

MINUTES OF THE THIRTYTHIRD ANNUAL GENERAL MEETING OF THE MEMBERS OF TAMIL NADU NEWSPRINT AND PAPERS LIMITED HELD ON THURSDAY THE 19TH SEPTEMBER 2013 AT 10.15 AM AT MUSIC ACADEMY, 168 T T K ROAD, CHENNAI 600 014

PRESENT

Tvl.

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| 1. V Narayanan | Director |
| 2. Mahesan Kasirajan IAS | Director |
| 3. N Kumaravelu | Director |
| 4. M R Kumar | Director |
| 5. A Velliangiri | Dy.Managing Director(DMD) |
| 6. R Mani | Director(Operations) |
| 7. V Nagappan | Director |
| 8.Tmt.Sarada Jagan | Director |
| 9. D Padmanabhan
Under Secretary to Govt. | Representing Governor of Tamil Nadu, Shareholder |
| 10.S Venkateswaