membership of the Audit Committee and Stakeholders' Relationship Committee has been taken.

None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees as specified in Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 across all companies in India of which he is a Director.

As per Regulation 27 of part C of Clause 2 LODR Regulation, 2018 directors list of core skills/expertise/competencies identified by the Board of Directors is given below:

Name of the Directors	Qualification	Skills/Competence/Expertise
N. Muruganandam, IAS	B.E (Com.Sci), MBA (IIM) IAS	Thiru N. Muruganandam, IAS belongs to 1991 batch of Indian Administrative Service. He has held various key positions of Govt of Tamil Nadu. Currently Thiru N. Muruganandam holds the position of Principal Secretary to Govt. Industries Department.
S. Sivashanmugaraja, IAS	B.SC,B.E(Civil), IAS	Thiru S. Sivashanmugaraja, IAS belongs to 2003 batch of Indian Administrative Service. He served as Collector of Kancheepuram District and held various key positions at Anna Institute of Management, Tamil Nadu Housing Board, SIDCO and the office of the Hon'ble Governor of Tamil Nadu.
K. Shanmugam, IAS	MSc (Agriculture), IAS	He belongs to 1985 batch of Indian Administrative Service. He has 31 years of service in various departments of Government of Tamil Nadu. Currently, he holds the position of Additional Chief Secretary to Government, Finance Department.

Name of the Directors	Qualification	Skills/Competence/Expertise
Tmt. Reeta Harish Thakkar, IAS	BSc, MBA ,IAS	Tmt. Reeta Harish Thakkar, IAS belongs to the 2002 batch of Indian Administrative Service. She has held various key positions in departments of Government of Tamil Nadu. She served as District Collector, Pudukottai 2008-2009 Joint Commissioner, Municipal Administration Member Secretary, Fourth State Finance Commission & Joint Commissioner, Municipal Administration - 2009-2010 Joint Secretary, Chief Minister's Office, Secretariat – 2011.
Thiru N. Narayanan, IAS (Retd.)	Electrical Engineer, IAS	Thiru N. Narayanan IAS (Retd.) is an Electrical Engineer. He belongs to 1970 batch of Indian Administrative Service. He was the former Chief Secretary to the Government of Tamil Nadu. He has served on TNPL Board as nominee Director of GOTN from 1989 till 1995. He was also CMD of the Company from 1998 to 2002 and again Nominee Director from 2002 to 2005. As he was on Board of TNPL for more than 13 years, he has vast experience in paper industry.
Thiru V Nagappan	B.Com., M.B.A.	With more than two decades of experience in Capital Markets & Financial Services Industry, Thiru V Nagappan had been the Chairman of Federation of Indian Stock Exchanges - FISE and a Member of Secondary Markets Advisory Committee (SMAC) of SEBI. He is currently the Member of the Advisory Committee of SEBI. Apart from being on the Board of Studies of various reputed educational institutions, he is a regular writer on personal finance in magazines & journals and has co-authored several books on Capital Markets, Mutual Funds, Commodities, Portfolio Management, Derivatives etc. He has got rich experience in the Capital Market Regulations and Compliance.
Tmt. Soundara Kumar	B.Sc (Maths), CAIIB	Tmt. Soundara Kumar has worked for 39 years as officer in State Bank of India from 1975 to 2014 with various responsibilities including managing Bank's business while ensuring smooth merger with State Bank of India. She was a permanent member of Corporate Centre Investment Committee and Credit Policies and Procedures Committee. She also held additional charge of Treasury Operations of the Bank whenever needed as Deputy Managing Director.
Thiru V Chandrasekaran	B.Com, F.C.A.	Thiru V Chandrasekaran has worked for nearly 32 years in Finance and Investment functions of Life Insurance, Housing Finance and Mutual Fund in Life Insurance Corporation of India (LIC) with adequate exposure to a gamut of Investments and involved in Investment decision making processes, Investment Monitoring and Accounting. The 3 decades of managerial experience is supported by academic and professional background as a Fellow Member of Institute of Chartered Accountants of India. His Key competencies include Treasury Functions in Equity, Debt and Money Markets, Investment Strategies and Analysis, Credit Review and Monitoring, Project Finance, Venture Capital, Investee Company Affairs, Equity Research Credit Appraisal in Housing Finance including both Retail and Project Finance. Amongst other key positions, he has also held various key positions in LIC of India.

Limit on Number of directorships

- a) A person shall not serve as an independent director in more than seven listed companies.
- b) Further, any person who is serving as a whole time director in any listed company shall not serve as an independent director in more than three listed companies.

As per Regulation 27 of (Corporate Governance) LODR Regulations 2018, Chairperson's directorship in listed companies is given below:

Sl. No.	Names of the companies /bodies corporate / firms / association of individuals	Nature of interest or concern / change in interest or concern
	Public Companies	
1.	Tamilnadu Industrial Development Corporation Limited	Director
2.	State Industries Promotion corporation of Tamilnadu Limited	Chairman
3.	Tamilnadu Industrial Investment Corporation Limited	Chairman
4.	Tamilnadu Generation and Distribution Corporation Board	Director
5.	Titan Company Limited	Chairman
6.	TIDEL Park Limited	Chairman
7.	Tamilnadu Petroproducts Limited	Chairman
8.	Tamilnadu Minerals Limited	Chairman
9.	TANCEM	Director
	Private Companies / Bodies	
10.	IIT Madras Research Park (Sec.8 Company)	Director
11.	Tamilnadu Industrial Guidance and Export Promotion Bureau	Chairman
12.	Chennai Metropolitan Development Authority	Member
13.	Entrepreneurship Development Institute	Director
14.	Mono Rail Empowered Committee	Member

c) As per Regulation 27 of SEBI LODR Regulation Number of Board Meetings held and the dates on which held:

Seven Board Meetings were held during the year 2018-19 as against the minimum requirement of four meetings. The meetings were held on the following dates:

30.05.2018, 14.06.2018, 10.08.2018, 19.09.2018, 12.11.2018, 13.02.2019, 29.03.2019.

d) Information placed before the Board of Directors

The Board has complete access to all information relating to the company. The following information is regularly provided to the Board:

- 1) Minutes of the meetings of the Board, Audit Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Nomination and Remuneration Committee.
- 2) Quarterly, half yearly and annual financial results of the company and its business segments
- 3) Annual operating plans and budgets and any updates
- 4) Capital budgets and any updates
- 5) Cost Audit report / Secretarial audit report

- 6) Appointment of statutory auditor, secretarial auditor, cost auditor and internal auditor
- 7) Materially important show cause, demand, prosecution and penalty notices
- 8) Legal compliance report and certificate
- 9) Review of foreign exchange exposures and exchange rate movement, if material
- 10) Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems, if any
- 11) Any material default in financial obligations to and by the company or substantial non-recoveries against sale, if any
- 12) Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which may have passed strictures on the conduct of the company or taken an adverse view regarding another enterprise that can have negative implications on the company, if any
- 13) Significant labour problems and their proposed solutions. Any significant development in human resources / industrial relations issues like signing of wage agreement, implementation of voluntary retirement scheme etc.
- 14) Non-compliance of any regulatory, statutory nature or listing requirements and shareholders' service such as non-payment of dividend, delay in share transfer etc.
- 15) Issues relating to shareholders such as ratification of transfers, demat status, pending grievances, issue of duplicate share certificates etc.
- 16) Contracts in which Director(s) are deemed to be interested
- 17) Details of investment of surplus funds available with the company
- 18) General disclosure of interest
- 19) The information on recruitment and remuneration of senior officers just below the Board level including appointment or removal of Chief Financial Officer and the Company Secretary
- 20) Details of any joint venture or collaboration agreement
- 21) Transactions that involve substantial payment towards goodwill, brand equity or intellectual property
- 22) Sale of material nature of investments, subsidiaries, assets which is not in normal course of business
- 23) Perspective plan for the future of the company
- 24) Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.

e). Recording minutes of proceedings at Board Meeting

The Company Secretary records the minutes of the proceedings of each Board and Committee meeting. The minutes of the proceedings of a meeting are entered in the minutes book within thirty days from the conclusion of the meeting and signed by the Chairman of the Board or Committee.

f). Post Meeting Follow-up Mechanism

Action Taken Report is prepared by the Company Secretary and reviewed periodically by the Management for the action taken / pending to be taken.

The current status of follow up action on the decisions taken is reported to the Board and the Committees thereof in every meeting.

g). Compliance

The Company Secretary is responsible for and is required to ensure adherence to all the applicable laws and regulations including the Companies Act, 2013 read with the rules issued there under and to the extent feasible, the Secretarial Standards recommended by the Institute of Company Secretaries of India, New Delhi.

All the items on the Agenda are accompanied by notes giving comprehensive information on the related subject and in certain matters such as financial/business plans, financial results, detailed presentations are made. The agenda and the relevant notes are sent in advance separately to each Director to enable the Board to take informed decisions.

Particulars of Directors being appointed at the Annual General Meeting and Directors retiring by rotation and seeking reappointment have been given in the Notice convening the 39th Annual General Meeting along with the Explanatory Statement.

3. Audit Committee –(Statutory) Regulation 18(3)

Powers of Audit Committee

The Audit Committee shall have powers which include the following:

- To investigate any activity within its terms of reference
- To seek information from any employee
- To obtain outside legal or other professional advice
- To secure attendance of outsiders with relevant expertise, if it considers necessary
- To call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board.
- To discuss any related issues with the internal and statutory auditors and the management of the company.
- To investigate into any matter in relation to the items or referred to it by the Board.
- To have full access to information contained in the records of the company

a) Terms of reference

The terms of reference of this Committee are wide enough to cover the matters specified for Audit Committee under Section 177 of the Companies Act, 2013 and Regulation 18 read with Part C of Schedule II of SEBI(Listing Obligations and Disclosure Requirements)Regulations,2015. The terms of reference of the Audit Committee include the monitoring, implementing and review of risk management plan as required under Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and therefore a separate Risk Management Committee has not been constituted. The broad terms of reference of the Audit Committee therefore include:

- 1) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible
- 2) Recommending to the Board the appointment, reappointment and if required, the replacement or removal of the statutory auditors and fixation of audit fees.
- 3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- 4) Reviewing with the management, the annual financial statements before submission to the Board for approval, with particular reference to :
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of Sub section 3 of section 134 of the Companies Act, 2013
 - b) Changes, if any, in accounting policies and practices and reasons for the same
 - c) Major accounting entries involving estimates based on the exercise of judgment by management
 - d) Significant adjustments made in the financial statements arising out of audit findings
 - e) Companies with listing and other legal requirements relating to financial statements
 - f) Disclosure of any related party transactions
 - g) Qualifications in the draft audit report

- 5) Reviewing, with the management, the quarterly financial statements before submission to the board for approval
- 6) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- 7) Reviewing the adequacy of internal audit functions, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit
- 8) Discussions with internal auditors any significant finding and follow-up thereon
- 9) Reviewing the findings of any internal investigations by the internal auditors into matter where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board
- 10) Discussions with statutory auditors before the audit commences, nature and scope of audit as well as have post-audit discussion to ascertain any area of concern
- 11) To look into the reasons for substantial default in the payment to depositors, debentureholders, shareholders (in case of non-payment of declared dividend) and creditors
- 12) Reviewing the company's financial and risk management policies
- 13) The audit committee should have discussions with the auditors periodically about the internal control systems, the scope of audit including the observations of the auditors and review the half yearly and annual financial statements before submission to the board and also ensure compliance of internal control systems.
- 14) The Audit Committee shall have authority to investigate into any matter in relation to the items specified in section 177 or referred to it by the Board and for this purpose, shall have full access to information contained in the records of the company and external professional advice, if necessary.
- 15) To review internal audit programme, to ensure co-ordination between the internal and statutory auditors , to ensure the internal audit function is adequately resourced and has appropriate standing within the company and to request internal audit to undertake specific audit projects, having informed management of their intentions.
- 16) Review of Cost Audit Report
- 17) Review and monitor the auditor's independence and performance and effectiveness of audit process.
- 18) Approval or any subsequent modification of transactions of the company with related parties
- 19) Scrutiny of inter-corporate loans and investments
- 20) Valuation of undertakings or assets of the company, wherever it is necessary
- 21) Reviewing with the management the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter
- 22) To review the functioning of the Whistle Blower mechanism
- 23) Approval of appointment of CFO (i.e. the whole time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background etc. of the candidate.
- 24) Reviewing any other areas which may be specified as role of the audit committee under amendments, if any, from time to time, to the Listing Agreement, Companies Act and other statutes, LODR Regulations etc.

- 25) Considering such other matters as may be required by the Board.
- 26) To review periodically statutory compliances of various laws, regulatory changes, if any.
- 27) Periodically review pending legal cases.

The Audit Committee mandatorily reviews the following information:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee

There are no instances of Board not accepting the recommendations of the Audit Committee during the year.

b) Composition, name of members and Chairperson

In TNPL, the Audit Committee was established even before the introduction of the Corporate Governance code (Cl.49 (III A of the earlier Listing Agreement)). For the financial year 2018-2019 the following five non-executive Independent Directors are the members in the Audit Committee:

- Thiru V Chandrasekaran, Chairman of the Committee
- Thiru N Narayanan, IAS (Retd.), Member
- Thiru V Nagappan, Member
- Tmt Soundara Kumar, Member
- Thiru V Narayanan (upto 18.09.2018)

The Company Secretary acts as the Secretary to the Committee.

The Chairman, Managing Director, Senior Management Executives, Statutory Auditors, External Internal Auditors and Cost Auditors if required, are invited to attend the Audit Committee meetings.

c) Meetings and attendance during the year [Regulation 18(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Director	No. of Meetings Held	Attended
Thiru V Narayanan*	2	2
Thiru N Narayanan, IAS (Retd.)	6	6
Thiru V Nagappan	6	6
Tmt Soundara Kumar	6	3
Thiru V Chandrasekaran	6	6

*Ceased to be director w.e.f. 18.09.2018

The Audit Committee met 6 times during 2018-19 as against the minimum requirement of 4 meetings. The dates on which the meetings were held are given below:

30.05.2018, 10.08.2018, 19.09.2018, 12.11.2018, 13.02.2019, 28.03.2019.

Invitees / Participants:

1. The Managing Director and CFO is a permanent invitee to all Audit Committee meetings.
2. The representatives of the Internal Auditors have attended all the Audit Committee meetings, as far as possible and briefs the Committee on all the points covered in the Internal Audit Report as well as the other issues that comes up during discussions.
3. The Heads of Manufacturing and Marketing, other Senior management personnel are invited to attend the meeting as and when required, to provide inputs on issues relating to internal audit findings, internal controls, accounts, taxation, risk management etc.

4. Stakeholders` Relationship Committee (Statutory)**a) Stakeholders` Relationship Committee**

Shareholders' complaints/grievances are redressed by the Registrar and Transfer Agent, namely M/s. Cameo Corporate Services Limited. The Board also constituted Shareholders'/Investors' Grievances Committee in August 2001. As per section 178(5) of the Companies Act 2013, the Board of Directors of the company which consists of more than one thousand shareholders, debenture holders, deposit holders and any other security holders at any time during a financial year shall constitute a Stakeholders' Relationship Committee consisting of a Chairman who shall be a non-executive director and such other members as may be decided by the Board. As the company is already having an Investors Grievances Committee to look into the redressing of Stakeholders and Investors' grievances, in compliance with the above section, the Investors Grievances Committee is renamed as "Stakeholders` Relationship Committee." In addition to Section 178(5) of the Companies Act, 2013, this Committee complies with Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The following three non-executive Independent Directors are the members in the Stakeholders` Relationship Committee as on 31st March, 2019:

1.	Thiru V Nagappan	Chairman of the Committee
2.	Thiru N. Narayanan ,IAS (Retd)	Member
3.	Thiru V. Chandrasekaran	Member

The Stakeholders Relationship Committee met on 13th February, 2019 and reviewed the grievances/ complaints received and the action taken on the grievances / complaints.

As per Regulation 20 SEBI LODR 2018 Chairman of Stakeholder Committee shall be present in the Annual General Meeting to answer the queries of the Stakeholders.

Meetings and attendance during the year

Director	No. of Meetings Held	Attended
Thiru V Nagappan	1	1
Thiru N. Narayanan ,IAS (Retd)	1	1
Thiru V Chandrasekaran	1	1

Terms of reference:

The functioning and broad terms of reference of the Stakeholders' Relationship Committee as adopted by the Board are as under:

- a. To monitor work related to:
 - transfer and/or transmission of equity shares of the company
 - dematerialisation / rematerialisation of the shares of the company
 - sub-division, consolidation and /or replacement of any share certificate(s) of the company
- b. Approval of issue of duplicate share certificates against the original share certificates
- c. To look into the redressing of shareholders and investors complaints like Transfer of shares, non-receipt of balance sheet, non-receipt of declared dividend, review of dematerialisation, rematerialisation, shareholding pattern, distribution schedules etc.
- d. To do all other acts or deeds as may be necessary or incidental thereto
- e. The Committee also reviews the performance of the company's RTA and their system of dealing with and responding to correspondence from all categories of shareholders. The manner and timeliness of dealing with complaint letters received from Stock Exchanges/SEBI/Ministry of Corporate Affairs etc. and the responses thereto are reviewed by this Committee.

The main object of the Committee is to strengthen investor relations.

The Company Secretary, being the Compliance Officer, is entrusted with the responsibility, to specifically, look into the redressal of the shareholders and investors complaints and report the same to the Investors' Grievances Committee.

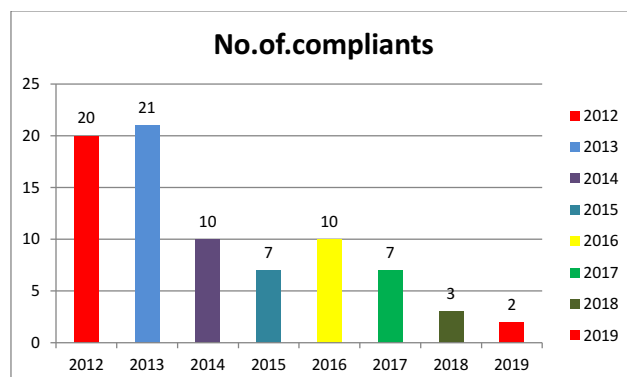
The number of complaints received and resolved to the satisfaction of investors during the year under review and their break-up are as under:

Type of Complaints	Number of complaints
Non-receipt of Annual Reports	NIL
Non-receipt of Dividend Warrants	2
Non-receipt of Share Certificates	NIL
Miscellaneous/ Others	NIL
Total	2

Complaints Status: 1.4.2018 to 31.3.2019

Nature of complaints (Received and Resolved)	Q1	Q2	Q3	Q4	Total
Securities and Exchange Board of India	NIL	NIL	NIL	NIL	NIL
Stock Exchanges	NIL	NIL	NIL	NIL	NIL
Shareholders	NIL	2	NIL	NIL	2

There are no complaints remaining unresolved as at the beginning and end of the year.



b) Share Transfer Committee

To expedite the process of share transfers, share transmission, remat etc., the Board has delegated the powers of share transfers to a Committee. The Share Transfer Committee attends to the share transfer formalities twice / thrice a month. The business transacted at the Share Transfer committee meetings is placed before the Board regularly.

All valid share transfers during the year ended 31st March, 2019 have been acted upon. No share transfer was pending as on 31st March, 2019.

5. Corporate Social Responsibility Committee (Statutory)

To comply with Section 135(1) of the Companies Act 2013, the company has constituted the Corporate Social Responsibility Committee. As on 31st March, 2019, the following non-executive Independent Directors are the members in the Committee:

1.	Thiru N Narayanan, IAS (Retd.)	Chairman of the Committee
2.	Thiru V Narayanan*	Member
3.	Thiru V Nagappan	Member
4.	Tmt Soundara Kumar	Member

*Ceased to be director w.e.f. 18.09.2018

Meetings and attendance during the year

The Corporate Social Responsibility Committee met on 30.05.2018, 14.06.2018, 12.11.2018, and 29.03.2019.

Director	No. of Meetings Held	Attended
Thiru N Narayanan IAS (Retd.)	4	4
Thiru V Narayanan*	2	2
Thiru V Nagappan	4	4
Tmt Soundara Kumar	4	2

*Ceased to be director w.e.f. 18.09.2018

The company had formulated CSR Policy as per the provisions of the Companies Act, 2013. As per Sec.135(5) of the Companies Act 2013, the Board of every company has to ensure that the company spends in every financial year at least two percent of the average net profits of the company made during three immediately preceding financial years. Currently, the CSR activities are grouped as follows:

1. Education
2. Health Care
3. Infrastructure Development
4. Social development
5. Livelihood /Economic improvement
6. Environment & Sanitation
7. Culture & Heritage
8. Soil & Water conservation

6. Nomination and Remuneration Committee

To comply with Section 178 of the Companies Act 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company has formed a Nomination and Remuneration Committee. As on 31st March, 2019, the following non-executive Independent Directors are the members in the Committee:

1.	Thiru N Narayanan, IAS (Retd.)	Chairman of the Committee
2.	Thiru V Narayanan*	Member
3.	Tmt Soundara Kumar	Member
4.	Thiru V Chandrasekaran	Member

*Ceased to be a director w.e.f. 18.09.2018

The Nomination and Remuneration Committee met on 30th May, 2018, 12th November, 2018 and 28th March, 2019.

Meetings and attendance during the year

Director	No. of Meetings Held	Attended
Thiru N Narayanan IAS (Retd.)	3	3
Thiru V Narayanan*	1	1
Tmt. Soundara Kumar	3	2
Thiru V Chandrasekaran	3	3

Terms of reference of the Committee:

- Shall identify persons who are qualified to become director and who may be appointed in Senior Management in accordance with the criteria laid down
- Recommend to the Board their appointment and removal
- Shall lay down an evaluation criteria for performance evaluation of independent directors and the Board.
- Formulate the criteria for determining qualifications, positive attributes and independence of a director
- Devising policy on Board's diversity
- Recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- Evaluate and approve the appointment and remuneration of senior executives, the company's remuneration plan, annual salary increase principles and budgets, annual and long term incentive plans of the company, policies and programs such as succession planning, employment agreements, severance agreements and any other benefits.
- Evaluate executive team performance regularly to strengthen the cumulative annual assessment and to provide timely feed-back to the assessed individuals
- Senior Management' means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

Performance Evaluation of Directors

The Nomination and Remuneration Committee has specified the criteria for performance evaluation of the Directors, the Board and its committees. The Board is committed to evaluating its own performance as a Board and evaluating performance of individual Directors, in order to identify strengths and areas in which it may improve functioning. Further, overall effectiveness of the Board is measured to decide the appointments and re-appointments of Directors.

A performance evaluation of each Independent Director of the Company was done by the Board of Directors. The attendance, participation and contributions of each Independent Directors during the proceedings of meetings of the Directors were appreciated. The knowledge, experience and advice shared by the Independent Directors from time to time have ensured governance and good conduct, adherence to laws, mitigating risks and growth. The overall outcome from the evaluation was that the Board and its individual Directors were performing effectively.

Remuneration Policy

While formulating policy, the Committee has ensured that:

- Level and composition of remuneration is reasonable and sufficient to attract/ retain/ motivate directors
- Relationship of remuneration to performance
- Remuneration to directors/key management personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals
- Policy and evaluation criteria shall be disclosed in the Board's report.
 - a. The remuneration/compensation to the Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. This will be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
 - b. The composition of remuneration so determined by the Committee shall be reasonable and sufficient to attract, retain and motivate the Key Managerial Personnel and Senior Management of quality required to meet high standards of performance. The relationship of remuneration to performance shall be clear and meet appropriate performance benchmarks. The Committee may review remuneration of senior management personnel from time to time.

Remuneration to Non-Executive & Independent Directors:

- c. The Non-executive Directors and Independent Directors of the Company are entitled to sitting fees as determined by Board from time to time for attending Board / Committee meetings thereof in accordance with the provisions of Act.
- d. The Key Managerial Personnel, Senior Management Personnel and other employees shall be paid remuneration as revised through the Salary Review process of the Company from time to time. In respect of officers/executives including whole time directors, the salary revision is effected with the approval of the Board generally after reaching a settlement with the workmen. The last such revision was given in November 2016 covering the period from 16th May 2014 to 15th May 2018. The whole time directors and the executives in senior management appointed by following the normal recruitment procedure are covered under the compensation package approved by the Board of Directors.

Remuneration for Senior Executives on contractual basis:

Due to work needs, the company shall re-engage executives on contract basis with specific tenor after retirement.

Thiru S Sivashanmugaraja, IAS was appointed as Managing Director as per the Govt. order on 29th November 2017. He is being paid remuneration in accordance with the Govt. rules as applicable to his cadre.

No remuneration except sitting fees for attending the Board/Committee Meetings is paid to Non-Executive Directors.

a) Details of remuneration for the year ended 31st March, 2019

Executive Directors		₹ In Lakh			
Name & Position	Pay & Allowances	Reimbursement of medical expenses	Perquisites	others	Total
Thiru S Sivashanmugaraja, IAS, MD	31.44	-	-	10.44	41.88
Total	31.44	-	-	10.44	41.88

Non-Executive Directors

Remuneration by way of sitting fees for attending Board/ Board Committee Meetings are paid only to non-executive Directors. Sitting fees paid to non-executive Directors during the financial year are given below:

Name of the Director	Sitting Fees Paid (₹)					
	Board Meeting	Audit Committee Meeting	Stakeholders-Relationship Committee	CSR Committee	Nomination and Remuneration Committee	Independent Director's Meeting
Thiru N Muruganandam IAS Appointed as Chairman on 04.03.2019	35000*	0	0	0	0	0
Thiru K Gnanadesikan IAS Ceased as Chairman on 04.03.2019	100000*	0	0	0	0	0
Thiru K. Shanmugam IAS	60000*	0	0	0	0	0
Tmt Anu George IAS Ceased as director w.e.f. 09.11.2018	75000*	0	0	0	0	0
Tmt Reeta Harish Thakkar IAS,Appointed as director w.e.f. 09.11.2018	70000*	0	0	0	0	0
Thiru N.Narayanan IAS (Retd.)	195000	160000	30000	105000	80000	30000
Thiru V Narayanan Ceased as Director w.e.f.18.09.2018	75000	50000	0	50000	25000	0
Thiru V Nagappan	195000	160000	30000	105000	0	30000
Tmt. Soundara Kumar Appointed as a director w.e.f.30.06.2017	95000	85000	0	55000	55000	30000
Thiru V Chandrasekaran Appointed as a director w.e.f.13.11.2017	195000	160000	30000	0	80000	30000
Total	1095000	615000	90000	315000	240000	120000

* remitted to Govt. of Tamil Nadu

Non-executive Directors were paid sitting fees of Rs.25000/- per meeting upto November 2018.The Board has revised the sitting fees of Rs.35000/- per meeting and Rs.30000/- for other committee meetings from January 2019.

The company has also taken Director's and Officer's (D&O) liability insurance to protect its directors' personal liability for financial losses that may arise out of any unintentional wrongful acts.

Shareholdings of Directors

No Director is holding any shares in the company.

7. General Body Meetings

I. Last three Annual General Meetings were held as below:

Year	Location	Date	Time	Special Resolution passed in the AGM by shareholders
2015-16	The Music Academy, 168, T.T.K. Road, Chennai-600 014	28.09.2016	10.15 AM	0
2016-17	-do-	19.09.2017	10.15 AM	3
2017-18	-do-	19.09.2018	10.15 AM	1

II. Postal Ballot

During the year under review, no resolution has been passed through postal ballot. None of the items to be transacted at the ensuing Annual General Meeting is required to be passed by postal ballot.

E-voting System

Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Rule 20 of The Companies (Management and Administration) Rules 2014 state that every listed company or a company having not less than 1000 shareholders, shall provide to its members facility to exercise their right to vote at general meetings by electronic means. Thiru R Sridharan of M/s. R Sridharan & Associates, Practicing Company Secretary, was appointed to act as Scrutinizer to conduct, supervise and control the exercise of e-voting for passing of resolutions of the company at the last AGM held on 19th September, 2018.

Circular Resolution

Recourse to circular resolution is made in exceptional and emergent cases that are recorded at the succeeding Board / Committee Meetings. During the year, Three(3) circular resolutions by the Board and Two (2) circular resolutions by the Nomination & Remuneration Committee (NRC) were passed which was recorded at the subsequent Board/NRC.

Secretarial Audit Report

Section 204 of the Companies Act, 2013 has mandated appointment of a Secretarial Auditor. Accordingly, M/s. R Sridharan & Associates, Practicing Company Secretaries, have been appointed as Secretarial Auditor for the year 2018-19. The Secretarial Audit Report in Form MR-3 is attached as an annexure to the Board of Director's Report.

Reconciliation of Share Capital Audit

As stipulated by SEBI, a qualified Company Secretary has carried out the Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited and Central Depository Services(India) Limited and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges and is also placed before the Board of Directors. The Audit inter alia, confirms that the total listed and paid up capital of the company is in agreement with the aggregate of the total number of shares in dematerialized form (held by NSDL and CDSL) and total number of shares in physical form.

Quarterly Secretarial Audit Reports on reconciliation of the total admitted capital with NSDL/CDSL and the total issued and listed capital were furnished to the Stock Exchanges on the following dates:

For the quarter ended	Furnished on
30 th June, 2018	5 th July, 2018
30 th September, 2018	8 th October, 2018
31 st December, 2018	7 th January, 2019
31 st March, 2019	12 th April, 2019

Role of Company Secretary in overall governance process

The Company Secretary plays a key role in ensuring that the Board procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the directors and senior management for effective decision making at the meetings. The Company Secretary is primarily responsible to ensure compliance with applicable statutory requirements and is the interface between the management and regulatory authorities for governance matters. All the Directors of the Company have access to the advice and services of the Company Secretary.

Quarterly Compliance Report

The Company has submitted for each of the 4 quarters during 2018-19 the Compliance Report on Corporate Governance to stock exchanges in the prescribed format within 15 days from the close of the quarter.

8. Disclosures

- a. The company has formulated a policy for Related Party Transaction and the same has been uploaded on the company's website at the following link http://www.tnpl.com/web_pdf_files/Related%20Party%20Transactions%20policy.pdf

There are no materially significant transactions with related parties during the year which are potentially conflicting with company's interest at large

Suitable disclosure as required by the Indian Accounting Standards (Ind AS 24) has been made in the notes to Accounts forming part of this Annual Report.

- b. Pursuant to Regulations 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Chief Executive Officer and the Chief Financial Officer certified to the Board on their review of financial statements and cash flow statements for the financial year ended 31st March 2019 in the form prescribed by Part B of Schedule II of the said Listing Regulations.
- c. The criteria for making payments to non-executive directors is placed on the website of the company www.tnpl.com
- d. None of the non-executive directors is holding shares / convertible instruments of the company.
- e. There were no instances of non-compliance on any matter relating to the capital market during the last three years
- f. Details of information on appointment of new/re-appointment of directors:
A brief resume, nature of expertise in specific functional areas, names of companies in which the person already holds directorship and membership of committees of the Board forms part of the Notice convening the 39th Annual General Meeting.
- g. The Company has complied with all mandatory items of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Code of Conduct – Regulation 26 (3)

The company adheres to the highest standards of business ethics, compliance with statutory and legal requirements and commitment to transparency in business dealings. The Board of Directors has framed Code of Conduct for Board Members and Senior Management. The code of conduct has been communicated to the Directors and the Members of the Senior Management.

The Code of Conduct for Board Members and Senior Management adopted pursuant to Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been detailed below:

The code is applicable to all Directors and specified Senior Management Executives. The code impresses upon Directors and Senior Management Executives to uphold the interest of the company and its stakeholders and to endeavor to fulfil all the fiduciary obligations towards them. Another important principle on which the code is based is that the Directors and Senior Management Executives shall act in accordance with the highest standard of honesty, integrity, fairness and ethical conduct and shall exercise utmost good faith, due

care and integrity in performing their duties. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 have included duties for Independent Directors in the Code of Conduct for Board Members. The company has suitably incorporated the same in the Code of Conduct for Board Members. The code has been posted on the website of the company www.tnpl.com

Affirmation of compliance of Code of Conduct for the financial year 2018-19 has been received from the Directors and Senior Management personnel of the company.

Prevention of Insider Trading

In January 2015, SEBI notified the SEBI (Prevention of Insider Trading) Regulations, 2015 which came into effect, from May 15, 2015. Pursuant thereto, the Company has formulated and adopted Code for Prevention of Insider Trading. The code viz. "Code of Internal Procedures and Conduct for Regulating, Monitoring And Reporting of Trading by Insiders" and the "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" (TNPL Code) allow the formulation of a trading plan subject to certain conditions and requires pre-clearance for dealing in the Company's shares. It also prohibits the purchase or sale of Company's shares by the Directors, designated employees and connected persons, while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. Further New circular is issued by BSE vide letter dated 2nd April, 2019 vide Ref No. LIST/COMP/01/2019-20 and NSE dated 2nd April, 2019 vide Ref No. NSE/CML/2019/11 Informing that every listed company has to adopt the revised code of practices and procedures for fair disclosure, Internal procedure and conduct for Regulating, Monitoring and Reporting of trading by insiders. Trading restriction period can be made applicable from the end of every quarter till 48 hours after the declaration of Financial results.

The Company Secretary is responsible for implementation of the Code. The Board of Directors, designated employees and connected persons have affirmed compliance with the Code.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The company promotes ethical behavior in all its business activities and has put in place a mechanism of reporting illegal or unethical behaviour. The company has framed a vigil mechanism / whistle blower policy wherein the employees are free to report any improper activity resulting in violations of laws, rules, regulations or code of conduct by any of the employees to the Competent Authority or Chairman of the Audit Committee, as the case may be. Any such complaint is reviewed by the Competent Authority or Chairman of the Audit Committee. The confidentiality of those reporting violations shall be maintained and they shall not be subjected to any discriminatory practice. No employee has been denied access to the Audit Committee. The policy has been posted on the website of the company.

9. Means of Communication

a.	Half-yearly report sent to each household of shareholders	No*
b.	Quarterly Results Newspaper published in Website where displayed	Business Standard, Dina Thanthi www.tnpl.com
c.	Whether the website also displays official news releases and presentations to the media, analysts, institutional investor's etc. ?	Yes
d.	Audited financial results (Newspapers published in)	Financial Express Business Standard Dinathanthi
e.	Whether MD&A (Management Discussion & Analysis) is a part of Annual Report?	Yes

* As the results are published in newspapers having wide circulation and also displayed on the company's website, half yearly results are not sent separately to each shareholder.

The company also informs by way of intimation to the Stock Exchanges all price sensitive matters and such other matters which in its opinion are material and of relevance to the shareholders and subsequently issues a Press Release on the said matters.

- f. Presentation to analysts: The Company's shares are listed on both BSE Limited and National Stock Exchange of India Limited. The presentations broadly cover operations, financials and industry outlook. The company also displays official news at our company's website. The Company also uploads on the BSE Listing Centre and on NSE NEAPS portals, details of analysts and institutional investor meetings whenever the Company's representatives attend any meeting of the investors.
- g. Annual Report: Annual Report containing, inter alia, Audited Annual Accounts, Directors' Report, Auditors' Report and other important information is sent to Members and others entitled thereto. The Management Discussion and Analysis (MD&A) and Business Responsibility Report forms part of the Annual Report. The Annual Report is also available on the Company's website.
- h. Chairman's communiqué: Printed copy of the Chairman's speech is distributed to all the shareholders at the Annual General Meeting.
- i. The Company discloses to the Stock Exchanges, all information required to be disclosed under Regulation 30 read with Part A of Schedule III of the SEBI Regulations including material information having a bearing on the performance / operations of the listed entity or other electronically on BSE's online Portal – BSE Corporate Compliance & Listing Centre (Listing Centre) and on NSE Electronic Application Processing System (NEAPS), the on-line portal of National Stock Exchange of India Limited.
- j. The Board of Directors has approved a policy for determining materiality of events for the purpose of making disclosure to the Stock Exchanges. The Chairman & Managing Director and & CFO of the Company are severally / jointly authorized to determine Materiality of any event or information while CFO / Company Secretary & DGM Internal Audit are severally authorized to make disclosures of the same to stock exchange(s), subject to the provisions of this Policy.
- k. All disclosures made to the stock exchanges as statutorily required are also available on the Company's website www.tnpl.com
- l. Extensive Business Reporting Language (XBRL): XBRL is a language for electronic communication of business and financial data. It offers major benefits to all those who have to create, transmit, use or analyze such information which aids better analysis and decision making. Ministry of Corporate Affairs(MCA) vide its circular No. 37/2011 dated 7th June 2011 had mandated certain companies to file their Annual Accounts vide this mode. The company has filed its Annual Accounts on MCA through XBRL.
- m. Ministry of Corporate Affairs: The Company has periodically filed all the necessary documents with the MCA.
- n. SEBI Complaints Redress System(SCORES): A centralized web based complaints redress system which serves as a centralized database of all complaints received, enables uploading of Action Taken Reports(ATRs) by the concerned companies and online viewing by the investors of action taken on the complaint and its current status.
- o. The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015).

Particulars	Regulation Number	Compliance status (Yes/No/NA)
Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b) & 25(6)	Yes
Board composition	17(1)	Yes
Meeting of Board of directors	17(2)	Yes
Review of Compliance Reports	17(3)	Yes
Code of Conduct	17(5)	Yes
Fees/compensation	17(6)	Yes
Minimum Information	17(7)	Yes
Compliance Certificate	17(8)	Yes
Risk Assessment & Management	17(9)	Yes
Performance Evaluation of Independent Directors	17(10)	Yes
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	Yes
Composition of nomination & remuneration committee	19(1) & (2)	Yes
Composition of Stakeholder Relationship Committee	20(1) & (2)	Yes
Vigil Mechanism	22	Yes
Policy for related party Transaction	23(1),(5),(6),(7) & (8)	Yes
Approval for material related party transactions	23(4)	Not Applicable
Maximum Directorship & Tenure	25(1) & (2)	Yes
Meeting of independent directors	25(3) & (4)	Yes
Familiarization of independent directors	25(7)	Yes
Memberships in Committees	26(1)	Yes
Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel	26(3)	Yes
Disclosure of Shareholding by Non- Executive Directors	26(4)	Yes
Disclosures on website of the Company	46(2)	Yes

- p. Shareholders are encouraged to correspond with the Registrars & Share Transfer Agents and the Company via email to speed up response, reduce paperwork and also to help us redress complaints faster. Shareholders are requested to mention their Folio nos. (DP-ID and Client ID in case of demat shares), phone or mobile number and their Email ID so that we can contact them and redress their complaints immediately. However, for instructions like change of bank mandate, change of address, transfers & transmission of shares etc. letters duly signed by the Shareholders concerned should be sent otherwise such requests cannot be processed by the Registrars. Email ID of Shareholders will have to be registered with the Depositories to enable the Registrars to communicate electronically. Registration of Email ID can be done by sending them a letter duly signed by the Shareholders.
- q. The Corporate Governance Report of the Company for the year 2018-19 is in compliance with the requirements of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

10. Risk Management

The Company has a risk management policy and a supporting frame work which facilitates the identification and assessment of new risks and review of existing risks. The process is based on identified risks and the risk events or factors which require regular assessment and quick response. Based on the probability and impact of the risk, the requisite controls and action plans are designed.

The objective of risk management in the company is to act as enabler in maintaining its knowledge edge, sustaining and expanding the business and ensuring execution of projects within budgeted cost and time resulting in improved turnover and profitability. Risks, their root causes, controls and action plans are prepared by process owners and updated regularly.

The responsibility of risk management, adherence to risk management plan and procedures and risk related matters have been delegated to the Audit Committee and hence there is no separate Risk Management Committee has been constituted.

The status of risk management policy is presented to Audit Committee on periodical basis which are reviewed by Board of Directors also. Based on periodic reviews and implementations of recommendations resulting from review process, the risk management process is continuously being improved and strengthened.

The communication is sent regularly, across the organization to spread awareness on risks, root causes and action plans through in-house risk management awareness programs, external trainings & seminars, etc..

The management is committed to further strengthen its risk management capabilities in order to protect and enhance shareholder value by improving its business performance. Continuous efforts in creating new opportunities, improving competencies/knowledge in various areas leading to improved performance and leveraging existing knowledge resources, in line with the risk appetite of the company, has enabled the company to protect the interests of shareholders.

11. SHAREHOLDERS' INFORMATION

1. 39th Annual General Meeting

Day, Date and Time	Thursday, 19 th September 2019 at 10.15 AM
Venue	The Music Academy, 168, T. T. K. Road, Chennai-600 014

2. Financial Year Calendar (2019-2020) (Tentative):

The Company follows the period of 1st April to 31st March, as the Financial Year. For the Financial year 2019 -2020, Financial Results will be announced as per the following tentative schedule.

1 st quarter ending June 30, 2019	First/Second week of August 2019
2 nd quarter ending September30,2019	First/Second week of November 2019
3 rd quarter ending December 31, 2019	First/Second week of February 2020
4 th quarter ending March 31, 2020	Third/Fourth week of May 2020

- Book closure date: 13.09.2019 to 19.09.2019 (both days inclusive) on account of AGM and Dividend.
- Record Date in respect of shares held in dematerialized form, is 12.09.2019 for determining those who will be entitled to receive dividend to be declared at the ensuing Annual General Meeting.
- Cut Off Date is 12.09.2019 for determining those who will be entitled to vote electronically on the resolutions mentioned in the Notice convening the Annual General Meeting by remote e-Voting and also vote at the meeting venue.

6. Electronic Voting

Pursuant to section 108 and other applicable provisions of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and other applicable requirements, voting at the 39th Annual General Meeting will be made through electronic voting. The electronic voting period will be from 9.00 a.m. IST on 15.09.2019 to 5.00 p.m. IST on 18.09.2019, both days inclusive

7. Scrutinizer for electronic voting: Thiru R Sridharan of M/s. R Sridharan & Associates, Practicing Company Secretary (Membership No. FCS 4775) has been appointed as the Scrutinizer to scrutinize the electronic voting process in a fair and transparent manner and to give his report to the Chairman.
8. (a) Dividend payment date: 23.09.2019 onwards.

(b) Dividend Policy :

Dividends, other than Interim dividend(s), are to be declared at the Annual General Meetings of Shareholders based on the recommendation of the Board of Directors. Generally, the factors that may be considered by the Board of Directors before making any recommendations for dividend include, without limitation, the Company's future expansion plans and capital requirements, profits earned during the fiscal year, cost of raising funds from alternate sources, liquidity position, applicable taxes including tax on dividend, as well as exemptions under tax laws available to various categories of investors from time to time and general market conditions. The Board of Directors may also from time to time pay interim dividend(s) to Shareholders. The Board of Directors have framed a Dividend Distribution Policy which is posted on the website of the Company at http://www.tnpl.com/web_pdf_files/Dividend-Distribution-Policy-TNPL.pdf

9. Listing of Equity Shares on

a. Stock Exchanges at :

National Stock Exchange of India Limited Listing Department Plot No. C/1, G Block Bandra - Kurla Complex Bandra (E) - Mumbai - 400 051	BSE Limited Phiroze Jeejeebhoy Towers 25 th Floor, Dalal Street Mumbai 400 001
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b. Depositories at :

National Securities Depository Ltd. Trade World, 4 th Floor, 'A' Wing Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013	Central Depository Services (India) Limited 16 th -17 th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.
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- Listing fee for Equity shares for the year 2018-2019 have been paid to the above Stock Exchanges. For NSE, Listing fee has been paid through "NEAPS" (NSE Electronic Application Processing System).
- The Annual Custodial fees for the Financial Year 2018-19 have been paid to National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL)

10. Stock Code / Symbol

1.	BSE	531426
2.	NSE	TNPL EQ
3.	International Securities Identification No.	INE 107A01015
4.	Corporate Identity Number (CIN) allotted by the Ministry of Corporate Affairs	L22121TN1979PLC007799

11. (a) Market Price Data (In Rs.)

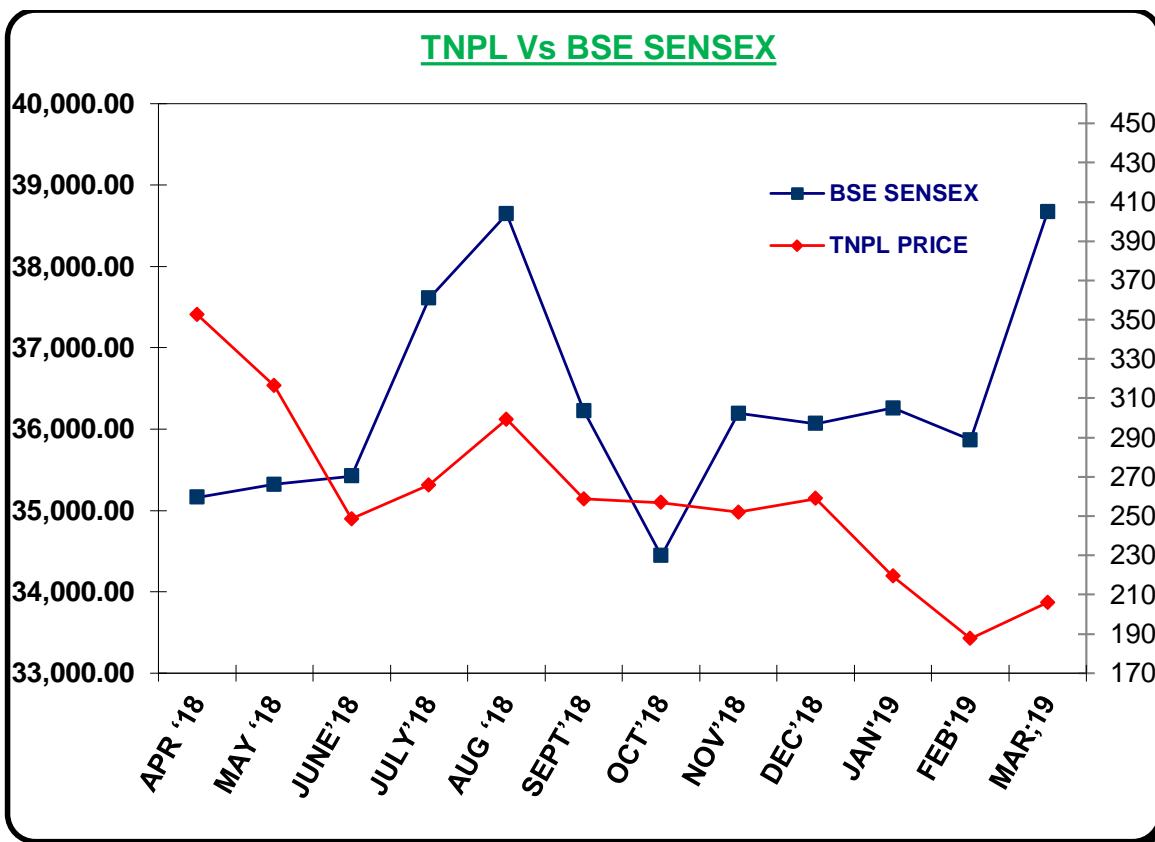
Month/Year	Bombay Stock Exchange (BSE)			National Stock Exchange (NSE)		
	High Price	Low Price	Volume	High Price	Low Price	Volume
April 2018	376.40	341.25	1,01,153	377.4	340.00	10,15,993
May 2018	367.10	305.05	96,344	369.00	305.00	11,19,458
June 2018	319.00	243.20	1,02,976	318.5	243.00	14,42,804
July 2018	274.95	242.00	70,456	275.9	242.00	8,30,859
August 2018	348.00	269.95	8,50,994	349.00	268.15	67,53,456
September 2018	323.70	250.00	3,52,311	323.4	247.15	29,72,223
October 2018	275.00	223.10	2,51,904	274.35	222.25	15,52,903
November 2018	294.40	244.75	2,63,084	295.00	243.05	22,92,478
December 2018	262.70	245.10	55,950	263.50	243.15	13,33,532
January 2019	259.55	216.00	55,494	261.15	216.30	10,85,977
February 2019	226.00	184.95	2,87,500	222.00	185.00	23,66,170
March 2019	244.00	188.15	2,41,658	229.70	188.40	21,37,244

11. (b) Market Capitalization (Rs.)

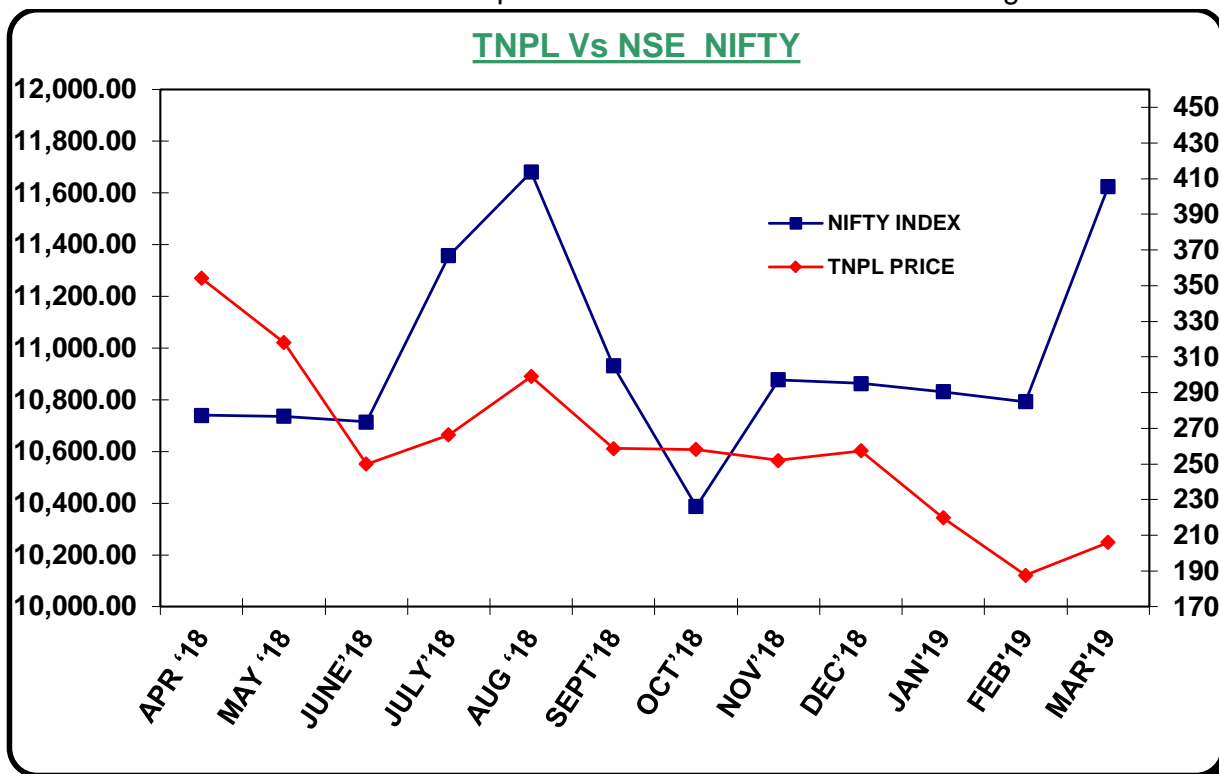
Market Capitalization	BSE	NSE
As on March 31, 2018	23,86,03,54,350	24,07,49,07,210
As on March 31, 2019	14,25,39,23,070	14,25,73,83,600

**12. Share price performance in comparison to broad based indices – BSE Sensex and NSE Nifty :
For the years 2017-18 to 2018-19:**

YEAR	BSE SENSEX			NSE NIFTY		
	% CHANGE IN TNPL SHARE PRICE	% CHANGE IN SENSEX	TNPL REACTIVE TO SENSEX	% CHANGE IN TNPL SHARE PRICE	% CHANGE IN NIFTY	TNPL REACTIVE TO NIFTY
2017-2018	(+)9.48	(+)11.30	(-)1.82	(+)10.55	(+)10.24	(+)0.31
2018-2019	(-)40.26	(-)16.91	(-)23.35	(-)40.77	(-)14.39	(-)26.38
2017-2019	(-)34.60	(-)13.13	(-)21.47	(-)34.53	(-)26.12	(-)8.41



Sensex and TNPL share prices are based on month end closing rate



NIFTY and TNPL share prices are based on month end closing rates.

13. Registrar and Transfer Agent:

The Company has already enlisted the services of M/s Cameo Corporate Services Ltd., Chennai to act as Registrar and Transfer Agents to handle all investor services relating to shares held in physical form as well as in electronic mode. Their address is given below:

M/s Cameo Corporate Services Ltd.
V Floor, "Subramanian Building",
No.1 Club House Road,
Chennai – 600 002
Tel.No.044-28460390 - 28460395
Fax No.044-28460129
E-mail ID: cameo@cameoindia.com

14. Share Transfer System:**a. Share Transfers:**

The shares of the Company, being in the compulsory demat list are transferable through the depository system. Shares in physical form are processed and the Share Certificates are generally returned within a period of 15 days from the date of receipt.

All transfers/ transmissions/ remat received are processed and approved by the Share Transfer Committee which normally meets twice/ thrice in a month. Shares under objection are returned within two weeks.

b. Nomination facility for shareholding :

As per the provisions of the amended Companies Act 2013, facility for regarding nomination is available for shareholders in respect of shares held by them. Nomination forms can be obtained from the share transfer agent.

c. Payment of dividend through National Electronic Clearing Services (NECS):

As per RBI notification, with effect from 1st October 2009, the remittance of dividend through Electronic Clearing Service (ECS) is replaced by National Electronic Clearing Service(NECS).

Shareholders who have not intimated the DPs/Registrars are once again requested to intimate the above information in respect of shares held in electronic form to the DPs and in respect of shares held in physical form, to the Registrars at their address.

Those shareholders who do not wish to avail of the NECS facility, are requested to furnish to the DPs/Registrars, the name and branch of the bank and bank account No. allotted by their banks after implementation of Core Banking Solutions, which will be printed on the warrants.

d. Unclaimed dividends :

The company is required to transfer dividends which have remained unpaid/ unclaimed for a period of seven years to the Investor Education & Protection Fund (IEPF) established by the Government. The Company will accordingly be required to transfer the dividend in the year 2019 for the year ended 31st March, 2012 has remained unclaimed / unpaid. Before transferring the monies to IEPF, individual letters are sent to those Members whose unclaimed dividends are due for transfer so as to enable them to claim the dividends before the due date. The information on unclaimed dividend is also posted on the website of the Company www.tnpl.com.

Details of dividend pending to the Unpaid / Unclaimed Dividend Account as on 31st March, 2019:

Sl. No.	Year	Amount (Rs.)	% to the total dividend
1.	For the year 2011-12	12,44,860.00	0.36%
2.	For the year 2012-13	14,30,020.00	0.41%
3.	For the year 2013-14	19,67,100.00	0.47%
4.	For the year 2014-15	16,44,012.00	0.40%
5.	For the year 2015-16	21,20,392.50	0.41%
6.	For the year 2016-17	25,73,640.00	0.50%
7.	For the year 2017-18	10,58,290.00	0.31%

As regards unclaimed dividend, dividend warrants are sent to addresses available as per the company records. Where the shareholders have not informed the change of address to the company, the dividend warrants are returned to the company. The company remits the unclaimed dividend to the Central Government after seven years. If any claim is received from the shareholders within seven years period, payment is made.

Following amounts have been transferred to IEPF account during the year:

Particulars	Date of Warrant	Due Date for Transfer	Date of Transfer	Amount transferred Rs.
1. Dividend :-2010-11 (Final)	09.09.2011	20.11.2018	09.11.2018	11,58,295.00
TOTAL				11,58,295.00

Transfer of 'Underlying Shares' into Investor Education and Protection Fund (IEPF) (in cases where unclaimed dividends have been transferred to IEPF for a consecutive period of seven years)

Pursuant to the provisions of Section 124 and 125 of the Companies Act 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to an IEPF suspense account. The Company, after following the statutory provisions, has transferred the shares on which dividend has not been paid/claimed for seven consecutive years or more. The details of shares transferred to IEPF Authority account are as follows:

Year	Shares transferred
2008-09	74545
2009-10	31051
2010-11	13079
TOTAL	118675

The Company has also uploaded full details of such shares transfer as well as unclaimed dividends on the website of the company. Both the unclaimed dividends and the shares transferred to the IEPF can be claimed back by the concerned shareholders from IEPF Authority after complying with the prescribed procedure under the "Rules" as mentioned in the Guidelines below.

Guidelines for Investors to file claim

- Download the Form IEPF-5 from the website of IEPF (<http://www.iepf.gov.in>) for filing the claim for refund. Read the instructions provided on the website/instruction kit along with the e-form carefully before filling the form.
- After filling the form, save it on your computer and submit the duly filled form by following the instructions given in the upload link on the website. On successful uploading, an acknowledgement

will be generated indicating the SRN. Please note down the SRN details for future tracking of the form.

- c) Take a print out of the duly filled IEPF-5 and the acknowledgement issued after uploading the form.
- d) Submit indemnity bond in original, copy of acknowledgement and self-attested copy of e-form along with the other documents as mentioned in the Form IEPF-5 to Nodal Officer (IEPF) of the company at its registered office in an envelope marked "Claim for refund from IEPF Authority".
- e) Claim forms completed in all aspects will be verified by the concerned company and on the basis of company's verification report; refund will be released by the IEPF Authority in favor of claimants' Aadhaar linked bank account through electronic transfer. The Nodal Officer of the Company for IEPF Refunds Process is Thiru. V. Sivakumar whose e-mail id is sivakumar.vs@tnpl.co.in

Members who have not encashed their dividend warrants in respect of dividends declared for the year ended 31st March 2012 and for any financial year thereafter may contact the company and surrender their warrants for payment. Members are requested to note that the dividend not claimed for a period of seven years from the date they first became due for payment shall be transferred to Unpaid Dividend Account of respective year shall be transferred to Investor Education and Protection Fund (IEPF) in terms of Section 125 of the Companies Act, 2013.

- f) Correspondence regarding change of address:

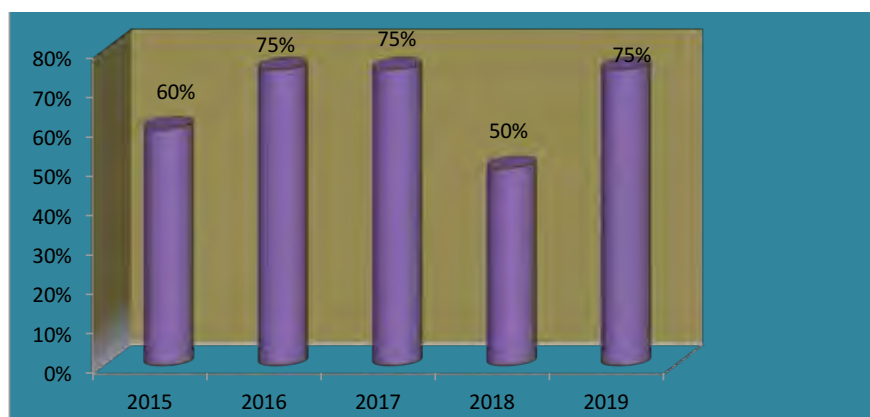
Shareholders are requested to ensure that any correspondence for Change of Address, change in Bank Mandates etc. should be signed by the first named shareholder. Shareholders who hold shares in dematerialized form should correspond with the Depository participant with whom they have opened Demat Account/s.

- g) Pending Investors' Grievances:

Any shareholder whose grievance has not been resolved to his/her satisfaction may kindly write to the Company Secretary at the Registered Office with a copy of the earlier correspondence.

15 Dividend Details

Financial Year	Dividend %	Total Dividend (Rs. in Lakhs)
2014-15	60%	4152.64
2015-16	75%	5190.80
2016-17	75%	5190.80
2017-18	50%	3460.53
2018-19	75%	5190.80



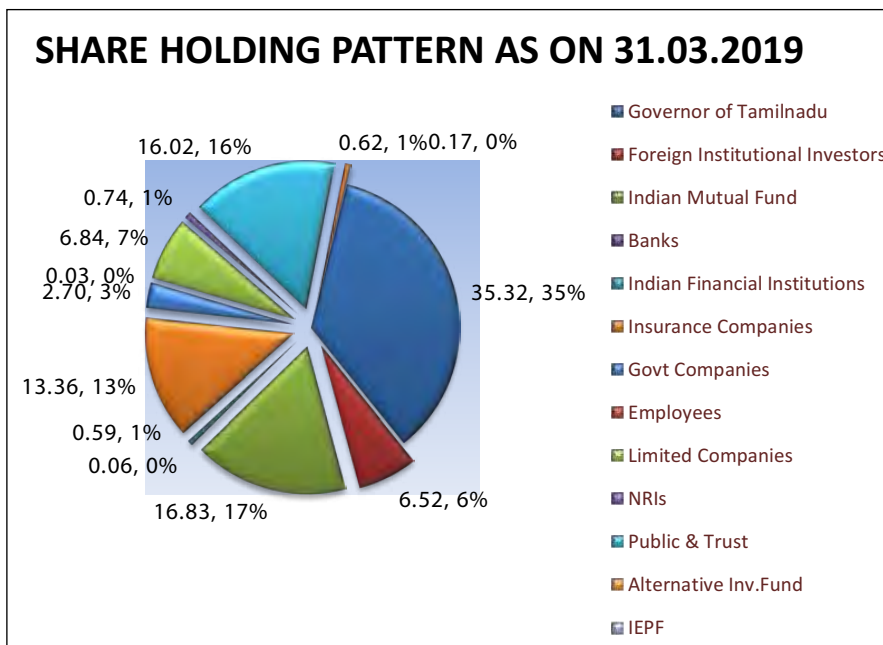
16. Distribution of Shareholding as on 31st March, 2019

DISTRIBUTION SCHEDULE AS ON 31.3.2019						
Share or Debenture holding (Rs.)		No. of holders	% of Total holders	Total Shares	Total Amount (Rs.)	% of Total Amount
10	5000	29347	90.0000	3395055	33950550	4.9053
5001	10000	1642	5.0368	1283014	12830140	1.8537
10001	20000	766	2.3496	1146428	11464280	1.6564
20001	30000	266	0.8159	670373	6703730	0.9685
30001	40000	109	0.3343	387606	3876060	0.5600
40001	50000	101	0.3098	474120	4741200	0.6850
50001	100000	185	0.5674	1394751	13947510	2.0152
100001	And Above	191	0.5858	60459253	604592530	87.3554
Total		32607	100.0000	69210600	692106000	100.0000

Distribution of Shareholding as on 31.03.2019				
	CATEGORY	NO OF HOLDERS	NO OF SHARES	PERCENTAGE
A	PROMOTER'S HOLDING			
	Promoters			
1	- Indian Promoters	1	24444900	35.32
	- Foreign Promoters			Nil
2	Persons acting in Concert			---
	SUB-TOTAL	1	24444900	35.32
B.	NON-PROMOTERS HOLDING			
1	Indian Financial Institutions	1	405168	0.59
2	Mutual Funds and UTI	28	11646206	16.83
3	Banks, Financial Institutions, Insurance Companies (Central/State Govt.)	9	9292241	13.43
4	Foreign Institutional Investors	Nil	NIL	Nil
	FPI	36	4515461	6.52
	SUB-TOTAL	74	25859076	37.36
C	OTHERS			
1	Private Corporate Bodies	524	6599642	9.54
2	Indian Public	31317	11086492	16.02
3	NRIs/OCBs	527	512821	0.74
4	Alternative Inv. Fund	1	425968	0.62
5	IEPF	1	118675	0.17
6	Others	162	163026	0.24
	SUB-TOTAL	32532	18906624	27.32
	GRAND TOTAL (A+B+C)	32607	69210600	100.00

LIST OF TOP TEN SHAREHOLDERS			
SL.NO	NAME OF THE HOLDER(S)	SHARES	PERCENTAGE
1	GOVERNOR OF TAMIL NADU	24444900	35.32
2	LIFE INSURANCE CORPORATION OF INDIA	6305949	9.11
3	HDFC TRUSTEE COMPANY LTD - A/C HDFC HYBRID EQUITY FUND	4080900	5.90
4	SBI SMALL CAP FUND	2500000	3.61
5	GENERAL INSURANCE CORPORATION OF INDIA	2110074	3.05
6	GOVERNMENT PENSION FUND GLOBAL	1717000	2.48
7	WARBURG VALUE FUND	1300000	1.88
8	ICICI PRUDENTIAL MULTI-ASSET FUND	911550	1.32
9	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE PURE VALUE FUND	738554	1.07
10	FINQUEST SECURITIES PVT. LTD. – CLIENT BENEFICIARY A/C	660300	0.95

SHAREHOLDING PATTERN							
SL. No.	Category	Shareholding Pattern As on 31 st March, 2019			Shareholding Pattern As on 31 st March, 2018		
		Number of Share holders	Number of Shares	%	Number of Share holders	Number of Shares	%
1	Governor of Tamil Nadu	1	24444900	35.32	1	24444900	35.32
2	Foreign Institutional Investors and Foreign Portfolio Investors	36	4515461	6.52	47	6039721	8.73
3	Indian Mutual Funds	28	11646206	16.83	40	11046063	15.96
4	Banks	4	43405	0.06	5	27003	0.04
5	Financial Institutions	1	405168	0.59	1	405168	0.59
6	Insurance Companies	5	9248836	13.36	5	9354357	13.52
7	Govt. Companies	6	1865760	2.70	9	2808580	4.06
8	Employees	96	17600	0.03	116	21000	0.03
9	Limited Companies	518	4733882	6.84	551	3962347	5.73
10	NRIs	527	512821	0.74	485	356122	0.51
11	Public & Trust	31317	11086492	16.02	29120	10504884	15.18
12	Alternative Inv.Fund	1	425968	0.62	1	29127	0.04
13	IEPF	1	118675	0.17	1	105596	0.15
14	Trust	5	31630	0.05	-	-	-
15	Shares Dematerialised/Shares in transit	61	113796	0.16	82	105732	0.15
	Total	32607	69210600	100.00	30464	69210600	100.00



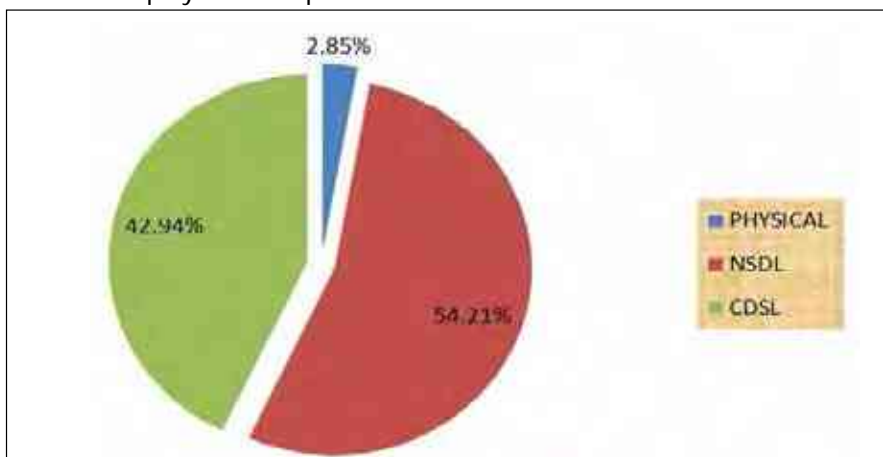
17. Dematerialisation of Shares and liquidity:

For Dematerialisation of Equity shares, the Company has entered into a tripartite agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Company's Equity shares have been included in the list in which trading is compulsory for all investors in dematerialised form.

Details of Physical & Demat shares as at 31st March, 2019:

Category	No. of Shareholders	No. of Shares	% to Capital
PHYSICAL	2379	1971052	2.85
NSDL	19097	37518336	54.21
CDSL	11131	29721212	42.94
TOTAL	32607	69210600	100.00

From the above table, as on 31st March 2019, there are 6,72,39,548 shares in demat form aggregating to 97.15% of the total Equity Share capital while 19,71,052 shares are in Physical form aggregating to 2.85% of the total Equity Share capital.



18. Outstanding GDRs/ADRs/Warrants or any

Convertible Instruments, conversion date and likely impact on equity : Nil

19. Credit Rating:

a. ICRA Ltd has assigned the following credit rating for the Company as below :

- I. Long term rating - (ICRA) **A** (Pronounced ICRA A)
 II. Short term rating - (ICRA) **A2+** (Pronounced ICRA A two plus)

The outlook on long term rating is 'Negative'. The long term rating of '(ICRA) A' indicates adequate degree of safety regarding timely servicing of financial obligations, it carries low credit risk. The short term rating of '(ICRA) A2+' indicates strong degree of safety regarding timely payment of financial obligations, it carries low credit risk.

b. CARE Ltd. has assigned the following credit rating for the Company as below :

- I. Long term facilities - CARE **A** (Pronounced Single A)
 II. Short term facilities - CARE **A1** (Pronounced A one)

The outlook on long term rating is 'Stable'. The long term rating of CARE A indicates adequate degree of safety regarding timely servicing of financial obligations, it carry low credit risk. The short term rating of CARE A1 indicates very strong degree of safety regarding timely payment of financial obligations, it carry lowest credit risk.

20. Plant locations:

Unit I	Unit II
Kagithapuram, Karur District Tamil Nadu, Pin : 639 136 Tel.No.04324-277001 to 277017 Fax : 04324-277025/277026/277027	Mondipatti Village, K. Periyapatti Post, Mannaparai Taluk, Thiruchirapalli District, Tamil Nadu – 621 306

21. Address for correspondence:

a. Investor correspondence for transfer/ dematerialisation of shares, payment of dividend on shares, and any other query relating to the shares of the company:

M/s Cameo Corporate Services Ltd.
 V Floor, "Subramanian Building"
 No.1 Club House Road
 Chennai – 600 002.
 Tel.No.044-28460390 - 28460395
 Fax No.044-28460129
 E-mail ID: investor@cameoindia.com; cameo@cameoindia.com
 Contact Person: Thiru D Narasimhan, Joint Manager

b. Any query on Annual Report:

Shares Department
 Tamil Nadu Newsprint and Papers Ltd.
 67, Mount Road, Guindy, Chennai – 600 032.
 Tel.No. 22354417 Fax No. 22350834 & 22354614
 E-mail address: sivakumar.vs@tnpl.co.in, invest_grievances@tnpl.co.in
 Contact Person: Thiru V Sivakumar, Company Secretary

c. E-mail ID of Investor Grievances Section: invest_grievances@tnpl.co.in

d. Name of the Compliance Officer : Thiru V Sivakumar Company Secretary

22. Request to Investors

- Investors are requested to communicate change of address, if any, directly to the share transfer agent of the company at the above address
- To avoid the incidence of fraudulent encashment of dividend warrants, members are requested to intimate the company under the signature of the Sole/First Joint holder, the following information so that the bank account number and name and address of the bank can be printed on the dividend warrants:
 - Name of Sole/First Joint holder and Folio number
 - Particulars of bank account viz.
 - Name of bank
 - Name of branch
 - Complete address of bank with PINCODE
 - Account type, whether Savings Bank(SB) or Current Account(CA)
 - Bank account number
- The shareholders are requested to dematerialize their physical share certificates, through a depository participant. Shareholders requiring any further clarification/ assistance on the subject may contact the company's share transfer agent.
- The mandate, if given by the Members in respect of shares held in physical form will not be applicable to the dividend payable on shares held by them in demat mode and vice versa. Members holding shares in demat mode must, therefore give instructions regarding the bank account in which they wish to receive dividend to their DPs.
- Members holding shares in demat form are requested to incorporate the DP Id number and Client Id Number in the Attendance Slip/ Proxy form for easy identification of attendance at the meeting.
- There are chances of fraudulent transactions taking place in relation to dormant folios, where the shareholder has either expired or has changed his residence. Hence investors are requested to exercise due diligence and notify us of any change in address or demise of any shareholder as soon as possible. Investors are requested not to leave their demat account dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified. Investors are also requested not to disclose your Folio No. / DP. Id. to an unknown person and not to hand over signed blank transfer deeds/delivery instruction slips to any unknown person.
- Investors must ensure that they deal with only SEBI registered intermediaries and must obtain a valid contract note/confirmation memo from the broker/sub-broker, within 24 hours of execution of the trade and it should be ensured that the contract note/confirmation memo contains order no., trade no., trade time, quantity, price and brokerage.
- Investors should register their mobile numbers with DPs for SMS alert facility. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) proactively inform investor of transaction in the demat account by sending SMS. Investors will be informed about debits and credits to their demat account without having to call up their DPs and investors need not wait for receiving Transaction Statements from DPs to know about the debits and credits.
- Correspondence containing certificates of securities and high value dividend/interest warrants should be sent by registered post/courier or lodged with the Company's Secretarial Department by hand delivery.
- Investors are requested to kindly note that any dividend which remains unencashed for a period of seven years will get transferred to "Investors Education and Protection Fund" in terms of Section 125 of the Companies Act, 2013.

Year wise details of the amount to be transferred to IEPF are given below:

Year	Dividend type	Dividend (%)	Date of declaration	Due for transfer to IEPF
2011-12	Final	50	21.09.2012	26.11.2019
2012-13	Final	50	19.09.2013	24.11.2020
2013-14	Final	60	15.09.2014	20.11.2021
2014-15	Final	60	18.09.2015	23.11.2022
2015-16	Final	75	28.09.2016	03.12.2023
2016-17	Final	75	19.09.2017	24.11.2024
2017-18	Final	50	19.09.2018	24.11.2025

B. NON-MANDATORY REQUIREMENTS**1. The Board**

A non-executive Chairman may be entitled to maintain a Chairman's Office at the Company's expenses and also allowed reimbursement of expenses incurred in performance of his duties.

The Chairman is a non-executive director in the company appointed by the Tamil Nadu Govt. and office is maintained and expenses are borne by the Govt.

2. Shareholders' Rights

A half-yearly declaration of financial performance including summary of the significant events in last six months may be sent to each household of shareholders.

The quarterly financial results are announced within 45 days from the close of the respective quarter. However, in case of the last quarter, the quarterly results and the annual results are announced within 60 days from the close of the quarter. The results are published in leading newspapers. The financial results, press releases and other major events/ developments concerning the company are also posted on the company's website www.tnpl.com

The half-yearly results of the company are published in more than one English newspaper having a wide circulation and in one Tamil Newspaper having wide circulation. The results are not sent to the shareholders individually.

3. Audit qualifications

The company has ensured to remain in the regime of unqualified financial statement

4. Separate posts of Chairman and CEO

The company may appoint separate persons to the post of Chairman and Managing Director/CEO.

As per the Companies Act, 2013, no individual shall be appointed or reappointed as the Chairperson of the company as well as the Managing Director or Chief Executive Officer of the company at the same time after the date of commencement of the new Act if the Articles of such a company provides otherwise. In order to comply with the new Act, the Articles of Association of the company has been amended to provide for appointment as Chairman & Managing Director.

5. Reporting of Internal Auditor

At the recommendations of the Audit Committee, the Board has appointed M/s. R Sundaram & Srinivasan., Chartered Accountants as its Internal Auditor for the year 2018-19, that Audits and reviews internal controls and operating systems and procedures of the Company.

The Internal Auditor may report directly to the Audit Committee and the report on findings of Internal Audit are submitted to the Audit Committee periodically. This is the practice being followed.

6. Compliance with the Corporate Governance Voluntary Guidelines 2009

With an objective of encouraging adoption of better practice in achieving the highest standard of corporate governance, the Ministry of Corporate Affairs, Government of India published the Corporate Governance Voluntary Guidelines 2009. These guidelines will also translate into a much higher level of stakeholders' confidence to ensure long term sustainability and value generation by business. The guidelines broadly focus on areas such as Board of Directors, responsibilities of the Board, Audit Committee functions, roles and responsibilities, appointment of Auditors, compliance with Secretarial Standards and a mechanism for whistle blower support. The company is substantially in compliance with the Corporate Governance Voluntary Guidelines 2009 and is in the process of adopting and implementing other practices as suggested in the Guidelines.

For and on behalf of the Board

Place: Chennai
Date: 28.05.2019

N Muruganandam, IAS
CHAIRMAN

**CERTIFICATE BY CEO AND CFO PURSUANT TO REGULATION 17(8) OF SEBI
(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To,
The Board of Directors,
Tamil Nadu Newsprint and Papers Limited

1. We have reviewed the financial statements and the cash flow statement for the year ended 31.03.2019 and that to the best of our knowledge and belief:
 - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading
 - b. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31.03.2019 which are fraudulent, illegal or violative of the Company's code of conduct
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies
4. We have indicated to the Auditors and the Audit Committee:
 - a. that there are no significant changes in internal control over financial reporting during the year ended 31.03.2019;
 - b. that there are no significant changes in accounting policies during the year ended 31.03.2019; and
 - c. that there are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For **TAMIL NADU NEWSPRINT AND PAPERS LIMITED**

Place : Chennai
Date : 28.05.2019

S. Sivashanmugaraja, IAS
Managing Director

V. Ramanathan
Executive Director (Finance) &
Chief Financial Officer

CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT POLICY

As provided under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the period ended 31st March 2019.

For and on behalf of the Board

Place: Chennai
Date: 28.05.2019

N Muruganandam, IAS
CHAIRMAN

Auditors' Certificate on Corporate Governance To The Members of Tamil Nadu Newsprint and Papers Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated 22nd October, 2018.
2. We have examined the compliance of conditions of Corporate Governance by **M/s. Tamil Nadu Newsprint and Papers Limited** ("the Company"), for the year ended **31st March 2019** as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('SEBI Listing Regulations').

Management's Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SOC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended 31st March 2019.
9. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **BRAHMAYYA & CO.,
 CHARTERED ACCOUNTANTS**
Firm Regn No: 000511S

Date : May 28, 2019
Place : Chennai

R. Nagendra Prasad
Partner
Membership No. 203377
UDIN : 9203377AAAABK3854

ANNEXURE - VIII

BUSINESS RESPONSIBILITY REPORT FY 2018-19

Preface

Reporting on environmental and social parameters is on the rise. Growing expectations from internal as well as external stakeholders along with stringent norms is driving organizations to disclose their performance on economic, environmental and social aspects to understand the impacts caused by them in their day to day activities.

Our vision of being the market leader in manufacturing world-class eco-friendly Paper and Paper Boards is our internal driver for embedding sustainability into our daily practices.

We have embarked on the journey of developing this business responsibility report based on the suggested framework of SEBI. We consider this as an opportunity to communicate our performance and progress across Environmental, Social and Governance aspects for the financial year (FY) 2018-19.

Section A: General Information about the Company

1. Corporate Identity Number (CIN) of the Company: L22121TN1979PLC007799
2. Name of the Company: Tamil Nadu Newsprint and Papers Limited
3. Registered address: 67, Mount Road, Guindy, Chennai- 600032.
4. Website: www.tnpl.com
5. E-mail id: invest_grievances@tnpl.co.in
6. Financial Year reported: 2018-19
7. Sector(s) that the Company is engaged in (industrial activity code-wise):
 - i. Pulp, Paper & Paper Board - 4802
 - ii. Power Utility - 2716
 - iii. Cement Manufacturing - 2523
8. List three key products/services that the Company manufactures/provides (as in balance sheet)

Products	Services
Paper and Paperboard	Energy
Cement	

9. Total number of locations where business activity is undertaken by the Company
 - i. Number of International Locations (Provide details of major 5) - None
 - ii. Number of National Locations – Regd. Office - 1
 - iii. Factory / Mill - 2 Locations
 - iv. Branches - 7 Locations
10. Markets served by the Company – We serve the Local/ State/ National/International markets

Section B: Financial Details of the Company

- | | | |
|--|---|---------|
| 1. Paid up Capital (Rs. In Crore) | – | 69.21 |
| 2. Total Turnover (Rs. In Crore) | – | 4040.87 |
| 3. Total profit after taxes (Rs. In Crore) | – | 94.39 |

4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit before tax (%) – We are committed to make growth more inclusive by focusing on the needs of our society and thereby creating a larger social value. We believe that working towards growth includes responding to its social responsibility. We have spent 2% on the CSR activities in the reporting year.

5. List of activities in which expenditure in 4 above has been incurred:

We have been working in the following areas for the benefit of communities.

- i. Education
- ii. Healthcare and Medical Service
- iii. Infrastructure Development
- iv. Social development
- v. Livelihood/Economic Improvement
- vi. Environment & Sanitation
- vii. Culture and Heritage
- viii. Soil & Water conservation

Section C: Other Details

1. Does the Company have any Subsidiary Company/ Companies?

The Company does not have any Subsidiary.

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s).

Since the Company does not have any Subsidiary, this is not applicable.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

No other entities that our Company does business with, participate in the BR initiatives of the Company.

Section D: BR Information

1. Details of Director/Directors responsible for BR

a) Details of the Director/Directors responsible for implementation of the BR policy/policies

Name	DIN Number	Designation
Mr. S. Sivashanmugaraja, IAS	06684301	Managing Director

b) Details of the BR head

Sr. no	Particulars	Details
1.	DIN Number (if applicable)	06684301
2.	Name	Mr. S. Sivashanmugaraja, IAS
3.	Designation	Managing Director
4.	Telephone number	044-22354343/22354353
5.	e-mail id	mdoffice@tnpl.co.in

2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

S No	Particulars	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national /international standards? If yes, specify? (50 words)	Y The policies have been developed as per The Companies Act, 2013 and SEBI Listing Regulations. These are also on the lines of the 'National Voluntary Guidelines on Social, Environment, and Economic responsibilities of businesses' (NVG-SEE) established by the Ministry of Corporate Affairs, Government of India in 2011.								
4	Has the policy been approved by the Board? Is yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	Y	Y	Y	Y	Y	Y	Y	Y	Y
Link for policies on our website provided below										
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y		Y
8	Does the company have in-house structure to implement the policy/policies	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

* The weblink of various policies are as follows:

Principle 1: http://www.tnpl.com/DisplayPage.aspx?file=code_of_conduct.htm

Principle 2: http://www.tnpl.com/Policies/Forest_Policy.pdf

http://www.tnpl.com/Policies/Energy_Management_Policy.pdf

Principle 3: <http://www.tnpl.com/HRpolicy.pdf>

Principle 4: http://www.tnpl.com/Policies/Dividend_Distribution_Policy_TNPL.pdf

http://www.tnpl.com/Policies/TNPL_FSC_Public_Policy.pdf

Principle 5: http://www.tnpl.com/Policies/Policy_on_Sexual_Harassment.pdf

Principle 6: <http://www.tnpl.com/Environmentpolicy.pdf>

Principle 7: http://www.tnpl.com/Policies/Policy_on_Responsible_Advocacy.pdf

Principle 8: http://www.tnpl.com/DisplayPage.aspx?file=corporate_social_responsibility.htm

Principle 9: http://www.tnpl.com/Policies/Quality_Policy.pdf

http://www.tnpl.com/Policies/Customer_Care_Policy.pdf

**2a. If answer to Sr. no 1 against any principle, is 'No', please explain why: (Tick up to 2 options):
Not Applicable**

S No	Particulars	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles	Not Applicable								
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3. Governance related to BR

- Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company.

The Company's BR performance shall be assessed annually.

- Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Business responsibility report FY 16-17 was the TNPL's first report. The report was published along with our annual report and uploaded on the company's website. Going forward, we plan to publish the report annually.

* The web link of BRR for FY 18-19 is as follows:

http://www.tnpl.com/web_pdf_files/TNPL_AnnualReport-2018-19.pdf

Section E: Principle-wise performance

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

At TNPL, we appreciate the value of responsible corporate governance, characterized by high standards to demonstrate transparency, reliability and ethical values. Constructed on a sound philosophy, ethics, values and accountability, our corporate governance ethos works within a culture that emphasizes a framework of conformance and compliance. Our governance framework is about maximizing shareholder value legally, ethically and sustainably.

Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?

Our policy relating to the above aspects cover only the Company. Our Code of Conduct shape the culture and reputation of the Company and serve as the groundwork in how we act and make decisions.

How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

During this reporting period, we have received two complaints from shareholders and the same have been resolved. We have not received complaints from any other stakeholders.

The Company Secretary is entrusted with the responsibility to look into the redressal of the shareholders and investors complaints and report the same to the Stakeholders Relationship Committee.

Principle 2: Sustainable products and services

TNPL focusing on Circular Economy to ensure sustainability by using environment friendly raw materials (bagasse – agricultural residue, Post consumer & Pre consumer waste paper and wood from social forestry and Captive and Farm Forestry model of plantations) for manufacture of paper.

List up to 3 products or services whose design has incorporated social or environmental concerns, risks, and/or opportunities.

Unit I:

The company manufactured Cream Wove-Natural Shade, Ace Marvel -Natural Shade which eliminate the consumption of Dyes and optical whitening agent.

Unit II:

TNPL board brand – AURA – has several eco-friendly variants incorporating Bagasse pulp, Deinked pulp, and Waste paper pulp in Aura Pearl and Aura Green. Likewise in Folding box board grades (FBB), Aurafold ECO, Aurafold ECO Blue have been developed incorporating bagasse and deinked pulp.

For each product, provide the following details in respect of resources (energy, water, raw material etc.) per unit of product.

We manufacture Writing and Printing Paper, Packing Board and Cement. The resources utilized per ton of product are as follows:

Product	Consumption per ton of production		
	Power / Steam	Water	Raw-material
Paper	1418 kWh/MT	32 m ³ /MT	0.773 MT/MT of paper
Packaging Board	468 kWh/MT	10 m ³ /MT	0.862 MT / MT of Board
Cement	110 kWh / MT	Nil	Lime Sludge – 53403 MT @1% moisture; Fly ash – 67010

Does the company have procedures in place for sustainable sourcing (including transportation)?

The company is sourcing wood through its Captive Plantation & Farm forestry model and from Tamil Nadu Forest Plantation Corporation (TAFCON).

Pulpwood is certified by Forest Stewardship Council Forest Management (FSC-FM) Certification and Forest Stewardship Council Chain of Custody (FSC-COC) certification which ensures that paper manufacture from wood is managed socially and environmentally in a responsible way.

TNPL have obtained Forest Management certificate from the Forest Stewardship Council for our captive plantation from M/s NEPCON, Estonia and it is valid upto July 2023. TNPL have also received the Chain-Of-Custody (COC) certification from M/s NEPCON, Estonia with validity upto July 20, 2020.

We have raised pulp wood in 1,46,436 acres of land (as on 31.03.2019) covering various parts of Tamil Nadu under Farm forestry Scheme and Captive Plantation leading to about 44.80 lakh MT CO₂ sequestration.

The company has manufactured 94166 MT of deinked pulp from Post consumer and Pre consumer reclaimed material

What percentage of the inputs were sourced sustainably?

100% of raw materials required for manufacturing writing and printing paper, packaging board and cement are sourced in a sustainable manner.

Does the company have mechanism to recycle products and waste? If yes, what is the percentage of recycling waste and products?

Yes. Wood is procured from 27,596 local and small farmers under the farm forestry model.

The company procured the post-consumer waste paper through local universities (examination papers) and department of Stationery and Printing (Office waste paper) and packing waste.

Principle 3: Businesses should promote the wellbeing of all employees

We comply with the applicable requirements regarding employee engagement covering collective bargaining, grievance redressal and other labour laws. To ensure well-being of our employees irrespective of whether they are permanent or contractual, we have taken conscious steps to implement relevant practices and processes for enhancing work place safety. We have engaged 192 female permanent/contract employees.

Do you have an employee association that is recognized by management? What percentage of your permanent employees is member of this recognized member association?

Yes, We, at TNPL, have developed a system of determining "Recognized Trade Unions" through secret ballot conducted once in 4 years. 97.66% of permanent employees are members of the trade unions.

Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year

During the reporting period there was no incidents of child labour, forced and involuntary labour, sexual harassment or any form of harassment.

Policies and measures taken to prevent cases of Child Labour, Sexual Harassment and discriminatory employment

Prevention Child Labour

The minimum age limit for recruitment is 18 years as stated in our Code of Conduct and the standing order.

Prevention of Forced Labour / Involuntary Labour

Forced Labour / Involuntary Labour is prohibited in the work place which covers contractors and suppliers as well. We have developed robust systems and processes and have adopted good practices to address such incidents as per the statutory requirements.

Prevention of Sexual Harassment

We have constituted an Internal Complaints Committee (ICC) and have implemented a policy on prevention, prohibition and redressal of sexual harassment at workplace as per the provisions of the sexual harassment of women at workplaces including contractual women employees (Prevention, Prohibition and Redressal) Act, 2013 and Rules there under.

Prevention of Discriminatory Employment

As part of the employment practices and processes covering contractual work force, we follow policies which provide equal opportunities to all and do not discriminate based on caste, creed, gender, race and religion.

What percentage of your under mentioned employees were given safety & skill upgradation training in the last year?

- Permanent employees
- Permanent women employees
- Casual / Temporary / Contractual employees
- Employees with disability

All our employees have been given mandatory safety training, as part of our Company's protocol. Besides, we regularly impart safety training on any potential new processes implemented.

We have implemented systems with a strong focus on compliance and operational discipline, performance monitoring and enforcement of rules wherever necessary. We also conduct periodical safety training programmes.

We have formulated an Occupational Health, Safety and accident prevention program. We conduct regular safety inspections and internal safety audits of hazardous process and chemical storages through qualified safety officers. To improve the safety aspects, we conduct safety committee meetings periodically and suggestions from the areas are being implemented.

We conduct regular safety audits, Hazard and Operability Study (HAZOP), study and risk analysis through experts in industrial safety and ensure that the recommendations are implemented.

A training calendar is prepared at the beginning of each year to impart training to employees to meet the skill gaps and, development of their competencies. On the job training is provided to employees through the respective departmental personnel. Employees are also sent to different industrial organizations in the country to gain knowledge. The executives are also sponsored to attend seminars and workshops organized by leading institutions like IIMs, FICCI, NITIE, CII and NPC etc.

Details of training program conducted at the various levels of employees for the FY18-19 is summarized in the table below;

Unit – I & LSFM

Sl. No.	Description	Emp. Strength	Safety Training		Skill Up gradation	
			Man days	Percentage	Man days	Percentage
1	Permanent Employees(Men)	1796	444	25	1697	94.5
2	Permanent Employees(Women)	82	31	38	93	113.4
3	Contractual employees	1175	1252	106	0	0
4	Employees with Disability	12	0	0	10	83.3

Unit – II

Sl. No.	Description	Emp. Strength	Safety Training		Skill Upgradation	
		U II	Man days	Percentage	Man days	Percentage
1	Permanent Employees(Men)	582	228	39	305.5	53
2	Permanent Employees(Women)	44	13.8	31	45.9	104
3	Contractual employees	1050	153.3	15	23.6	2
4	Employees with Disability	0	0	0	0	0

Principle 4: Businesses should respect the interests of, and be responsive to the needs of all stakeholders, especially those who are disadvantage vulnerable, and marginalized.

We are actively involved in developing and sustaining relationships with our key stakeholders. Our stakeholder engagement strategies have been designed in line with the needs of respective communities. Our engagement process with stakeholders serves a dual purpose of improved risk management to ensure better outcomes on the ground.

Has the company mapped its internal and external stakeholders?

Yes, we have mapped our internal and external stakeholders to include the following internal and external stakeholder groups.

Internal Stakeholders	External Stakeholders
Employees and Management	Suppliers and Vendors
	Customers
	Banks and Lending Institutions
	Government
	NGO
	Local Community / Society
	Shareholders

The Company's website www.tnpl.com contains comprehensive information for the stakeholders about the Company. The Company also has designated an exclusive email-id for investor services – invest_grievances@tnpl.co.in. The Company also promptly intimates the Stock Exchanges about all price-sensitive information or such other matters which in its opinion are material and of relevance to the stakeholders of the Company.

Has the company identified the disadvantaged, vulnerable, and marginalized stakeholders?

Yes. Our business operations have evolved balancing business principles and responsibility towards economic, environmental and social sustainability. Based on our socio-economic impact assessment studies, we have developed measures to identify, prioritize concerns of stakeholders coming from sections of society which are disadvantaged, vulnerable and marginalized. These stakeholders are children, differently abled people, unemployed youth, women and vulnerable farmers.

Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

We have undertaken several programmes in the areas of Education, Healthcare, Social development, Livelihood and Economic improvement, Environment and Sanitation, Infrastructure, Soil and water conservation to support the disadvantaged, vulnerable and marginalized section of stakeholders. Educational assistance, free education, aid and appliances to differently abled sections of the society, medical camps, Health awareness camp, learning and development, cattle care and vaccination camps, Blood donation camp, Free Eye camp, Awareness camp on Health care, Anemia awareness camp and Dyslexia Awareness Programme for Government School Teachers in 2 phases are some of the initiatives we have undertaken in the current financial year.

Principle 5: Businesses should respect and promote human rights

Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

Our policy on human rights is applicable to all our manufacturing facilities, off-sites at sugar mills/ wind farms, conversion centre of paper and paper board, corporate office and marketing branches across the country. Besides the above, other stakeholder's viz. suppliers, vendors and surrounding residents can approach the senior management personnel and discuss about grievance, if any, relating to human rights.

How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

There have been no stakeholder complaints concerning violation of human rights received during the FY 2018-19. In case of violation, employees can lodge a formal complaint or avail the Grievance Redressal Mechanism, anonymously if required. The employee has freedom to address his grievance to his immediate seniors, if not resolved the same is referred to the Section head / HOD. If still the problem persists, the grievance is carried forward to the HR department. The other stakeholders can report complaints by approaching any authority in case of violation of human rights.

Principle 6: Businesses should respect, protect, and make efforts to restore the environment

Does the policy related to Principle 6 cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

The company environment policy committed to produce product by adopting environment friendly technology by sustained R & D efforts and continual improvement in the process. The policy also committed to create social; and ecological awareness among the work force

Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.?

The following are the major activities taken to reduce the Global warming

Biogas from Bagasse Wash water: The company generated 65.25 lakh m³ of biogas from Bagasse wash water. The utilized biogas reduces the Green House Gas emission due to avoidance of methane to the atmosphere and also reduces the Green House Gas emission due to reduction of furnace oil consumption as the captured biogas is utilized in lime kilns). The details for the year 2018-19 are presented in the below table.

Sl. No	Parameter	UOM	Value
1	Biogas Generated	Lakh m ³	65.23
2	Furnace oil savings	KL	3915
3	Reduction in Green House Gas Emission	t CO ₂ e	85934

Generation of Power by Firing of Black liquor Solids :

The black liquor generated from the Hard Wood and Bagasse plant is fired in the Chemical Recovery Boiler and the steam generated is passed through turbo generator to generate the Green Power. The details for the year 2018-19 along with reduction of Green House Gas emission is presented in the below table.

Sl. No	Parameter	UOM	Value
1	Black liquor Solid fired	MT	4,92,115
2	Reduction in Green House Gas Emission	t CO ₂ e	5,53,811

TNPL Captive plantation and farm Forestry: TNPL has raised plantation in 22,356 acres of land in 2018-19 totaling about 1,46,436 acres of land as on 31/03/2019 covering various parts of Tamil Nadu under Captive and Farm Forest model. This has led to carbon sequestration of 44.80 lakh MT.

Usage of Carbon neutral Bio fuel : The company is utilizing the agro fuel (i.e.) carbon neutral bio fuel like Bagasse Pith, Wood Dust and Wood Bark to operate our boilers which replaces coal and meeting out 35% of the energy requirements from renewable sources.

Sl. No	Parameter	UOM	Value
1	Agro fuel	Lakh MT	1.97
2	Green House Gas Reduction	t CO ₂ e	1,32,010

Wind Energy: The company has installed 35.5 MW of Wind energy generators in Devarkulam and Perunkudi, Tamil Nadu . The electricity generated and the green house gas emission for the year 2018-19 is presented in the below table.

Sl. No	Parameter	UOM	Value
1	Electricity Generation	Lakh kwh	449.19
2	Green House Gas Reduction	t CO ₂ e	41,820

Utilization of lime sludge & fly ash in LSFM: The lime sludge generated in our soda recovery process and fly ash generated in our power boiler (both Unit-I and Unit-II) are utilized in manufacturing of cement. This served a dual purpose of fulfilling raw material requirement and effective waste management. The details for the year 2018-19 are presented in the below table.

Sl. No	Parameter	UOM	Value
1	Lime sludge utilization in cement manufacturing	MT	53,403
2	Lime Stone Conserved	MT	61,132
3	Fly utilization in cement manufacturing	MT	67,010

Does the company identify and assess potential environmental risks?

Yes. The company has certified for ISO 14001 Environment Management System based on 2015 version. The environment Risk and Opportunities for the operation of the company are documented in the manual and assessed by the certification body.

Does the company have any project related to Clean Development Mechanism? If so, provide details thereof. Also, if yes, whether any environmental compliance report is filed?

Yes, Four projects are registered under clean development projects. The annual Green House Gas emission from the four registered projects is 2,11,401 t CO₂ e

Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.? Y/N. If yes, please give hyperlink for web page etc.

Unit I: Paper Plant:

- PAT-I Cycle details: Under the Perform Achieve Trade (PAT) Scheme, received 4,969 Energy Saving Certificates towards actual specific energy consumption -which is lower than the notified specific energy conservation 0.530 TOE/MT against the target SEC of 0.550 TOE /MT
- Under PAT – II Cycle: 2014-15 Specific Energy consumption is taken as a Base line for the PAT-II. After the I Cycle three years 2015-16, 16-17 & 17-18 is over. Now PAT-II Target year is 2018-19. The Specific Energy base line figure for the TNPL is 0.7680 TOE/MT of paper (after normalization). The Target SEC for TNPL is 0.7234 TOE/MT of paper.
- TNPL Implemented 28 Energy conservation measures by investing INR 238.48 lakhs in FY 2018-19 thereby saving electrical energy equivalent to 55.69 lakh kwh and thermal energy equivalent to 4,235 MT of imported coal and 3,847 KL of furnace oil.
- Received Energy Efficient Unit Certificate from CII for the FY 2017-18.
- Imported coal savings of 105 MT by using biogas power boilers for the FY 2018-19

Unit II: Packaging Board:

Energy Conservation and Renewable Energy

- Instrument Compressed Air consumption optimization by reducing the operating pressure.
- Fuel consumption reduction by improving the key performance parameters of boilers and Turbo generators.
- Introduction of LED & CFLs in major areas considering the LUMANS requirement in order to increase the life of the lamps and reduce energy consumption.

Clean technology

- Fresh water consumption per ton of board production is reduced from 11.8M³/T to 10.04 M³/T by process optimization
- As TNPL unit II is considered as a Designated Consumer (DC) by BEE, Baseline Energy Audit has been conducted by FICCI, C/O BEE in the month of Jan 2019.
- Specific Energy Consumption for the year 2018-19 is 0.486 **MTOE** as against 0.537 MTOE baseline year 2016-17 & 2017-18.
- ESP ash, coarse ash and coating effluent sludge are collected and utilized 100% for cement manufacturing.

5. Introduction of LED & CFLs in major areas considering the LUMANS requirement in order to increase the life of the lamps and reduce energy consumption.
6. Fibre loss reduction, to 0.5-0.9% on production, through internal process controls and improvements
7. Around 250 m³ of treated effluent is recycled for internal plant reuse and remaining effluent is utilized for Green Belt Development in 624 acres of land through drip irrigation.
8. Primary sludge from Effluent Treatment Plant is used for sundried board manufacturing and secondary sludge for plantation as manure.
9. Equipped with 30MW capacity cogeneration plant to meet the power requirements
10. Equipped with 2x90 TPH high pressure AFBC boilers with ESP operating 99.99% efficiency.
11. ISO 9001, ISO 14000 and OHSAS 18000 Integrated Management system introduced – to be certified shortly.
12. ISO-50001-2011 (E), Energy Management System (EnMS) is introduced and training given to the Internal Auditors.
13. Obtained FSC Chain of custody (CoC) certificate from NEPCON for complying with FSC-STD-40-004 V3-0, FSC-STD-40-007 V2-0, FSC-STD-50-001 V2-0 with validity between 14.02.19 and 13.02.2024.

LSFM:

Erection of lime sludge shed for storing lime sludge during the LSFM shutdown Cement Plant kiln

Utilization of deinking plant sludge at cement plant is commenced from Sep'2018. Present rate of consumption is 90 MT per day.

Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Air emissions: The stack emission air qualities at all chimneys are monitored as prescribed by the PCB. The ambient air quality is continuously monitored online through Continuous Ambient Air Quality Monitoring System (CAAQMS) as per the requirement of PCB. The air quality levels are well within the standards and limits prescribed by the PCBs.

Effluents: The effluent treatment plant installed at the factory works effectively in meeting the regulatory norms prescribed by the PCBs. The treated water is discharged for irrigation through Treated Effluent Water Lift Irrigation Society scheme (TEWLIS).

Solid waste: The solid waste generated at the factory and the housing colony is disposed off as per the guidelines prescribed by the PCBs

Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

We ensure that the emissions and waste generated by us at our various locations is well below the limits given by CPCB and State Pollution Control Board (SPCB). We have not received any show cause notices from either CPCB or SPCB in the reporting year.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner**Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

We are members of the following associations through which we actively participate for overall development of the industry.

- a. IPMA- India Paper Manufacturers Association
- b. CII - Confederation of Indian Industries

- c. FIEO - Federation of Indian Export Organizations
- d. CAPEXIL - Chemicals & Allied Products Export Promotion Council
- e. Andhra Chamber of Commerce
- f. IMPA- Indian Paper Mills Association

Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

As a member of various associations, our efforts have been to make a difference in the areas of economic/tax reforms, inclusive development policies, energy security, water availability/management & sustainability issues, sustainable business principles and environmental policy.

As a part of the Indian Paper Mills Association (IMPA), we have supported the initiative of using degraded land for plantation of eucalyptus trees to source wood for our paper production.

Principle 8: Businesses should support inclusive growth and equitable development.

Our strategy towards inclusive growth ensures the equitable distribution of economic benefits. We have been able to achieve this by creating productive economic opportunities and upliftment of the poor vulnerable sections of the society.

Does the company have specified programmes /initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

Our focus areas for the FY 2018-19 were primarily Education, Health Care and Medical Service, Infrastructure Development, Social development, Livelihood and Economic Improvement, Environment and Sanitation, Culture and Heritage, Soil and Water Conservation and Industrial Training, Infrastructure and other miscellaneous welfare activities to the rural people.

Industrial Training:

Since August 2014, we have initiated an Industrial Training Institute in affiliation with National Council for Vocational Training (NCVT) and the Quality Council of India (QCI). The programme is conducted at the premises of our township area covering four trades viz. instrument mechanics, Fitter, Electrician and welding. TNPL ITI have won overall Championship and individual championship in the District level sports meet in the year 2018-19. Instrument Mechanic Trade student has achieved first rank in All India skill completion in the year 2018-19.

Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

We carry out our community welfare initiatives with the support of our trust i.e. the "TNPL Arakkodai Trust". It mainly covers the Education, Health, Social Development, Livelihood and Economic Improvement, Security, Environment & Sanitation, Culture & Heritage and Industrial Training sectors. We also collaborate with different partners such as esteemed educational institutions, various Government bodies and donor agencies to fulfill our community development objectives. Majority of the administrative and supporting efforts are carried out by our in-house team / representatives.

Have you done any impact assessment of your initiative?

In the year 2016, we engaged an external agency to conduct a CSR Audit. Based on the audit observations we have developed an action plan in place to carry out the improvements necessary in terms of our implementation, budget and mechanism of receiving feedback on various initiatives from the stakeholders. Fresh social impact assessment study will be conducted shortly.

What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

During 2018-19 TNPL has spent Rs. 4.06 crores for Corporate Social Responsibility (CSR) activities.

Sr. No.	Sector in which the project or activity is covered	Amount spent (Rs. In lakhs)
1	Education	88.33
2	Healthcare and Medical Service	37.10
3	Infrastructure Development	83.97
4	Social Development	70.01
5	Livelihood/Economic Improvement	62.44
6	Environment And Sanitation	32.87
7	Culture And Heritage	20.94
8	Soil And Water Conservation	9.90
	TOTAL	405.59

Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

Community Needs Assessment and On-going Review:

Yes, prior to initiating a project we carry out a needs assessment survey. As a part of the survey we invite proposals from eight of the adjacent town panchayats and 5 village panchayats. The senior executives from the CSR team evaluate the needs of the panchayats. After due considerations, a final proposal is drawn for and placed before the CSR Committee comprising of independent Directors for consideration and approval.

Additionally, we also have a review mechanism to ensure the benefits of our initiatives are widespread and are recorded as per actuals. The key milestones, expected results and outcome have been mapped for each initiative. The strategic planning, implementation, evaluation and review will thus ensure wider outreach across each of our projects.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

What percentage of customer complaints / consumer cases are pending as on the end of the financial year?

Nil

Does the company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N.A. / Remarks (additional information)

In case of paper and paperboard, we display relevant product information (environment friendly aspect) on the packaging material to ensure safe and appropriate use besides complying with the statutory requirements. For cement, we display the product information mandated by the Bureau of Industrial Standards. Product labeling is done in compliance with the requirements regarding brand name, weight, grade, name of the manufacturer etc.

Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and / or anti-competitive behavior during the last five years and pending as on end of financial year. If so provide details thereof, in about 50 words on so.

No case has been filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising / or anti-competitive behavior during the last five years and pending as on end of the financial year.

Did your company carry out any consumer survey / consumer satisfaction trends?

We have implemented Customer Satisfaction Index aligned to applicable global standards for paper and paper board. On a scale of "10" we have been scored on the higher side consistently for the last four years. During the financial year 2016 – 17, we scored 7.7 and for the year 2017-18, we scored 8.9 and for the year 2018-19 we scored 8.1.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TAMIL NADU NEWSPRINT AND PAPERS LIMITED

Report on audit of the Financial Statements

1. Opinion

- 1.1 We have audited the financial statements of Tamil Nadu Newsprint and Papers Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2019, and the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes to the Financial Statements, including a Summary of Significant Accounting Policies and other explanatory information ("the financial statements").
- 1.2 In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") & other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and Profit, changes in equity and its cash flows for the year ended on that date.

2. Basis for Opinion

- 2.1 We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the **Auditor's Responsibilities for the Audit of the Financial Statements** section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Key Audit Matters

- 3.1 Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that the matters described below are key audit matters to be communicated in our report.

Key Audit Matter	Auditors Response
Provision towards Wage arrears pending wage settlement with employees	
<p>Management's estimates towards the obligations for wage arrears payable to its employees pending settlement of agreement with employees ₹ 1874.26 Lakhs. We identified this as the key audit matter for the current year considering the fact that the provision made is based on the management's assessment of the obligation based on past settlements and best estimates of current expectations.</p> <p>(Refer to Note No. 24 to the financial statements)</p>	<p>Our audit approach include:</p> <ul style="list-style-type: none"> • Evaluated the design and operating effectiveness of the internal controls associated with the assessment of implications likely to arise on account of ongoing negotiations and possible settlement to be entered into with employees. • Considered the previous wage revisions negotiations and consequent settlements as benchmarks for the provision made by the management during the year and also reviewed the method of estimation which essentially was based on the wage settlement discussions.

Key Audit Matter	Auditors Response
<p>Recoverability of Goods and Services Tax (GST) and Value Added Tax(VAT) refunds</p> <p>Claims receivables include ₹ 1705.45 lakhs representing Goods and Services Tax (GST) and Value Added Tax(VAT) refunds.</p> <p>The Recoverability of GST / VAT requires significant management judgement regarding the likelihood of its realizations, pending clarifications or notifications from the Government on the eligibility of the company to receive the amount of SGST paid (under GST Act) towards sales tax incentive due to the company under the Refund option scheme exercised by the company.</p> <p>We identified this as the key audit matter for the current year owing to the materiality of the amounts involved and subjectivity involved to recover the sales tax incentive through SGST paid is matter of significant judgement.</p> <p>(Refer Note No.16 to the financial statements)</p>	<p>Our audit procedures in relation to GST / VAT recoverable as at the reporting is as follows:</p> <ul style="list-style-type: none"> • Assessed and tested the design and the operative effectiveness control of the recoverability of GST / VAT towards the amounts paid under SGST. • Obtained companies analysis GST / VAT recoverability and decided the reasonableness of the assumptions used. • Assessed the appropriateness and adequacy in the financial statements in accordance with the applicable accounting standards.
<p>Recoverability of Minimum Alternate Tax (MAT) credit asset</p> <p>As at March 31, 2019, the Company has recognised deferred tax asset in the nature of MAT credit aggregating to ₹ 26129.37 lakhs.</p> <p>Recognition of MAT credit asset requires significant judgement regarding the likelihood of its realization with in the utilization period if these projections are not met.</p> <p>These future taxable profits are computed based on the business plan prepared by the management and projected post-tax cash flows of the Company and there are inherent uncertainties involved in forecasting such profits.</p> <p>We identified this as key audit matter for current year audit owing to the materiality of the amounts involved and inherent subjectivity involved in the determination of utilization of MAT credit through estimation of future taxable profits.</p> <p>(Refer to note 3(p)(ii) for the accounting policy and Note No.21 to the financial statements.)</p>	<p>Our audit procedures in relation to assessment of MAT credit recognised as at reporting date, are as follows:</p> <ul style="list-style-type: none"> • Assessed and tested the design and operating effectiveness of the Company's controls over recognition of the MAT credit. • Assessed the Company's analyses for MAT credit realisability involving future projections of taxable profits. • Tested the appropriateness of the forecasted tax liability computation as per the provisions of the IT Act. • Obtained and evaluated sensitivity analysis performed by the management on aforesaid key assumptions. • Assessed the appropriateness and adequacy of the related disclosures in the financial statements in accordance with the applicable accounting standards.

Key Audit Matter	Auditors Response
<p>Contingent Liabilities</p> <p>Assessment of Provisions and Contingent liabilities in respect of certain litigations including Direct and Indirect Taxes, various claims filed by other parties not acknowledged as debt.</p> <p>There is a significant level of judgement required in estimating the level of provisioning. The company's assessment is supported by the facts of matter, their own judgment, past experience, and advices from legal and independent tax consultants wherever considered necessary.</p> <p>Accordingly, unexpected adverse outcomes may significantly impact the Company's reported profit and the Balance Sheet.</p> <p>We determined the above area as a Key Audit Matter in view of associated uncertainty relating to the outcome of these matters which requires application of judgment in interpretation of law.</p> <p>(Refer to notes 38 to the financial statements)</p>	<p>Our audit approach involved :-</p> <ul style="list-style-type: none"> • Evaluated and tested the procedures and controls relating to the identification, recognition and measurement of provisions for disputes and disclosures in relation to matters concerning the contingent liabilities. • our audit was focused on analysing the facts of subject matter under consideration and judgments/ interpretation of law involved. • Understanding the current status of the litigations/tax assessments. • Examining recent orders and/or communication received from various Tax Authorities/ Judicial forums and follow up action thereon. • Evaluating the merit of the subject matter under consideration with reference to the grounds presented therein and available independent legal / tax advice. • Review and analysis of evaluation of the contentions of the company through discussions, collection of details of the subject matter under consideration, the likely outcome and consequent potential outflows on those issues.

4. Information Other than the Financial Statements and Auditor's Report thereon

- 4.1 The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Board's Report including Annexures to Board's Report and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.
- 4.2 Our opinion on the financial statements does not cover the other information and we do not express any form of assurance/conclusion thereon.
- 4.3 In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- 4.4 If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

5. Responsibilities of Management and Those Charged with Governance for the Financial Statements

- 5.1 The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy

and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

- 5.2 In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
- 5.3 Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

6. Auditor's Responsibilities for the Audit of the Financial Statements

- 6.1 Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
- 6.2 As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- a. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - b. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - d. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - e. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 - f. Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.
- 6.3 We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- 6.4 We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

6.5 From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

7. Report on Other Legal and Regulatory Requirements

- 7.1 As required under Section 143[5] of the Companies Act, 2013, we give in the "**Annexure A**" our report on the directions issued by the Comptroller and Auditor General of India
- 7.2 As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "**Annexure B**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 7.3 As required by Section 143 (3) of the Act, we report that:
- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure C**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting; and
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Note No. 38 to the financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and as required on long-term contracts including derivative contracts as referred to in Note No. 41 to the financial statements.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **BRAHMAYYA & CO.,**
CHARTERED ACCOUNTANTS
 Firm Regn No: 000511S

Date : May 28, 2019
 Place : Chennai

R. Nagendra Prasad
 Partner
 Membership No. 203377

“Annexure A” to the Independent Auditor’s Report of even date on the financial statements of M/s. Tamil Nadu Newsprint and Papers Limited

Sl. No.	Compliance	Comments
01	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The company has implemented Oracle E-Business suite to process all its accounting transactions through IT System. There are no accounting transactions processed outside IT system, hence, commenting on consequential financial impact does not arise.
02	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/ interest etc. made by a lender to the company due to the company’s inability to repay the loan? If yes, the financial impact may be stated.	There was no restructuring of loans during the year, hence, commenting on consequential financial impact does not arise.
03	Whether funds received/receivable for specific schemes from central/ State agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation	The company has not received funds for specific schemes from central/state agencies during the current year.
04	Whether the Company’s pricing policy absorbs all fixed and variable costs of production as well as the allocation of overheads?	Yes
05	Whether the Company has fixed norms for normal losses and a system for evaluation of abnormal losses for remedial action is in existence?	Yes
06	What is the system of valuation of by-products and finished products? List out the cases of deviation from its declared policy	Finished goods at factory are measured at lower of cost which includes cost of inputs (net of taxes and duties eligible for credits) and overheads and net realizable value. Finished goods at branches are valued on the above basis and also include transportation cost to branches and insurance cost
07	State the extent of utilization of plant and machinery during the year vis-à-vis installed capacity	Paper – 108.14% Packaging Board – 88.50%
08	Whether the Company has effective system for physical verification, valuation of stock, treatment of non-moving items and accounting of effect of shortage / excess noticed during physical verification	Yes. The company has effective system of physical verification, valuation of stock and a policy for treatment of non-moving items and accounting of effect of shortage / excess noticed during physical verification.

Annexure “B” to the Auditors’ Report

The Annexure B referred to in Independent Auditors’ Report to the members of the Company on the financial statements for the year ended 31st March 2019, on the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of audit, we report that –

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The fixed assets have been physically verified by the Management at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies noticed on such verification were not material;
- (c) All title deeds of the immovable properties are held by the Company except Land (extending about 10 grounds and 425 square feet) on which the Corporate Office of the Company functioning at Chennai. The transfer of title of the said land by the Government of Tamil Nadu in favour of the Company is yet to be done pending completion of necessary formalities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, Immovable properties of land whose title deeds have been pledged with a lead bank as securities for term loans and other credit facilities availed by the company the same are stated to have been held in the name of the company based on the mortgage deed executed between the Bank and the Company for which confirmations have been obtained from the lead bank.

- ii. As explained to us, the inventories have been physically verified during the year by the management. The discrepancies noticed on physical verification of the same were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account;
- iii. In our opinion and according to the information and explanations given to us, the company has not granted any loans secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, clauses (iiia), (iiib) and (iiic) of paragraph 3 of the Order are not applicable to the company for the year;
- iv. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees and securities granted in respect of which the provisions of section 185 and 186 of the Act are applicable.
- v. The Company has not accepted any deposit to which the provisions of Sections 73 to 76 of the Act and The Companies (Acceptance of Deposits) Rules, 2014 would apply. As informed to us, no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal related to compliance with above provisions.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under section 148(1) of the Act and are of the opinion that prima-facie, the prescribed accounts and cost records have been made and maintained. We have not, however, made a detailed examination of the cost records with a view to determining whether they are accurate or complete;
- vii. (a) According to the information and explanations given to us and the records examined by us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees’ state insurance, income-tax, sales-tax, service tax, Goods and Services Tax, duty of customs, duty of excise, value added tax, cess and other statutory dues and there are no undisputed statutory dues outstanding as at 31st March 2019, for a period of more than six months from the date they became payable.
- (b) According to the records of the company and information and explanations given to us, there are no outstanding amounts in respect of goods and services tax that have not been deposited with the appropriate authorities on account of any dispute. Disputed income tax, wealth tax, service tax, value

added tax, duty of customs, duty of excise that have not been deposited on account of disputed matters pending before appropriate authorities are as under:

Name of the Statute	Nature of Dues	Period to which the amount pertains	Amount [Rs. Lakhs]	Forum where the dispute is pending
Cenvat credit Rules,2004	Input credit reversal	1997-2002	63.86	Hon'ble High Court of Madras
Cenvat credit Rules,2004	Capital goods Credits	2003-2007	1646.61	Commissioner of Central Excise, Tiruchy
Cenvat credit Rules,2004	Capital goods Credits	2008-2009	13.41	Hon'ble High Court of Madras
Cenvat credit Rules,2004	Input credit reversal	2009-2015 2016-2018	1814.48	The Customs, Excise and Service Tax Appellate Tribunal, Chennai
Cenvat credit Rules,2004	Input Service Credit	2012-2016	301.73	The Customs, Excise and Service Tax Appellate Tribunal, Chennai
Cenvat credit Rules,2004	Input Service Credit	2012-2018	20.23	Commissioner of Central Excise (Appeals),Trichy
Cenvat credit Rules,2004	Input credit reversal on coal	2013-2018	2728.21	The Customs, Excise and Service Tax Appellate Tribunal, Chennai
Customs Act, 1962	Customs Duty	1991-1993	90.47	Assistant Commissioner of Customs, Chennai
Customs Act, 1962	Customs Duty	1999-2000	106.29	Deputy Commissioner of Customs, Chennai
Customs Act, 1962	Customs Duty	2014-2015	75.70	The Customs Excise and Service Tax Appellate Tribunal, Chennai
Customs Act, 1962	Customs Duty	1999-2000	20.44	Assistant Commissioner of Customs, Cochin
Customs Act, 1962	Custom Duty	2000-2001	217.39	Hon'ble Supreme Court
Customs Act, 1962	Custom Duty	2012-2013	2180.99	The Customs, Excise and Service Tax Appellate Tribunal referred to the Larger bench
Income Tax Act,1961	Income Tax	2002-2003 2006-2008 2016-2017	213.53	Assessing Officer, Chennai
Income Tax Act,1961	Income Tax	2003-2004	612.81	Commissioner of IncomeTax(Appeals) & Assessing Officer, Chennai
Income Tax Act,1961	Income Tax	2004-2005 2009-2010 2012-2013	976.98	Income Tax Appellate Tribunal, Chennai
Income Tax Act,1961	Income Tax	2014-2015	117.80	Income Tax Appellate Tribunal, Chennai
Wealth Tax Act,1957	Wealth Tax	1997-2000 2001-2003	19.46	Commissioner of Income Tax (Appeals), Chennai
TNVAT ACT, 2006	Value Added Tax	2006-2013	741.37	Sales Tax Appellate Tribunal, Madurai
CST ACT, 1956	Central Sale Tax	1997-2001	42.71	Sales Tax Appellate Tribunal, Madurai

- viii. According to the information and explanations given to us, the company has not defaulted in repayment of any loans or borrowings from banks or financial institutions. The company has not issued any debentures and has not borrowed any amount from Government during the year under report.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). Term Loans have been applied for the purpose for which they were obtained.
- x. To the best of our knowledge and belief and according to the information and explanations given to us, there have been no cases of fraud by the company or on the company by its officers or employees has been noticed or reported during the year under report.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.

For **BRAHMAYYA & CO.,**
CHARTERED ACCOUNTANTS
Firm Regn No: 000511S

Date : May 28, 2019
Place : Chennai

R. Nagendra Prasad
Partner
Membership No. 203377

“Annexure C” to the Independent Auditor’s Report of even date on the Financial Statement of M/s. Tamil Nadu Newsprint and Papers Limited

Report on the Internal Financial Controls over financial reporting under Clause [i] of Sub-section 3 of Section 143 of the Companies Act, 2013

We have audited the internal financial controls over financial reporting of **M/s. Tamil Nadu Newsprint and Papers Limited** [“the Company”] as of **March 31, 2019** in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria that are established by the Company in their separate internal control manuals considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting [“the Guidance Note”] and the Standards on Auditing, issued by the Institute of Chartered Accountants of India and deemed to be prescribed under Section 143 [10] of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Controls over Financial Reporting

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control over financial reporting includes those policies and procedures that [1] pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; [2] provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company

and [3] provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operative effectively as at **March 31, 2019**, based on the internal control over financial reporting criteria that are established by the Company in their separate internal control manuals considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **BRAHMAYYA & CO.,**
CHARTERED ACCOUNTANTS
Firm Regn No: 000511S

Date : May 28, 2019
Place : Chennai

R. Nagendra Prasad
Partner
Membership No. 203377

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 143(6) (B) OF THE COMPANIES ACT, 2013 ON THE
FINANCIAL STATEMENTS OF TAMIL NADU NEWSPRINT AND PAPERS LIMITED
FOR THE YEAR ENDED 31ST MARCH, 2019,
WILL BE FORWARDED TO THE SHAREHOLDERS SEPARATELY.**

BALANCE SHEET AS AT 31ST MARCH 2019**(₹ in Lakh)**

Sl. No	Particulars	Note	As at 31-Mar-19	As at 31-Mar-18
I	ASSETS			
1)	Non-current assets			
	(a) Property, plant and equipment	4	387497.70	404039.95
	(b) Capital work-in-progress	5	1447.63	1813.68
	(c) Investment property	6	529.83	531.82
	(d) Intangible assets	7	787.51	2515.17
	(e) Biological assets other than bearer plants	8	788.18	710.55
	(f) Financial assets			
	i) Investments	9	66.58	103.12
	ii) Loans	10	2971.02	6925.20
	(g) Other non-current assets	11	2735.01	2203.28
	Total Non-Current Assets		396823.46	418842.77
2)	Current Assets			
	(a) Inventories	12	86079.00	48417.33
	(b) Financial assets			
	i) Trade receivables	13	44162.01	60348.51
	ii) Cash and cash equivalents	14	5143.89	2720.13
	iii) Loans	15	2225.56	3697.11
	(c) Other current assets	16	18714.31	18417.81
	(d) Assets held for sale	16 A	0.00	22.00
	Total current assets		156324.77	133622.89
	Total Assets		553148.23	552465.66
II	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity share capital	17	6937.78	6937.78
	(b) Other equity	18	158230.26	153375.03
	Total Equity		165168.04	160312.81
	LIABILITIES			
1)	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	19	124699.25	145032.48
	(b) Provisions	20	10816.96	11007.75
	(c) Deferred tax liabilities (net)	21	22865.52	22166.48
	(d) Other non-current liabilities	22	29.81	31.39
	Total non-current liabilities		158411.54	178238.10
2)	Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	19	28313.77	50856.84
	(ii) Trade payables	23		
	Total Outstanding dues of Micro & Small Enterprises		206.28	181.68
	Total Outstanding dues of Creditors other than Micro & Small Enterprises		120607.53	76684.59
	(iii) Other financial liabilities	24	59019.08	60441.58
	(b) Other current liabilities	25	16986.30	23139.80
	(c) Provisions	20	2702.69	2367.75
	(d) Current tax liabilities (net)		1733.00	242.51
	Total current liabilities		229568.65	213914.75
	Total equity and liabilities		553148.23	552465.66

Note 1 to 43 are forming part of financial statements

N MURUGANANDAM, IAS
CHAIRMAN
(DIN - 00540135)

S.SIVASHANMUGARAJA, IAS
MANAGING DIRECTOR
(DIN - 06684301)

V.RAMANATHAN
EXECUTIVE DIRECTOR (FINANCE) &
CHIEF FINANCIAL OFFICER

vide our report of even date
For BRAHMAYYA & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No: 000511S

Place : Chennai
Date : 28th May, 2019

V. SIVAKUMAR
COMPANY SECRETARY

R.NAGENDRA PRASAD
Partner
Membership No: 203377

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2019**(₹ in Lakh)**

Sl. No	Particulars	Note	For the Year ended 31-Mar-19	For the Year ended 31-Mar-18
I	INCOME			
	Revenue from Operations	26	408271.46	312510.30
	Other Income	27	3924.34	3360.25
	TOTAL INCOME (I)		412195.80	315870.55
II	EXPENSES			
	Cost of materials consumed	28	201393.97	133323.42
	Purchase of stock-in-trade	29	11725.55	16834.63
	Changes in inventories of finished goods, work-in-progress & Stock-in-Trade	30	(9297.50)	11095.92
	Excise duty		0.00	2677.02
	Employee benefit expense	31	26750.87	24634.26
	Finance costs	32	23335.86	24463.27
	Depreciation & amortization expense	33	22668.38	22183.28
	Power, fuel & water charges		68641.78	45653.66
	Other expenses	34	44137.83	37803.82
	TOTAL EXPENSES (II)		389356.74	318669.28
III	PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX (I - II)		22839.06	(2798.73)
IV	Exceptional Items	35	7319.38	0.00
V	PROFIT/(LOSS) BEFORE TAX (III-IV)		15519.68	(2798.73)
VI	TAX EXPENSE	36		
	- Current tax		5184.16	0.00
	- Deferred tax / MAT credit entitlement		896.84	1416.00
	- Income-tax relating to previous year		0.00	0.72
			6081.00	1416.72
VII	PROFIT / (LOSS) FOR THE PERIOD (V -VI)		9438.68	(4215.45)
VIII	OTHER COMPREHENSIVE INCOME			
	A (i) Items that will not be reclassified to Profit or Loss		(196.88)	189.18
	(ii) Income tax relating to items that will not be reclassified to Profit or Loss		53.65	(66.88)
	B (i) Items that will be reclassified to Profit or Loss		(412.52)	287.85
	(ii) Income tax relating to items that will be reclassified to Profit or Loss		144.15	(99.62)
			(411.60)	310.53
IX	TOTAL COMPREHENSIVE INCOME (VII + VIII)		9027.08	(3904.92)
X	EARNINGS PER EQUITY SHARE OF RS.10 EACH (EPS)			
	- Basic & Diluted (₹)		13.64	(6.09)

Note 1 to 43 are forming part of financial statements

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(DIN -00540135)

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MANAGING DIRECTOR
(DIN- 06684301)

V.RAMANATHAN
EXECUTIVE DIRECTOR (FINANCE) &
CHIEF FINANCIAL OFFICER

vide our report of even date
For BRAHMAYYA & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No: 000511S

Place : Chennai
Date : 28th May, 2019

V. SIVAKUMAR
COMPANY SECRETARY

R.NAGENDRA PRASAD
Partner
Membership No: 203377

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2019**(₹ in Lakh)**

Sl.No.	Particulars	2018-19	2017-18
A	CASH FLOW FROM OPERATING ACTIVITIES		
	PROFIT/(LOSS) BEFORE TAX	15519.68	(2798.73)
	Adjustments for :		
	Depreciation and amortisation	22668.38	22183.28
	Provision for advances & Loans	5760.09	0.00
	Provision for Impairment of Right to procure Bagasse	1559.29	0.00
	Interest on Overdue bills	(720.42)	(1119.36)
	Interest Income	(793.04)	(841.21)
	Provision for impairment of assets held for sale	0.00	29.90
	Rental Income	(105.88)	(117.53)
	(Profit)/Loss on write off/ sale of Fixed Assets	(3.68)	(0.95)
	Fair value movement of Biological Assets	(18.26)	(11.16)
	Exchange Fluctuations	475.87	411.74
	Provision for Trade Receivables	1379.06	174.19
	Finance Cost	23335.86	24463.27
	Operating Profit before working capital changes	69056.95	42373.44
	Decrease(Increase) in inventories	(37721.04)	8820.37
	Decrease(Increase) in trade receivables	14936.79	(6121.35)
	Decrease(Increase) in other current assets	(674.53)	(420.71)
	Decrease(Increase) in current financial assets	316.31	(610.76)
	Decrease(Increase) in non current financial assets	105.39	526.39
	Decrease(Increase) in other non-current assets	(290.50)	547.17
	Increase(Decrease) in non-current provisions	(351.13)	710.47
	Increase(Decrease) in other non current liabilities	(1.58)	(1.42)
	Increase(Decrease) in trade payable	43947.54	22766.23
	Increase(Decrease) in current provisions	334.94	694.39
	Increase(Decrease) in other current financial Liabilities	2075.88	383.24
	Increase(Decrease) in other current payables	(6153.50)	14956.68
	Cash from Operations	85581.52	84624.14
	Income Tax paid	(3693.67)	(1355.61)
	Net Cash from Operating Activities	81887.85	83268.53
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Proceeds on Sale of Fixed Assets	4.70	3.29
	Proceeds from Asset held for sale	22.00	0.00
	Additions to Fixed Assets, Capital Work-In-Progress & Capital Advance	(5416.96)	(12163.16)
	Interest Income	584.45	568.03
	Rental Income	112.50	109.81
	Net Cash from Investing Activities	(4693.31)	(11482.03)
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from Borrowings	20000.00	27468.30
	Repayment of Borrowings	(44273.57)	(43874.66)
	Increase(Decrease) in short term borrowings	(33009.84)	(9954.44)
	Interest paid	(23433.22)	(24759.17)
	Dividend paid	(3460.53)	(5190.80)
	Dividend tax paid	(711.32)	(1056.72)
	Net Cash from Financing Activities	(84888.48)	(57367.49)
D	TOTAL INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS DURING THE YEAR (A+B+C)	(7693.94)	14419.01
	Cash and cash equivalents at the beginning of the year	(1463.90)	(15882.91)
	Cash and cash equivalents at the end of the year	(9157.84)	(1463.90)
	Cash and cash equivalents comprise of the following		
	Cash and cash equivalents	5023.51	2604.33
	Bank overdrafts (cash credit)	(14181.35)	(4068.23)
	Cash and cash equivalents	(9157.84)	(1463.90)

Notes : 1. Cash Flow statement has been prepared by following Indirect method.

2. Figures of previous year has been regrouped/restated/reclassified wherever necessary.

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(DIN- 06684301)

V.RAMANATHAN
EXECUTIVE DIRECTOR (FINANCE) &
CHIEF FINANCIAL OFFICER

Vide our report of even date
For BRAHMAYYA & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No: 0005115

Place : Chennai
Date : 28th May, 2019

V. SIVAKUMAR
COMPANY SECRETARY

R.NAGENDRA PRASAD
Partner
Membership No: 203377

Statement of Changes in Equity**A. Equity Share Capital (Refer Note 17)**

(₹ in Lakh)

Particulars	Amount
Balance as at 01 - Apr-18	6937.78
Changes in Equity Share Capital during 2018-19	0.00
Balance as at 31-Mar -19 (Includes Shares forfeited Rs.16.72 lakh)	6937.78

B. Other Equity (Refer Note 18)

(₹ in Lakh)

Particulars	Reserves and Surplus			Other Comprehensive Income			Total Other Equity
	Securities Premium	Other reserves (General reserves)	Retained Earnings	Fair value gain/(loss) on Equity Instruments	Effective portion of cash flow hedges	Re-measurement of defined benefit plans	
Balance at the beginning of the period 01- Apr-18	17973.11	134973.03	469.41	(8.55)	21.55	(53.52)	153375.03
Total Comprehensive Income	-	-	9438.68	(36.54)	(412.52)	(160.34)	8829.28
Dividend	-	-	(3460.53)	-	-	-	(3460.53)
Dividend Distribution Tax	-	-	(711.32)	-	-	-	(711.32)
Transfer from/ (to) retained earnings	-	(4171.85)	4171.85	-	-	-	-
Tax on Other Comprehensive Income	-	-	-	(2.38)	144.15	56.03	197.80
Balance at the end of the period 31-Mar-19	17973.11	130801.18	9908.09	(47.47)	(246.82)	(157.83)	158230.26

Note 1 to 43 are forming part of financial statements

N MURUGANANDAM, IAS
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(DIN -00540135)

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Vide our report of even date
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Firm Reg. No: 000511S

Place : Chennai
Date : 28th May, 2019

V. SIVAKUMAR
COMPANY SECRETARY

R.NAGENDRA PRASAD
Partner
Membership No: 203377

NOTES TO THE FINANCIAL STATEMENTS

1. Company Overview

Tamil Nadu Newsprint and Papers Limited (the Company or 'TNPL') is in the business of manufacture and marketing of Paper, Paper Board, Cement and Generation of Power. The installed capacity of Paper is 400000 tons per annum (TPA), Paper Board is 200000 Tons per annum (TPA), and Cement is 900 tons per day (TPD). Power Generation Capacity is 174.12 MW consists of 138.62 of Turbo Generators (TG's) and 35.50 MW of Wind Farm. Generation of Power is primarily for self-consumption and surplus is sold.

The Company is a public limited company incorporated and domiciled in India and has its registered office situated at No. 67, Mount Road, Guindy, Chennai – 600 032, India. The Company has been incorporated under the provisions of The Companies Act, 1956 and its equity shares are listed on the Bombay Stock Exchange ('BSE') and National Stock Exchange (NSE) in India.

The financial statements for the year ended 31st March, 2019 are approved for issue by the Company's Board of Directors on May 28, 2019.

2. Basis of preparation

a. Statement of compliance

These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

b. Functional and presentation currency

These financial statements are presented in Indian Rupee ('INR'), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakh, unless otherwise indicated.

c. Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Certain financial assets and liabilities (including derivative instruments) - at fair value;

- Biological assets - Fair value less costs to sell; and
- Net defined benefit liability - Present value of defined benefit obligations

d. Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

The company periodically reviews estimates. Changes to estimates are recognized in the period when the change is made if the change only affected that period. If the change affects current and future periods, it is recognized in the period when the change is made and in future periods. During the current financial year, the company has reviewed the estimates of certain financial assets and the impact on the revision of estimate will be considered appropriately both in current and future periods.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the concerned notes.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 March 2019 is included in the concerned notes.

e. Measurement of fair values

A number of the Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information is required, the Company assesses the evidence obtained by the third parties to support the conclusions that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

Note 6 – Investment Property

Note 8 – Biological Assets

Note 41 – Financial Instruments

3. Significant accounting policies

a. Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Exchange differences are recognized in profit or loss, except exchange differences arising from the translation of the qualifying cash flow hedges to the extent that the hedges are effective which are recognized in Other Comprehensive Income (OCI).

As per option given under Ind AS 101, a first time adopter can continue its Indian GAAP policy for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognized in the Indian GAAP financial statements for the period ending immediately before the beginning of the first Ind

AS financial reporting period. Accordingly, the company has exercised the option of capitalizing the exchange difference on Long Term Foreign Currency Loans in relation to depreciable fixed assets / capital work-in-progress.

Effective April 1st, 2018 the company has adopted Appendix B to Ind AS 21- Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency. The effect on account of adoption of this amendment was insignificant.

b. Financial instruments

i. Recognition and initial measurement

All financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortized cost;
- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- Fair Value Through Profit and Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVPTL.

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on de-recognition is recognized in profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss.

Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on de-recognition is also recognized in profit or loss.

iii) De-recognition

Financial assets

The company de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities

The company de-recognizes a financial liability when its contractual obligations are discharged or cancelled, or expire.

The company also de-recognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

iv) Off-setting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

v) Derivative financial instruments and hedge accounting

The Company holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognized in profit or loss.

The Company designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions and firm commitments arising from changes in foreign exchange rates.

At inception of designated hedging relationships, the Company documents the risk management objective and strategy for undertaking the hedge. The Company also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in OCI and accumulated in the other equity under 'effective portion of cash flow hedges'. The effective portion of changes in the fair value of the derivative that is recognized in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in profit or loss.

The Company designates only the change in fair value of forward exchange contracts as the hedging instrument in cash flow hedging relationships.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item such as inventory, the amount accumulated in other equity is included directly in the initial cost of the non-financial item when it is recognized. The replacement or rollover of a hedging instrument into another hedging instrument is not an expiration or termination. For all other hedged forecast transactions, the amount accumulated in other equity is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in other equity remains there until, for a hedge of a transaction resulting in recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified to profit or loss.

vi) Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

c. Property, Plant and Equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

ii. Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment as at 1 April 2015, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment

iii. Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iv. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method and is generally recognized in the statement of profit and loss. Freehold land is not depreciated.

The estimated useful lives of items of property, plant and equipment are as follows:

Asset	Management estimate of useful life
Buildings	3 to 60 years
Plant & Equipment	3 to 30 years
Furniture, Fixture and other Equipment	5 to 10 years
Vehicles	8 to 10 years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of).

v. Reclassification to investment property

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

d. Other intangible assets

i. Recognition and measurement

Intangible assets are initially measured at cost. These items of other intangible assets are subsequently measured at cost less accumulated amortization and accumulated impairment losses, if any.

ii. Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in profit or loss as incurred.

iii. Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognized as at 1 April 2015, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

iv. Amortization

Amortization is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortization in Statement of Profit and Loss.

The estimated useful lives are as follows:

Asset	Management estimate of useful life
Software	4 years
Right to procure Bagasse	Tenure of the respective sugar mills agreement

Amortization method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

Internally generated: Research and Development

Expenditure other than for acquisition of capital assets on research activities is recognized in profit or loss as incurred.

Development expenditure is capitalized as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognized in profit or loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortization and any accumulated impairment losses

e. Biological assets

Biological assets, i.e. standing crops are measured at fair value less costs to sell, with any change therein recognized in profit or loss.

f. Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business or use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

On transition to Ind AS, the company has elected to continue with the carrying value of all of its investment property recognized as at 1 April 2015, measured as per the previous GAAP and use that carrying value as the deemed cost of such investment property.

The estimated useful lives are as follows :

Asset	Management estimate of useful life
Land	---
Building	60 years

Any gain or loss on disposal of an investment property is recognized in profit or loss.

The fair value of investment property is disclosed in the notes. Fair value is determined by an independent valuer who holds a recognized and relevant professional qualification and has recent experience in the location and category of the investment property being valued or by utilizing guideline value.

g. Inventories

All inventories are initially recorded at cost. Cost represents all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost for the purpose of valuation is determined by using the weighted average cost, net of taxes and duties eligible for credit and discounts.

Raw materials, stores, consumables and spare parts

Raw materials, stores, consumables and spare parts held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

Cost of wood transferred from biological assets (captive plantation) is valued initially at their fair value less costs to sell at the point of harvest. Weighted average cost has been followed for subsequent measurement as stated above.

All spares having useful life less than one year are treated as inventories and measured accordingly.

Work-in-process

All work-in-process are valued at lower of cost which includes cost of inputs, net of taxes and duties eligible for credit and overheads up to the stage of completion and net realizable value.

Finished goods

Finished goods at factory are measured at lower of cost which includes cost of inputs (net of taxes and duties eligible for credits) and overheads and net realizable value. Finished goods at branches are valued on the above basis and also include transportation cost to branches and insurance cost.

Traded Goods

Traded goods are measured at lower of purchase cost net of taxes and duties, if any and net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Non Moving Stores and Spares

Stores and spares not drawn for use for more than three years as at the end of year are charged to revenue and are carried at nil value in the books of account.

h. Impairment

i. Impairment of financial instruments

The Company recognizes loss allowances for expected credit losses on financial assets measured at amortized cost.

At each reporting date, the Company assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for 365 days or more;
- it is probable that the borrower will enter bankruptcy or other financial reorganization; or

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

ii. Impairment of non-financial assets

The Company's non-financial assets, other than biological assets, inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU is determined based on asset's value in use. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

To determine impairment of a corporate asset (e.g., Corporate office building for providing support to various CGUs), recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss.

i. Non-current assets held for sale

Non-current assets comprising assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets are generally measured at the lower of their carrying amount and fair value less costs to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognized in profit or loss.

Once classified as held-for-sale, intangible assets, property, plant and equipment and investment properties are no longer amortized or depreciated.

Fair value of assets held for sale as on the Balance sheet date will be retired from Fixed Assets and classified under Current assets. Depreciation is charged for such asset only upto the retirement date. The difference between fair value and Book value of such asset is charged to statement of profit and loss.

j. Employee benefits**i. Short-term employee benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid e.g. under short-term cash bonus / Ex-gratia, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii. Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards pension and superannuation scheme. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in statement of profit and loss in the periods during which the related services are rendered by employees.

iii. Defined benefit plan

The Company pays fixed contribution to provident fund at pre-determined rates to a separate irrevocable trust approved by the Commissioner of Income Tax, which invests the fund in permitted securities. The contribution to the fund for the period is recognized as expenses and is charged to Statement of Profit and Loss. While the obligation to the Company is limited to such fixed contribution, as per the rules of Employee's Provident Fund (EPF) any deficiency in the rate of interest on the contribution based on its return on investment as compared to the rate declared for Employees Provident Fund by the Government under Para 60 of the Employees Provident Fund Act is to be met by the Company. Also as per the rules, any deficiency in the fair value of Plan Assets backing the Provident Fund accumulations compared to the amount of such accumulations is to be met by the company.

Liabilities in respect of defined benefit plan in the form of Gratuity and Long-term compensated absences are determined based on actuarial valuation made by an independent actuary using projected unit credit method as at the balance sheet date and are unfunded.

Re-measurements of the net defined benefit liability on account of experience adjustments and changes in actuarial assumptions in respect of Gratuity, which comprise actuarial gains and losses are recognized in Other Comprehensive Income (OCI).

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in statement of profit and loss as past service cost.

k. Provisions (other than for employee benefits) and contingent liabilities

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for.

Decommissioning costs

Decommissioning costs are measured as the best estimate of the expenditure to settle the obligation or to transfer the obligation to a third party. Provisions for decommissioning obligations are required to be recognized at the inception of the arrangement. The estimated costs to be incurred at the end of the arrangement are discounted to its present value using the market rate of return.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are neither recognized nor disclosed in the financial statements.

I. Revenue recognition

Revenue is measured based on the transaction price, which is the fair value of the consideration received or receivable after netting trade discounts, volume discounts, sales returns and Goods and Services Tax. Revenue from sale of goods is recognized upon transfer of control of promised goods or services to customers.

Revenue from contract with customers is recognized when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at a point of time. Performance obligations are said to be satisfied at a point of time when the customer obtains controls of the goods / services rendered.

Effective April 1, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied to all contracts that were not completed as of April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The impact on account of applying the erstwhile Ind AS 18 Revenue instead of Ind AS 115 Revenue from contract with customers on the financials results of the Company for the year ended and as at March 31, 2019 is insignificant and has no impact.

Rental income from investment property is recognized as part of other income in profit or loss on a straight-line basis over the term of the lease except where the rentals are structured to increase in line with expected general inflation.

Renewable Energy Certificate (REC) benefits are recognized in the statement of Profit and Loss on sale of REC's.

Liquidated damages and penalties recovered from suppliers/contractors, in relation to property, plant and equipment are credited to statement of profit and loss unless the delay has resulted in extra cost of assets, in which case the same are adjusted towards the carrying cost of the respective asset.

Barter transactions

The Company has engaged into barter transactions comprising of exchanging steam/fuel for bagasse. This exchange though is of dissimilar goods, would not qualify as sale since it is not a product sold by the Company and the transaction does not have commercial substance.

Export Benefits

The benefit accrued under Duty Drawback Scheme as per the Export and Import Policy in respect of exports made is accounted on an accrual basis and is included under the head "Revenue from Operations" as 'Other Operating Revenue - Export Incentives'.

The benefit accrued under the Merchandise Exports from India Scheme (MEIS) in respect of exports on an accrual basis and is included under the head "revenue from operations" as 'Other Operating Revenue - Export Incentives'.

Export benefits available under eligible schemes are recognized in the year when the right to receive credit as per the terms of the scheme is established in respect of exports made and are accounted to the extent there is no significant uncertainty about the measurability and ultimate utilization/ realization of such duty credit.

m. Government grants

Government grants and project incentives are recognized initially as deferred income at fair value when there is reasonable assurance that they will be received and the Company will comply with the conditions associated with the grant and the same is recognized in statement of profit and loss as other income on a systematic basis.

Grants that compensate the Company for expenses incurred are recognized in profit or loss as other income on a systematic basis in the periods in which such expenses are recognized.

n. Leases**i. Determining whether an arrangement contains a lease**

At inception of an arrangement, it is determined whether the arrangement is or contains a lease.

At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values.

ii. Lease payments

Payments made under operating leases are generally recognized in profit or loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

o. Recognition of dividend income, interest income or expense

Dividend income is recognized in statement of profit and loss on the date on which the company's right to receive payment is established. Interest income or expense is recognized using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortized cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortized cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

p. Income tax

Income tax comprises current and deferred tax. It is recognized in statement of profit and loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are

recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Credit for Minimum Alternative Tax (MAT) if any is recognized as a part of deferred tax assets. Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

q. **Borrowing cost**

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowings. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

r. **Cash flow statements**

Cash flow statements are prepared under Indirect Method whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows. Cash and cash equivalents comprise of cash in hand, current and other accounts (including fixed deposits) held with banks.

s. **Events occurring after the balance sheet date**

Assets and liabilities are adjusted for events occurring after the reporting period that provides additional evidence to assist the estimation of amounts relating to conditions existing at the end of the reporting period.

Dividends declared by the Company after the reporting period are not recognized as liability at the end of the reporting period. Dividends declared after the reporting period but before the issue of financial statements are not recognized as liability since no obligation exists at that time. Such dividends are disclosed in the notes to the financial statements.

t. **Operating segments**

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Board of Directors (BoD) to make decisions about resources to be allocated to the segments and assess their performance.

The Company has identified following operating segments i.e. Paper& Paper Board, Energy and Cement.

Reportable Segments	Operations
Paper & Paper Board	Manufacturing and selling of Paper and Paper Board
Energy	Generation of Power through TGs and Wind mills for captive consumption and for export of power.
Cement	Manufacturing and selling of Cement.

Revenue and expenses have been identified to respective segments on the basis of operating activities of the enterprise. Revenue and expenses which relate to the enterprise as a whole are not allocable to a segment on a reasonable basis, and have been disclosed as un-allocable assets and liabilities.

Inter segment revenue / expenses are recognized at cost.

Geographical segments considered for reporting are India and Rest of the World.

Information about reportable segments

Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the Company's CEO. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on cost basis.

u. Earnings per share (EPS)

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The Company did not have any potentially dilutive securities in any of the years presented.

v. Dividends

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

The Company declares and pays dividends in Indian rupees. The remittance of dividends outside India is governed by Indian law on foreign exchange and is subject to applicable distribution taxes.

Dividends, if any are to be declared at the Annual General Meeting of Shareholders based on the recommendation of the Board of Directors. Generally, the factors that may be considered by the Board of Directors before making any recommendation of dividend include, without limitation, the company's future expansion plans and capital requirements, profits earned during the fiscal year, cost of raising funds from alternative sources, liquidity position, applicable taxes including tax on dividend as well as exemptions under tax laws available to various categories of investors from time to time and general market conditions.

w. Amendments to Indian Accounting Standards (Ind AS) issued but not yet effective

i. Ind AS 116 Leases

On 30 March 2019, the Ministry of Corporate Affairs (MCA) notified Ind AS 116, 'Leases' as part of the Companies (Indian Accounting Standards (Ind AS)) Amendment Rules, 2019. Ind AS 116 replaces existing standard on leases i.e. Ind AS 17, Leases with effect from accounting periods beginning on or after 1 April 2019. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor.

It eliminates the classification of leases as either finance leases or operating leases for a lessee as required by Ind AS 17. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value.

A lessee is required to recognize a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Requirements with regard to lessor accounting are substantially similar to accounting requirements contained in Ind AS 17. Accordingly, a lessor will continue to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

The Company's operating leases mainly relate to Land for growing plantations and Land & Buildings which are on long term lease ranging from 3 to 30 years.

The Company has carried out its preliminary evaluation of the possible impact of Ind AS 116 and will adopt the standard using the 'Modified Retrospective Method' based on the principles in Ind AS 116. Accordingly, the cumulative effect of initially applying this standard will be recognized as an adjustment to the opening balance

of retained earnings i.e 1 April 2019. Consequently, comparatives for the year ended 31st March, 2018 will not be retrospectively adjusted. The Company expects this adoption will result in the assets and liabilities and is not likely to have a significant impact on the financial statements.

On March 30, 2019, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Second Amendment Rules, 2019 amending the following standards:

b) Appendix C, Uncertainty over Income Tax Treatments to Ind AS 12, 'Income taxes' The appendix corresponds to IFRIC 23, Uncertainty over Income Tax Treatments issued by the IFRS Interpretations Committee.

This amendment clarifies how the recognition and measurement requirements of Ind AS 12 'Income taxes', are applied where there is uncertainty over income tax treatments. An uncertain tax treatment is any tax treatment applied by an entity where there is uncertainty over whether that treatment will be accepted by the tax authority. For example, a decision to claim a deduction for a specific expense or not to include a specific item of income in a tax return is an uncertain tax treatment if its acceptability is uncertain under tax law. The amendment applies to all aspects of income tax accounting where there is an uncertainty regarding the treatment of an item, including taxable profit or loss, the tax bases of assets and liabilities, tax losses and credits and tax rates.

c) Prepayment Features with Negative Compensation, Amendments to Ind AS 109, Financial Instruments.

This amendment enables entities to measure certain pre-payable financial assets with negative compensation at amortised cost. These assets, which include some loan and debt securities, would otherwise have to be measured at fair value through profit and loss. Negative compensation arises where the contractual terms permit the borrower to prepay the instrument before its contractual maturity, but the prepayment amount could be less than unpaid amounts of principal and interest. However, to qualify for amortised cost measurement, the negative compensation must be 'reasonable compensation for early termination of the contract'.

That is, when a financial liability measured at amortised cost is modified without this resulting in derecognition, a gain or loss should be recognised in profit or loss. The gain or loss is calculated as the difference between the original contractual cash flows and the modified cash flows discounted at the original effective interest rate.

d) Ind AS 19 - Employee Benefits - Plan Amendment, Curtailment or Settlement, Amendments

The amendments to Ind AS 19 clarify the accounting for defined benefit plan amendments, curtailments and settlements. The amendments require an entity:

to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and

to recognize in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

e) Annual Improvements to Ind AS.

- i. Ind AS 23, 'Borrowing Cost'- clarified that if a specific borrowing remains outstanding or the related qualifying asset is ready for its intended use or sale, it becomes part of general borrowings
- ii. Ind AS 12, 'Income Taxes'- clarified that the income tax consequences of dividends on financial instruments classified as equity should be recognized according to where the past transactions or events the generated distributable profits were recognized. These requirements apply to all income tax consequences of dividends.

The above stated amendments is effective for annual periods beginning on or after April 1, 2019. The Company does not expect the effect of this on the financial statements to be material based on preliminary evaluation."

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakh)

Note	PARTICULARS	DEEMED COST (GROSS CARRYING AMOUNT)		ACCUMULATED DEPRECIATION /AMORTISATION			CARRYING AMOUNT		
		As at 1-Apr-18	Additions/ (Deletions)	As at 31-Mar-19	As at 1-Apr-18	Additions/ (Deletions)	Upto 31-Mar-19	As at 31-Mar-19	As at 31-Mar-18
4	Property Plant and Equipment (PPE)								
	Land (Note - (a & b))	7237.31	1703.00	8940.31	0.00	0.00	0.00	8940.31	7237.31
	Buildings	70749.63	1080.43	71830.06	6822.59	2813.02	9635.61	62194.45	63927.04
	Plant & Machinery (Note - (c & d))	378924.51	2658.63	381581.72	47757.42	18925.00	66681.29	314900.43	331167.09
	Furniture, Fixture and other Equipment	2005.43	61.99	2045.99	622.86	279.62	881.78	1164.21	1382.57
	Vehicles	475.64	25.06	500.69	149.70	52.70	202.39	298.30	325.94
	Total	459392.52	5529.11	464898.77	55352.57	22070.34	77401.07	387497.70	404039.95
5	Capital Work-in-Progress								
6	Investment Property								
	Land	451.23	0.00	451.23	0.00	0.00	0.00	451.23	451.23
	Building	86.37	0.00	86.37	5.78	1.99	7.77	78.60	80.59
	Total	537.60	0.00	537.60	5.78	1.99	7.77	529.83	531.82
7	Other Intangible Assets								
	Computer software	1044.82	12.67	1057.49	850.84	144.22	995.06	62.43	193.98
	Right to Procure Bagasse (Note - (e))	3205.73	415.01	3620.74	884.54	451.83	1559.29	725.08	2321.19
	Total	4250.55	427.68	4678.23	1735.38	596.05	3890.72	787.51	2515.17

Note :

- a) The Land includes Rs.149.69 Lakhs towards the value of 10 grounds and 425 sq.ft for the construction of Corporate Office building. The transfer of title of the said Land by the Government of Tamilnadu in favour of the company is yet to be done pending completion of necessary formalities.
- b) The company has acquired 832.57 acres of Private Patta land and 41.89 acres of Government Poramboke Land for setting up the Multilayer Coated Paper Board Plant and paid interim compensation of Rs.2501.70 lakh for Private Patta Land. As per notification by the Government of Tamil Nadu vide its order GO.(Ms.) No.13 dated 21.02.2018, Industries (SIPCOT-LA) Department, Govt. Of Tamil Nadu, Final amount of compensation has been determined by applying the multiplier factors in the Tamil Nadu Acquisition of Land for Industrial purpose Act, 1997 by virtue of the Right to Fair Compensation and Resettlement Act, 2013 and a provision of Rs.2017.02 lakh was made in the books towards additional compensation during 2017-18. Further, during the current financial year 2018-19, "the Commissioner of land administration" has issued instructions vide Circular No.M2/2701/13 dated 23.07.2018 for payment of interest from the date of the interim award till the date of the final award and accordingly the total additional compensation payable was determined and an additional compensation of Rs.1671.72 lakh was provided and included in the cost of land as on 31.03.2019.
- c) The Company availed of lease finance for 4 Nos of 750KW capacity each Wind Electric Generators in 2001 with lease rentals payable upto 31.03.2007. The Company has not opted for a secondary lease and hence no provision is made for secondary lease rent in the books. The formal transfer of assets by the lessor to TNPL is yet to be done pending completion of certain formalities.
- d) The company has entered into an agreement with the Sakthi Sugars Limited (SSL), Appakudal for procurement of bagasse @ 9% on completion of the payment of 50% cost of the asset, TNPL and the sugar mill will have joint ownership and the sugar mill has to reimburse 50% of the capital cost and pay the same in 35 quarterly instalments bearing interest @ 9%. On completion of the payment of 50% cost of the asset, TNPL and the sugar mill will have joint ownership and equal rights on the assets installed at Appakudal. Pending receipt of full value joint ownership right of the assets yet to be transferred.
- e) The tenure of agreements with sugar mills is considered for arriving at Fair value of Interest Free advances and the resultant difference being recognised as Intangible Asset - 'Right to procure Bagasse'. During the current year, some of the agreements have been reassessed and the fair value of advances and intangible assets have been recalculated and recognised in the books of accounts effective 1st April, 2017 and amortised accordingly over the tenure of the remaining period of agreement.
- f) Additions to assets include a exchange Loss of Rs 21.95 lakh (Previous Year - exchange gain Rs 9.34 lakh) towards adjustment of effects of changes in Foreign Exchange rates during the year relating to Foreign Currency Long-term loans availed of for acquisition of depreciable fixed assets in line with 3 (a) - Significant Accounting Policies.
- g) As at 31 March 2019, PPE are subject to charge on secured bank loans (Refer Note 19)
- h) The 'recoverable amount' is higher than the 'carrying amount' of the cash generating units and hence there is no impairment of losses under Ind AS-36.

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakh)

i) Capital Work-in-Progress includes:

Sl. No.	Particulars		As at 31-Mar-19	As at 31-Mar-18
	Tangible Assets			
A)	Regular Projects		1161.16	1222.79
B)	Packaging Board Plant - Mill Expansion Plan			
	Pre-Operative Expenses		221.76	0.00
	Closing Balance		221.76	0.00
C)	Packaging Board Plant:			
	Opening Balance	(a)	590.89	2581.40
	Additions:			
	Land		1756.87	2017.02
	Buildings		175.29	1090.37
	Plant and Machinery		181.84	4739.29
	Vehicles		1.45	6.83
	Furniture, Fixture & Other Equipment		129.14	117.07
	Intangible Assets		2.00	0.00
	Total	(b)	2246.59	7970.58
	Less: Transferred to Fixed Assets on capitalization			
	Land		1703.00	2017.02
	Buildings		549.32	2241.35
	Plant and Machinery		387.85	5578.82
	Vehicles		1.45	6.83
	Furniture, Fixture & Other Equipment		129.14	117.07
	Intangible Assets		2.00	0.00
		(c)	2772.77	9961.09
	Closing Balance (a) + (b) - (c)		64.71	590.89
	Grand Total (A + B + C)		1447.63	1813.68

j) Disclosures relating to Investment Property:

Particulars	As at 31-Mar-19	As at 31-Mar-18
Rental income for investment property	93.84	105.40
Direct operating expenses to income generating property	51.28	60.83
Less: Reimbursement of Expenses	(49.29)	(58.84)
Depreciation on Investment property	(1.99)	(1.99)
Fair value of Investment Property		
a) Land at Tirupattur	31.53	31.53
b) Land at Ambattur Industrial Estate	6124.47	6124.47
c) Corporate office building comprise of 6 floors, out of which 2nd and 3rd Floors are treated as investment property and the fair value of Investment property is	372.46	372.46

NOTES TO THE FINANCIAL STATEMENTS

Measurement of fair values

Fair value hierarchy

- (i) The fair value of investment property (Corporate Office Building) has been determined by external, independent property valuers, having appropriate recognized professional qualifications and recent experience in the location and category of the property being valued. Government guideline value is considered as fair value for Land
- (ii) The fair value measurement for land has been categorized as Level 1 fair value and for corporate office building has been categorized as Level 2

8. Biological Assets Other than bearer plants

a) Reconciliation of carrying amount

(₹ in Lakh)

Particulars	31-Mar-19	31-Mar-18
Standing crops:		
Opening Balance	710.55	804.10
Add: New plantations / Maintenance cost	72.84	39.29
Less: Harvested wood transferred to inventories	(13.47)	(144.00)
Changes in fair value less estimated costs to sell	18.26	11.16
Closing Balance	788.18	710.55

As at 31st March 2019, standing crops comprises 5642 acres of plantations (31 March 2018: 5938 acres) . During the year the company harvested 337 Mts (31 March 2018: 4187 Mts).

b) Measurement of fair values

i. Fair value hierarchy

The fair value measurements for the standing crops have been categorized as Level 3 fair values based on the inputs to the valuation techniques used.

ii. Level 3 fair values

The following table shows a breakdown of the total gains (losses) recognized in respect of level 3 fair values (Standing crops)

(₹ in Lakh)

Particulars	2018 - 19	2017 - 18
Gain included in 'other income'	18.26	11.16

iii. Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring Level 3 fair values and significant unobservable inputs used in Level 3 fair value measurements.

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Discounted cash flows: The valuation model considers the present value of net cash flows expected to be generated by the plantation. The cash flow projections include specific estimates for 5-6 years. The expected net cash flows are discounted using a risk adjusted discount rate	Estimated future wood market prices per ton (31 March 2018: INR 3700) -From Mar 2019 onwards 5% increase from the base rate of 2018 ie., 3700/Mt Estimated yields (in tons) per acre (31 March 2019: 5.31 ; 31 March 2018: 5.33) Risk-adjusted discount rate (31 March 2019: 9%; 31 March 2018: 9%)	The estimated fair value would increase (decrease) if: - the estimated wood prices per ton were higher (lower); - the estimated yields per acre were higher (lower); - the risk-adjusted discount rates were lower (higher)

NOTES TO THE FINANCIAL STATEMENTS

c) Risk management related to agricultural activities

The Company has identified the risk of fire and allied perils, natural calamities like flood, pests and drying up of plant with regard to Biological Assets. The Company has taken insurance policy covering these risks .

(₹ in Lakh)

Note	Particulars	As at 31-Mar-19	As at 31-Mar-18
9	Investment		
	Quoted equity shares		
	IDBI Bank Limited	66.58	103.12
	(142720 equity shares of Rs.10 each, fully paid)	66.58	103.12
	Note: Aggregate Amount of quoted Investment at cost	114.05	114.05

Equity shares designated as at fair value through other comprehensive income.

The Company designated the investments shown below as equity shares as FVOCI because these equity shares represent investments that the Company intends to hold for long term for strategic purposes.

(₹ in Lakh)

Particulars	Fair value at 31-Mar-19	Dividend income recognized during 2018-2019	Fair value at 31-Mar-18
IDBI Bank Ltd - Equity Shares	66.58	0.00	103.12

No strategic investments were disposed during 2018-2019

(₹ in Lakh)

Note	Particulars	As at 31-Mar-19	As at 31-Mar-18
10	Loans		
	Advance to Sugar Mills considered good - Secured	0.00	1172.48
	Advance to Sugar Mills considered good - Unsecured	2971.02	5752.72
	Advance to Sugar Mills - Credit Impaired (Refer Note 35.1)	3433.78	0.00
	Less: Provision for Advance to Sugar Mill	(3433.78)	0.00
		2971.02	6925.20
	Secured by way of residuary subservient charge on immovable assets of Sugar Mills.		
11	Other Non- Current Assets		
	Advances & Deposits with Government and public bodies	1873.73	1715.27
	Capital Advances	279.46	38.23
	Prepaid Expenses	354.52	105.70
	Other advance	227.30	344.08
		2735.01	2203.28

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakh)

Note	Particulars	As at 31-Mar-19	As at 31-Mar-18
12	Inventories		
	Raw materials		
	In Stock	40762.03	9857.66
	In Transit	10097.64	3623.76
	Work in process	13522.84	9275.71
	Stock of Finished Goods	5315.18	10992.17
	Stock of Traded goods	353.70	484.01
	Stores, Consumables and spare parts		
	In Stock	15991.29	14158.82
	In Transit	36.32	25.20
	86079.00	48417.33	

Carrying amount of inventories (included in above) have been hypothecated to banks as securities for borrowings.

The write-down of stores and spares to net realizable value during the year amounted to Rs. 457.19 Lakh (31 March 2018: Rs.656.16 Lakh).The write-down are included in cost of Repairs & Maintenance.

Note	Particulars	As at 31-Mar-19	As at 31-Mar-18
13	Trade Receivables		
	Trade Receivables considered good-Unsecured	44162.01	60348.51
	Trade Receivables which have significant increase in credit risk	0.00	0.00
	Trade Receivables - Credit Impaired	1729.32	355.01
		45891.33	60703.52
	Less : Provision for Trade Receivables - Credit impaired	1729.32	355.01
	(Trade Receivables have been hypothecated to banks as securities for borrowings)	44162.01	60348.51
14	Cash and Cash Equivalents		
	Balance with Banks		
	Current accounts	5010.18	2573.98
	Cheques, drafts on hand	12.30	29.50
	Cash on hand	1.03	0.85
Other than cash and cash equivalents			
Unpaid Dividend accounts	120.38	115.80	
	5143.89	3720.13	
15	Loans		
	Current maturities of Loans:		
	Advance to Sugar Mills-Considered good Unsecured	1331.41	2385.63
	Advance to Sugar Mills- Credit Impaired (Refer Note 35.1)	1394.57	0.00
	Less: Provision for Advance to Sugar Mill - Credit Impaired	(1394.57)	0.00
	Advances considered good - Unsecured	245.46	479.02
	Advances - Credit Impaired	21.45	21.45
	Less: Provision for Advances - Credit impaired	(21.45)	(21.45)
	Employee Advances	331.08	294.19
	Interest accrued on Loans/Deposits considered good - unsecured	317.61	538.27
	Interest accrued on Loans/Deposits - Credit Impaired (Refer Note 35.1)	553.71	0.00
Less: Provision for Interest accrued on Loans - Credit impaired	(553.71)	0.00	
	2225.56	3697.11	

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakh)

Note	Particulars	As at 31-Mar-19	As at 31-Mar-18
16	Other Current Assets		
	Advances for Materials and Services considered good - Unsecured	7154.07	6877.52
	Advances for Materials and Services - Credit Impaired	378.03	0.00
	Less: Provision for Advances - Credit Impaired	(378.03)	0.00
	Balance with:		
	- Central Excise / TN VAT /GST - (includes Rs.466.93 Lakhs paid under protest for disputes)	6728.33	5966.23
	Claims Receivables	3128.93	2980.74
	Export Incentives Receivables	902.47	2129.87
	Prepaid Expenses	800.51	463.45
	Total	18714.31	18417.81
16 A	Assets held for sale		
	- 10 MVA -33/11 kV Power Transformer	0.00	22.00
17	Equity Share Capital		
	Authorized		
	13,50,00,000 (31 March 2018: 13,50,00,000) Equity Shares of Rs.10/- each	13500	13500
	Issued		
	7,00,00,000 (31 March 2018: 7,00,00,000) Equity Shares of Rs.10/- each	7000	7000
	Subscribed and Fully Paid up*		
	6,92,10,600 (31 March 2018: 6,92,10,600) Equity Shares of Rs.10/- each fully paid up	6921.06	6921.06
	Shares Forfeited**	16.72	16.72
	Total	6937.78	6937.78

* All subscribed shares are fully paid-up

** Shares forfeited represents shares called and partly paid by the shareholders were subsequently forfeited by the Company.

(i) Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Particulars	31-Mar-19		31-Mar-18	
	Number in Lakhs	₹ in Lakh	Number in Lakhs	₹ in Lakh
Equity shares				
At the commencement of the period	692.106	6921.06	692.106	6921.06
Shares issued during the period	0.00	0.00	0.00	0.00
At the end of the period	692.106	6921.06	692.106	6921.06

(ii) Rights, preferences and restrictions attached to equity shares

The company has a single class of equity shares. Each equity shares having a par value of ₹ 10. Accordingly, all equity shares rank equally with regard to dividends and share in the company's residual assets on winding up. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to his/its share of the paid-up equity share capital of the company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable has not been paid. Failure to pay any amount called up on shares may lead to their forfeiture.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive the residual assets of the company, in proportion to the number of equity shares held, after distribution of all preferential amounts. However, no such preferential amounts exist currently.

NOTES TO THE FINANCIAL STATEMENTS

(iii) Particulars of shareholders holding more than 5% of shares

Sl.No	Particulars	31-Mar-19		31-Mar-18	
		Number in Lakhs	% of total shares	Number in Lakhs	% of total shares
1	Equity shares of Rs. 10/- each fully paid-up held by - - Governor of Tamil Nadu on behalf of Govt., of Tamil Nadu	244.45	35.32%	244.45	35.32%
2	- Life Insurance Corporation of India	63.06	9.11%	63.06	9.11%
3	- HDFC Trustee Company Limited - HDFC Prudence Fund	40.81	5.90%	37.14	5.37%

(iv) Dividends

The following dividends were declared and paid by the Company during the year

(₹ in Lakh)

Particulars	2018-19	2017-18
Rs.5.00 per equity share (Financial year 2017-18: Rs.7.50)	3460.53	5190.80
Dividend Distribution Tax (DDT) on dividend to equity shareholders	711.32	1056.72
	4171.85	6247.52

After the reporting date, the following dividends (excluding dividend distribution tax) were proposed by the Board of Directors subject to the approval at the annual general meeting; the dividends have not been recognized as liabilities. Dividends would attract dividend distribution tax when declared or paid.

(₹ in Lakh)

Particulars	2019-20	2018-19
Rs.7.50 per equity share (Financial year 2017-18: Rs.5.00)	5190.80	3460.53
	5190.80	3460.53

(v) Basic and diluted earnings per share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic earnings per share calculation are as follows:

a. Profit (loss) attributable to equity shareholders (basic and diluted)

(₹ in Lakh)

Particulars	2018-19	2017-18
Profit /(loss) for the year, attributable to the equity holders	9438.68	(4215.45)
	9438.68	(4215.45)

b. Weighted average number of equity shares (basic and diluted)

(in Numbers)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Opening balance	69210600	69210600
Effect of fresh issue of shares for cash	0	0
Weighted average number of equity shares for the year	69210600	69210600
Earning Per Share (EPS) - (Rs.)	13.64	(6.09)

NOTES TO THE FINANCIAL STATEMENTS

18 .Other Equity

(₹ in Lakh)

Particulars	As at 31-Mar-19	As at 31-Mar-18
(a) Securities premium	17973.11	17973.11
(b) General reserve		
(i) Opening balance	134973.03	134973.03
(ii) Transfer from / (to retain earnings)	(4171.85)	0.00
(iii) Closing balance	130801.18	134973.03
(c) Retained Earnings reserve		
(i) Opening balance	469.41	10932.38
(ii) Profit / (Loss) for the year	9438.68	(4215.45)
(iii) Less : Appropriations		
(a) Dividend on equity Shares	3460.53	5190.80
(b) Tax on dividend	711.32	1056.72
(c) Transfer (from retain earnings) / General reserves	(4171.85)	0.00
	9908.09	469.41
(d) Fair value of gain/(loss) on Equity Instruments through OCI		
(i) Opening balance	(8.55)	(4.49)
(ii) Change during the year (net)	(38.92)	(4.06)
	(47.47)	(8.55)
(e) Effective portion of cash flow hedges		
(i) Opening balance	21.55	(166.68)
(ii) Change during the year (net)	(268.37)	188.23
	(246.82)	21.55
(f) Re-measurement of defined benefit plans		
(i) Opening balance	(53.52)	(179.88)
(ii) Change during the year (net)	(104.31)	126.36
	(157.83)	(53.52)
Total Other Equity	158230.26	153375.03

NOTES TO THE FINANCIAL STATEMENTS

Nature of reserves

(a) Securities Premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with Section 52 of Companies Act, 2013.

(b) General reserve

The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to statement of profit and loss.

(c) Fair value gain/(loss) of Equity Instruments through other comprehensive income

This reserve represents the cumulative gains and losses arising on the revaluation of equity / debt instruments measured at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those assets have been disposed off.

(d) Effective portion of cash flow hedges

The cash flow hedges represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve. Such gains or losses will be reclassified to statement of profit and loss in the period in which the hedged transaction occurs.

(e) Re-measurement of defined benefit plans

Re-measurements of defined benefit liability comprises actuarial gains and losses.

f) Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital, as well as the level of dividends to equity shareholders.

The Board of Directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowing and the advantages and security afforded by a sound capital position. The weighted-average interest expense on interest-bearing borrowings was 8.66 percent (2017-18: 8.30 percent)

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakh)

Note	Particulars	As at 31-Mar-19	As at 31-Mar-18
19	Borrowings		
	Non-current borrowings		
	Term loans - From Financial Institutions - Secured		
	Term Loans-General Corporate Loan		
	- Rupee Term Loans	15000.00	1875.00
	Term loans - From Banks		
	Secured		
	A) Lime Sludge & Fly Ash Management System(LSFM)		
	- Rupee Term Loans	900.00	1500.00
	B) Term Loans-General Corporate Loan		
- Rupee Term Loans	44600.11	59513.09	
C) Multilayer Coated Board Plant			
- Rupee Term Loans	64199.14	82144.39	
	124699.25	145032.48	
19	Current borrowings		
	Loans from banks		
	a) Secured bank loans **		
	Working Capital Loans - Banks		
	Cash Credit	14181.16	3687.51
	Buyer's Credit - Foreign Currency	0.00	4496.22
	Rupee Loan	0.00	5000.00
	Sub-Total (a)	14181.16	13183.73
	b) Unsecured bank loans		
	Short Term Loans from Banks		
	Cash Credit	0.19	380.72
	Export Packing Credit(EPC)-INR	7500.00	5000.00
	Buyer's Credit - Foreign Currency	6632.42	24792.39
Rupee Loan	0.00	7500.00	
Sub-Total (b)	14132.61	37673.11	
	Total (a) + (b)	28313.77	50856.84

** Secured by a first charge on current asses of the company, namely raw materials, stock-in-process, semi-finished goods, finished goods, consumable stores & spares and receivables and a second charge by way of extension of equitable mortgage on immovable properties of the company in Kagithapuram, Karur District, Tamil nadu and second charge on the other fixed assets of the company excluding wind mills, vehicles and Computer Software and assets created/proposed to be created out of the ASRS, LSFM,RSPS and DIP projects.

NOTES TO THE FINANCIAL STATEMENTS

19 Borrowings

A. Term and repayment schedule

Terms and condition of outstanding borrowings are as follows

(₹ in Lakh)

Particulars	Note	Year of maturity	Terms of repayment	Coupon / Interest Rate	Carrying amount at 31- Mar-19	Carrying amount at 31-Mar-18
Non - Current Borrowings						
Secured						
De-Inking Pulp Plant						
- Export - Import Bank of India	(i)	Jul-18	Quarterly in Twenty equal installments	USD LIBOR + 350 bps	0.00	561.14
					0.00	561.14
Lime Sludge Fly Ash Management System						
- Canara Bank	(i)	Sep-21	Quarterly in Eighteen equal installments	1 Y MCLR	1500.00	2100.00
					1500.00	2100.00
Multi Coated Board Plant (Unit-2)						
- Syndicate Bank	(ii)	Sep-21	Quarterly in Eighteen equal installments	1 Y MCLR	20552.00	28776.00
- State Bank of India (Earlier known as SBT)	(ii)	Sep-21	Quarterly in Eighteen equal installments	1 Y MCLR + 25 bps	5550.89	7775.46
- Indian Bank	(ii)	Sep-21	Quarterly in Eighteen equal installments	1 Y MCLR	11090.93	15540.93
- Canara Bank	(ii)	Sep-21	Quarterly in Eighteen equal installments	1 Y MCLR	0.00	19424.74
- Union Bank of India	(ii)	Sep-21	Quarterly in Eighteen equal installments	1 Y MCLR	0.00	15517.27
- The Bank of Tokyo - Mitsubishi UFJ Limited	(ii)	Apr-22	Quarterly in Twelve equal installments	7.73% p.a on a fully hedged basis + appl. with-holding tax	20000.00	20000.00
- ICICI Bank Limited	(ii)	Sep-26	Quarterly in thirty one step up installments	1 Y MCLR + 60 bps	27350.87	0.00
					84544.69	107034.40

NOTES TO THE FINANCIAL STATEMENTS

19 Borrowings (contd.)

(₹ in Lakh)

Particulars	Note	Year of maturity	Terms of repayment	Coupon / Interest Rate	Carrying amount at 31- Mar-19	Carrying amount at 31-Mar-18
General Corporate Loan						
- State Bank of India	(iii)	Feb-19	Monthly in Forty Seven unequal installments	1 Y MCLR + 25 bps	0.00	1660.00
- Export - Import Bank of India	(iv)	Oct-19	Quarterly in Sixteen equal installments	8.75% p.a (fixed) - annual reset	1875.00	4375.00
- HDFC Bank Limited	(v)	Mar-19	Quarterly in Thirteen equal installments	1 Y MCLR	0.00	3076.92
- Syndicate Bank	(vi)	Feb-21	Semi - annual in Eight equal installments	1 Y MCLR	5000.00	7500.00
- State Bank of India (Earlier known as SBT)	(vi)	Feb-21	Semi - annual in Eight equal installments	1 Y MCLR + 25 bps	1999.98	3000.00
- Canara Bank	(vi)	Feb-21	Semi - annual in Eight equal installments	1 Y MCLR	5500.00	8250.00
- Federal Bank	(vii)	Mar-22	Quarterly in Twelve equal installments	1 Y Gsec + 197 bps	7500.00	7500.00
- ICICI Bank	(viii)	Jun-22	Quarterly in Sixteen equal installments	8.25% p.a on a fully hedged basis	2130.74	2477.64
- The Bank of Tokyo - Mitsubishi UFJ Limited	(viii)	Oct-22	Semi - annual in Six equal installments	7.91% p.a on a fully hedged basis + appl. withholding tax	20000.00	20000.00
- Export - Import Bank of India	(xii)	Aug-25	20 Step up quarterly installments	1 Y MCLR + 60 bps	15000.00	0.00
- Canara Bank	(xii)	Mar-27	Quarterly in Thirty Two equal installments	1 Y MCLR + 30 bps	5000.00	0.00
Working Capital Term Loan						
- ICICI Bank Limited	(viii)	Dec-18	Single repayment at the end of the term	1 Y MCLR + 45bps	0.00	5000.00
- Kotak Mahindra Bank Limited	(ix)	Mar-22	Quarterly in Twelve equal installments	6 M MCLR	10000.00	10000.00
- ICICI Bank Limited	(x)	Sep-19	Single repayment at the end of the term	1 Y MCLR + 45bps	5000.00	5000.00
- Kotak Mahindra Bank Limited	(xi)	Jul-20	Quarterly in Twelve equal installments	6 M MCLR	2500.00	4166.67
					81505.72	82006.23
					167550.41	191701.77
Less : Current maturities of long Term Debts						
- Financial Institutions					1875.00	3061.14
- Banks					40976.16	43608.15
Total Non Current Borrowings					124699.25	145032.48

NOTES TO THE FINANCIAL STATEMENTS

19 Borrowings (contd.)

ECB- External Commercial Borrowings, OFC - Other Foreign Currency Loan

- (i) Secured by a first pari passu charge on fixed assets created out of respective loans.
- (ii) Secured by a first pari passu charge on fixed assets to be created at Mondipatti Village, Manapparai Taluk, Trichy Dist., TN out of respective term loans and first charge on all the movable fixed assets of the company situated at Kagithapuram, Karur Dist., Tamil Nadu on pari passu basis both present & future except which are under specific charge to the respective term lenders and an equitable mortgage by deposit of title deeds in respect of 566.26 acres of land situated at Kagithapuram, Karur District, TN.
- (iii) Secured by a first charge on Wind Mill movable assets and subservient charge on the fixed assets of the Company (excluding the machinery which has been specifically charged to the respective lenders) situated at Kagithapuram, Karur Dist.,TN.
- (iv) Secured by a first charge on all the fixed assets of the company situated at Kagithapuram, Karur Dist., (movable & immovable) on pari passu basis both present and future (except assets under specific charge to other lenders) situated at Kagithapuram, Karur Dist., including an equitable mortgage by deposit of title deeds in respect of 566.26 acres of land situated at Kagithapuram, Karur District, Tamilnadu and pari passu second charge on the current assets of the company viz., stock of raw materials, finished goods, stores and other movables.
- (v) Secured by an exclusive charge on movable & immovable properties of Mayanur Unit-equitable mortgage of 38.40 acres of Land & Buildings and charge on Plant & Machinery and subservient charge on movable plant & machinery at Kagithapuram, Karur Dt., TN
- (vi) Secured by a first pari passu charge on movable fixed assets of the company (except assets under specific charge to other lenders) situated at Kagithapuram, Karur Dist.,
- (vii) First Pari Passu Charge on moveable Fixed Assets with at least 1x cover.
- viii) Residual charge on moveable fixed assets of the company.
- (ix) Exclusive hypothecation charge on revamped power plant & machinery
- (x) Secured by residual charge on current assets of the company.
- (xi) Second hypothecation charge on fixed assets of the borrower with a minimum asset cover of 2X.
- (xii) Secured by a first pari passu charge on movable fixed assets of the company (except assets under specific charge to other lenders)

Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for the period presented.

(₹ in Lakh)

Particulars	Cash and Cash equivalents and bank over drafts	Non-current borrowings (including current Maturities)	Current borrowings	Interest Payable	Total
Net debt as at 01-Apr-17	(15882.91)	208083.69	56330.89	1805.52	250337.19
Cash flows	14419.01	(16406.36)	(9542.28)	-	(11529.63)
Finance costs	-	-	-	24463.27	24463.27
Interest paid	-	-	-	(24759.17)	(24759.17)
Exchange fluctuations	-	24.43	-	-	24.43
Net debt as at 31-Mar-18	(1463.90)	191701.76	46788.61	1509.62	238536.09
Cash flows	(7693.94)	(24295.14)	(32656.19)	-	(64645.27)
Finance costs	-	-	-	23335.86	23335.86
Interest paid	-	-	-	(23433.22)	(23433.22)
Exchange fluctuations	-	143.79	-	-	143.79
Net debt as at 31- Mar-19	(9157.84)	167550.41	14132.42	1412.26	173937.25

NOTES TO THE FINANCIAL STATEMENTS

20 Provisions

(₹ in Lakh)

Particulars	Non-current		Current	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Provisions for employee benefits Note (b)				
Defined benefit liability - Gratuity	6991.25	7387.50	1956.56	1570.30
Liability for compensated absences	3743.23	3544.58	746.13	797.45
Total provisions for employee benefits (A)	10734.48	10932.08	2702.69	2367.75
Other provisions				
Provision for decommissioning liability Note (a)	82.48	75.67	0.00	0.00
Total other provisions (B)	82.48	75.67	0.00	0.00
Total provisions (A+B)	10816.96	11007.75	2702.69	2367.75

Note (a) provision for decommissioning liability

The Company has made a provision of Rs.82.48 lakh (Previous Year Rs.75.67 lakh) in respect of obligation on decommissioning of Plant & Machinery erected at various Off-sites (Sugar Mills), The unwinding of discount of RS.6.81 lakh (Previous Year Rs.6.25lakh) recognized as expenses.

Note (b) Provisions for employee benefits

(₹ in Lakh)

Particulars	31-Mar-19	31-Mar-18
Defined benefit liability - Gratuity	8947.81	8957.80
Liability for compensated absences	4489.36	4342.03
Total employee benefit liabilities	13437.17	13299.83
Non-current	10734.48	10932.08
Current	2702.69	2367.75
Total employee benefit liabilities	13437.17	13299.83

For details about the related employee benefit expenses, refer Notes 31

Reconciliation of the net defined benefit liability

(₹ in Lakh)

Particulars	TYPE OF PLAN			
	GRATUITY		LEAVE ENCASHMENT	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Balance at the beginning of the year	8957.81	7752.46	4342.02	4342.00
Interest Cost	638.35	544.63	306.00	301.78
Current service cost	461.60	324.31	199.59	282.65
Past service cost	0.00	1511.23	0.00	0.00
Benefits paid	(1270.28)	(981.57)	(704.90)	(636.42)
Actuarial loss/(gain) on obligation (balancing figure)	160.34	(193.25)	346.65	52.01
Balance as at the end of the year	8947.82	8957.81	4489.36	4342.02

NOTES TO THE FINANCIAL STATEMENTS

i. Expense recognized in profit or loss (Note 31)

(₹ in Lakh)

Particulars	TYPE OF PLAN			
	GRATUITY		LEAVE ENCASHMENT	
	2018-2019	2017-2018	2018-2019	2017-2018
Current service cost	461.60	324.31	199.59	282.65
Net Interest on Net Defined Benefit Obligations	638.35	544.63	306.00	301.78
Net actuarial (gain)/loss recognized in the year	0.00	0.00	346.65	52.01
Past service cost	0.00	1511.23	0.00	0.00
Expenses recognized in the statement of profit and loss	1099.95	2380.17	852.24	636.44

ii. Remeasurements recognized in other comprehensive income

(₹ in Lakh)

Particulars	TYPE OF PLAN	
	GRATUITY	
	2018-2019	2017-2018
Actuarial (gain) / loss on defined benefit obligation	160.34	(193.25)
	160.34	(193.25)

iii) Defined benefit obligation

Particulars	2018-2019		2017-18	
	Gratuity	Leave	Gratuity	Leave
Discount Rate	7.49%	7.49%	7.67%	7.67%
Salary escalation rate	6.00%	6.00%	6.00%	6.00%
Attrition rate	5.00%	5.00%	5.00%	5.00%

iv) Sensitivity Analysis

(₹ in Lakh)

Significant actuarial assumptions	31-Mar-19		31-Mar-18	
	Gratuity	Leave	Gratuity	Leave
Discount Rate				
Impact due to increase of 50 basis points	(241.27)	(138.69)	(225.41)	(122.91)
Impact due to decrease of 50 basis points	256.21	148.26	238.49	130.90
Salary escalation rate				
Impact due to increase of 50 basis points	222.95	149.68	205.91	132.38
Impact due to decrease of 50 basis points	(213.62)	(141.22)	(197.71)	(125.35)

v) Maturity Profile of Defined Benefit Obligation :

Defined Benefits	31-Mar-19	31-Mar-18
Gratuity		
Less than one Year	987.56	1140.32
One to Three Years	3762.64	3729.93
Three to Five Years	2042.16	2248.59
More than Five years	2934.90	2833.20
Leave Encashment		
Less than one Year	419.90	440.46
One to Three Years	1286.72	1270.17
Three to Five Years	792.32	837.23
More than Five years	1372.11	1265.59

NOTES TO THE FINANCIAL STATEMENTS

21. Movement in deferred tax balances

(₹ in Lakh)

Particulars	Net deferred tax (assets) liabilities				
	1-Apr-17	2017-18	31-Mar-18	2018-19	31-Mar-19
Recognized in profit and loss:					
Property ,Plant and equipment	68578.74	4075.80	72654.54	2279.85	74934.39
Intangible assets	(156.96)	(5.59)	(162.55)	(571.38)	(733.93)
Biological assets	37.68	4.26	41.94	6.39	48.33
Finance Cost - Decommissioning Liability	(22.94)	0.38	(22.56)	(2.38)	(24.94)
Lease rent & Provision for loss allowance	(41.30)	(61.34)	(102.64)	(2493.17)	(2595.81)
Disallowance of expenses U/sec., 43B	(1435.68)	984.80	(450.88)	247.99	(202.89)
Tax losses carried forward - unabsorbed depreciation	(21303.77)	(3055.32)	(24359.09)	6605.84	(17753.25)
Employee Benefits Plan	(3940.77)	(526.99)	(4467.76)	7.86	(4459.90)
Tax Credits - MAT Credit Entitlement	(20945.93)	0.72	(20945.21)	(5184.16)	(26129.37)
	20769.07	1416.72	22185.79	896.84	23082.63
Recognized in other comprehensive income :					
Remeasurement of defined benefit plans	(95.21)	66.88	(28.33)	(56.03)	(84.36)
Investments at fair value through OCI	(2.38)	0.00	(2.38)	2.38	0.00
Derivatives	(88.22)	99.62	11.40	(144.15)	(132.75)
	(185.81)	166.50	(19.31)	(197.80)	(217.11)
	20583.26	1583.22	22166.48	699.04	22865.52

Tax losses carried forward

Tax losses never expires for which deferred tax asset was recognized as follows:

(₹ in Lakh)

Particulars	As at 31-Mar-19	As at 31-Mar-18	Expiry date
Expire	-	-	-
Never expire	17753.25	24359.09	-

(₹ in Lakh)

Notes	Particulars	As at 31-Mar-19	As at 31-Mar-18
22	Other Non-current Liabilities		
	Government grants	26.50	27.70
	Deferred Rent Payable	3.31	3.69
		29.81	31.39

Government grants

The company has recognized in its books Government subsidy of Rs.30 lakh for creation of environment protection infrastructure facility at Board Plant. As subsidy relates a specific asset, the same was treated as deferral income and amortized over the useful life of the asset.

Deferred Rent Payable

TNPL has taken Government lands for lease (Operating lease) for the purpose of captive plantations. The lease period is for thirty years. Incremental rent on year on year basis is applicable till the end of 4th year and thereafter it will be flat.

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakh)

Note	Particulars	As at 31-Mar-19	As at 31-Mar-18
23	Trade payables		
	Trade payables to related parties	-	-
	Other trade payables		
	Acceptances	63268.98	20296.27
	Sundry Creditors		
	Total Outstanding dues of Micro & Small Enterprises	206.28	181.68
	Total Outstanding dues of Creditors other than Micro & Small Enterprises	57338.55	56388.32
		120813.81	76866.27

All trade payables are 'current'

The Company's exposure to currency and liquidity risks related to trade payables is disclosed in Note 41

(₹ in Lakh)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Amount due to Micro, Small and Medium Enterprises Development Act, 2006 registered suppliers (Based on the status confirmation received from suppliers)		
a) Amount due and outstanding to suppliers at the end of accounting year	206.28	181.68
b) Interest paid during the year	-	-
c) Interest payable at the end of accounting year	-	-
d) Interest accrued and unpaid at the end of accounting year	-	-

(₹ in Lakh)

Note	Particulars	As at 31-Mar-19	As at 31-Mar-18
24	Other Financial Liabilities		
	Current maturities of Long Term Debt	42851.16	46669.28
	Interest accrued but not due	1412.26	1509.62
	Security Deposits from customers/contractors	7006.03	6515.97
	Unclaimed Dividend #	120.38	115.80
	Employee related Liabilities @	3946.88	1854.58
	Derivative Liabilities	1442.51	162.32
	Creditors for Capital Goods	2239.86	3614.01
		59019.08	60441.58

There are no amount due and outstanding to be credited to Investors Education and Protection Fund

@ The long-term agreement for wage revision for workmen, staff and executives of the company expired on 15th May, 2018. Pending negotiations and finalisation of fresh agreement w.e.f 16th May, 2018, provision towards wage revision of Rs.1874.26 lakh have been charged to Statement of Profit & Loss on an estimated basis. The difference, if any, shall be dealt with and accounted for in the year of finalisation of agreement with workmen.

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakh)

Note	Particulars	As at 31-Mar-19	As at 31-Mar-18
25	Other Current Liabilities		
	Advance received from customers	8901.08	15362.12
	Statutory dues payable	1221.54	1418.62
	Tax Deducted at Source	557.14	465.44
	Other payables #	6306.54	5893.62
		16986.30	23139.80

The Company's exposure to currency and liquidity risks related to above financial liabilities is disclosed in Note 41

Other payables includes:

- Rs.2410.35 lakh being the guarantee commission in respect of IBRD Loan guaranteed by Govt. of India lying since 2002
- Rs. 1018.99 lakh (Previous Year Rs.1753.69 Lakh) being Electricity Generation Tax for the generation of energy from captive generation plant for own use.
- Confirmation of balances from some of the creditors have been received and the same is being reconciled.

(₹ in Lakh)

Note	Particulars	For the Year ended 31-Mar-19	For the Year ended 31-Mar-18
26	Revenue from Operations		
	Sale of Products (including excise duty)		
	Printing & Writing Paper		
	- Domestic Sales	249198.98	178170.50
	- Export Sales	53707.91	43811.09
		302906.89	221981.59
	Less: Discounts	23205.28	20272.08
		279701.61	201709.51
	Packaging Board		
	- Domestic Sales	104170.07	65704.03
	- Export Sales	1378.46	9788.55
		105548.53	75492.58
	Less: Discounts	7762.14	3785.37
		97786.39	71707.21
	Cement	11597.26	12041.24
	Sale of Energy	1515.75	1711.49
	Sale of Traded Goods		
	Note Books	9472.27	10238.65
	Coal	3667.84	8970.88
	Pre printed marks sheets	49.11	0.00
	Pulp	285.57	0.00
	Burnt Lime	11.56	0.00
	Total sale of products (including excise duty) (a)	404087.36	306378.98
	Other Operating revenue		
	Export Incentive	2365.99	3047.61
	Sale of Renewable energy certificates (REC)	0.00	1507.44
	Sale of Clone	208.96	133.74
	Sale of scrap, wastes etc.	1609.15	1442.53
	Total other operating revenue (b)	4184.10	6131.32
	Total revenue from operations (a+b)	408271.46	312510.30

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakh)

Note	Particulars	For the Year ended 31-Mar-19	For the Year ended 31-Mar-18
27	Other Income		
	Interest Income:		
	Under the effective interest method-Interest on advances to Sugar Mills	793.04	841.21
	Other Interest - Over Due bills	720.42	1119.36
	Change in fair value of biological assets	18.26	11.16
	Net gain on sale of Property, plant and equipment	3.68	0.95
	Rental Income from property	105.88	117.53
	VAT / GST Refund - Note (i)	1094.69	565.28
	Government Grants- Note (ii)	1.20	1.20
	Other receipts	1187.17	703.56
		3924.34	3360.25
28	Cost of Purchase / Materials Consumed		
	Raw materials consumed- Note (iii)	127156.73	92598.08
	Chemicals consumed -Note (iv)	35175.75	25578.14
	Freight & Handling charges	7610.36	4229.11
	Packing Expenses	7165.37	6406.14
	Bagasse purchased	24285.76	4511.95
		201393.97	133323.42
29	Purchase of Stock-in-trade		
	Note Books	8016.08	9031.68
	Paper	1.15	0.00
	Coal	3377.01	7802.95
	Pre-Printed Marksheet	44.54	0.00
	Pulp	279.45	0.00
	Burnt lime	7.32	0.00
	Total	11725.55	16834.63

Notes :

- (i) The Company is entitled to Net Output VAT and CST refund in terms of GO (Ms) No 212/5.9.2015 for a period of twelve years from the Date of Commercial Production with GST compensation clause in the said G.O . The company has recognized Rs 205 lakh for the period upto 30th June, 2017. On implementation of GST with effective from 01.07.2017, in the absence of guidelines on eligibility of IGST/CGST for GST Refund entitlement, the Company has considered only Net output SGST amounting to Rs 360 lakh totaling to Rs 565.28 lakh for the financial year 2017-18 and Rs.1094.69 lakh for the financial year 2018-19. Net Output VAT/GST Refund includes VAT paid net off input credit upto 30th June 2017 and SGST paid net off GST credit w.e.f 1st July 2017 relating to Board Plant as per the Incentive scheme sanctioned by Government of Tamil Nadu.
- (ii) Government grants includes Effluent Treatment Plant (ETP) subsidy of Rs.1.20 lakh (Previous Year Rs.1.20 lakh) being related to specific fixed asset has been recognised as other income over the useful life of the asset.
- (iii) Excluding cost of bagasse procured in lieu of steam / fuel supplied to Sugar Mills which is included in the respective natural heads of accounts
- (iv) Includes embedded lease rent of Rs.48 lakhs to M/s.OMYA towards procurement of Wet Precipitated Calcium Carbonate / Wet Grinded Calcium Carbonate as it is considered as a part of cost of chemicals

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakh)

Note	Particulars	For the Year ended 31-Mar-19	For the Year ended 31-Mar-18
30	Changes in Inventories of Bagasse, Work-in-Progress and Finished Goods		
	Opening Stock :		
	Bagasse	6993.31	13211.58
	Work in Progress	9275.71	13075.00
	Finished Goods	10992.18	12234.77
	Traded Goods	484.01	319.79
	Sub-total (a)	27745.21	38841.14
	Closing Stock:		
	Bagasse	17850.99	6993.33
	Work in Progress	13522.84	9275.71
	Finished Goods	5315.18	10992.17
Traded Goods	353.70	484.01	
Sub-total (b)	37042.71	27745.22	
Total (a-b)	(9297.50)	11095.92	
31	Employee Benefit Expenses		
	Salaries, Wages and Bonus	19807.95	17146.75
	Contribution to provident fund & Other funds	2469.24	2419.66
	Gratuity and Leave Encashment	1952.18	3017.21
	Staff Welfare expense	2521.5	2050.64
	26750.87	24634.26	
32	Finance Costs		
	Interest expense on financial liabilities measured at amortized cost		
	Term Loans	15628.25	17434.28
	Working Capital	5320.82	4779.53
	Other Finance costs	2379.98	2243.73
Unwinding of discount on decommissioning liabilities	6.81	5.73	
	23335.86	24463.27	
33	Depreciation and Amortization Expenses		
	Depreciation of property, plant and equipment	22070.34	21592.43
	Depreciation on investment property	1.99	1.99
	Amortization of intangible assets	596.05	588.86
	22668.38	22183.28	

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakh)

Note	Particulars	For the Year ended 31-Mar-19	For the Year ended 31-Mar-18
34	Other Expenses		
	Stores consumed	1538.64	1642.16
	Repairs and maintenance:		
	- Building	935.92	1210.01
	- Plant and machinery	15662.08	15207.30
	- Others	643.71	599.06
	Rent	161.85	146.22
	Rates and Taxes *	451.67	(447.85)
	Insurance	307.56	336.77
	Transportation Charges	5786.23	6044.67
	Commission & Discount on Sales	10445.96	5890.72
	Travelling & Conveyance	439.84	424.20
	Auditors' Remuneration - Note no.39(c)	19.50	19.64
	Printing and Stationery	100.64	107.57
	Communication	101.50	158.48
	Advertisement	231.33	656.32
	Farm Forestry	876.28	527.83
	Provision for Trade Receivables	1379.06	174.19
	Loss on Foreign Exchange Fluctuations (Net)	2133.30	2152.47
	Security Personnel Expenses	773.68	837.42
	Vehicle Hire Charges	326.49	360.21
	Corporate Social Responsibility (CSR)	405.59	255.22
	Provision for imparement of asset	0.00	29.90
	Sitting fee to Directors	24.75	24.25
	Miscellaneous	1392.25	1447.06
		44137.83	37803.82
	* Previous year -Includes reserval of diffencial excise duty provision ₹ 673.41 lakh on implementation of GST w.e.f. 1st July,2017		
35	EXCEPTIONAL ITEMS (Refer Note 35.1)		
	Provision for advances & Loans	5760.09	0.00
	Provision for Impairment of Right to procure Bagasse	1559.29	0.00
		7319.38	0.00

NOTES TO THE FINANCIAL STATEMENTS

35.1 The company as part of its initiative to procure bagasse, a key raw material for its manufacturing process has entered into Long Term Supply Agreement and as per the agreements paid Rs.7500 Lakhs as advances to sugar mills and these agreements are due to expire or due for renewal in September, 2024 and September, 2026. Whereas during the year, certain repayment commitments by these companies to whom advances have been made an amount of Rs.21.52 Crores is overdue as on 31st March, 2019 and the companies have defaulted in repayment and also based on information from various other sources including the financial information of the company identified that these advances are having high credit risk. Further there were no supplies of bagasse in the last two years as per the long term supply agreement. While the company is taking efforts to recover the overdue amounts and initiated legal proceedings for recovery of current dues. Notwithstanding the unexpired term for fulfilling the supply and repayment obligations by these companies to whom the advances have been made, as a matter of prudence, total amount outstanding from those companies were considered doubtful of recovery accordingly the company provided for the total outstanding advances and other receivables amounting to Rs.5760.09 Lakhs and provided for impairment of the Intangible asset – Right to procure Bagasse amounting to Rs.1559.29 Lakhs as on 31st March, 2019 and disclosed the same as Exceptional item under note 35.

36. Income tax

a) Amounts recognized in profit or loss

Tax expense recognized in the Statement of Profit and Loss

(₹ in Lakh)

Particulars	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Current tax		
Current Tax on taxable income for the year	5184.16	0.00
Deferred tax		
Deferred tax /(MAT credit entitlement)	896.84	1416.00
Tax in respect of earlier years	0.00	0.72
Total tax expenses	6081.00	1416.72

b) Income tax recognized in other comprehensive income

(₹ in Lakh)

Particulars	For the year ended 31-Mar-19		
	Before Tax	Tax (expense) benefit	Net of tax
Remeasurement of defined benefit liability	(160.34)	(56.03)	(104.31)
Fair value of equity investments through OCI	(36.54)	2.38	(38.92)
Effective portion of gain /(loss) on hedging instruments in cash flow hedges	(412.52)	(144.15)	(268.37)
	(609.40)	(197.80)	(411.60)
Particulars	For the year ended 31-Mar-18		
	Before Tax	Tax (expense) benefit	Net of tax
Remeasurement of defined benefit liability	193.24	66.88	126.36
Fair value of equity investments through OCI	(4.06)	0.00	(4.06)
Effective portion of gain/(loss) on hedging instruments in cash flow hedges	287.54	99.62	188.23
	477.03	166.50	310.53

NOTES TO THE FINANCIAL STATEMENTS

c) Reconciliation of effective Tax rate

A reconciliation of the income tax expenses to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarized below:

(₹ in Lakh)

Particulars	For the Year ended 31-Mar-19	For the Year ended 31-Mar-18
Profit before tax	15519.68	(2798.73)
Income tax rate the Company	34.944%	34.608%
Current tax expenses on Profit before tax expenses	5423.20	(968.58)
Tax effect of:		
Permanent disallowances		
CSR Expenditure as per Sec.135 of Companies Act 2013	141.73	88.33
Disallowance - Donation & Taxes	102.13	
Temporary differences	441.98	2309.34
Tax in respect of earlier years	0.00	0.72
Other items	(28.04)	(13.09)
Total income tax expense/(credit)	6081.00	1416.72
Effective tax Rate	39.18%	50.62%

37 Operating leases

A) Leases as lessor

The Company leases out its investment property on operating lease basis (Note 6).

i) Future minimum lease receivable

At 31 March, the future minimum lease payments under non-cancellable leases are receivable as follows

(₹ in Lakh)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Within less than one year	12.66	48.13
Between one and five years	14.80	4.71
After more than five years	4.63	5.01
	32.09	57.85

ii) Amounts recognized in profit and loss - Grouped under other income (Note 27)

During the year ended 31st March 2019, property rentals of Rs.105.88 lakhs (31st March 2018 : Rs. 117.53 lakhs have been included in other income (Note 27 in Profit or Loss, is as follows :

Particulars	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Income from Investment property	93.84	105.40

NOTES TO THE FINANCIAL STATEMENTS**B) Leases as lessee**

TNPL has taken Government lands for lease (Operating lease) for the purpose of captive plantations. The lease period is for thirty years. Incremental rent on year on year basis is applicable till the end of 4th year and thereafter it will be flat.

i) Future minimum lease payments

At 31 March, the future minimum lease payments to be made under non-cancellable operating leases are as follows

(₹ in Lakh)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Payable in less than one year	17.78	16.58
Payable between one and five years	62.65	59.67
Payable after more than five years	61.80	77.48
Total	142.23	153.73

ii) Amounts recognized in profit and loss - Grouped under other expenses (Note 34)**(₹ in Lakh)**

Particulars	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Lease expense - minimum lease payments	6.54	6.54

NOTES TO THE FINANCIAL STATEMENTS

38. Contingent liabilities and Commitments

(to the extent not provided for)

(₹ in Lakh)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Contingent liabilities		
Claims against the Company not acknowledged as debts		
a) Claims against the company not acknowledged as debts - Statutory Dues		
i) Income-tax	1921.12	2345.77
ii) Wealth Tax	19.46	19.46
iii) Custom Duty	2699.69	2699.68
iv) Excise Duty	6753.76	24025.90
v) CST/VAT	1069.62	1069.62
The disputed demand is on account of various disallowances, tax/duty claims in respect of income tax, wealth tax, excise duty, customs duty and sales tax which are pending before various appellate forums/authorities and courts. Pending resolution of the respective proceedings, it is not practicable for the company to estimate the timing of the cash flow, if any, in respect of above, as it is determinable only on receipt of judgements / decision .		
b) Claims against the company not acknowledged as debts - Others		
i) Corporate Office - Land -Interest demanded by Public Works Dept., Government of Tamil Nadu for the remittance towards cost of the land. There was no delay on the part of TNPL to remit the payment.	22.80	22.80
ii) Land Acquisition Claims -Land acquisition claims for enhanced compensation preferred by Land owners. The compensation was paid as per Government norms.	105.61	105.18
iii) Cess on Land Lease- Perungudi - Wind farm	54.78	92.74
iv) Lease -The Company availed lease finance of 3 MW Wind Mill in the year 2001 with lease rental payable up to 31.03.2007 and has not opted for a secondary lease. Pending the closure of the taxation related matters with the taxation authorities, the lessor has not transferred the assets to the company.	8.12	8.12
v) Interest in ABFSL - Suit filed by the Company to recover deposits in Approved Securities along with interest. The court decreed the suit in favour of the company and received the amount. On appeal preferred by ABFSL, the court has also reduced the interest even for the contracted period. As per Supreme Court direction, the company has deposited the amount along with interest in Madras High Court.	138.24	138.24
vi) Chief Electrical Inspector claims interest on Generation Tax for the belated payment towards Generation tax on captive consumption.	3465.71	3257.17
vii) Tamil Nadu Generation & Distribution Corporation Ltd claims towards various charges for Start-up power, Cross subsidy surcharge, Transmission charge, Compensation Charges, Parallel Operation Charges, Wind farm-CDM Benefit Sharing & Wind Farm Unutilized Banked units pending before appellate authority and courts	2094.94	2345.45
viii) An appeal was pending before Appellate Tribunal for Electricity (APTEL) seeking exemption from the obligations under Renewable Energy Purchase Obligation (RPO) compliance. The matter has been since adjudicated by APTEL in favour of the company accordingly the obligation under the said guidelines gets extinguished.	0.00	3490.10

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakh)

ix) Appeal is pending before Appellate Tribunal for Electricity (APTEL) for Differential Power Tariff Compensation to a Sugar Mill	784.51	0.00
x) Differential power tariff compensation to a Sugar Mill due to tariff revision by TANGEDCO citing TNERC Order dated 29.07.2016 in PPAP No.1 of 2011 for the period from August 2007 to November, 2017. Since, the cited TNERC order is specific in nature and not generic as construed by TANGEDCO, the Company has not accepted the claim and has requested the sugar mill to take appropriate legal action against tariff revision by TANGEDCO.	2800.39	0.00
xi) Third party claims arising from disputes relating to contracts pending before Tribunal/Courts.	403.96	465.07
Note : It is not practicable for the company to estimate the timing of cash outflows, if any, in respect of the above pending resolution of respective proceedings. The company does not expect any reimbursement in respect of the above contingent liabilities.		
c) Revenue sharing agreement under captive plantation	Non-Quantifiable	Non-Quantifiable
d) Guarantees issued by the banks on behalf of the Company	2446.09	2470.67
e) Letter of Credit issued by banks on behalf of the Company	15419.04	34867.00
Total	40207.84	77422.97
Commitments		
a) Estimated amount of contracts remaining to be executed on capital account and not provided for	2751.93	2144.96
b) Purchase of PCC Chemicals from M/s.OMYA-If the minimum quantity is not lifted and increase in imported input material cost, the Company has to compensate M/s.OMYA as per agreement.	Non Quantifiable	Non Quantifiable
c) Proposed dividend & Dividend Distribution Tax	6257.78	4171.85
Total	9009.71	6316.81
d) Other Commitment:		
<p>The Company availed concessional rate of customs duty under Export Promotion Capital Goods (EPCG) license scheme on import of capital goods and spares for which the company is obligated to fulfill export obligation / commitment as on 31.03.2019 amounting to Rs.95455.71 lakh (Previous Year Rs.98159.92 lakh). In this regard, export obligations/ commitments amounting to Rs.87831.31 lakh have already been completed and the company is in the process of filing with concerned authorities for getting discharge certificates for its fulfilled export obligations. The Company is yet to fulfil the balance export obligations/commitments as on 31.03.2019 amounting to Rs.7624.40 lakh and the same is expected to be fulfilled by exports within the permitted time. The company also executed bonds to customs authorities for the customs duty concession availed as per the scheme on import of capital goods and spares amounting to Rs.16125.35 Lakh (Previous year Rs.16519.04 lakh)</p>		

NOTES TO THE FINANCIAL STATEMENTS

39 Additional Information :

(₹ in Lakh)

Particulars	2018-2019	2017-2018
a) Value of Raw Materials, Chemicals, Stores & Spare Parts consumed		
i) Major Raw Materials consumed		
a) Indigenous		
Wood	27703.08	17105.38
Bagasse @	40368.23	21674.20
Waste Paper	14966.14	11119.60
LSFM - Raw materials	5214.33	5289.14
Pulp	1201.04	1289.90
Total (a)	89452.82	56478.22
b) Imported		
Imported Pulp	59575.54	42495.88
Waste Paper	20886.14	17285.83
Total (b)	80461.68	59781.71
Total - (a) + (b)	169914.50	116259.93
Indigenous - Percentage on Total Consumption	52.65%	48.58%
Imported - Percentage on Total Consumption	47.35%	51.42%
	100.00%	100.00%
@ Bagasse is procured both from open market and under barter arrangement with various sugar mills by exchanging fuel/steam. The consumption value of bagasse represents the cost of procurement of bagasse from open market and cost of production of steam/fuel supplied to Sugar Mills in exchange for bagasse, freight, handling charges etc. The cost of bagasse procured on barter is accounted on depithed basis and the same is included in the respective heads of accounts		
ii) Chemical consumed		
Indigenous	34776.60	24937.25
Imported	559.58	640.89
Total	35336.18	25578.14
Indigenous - Percentage on Total Consumption	98.42%	97.49%
Imported - Percentage on Total Consumption	1.58%	2.51%
iii) Stores and Spares consumed	100.00%	100.00%
Indigenous	8855.16	8439.76
Imported	1646.23	2657.66
Total	10501.39	11097.42
Indigenous - Percentage on Total Consumption	84.32%	76.05%
Imported - Percentage on Total Consumption	15.68%	23.95%
	100.00%	100.00%

NOTES TO THE FINANCIAL STATEMENTS

39 Additional Information : (Contd)

(₹ in Lakh)

Particulars	2018-2019	2017-2018
iv) Fuel (Coal , Furnace oil etc)		
Factory		
Indigenous	13898.97	10067.18
Imported	30296.43	23797.42
Sub-Total (a)	44195.40	33864.60
Off-sites		
Indigenous	887.24	348.85
Imported	16569.85	6636.95
Sub-Total (b)	17457.09	6985.80
Total (a) + (b)	61652.49	40850.40
Indigenous - Percentage on Total Consumption	23.98%	25.50%
Imported - Percentage on Total Consumption	76.02%	74.50%
	100.00%	100.00%
b) Foreign Currency Transactions:		
i) Earnings in Foreign Currency		
FOB Value of Exports	53098.42	51706.34
ii) Value of imports calculated on CIF values		
Wood pulp	70278.00	38519.06
Chemicals	475.79	1228.85
Waste Paper	20566.27	16314.54
Stores & Spares	1945.70	2857.86
Coal	31527.45	23616.22
Capital Goods	153.78	6009.74
iii) Other expenditure in Foreign Currency		
Engineering and Supervisory Charges	68.18	374.65
Interest	1079.24	837.14
Others	170.57	207.57
iv) Dividend remitted in Foreign Currency	2017-18	2016-17
No. of Non-Resident Shareholders	6.00	6.00
No. of Share held by Non-Resident Shareholders	1900.00	1900.00
Dividend	0.10	0.14
c) Details of Auditors Remuneration	2018-2019	2017-2018
a) Statutory audit	13.00	10.00
b) Limited Review	3.90	3.00
c) Tax audit	2.60	2.00
d) Certification fees	3.90	4.64
Total	23.40	19.64

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakh)

39 Additional Information : (Contd)

Particulars	2018-2019	2017-2018
d) Expenditure on Research & Development		
Salaries & Wages	278.35	276.35
Repairs and Maintenance	190.11	97.85
Depreciation	46.11	43.40
Chemicals	375.10	462.76
Plantation Research	101.20	41.06
Other Expenses		
Total	990.87	921.42
Note:		
The above items have been included under the respective natural heads of expenditure in Statement of Profit and Loss.		
e) Related parties transactions		
i) Ultimate controlling party		
The ultimate controlling party of the Company is Governor of Tamil Nadu representing Government of Tamil Nadu		
ii) Transactions with Key Managerial Personnel - Key Management Compensation		
Short-term employee benefits	86.00	85.82
Other Long Term Benefits	13.02	11.34
	99.02	97.16

40) The company received a notice from Competition Commission of India (CCI) directing the company to file its objections / suggestions in connection with its findings towards contravention of Provisions of 3(3) read with section 3(1) of the Competition Act, 2002 dealing with price fixation and other related matters. The company is in the process of filing its objections and clarifications with CCI in this regard.

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakh)

41. Financial Instruments and Risk management

A) Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

As at 31st March 2019

Particulars	Carrying amount as at 31-Mar-19				Carrying amount as at 31-Mar-18			
	Fair value - Hedging instruments	FVOCI - Equity instruments	Other financial assets - Amortized cost	Other financial liabilities	Fair value - Hedging instruments	FVOCI - Equity instruments	Other financial assets - Amortized cost	Other financial liabilities
Financial assets measured at fair value								
Advances to sugar mills	-	-	2971.02	-	-	-	6925.20	-
Equity securities	-	66.58	0.00	-	-	103.12	-	-
	-	66.58	2971.02	-	-	103.12	6925.20	-
Financial assets not measured at fair value								
Trade receivables*	-	-	44162.01	-	-	-	60348.51	-
Cash and cash equivalents*	-	-	5143.89	-	-	-	2720.13	-
Loans*	-	-	2225.56	-	-	-	3697.11	-
	-	-	51531.46	-	-	-	66765.75	-
Financial liabilities measured at fair value								
Forward exchange contracts used for hedging	1442.51	-	-	-	162.32	-	-	-
	1442.51	-	-	-	162.32	-	-	-
Financial liabilities not measured at fair value								
Borrowings	-	-	-	195864.18	-	-	-	242558.60
Trade payables	-	-	-	120813.81	-	-	-	76866.27
Interest accrued but not due	-	-	-	1412.26	-	-	-	1509.62
Security Deposits from customers/contractors	-	-	-	7006.03	-	-	-	6515.97
Employee related Liabilities	-	-	-	3946.88	-	-	-	1854.58
Unclaimed Dividend	-	-	-	120.38	-	-	-	115.80
Creditors for Capital Goods	-	-	-	2239.86	-	-	-	3614.01
	-	-	-	331403.40	-	-	-	333034.85

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakh)

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in the balance sheet, as well as the significant unobservable inputs used.

Particulars	Fair value - 31-Mar-19			Fair value - 31-Mar-18		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets measured at fair value						
Advances to sugar mills		2971.02			6925.20	
Equity securities	66.58			103.12		
	66.58			103.12		
Financial liabilities measured at fair value						
Forward exchange contracts used for hedging		1442.51			162.32	
		1442.51			162.32	

* The Company has not disclosed the fair values for financial instruments such as short term trade receivables, because their carrying amounts are a reasonable approximation of fair value.

B) Measurement of fair values**i. Valuation techniques and significant unobservable inputs**

Type of Financial instruments	Valuation technique	Significant unobservable inputs
Financial instruments measured at fair value		
Equity securities	Forward pricing: The fair value is determined using quoted market rates at the reporting date.	Not applicable
Forward exchange contracts	Forward pricing: The fair value is determined using quoted market rates at the reporting date.	Not applicable

C. Financial risk management

The company has exposure to the following risks arising from financial instruments:

- Credit Risk (see (C)(ii));
- Liquidity Risk (see (C)(iii)); and
- Market Risk (see (C)(iv)).

i. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities.

The Company's audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

NOTES TO THE FINANCIAL STATEMENTS

ii. Credit Risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from customers and loans. The carrying amounts of financial assets represent the maximum credit risk exposure.

Trade receivables and loans

The company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base.

The company has established a credit policy under which each new customer is analyzed individually for creditworthiness before the company's standard payment and delivery terms and conditions are offered. Sale limits are established for each customer and reviewed quarterly. Any sales exceeding those limits require approval from the management of the company.

The company limits its exposure to credit risk from trade receivables by establishing a maximum payment period of 90 days for customers. More than 85% of the company's customers have been transacting with the company for over four years, and none of these customers' balances are credit-impaired at the reporting date.

The movement in the allowance for impairment :

a) Trade Receivables

Particulars	As at 31-Mar-19	As at 31-Mar-18
Balance at beginning of the year	355.01	180.82
Add: Provision recognised in the year	1379.06	174.19
Less: Amounts recovered during the year	4.75	-
Less: Provisions written back	0.00	-
Balance as at 31st March	1729.32	355.01

b) Advances

(₹ in Lakh)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Balance at beginning of the year	21.45	21.45
Add: Provision recognised in the year	7319.38	-
Less: Amounts recovered during the year	0.00	-
Less: Provisions written back	0.00	-
Balance as at 31st March	7340.83	21.45

Confirmation of balances from Debtors & Loans and Advances have been received and the same is being reconciled

Cash and cash equivalents

The company holds cash and cash equivalents of Rs.5143.89 lakhs at 31 March 2019 (31 March 2018: Rs2720.13 lakhs). The cash and cash equivalents are held with bank and cash on hand.

Derivatives

The derivatives are entered into with bank as counterparties.

iii. Liquidity Risk

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation. The company uses process costing to cost its products, which assists it in monitoring cash flow requirements and optimizing its cash return on investments.

iv. Market Risk

Market risk is the risk that changes in market prices – such as foreign exchange rates and interest rates – will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Currency Risk

The company is exposed to transactional foreign currency risk to the extent that there is a mismatch between the currencies in which sales, purchases, receivables and borrowings are denominated and functional currency. The functional currency of the Company is INR. The currencies in which these transactions are primarily denominated are US dollars.

The Company Forex risk management policy is to hedge currency exchange fluctuation and mitigate currency volatility and risks and to avoid uncertainties in cash flows. All foreign currency exposures – financial assets and liabilities and firm commitments (imports) & probable forecast transactions (exports) which are off-balance sheet exposures are covered under FRMP policy. Hedging of trade exposures viz., imports and exports are hedged separately and not on net exposures basis. The company mostly uses forward exchange contracts to hedge its currency risks mostly with the maturity of less than one year from the reporting date. Forward contracts booked to hedge currency risk relating to foreign currency transactions of firm commitments and probable forecast transactions are generally designated as cash flow hedge. All other forward contracts are designated as fair value hedge for the purpose of accounting.

Cash Flow Hedges

The Company holds the following instruments to hedge exposures to changes in foreign currency

(₹ in Lakh)

Particulars	As at 31-Mar-19	As at 31-Mar-18
	Maturity - 1- 6 Months	
Foreign Currency Risk		
Forward Exchange Contracts		
Exports	3954.17	7035.22
Imports	21994.38	783.97
Average INR:USD forward contract rate - Exports	71.01	65.92
Average INR:USD forward contract rate - Imports	69.99	65.39

The amount at the reporting date relating to items designated as hedged items & Hedge instruments are as follows

(₹ in Lakh)

Particulars ³	Change in value used for calculating hedge ineffectiveness	Effective portion of Cash flow hedges
As at 31-Mar-19		
Foreign Currency risk		
Exports Sales	0.00	84.61
Imports - Materials	0.00	(464.19)
As at 31-Mar-18		
Foreign Currency risk		
Exports Sales	0.00	30.90
Imports - Materials	37.64	2.04

NOTES TO THE FINANCIAL STATEMENTS

Reconciliation by risk category of components of equity and analysis of OCI items, net of tax, resulting from cash flow hedge accounting

(₹ in Lakh)

Particulars	Effective portion of Cash flow Hedges		Total
	Imports	Exports	
Balance as at 01-Apr-18	2.04	30.90	32.94
Changes in fair value	20.67	(228.78)	(208.11)
Amount reclassified to Statement of Profit and Loss / included in the cost of non-financial items	22.71	(197.88)	(175.17)
Change in the fair value of the effective portion of the outstanding cash flow hedges	(464.19)	84.61	(379.58)
Balance as at 31-Mar-19	(464.19)	84.61	(379.58)

42 Operating segments

A) Basis for segmentation

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Board of Directors (BoD) to make decisions about resources to be allocated to the segments and assess their performance.

The Company has three reportable segments, as described below, which are the Company's strategic business units. For each of the business units the Company's Board of Directors reviews internal management reports on at least a quarterly basis.

B) Information about reportable segments and reconciliations

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the Company's Board of Directors. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

(₹ in Lakh)

Particulars	Year Ended 31-Mar-19	Year Ended 31-Mar-18	Year Ended 31-Mar-19	Year Ended 31-Mar-18	Year Ended 31-Mar-19	Year Ended 31-Mar-18	Year Ended 31-Mar-19	Year Ended 31-Mar-18
	PAPER & BOARD		ENERGY		CEMENT		TOTAL	
1 Segment Revenue								
a) External Sales	390974.35	292626.25	1515.75	1711.49	11597.26	12041.24	404087.36	306378.98
b) Inter Segment Sales	0.00	0.00	48037.54	40559.68	34.28	111.74	48071.82	40671.42
Sub-Total	390974.35	292626.25	49553.29	42271.17	11631.54	12152.98	452159.18	347050.40
Reconciliation :								
Less: Inter Segment Revenue	0.00	0.00	48037.54	40559.68	34.28	111.74	48071.82	40671.42
Sale of products (including excise duty)	390974.35	292626.25	1515.75	1711.49	11597.26	12041.24	404087.36	306378.98

NOTES TO THE FINANCIAL STATEMENTS

42 Operating segments (contd.)

(₹ in Lakh)

Particulars	Year Ended 31-Mar-19	Year Ended 31-Mar-18	Year Ended 31-Mar-19	Year Ended 31-Mar-18	Year Ended 31-Mar-19	Year Ended 31-Mar-18	Year Ended 31-Mar-19	Year Ended 31-Mar-18
	PAPER & BOARD		ENERGY		CEMENT		TOTAL	
Add: Other operating income							4184.10	6131.32
Total revenue from operations	390974.35	292626.25	1515.75	1711.49	11597.26	12041.24	408271.46	312510.30
2 Segment Results								
Segment profit (loss) before income tax	34139.53	16160.00	(332.67)	81.00	(1032.12)	(1270.00)	32774.74	14971.00
Less: Other unallocable expenditure							17255.06	17769.73
Segment profit (loss) before income tax							15519.68	(2798.73)
Segment profit (loss) before income tax includes:								
- Interest Expense							23335.86	24463.27
- Interest Revenue							1513.46	1960.57
- Depreciation and amortisation	18799.76	18466.87	2729.83	2601.17	1042.69	1023.32	22572.28	22091.36
- Depreciation for unallocated corporate assets							96.10	91.92
3 Assets								
Segment Assets	461196.73	461085.00	66139.67	66692.79	18301.92	19701.64	545638.32	547479.43
Unallocated Corporate Assets							7509.91	4986.23
Total segment assets	461196.73	461085.00	66139.67	66692.79	18301.92	19701.64	553148.23	552465.66
Capital Expenditure (excludes unallocated corporate capital expenditure of Rs.38.38 lakh. (previous year Rs.57.31 lakh)	5473.38	18527.68	84.82	424.05	360.21	420.50	5918.41	19372.23
4. Segment Liabilities								
Unallocated Corporate Liabilities	154170.19	131620.00	2617.47	2614.00	1105.12	2172.87	157892.78	136406.87
Total segment liabilities	154170.19	131620.00	2617.47	2614.00	1105.12	2172.87	387980.19	392152.85

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakh)

Geographical information

Particulars	India		Rest of the world		Total	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Revenue from Operations	349000.99	252779.34	55086.37	53599.64	404087.36	306378.98

43 General

- a) Figures for the previous year have been regrouped/ restated/reclassified wherever necessary to conform to current year's classification.
- b) Amounts have been rounded off to the nearest two decimal points of lakh of rupees.

N MURUGANANDAM, IAS
CHAIRMAN
(DIN -00540135)

S.SIVASHANMUGARAJA, IAS
MANAGING DIRECTOR
(DIN- 06684301)

V.RAMANATHAN
EXECUTIVE DIRECTOR (FINANCE) &
CHIEF FINANCIAL OFFICER

vide our report of even date
For **BRAHMAYYA & CO.**
CHARTERED ACCOUNTANTS
Firm Reg. No: 000511S

Place : Chennai
Date : 28th May, 2019

V. SIVAKUMAR
COMPANY SECRETARY

R.NAGENDRA PRASAD
Partner
Membership No: 203377

ELECTRONIC CLEARING SERVICES (ECS) MANDATE FORMAT

To
M/s Cameo Corporate Services Ltd
UNIT : Tamil Nadu Newsprint and Papers Limited
V Floor, "Subramanian Building",
No.1, Club House Road, Chennai — 600 002.

To
(In Case of Electronic Holding)
The Depository Participant

Dear Sir,

FORM FOR ELECTRONIC CLEARING SERVICES FOR PAYMENT OF DIVIDEND

Note: If you are already receiving dividend through ECS, please ignore this.

I wish to participate in the Electronic Clearing Services (ECS) and give below the details of my bank account, to which you may electronically credit the payment due to me against the reference folio number mentioned below.

1. For Shares held in physical form

Folio No. :

2. For Shares held in electronic form

(Shareholders holding shares in electronic form i.e in Demat mode, should forward this form to their respective Depository Participant.)

DP ID :

Client ID:

3. Shareholder's Name: Shri/Smt/Kum/M/s _____

4. Shareholder's Address: _____

5. Particulars of Bank:

• Bank Name : _____

• Branch Name & Address : _____

• Mention the 9 digit code number of the bank and branch appearing on the MICR cheque issued by the bank.

(Please attach the photocopy of a cheque or a cancelled bank cheque issued by your bank for verifying the accuracy of the code number)

• Account type (Please Tick) : Savings Current Cash Credit

• Account Number (as appearing on the cheque book) _____

6. Date from which the mandate should be effective:

I, hereby, declare that the particulars given above are correct and complete. If any transaction is delayed or not effected at all for reasons of incomplete or incorrect information, I would not hold the company / Registrars & Share Transfer Agents of the Company responsible.

I also undertake to advise any change in the particulars of my account to facilitate updation of records for purpose of credit of dividend amount through ECS.

Place :
Date :

Signature of the First Shareholder

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AURA

REPRODUCING FINE RESULTS
FOR THE CUSTOMER
AND FOR THE COMPANY

AURA *** GREEN ***

Experience wild strength

This multi-layered board is the perfect choice for medium range and general packaging and ideal for notebook covers, FMCG cartons, pharmaceutical match case shells, apparel boxes and tags, electricals, in cartons, industrial / auto goods cartons.



AURA *** FOLD ***

Bulk and smoothness
engineered to perfection

This two-side coated folding core board is naturally the perfect choice for high end packaging and widely used for premium FMCG packaging, personal care products, cosmetics and cartons of mobile and automotive products.



AURA *** GRAFIK ***

For faithful skin tone reproduction

This two-side coated solid bleached sulphate board is the perfect choice for high end printing applications and downstream conversion. Ideal for pharmaceutical packaging, personal care products, cosmetics, advertising and superior graphics, high end catalogue, notebook covers and artistic cards.



AURA *** FLUTE ***

Harvest fruitful print results

A solid bleached sulphate corrugated board, this board is designed for high speed cup conversion machines for wide range of cup sizes with predictable printing and coating to reflect food contact applications.



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Thiruchirapalli District, Tamil Nadu.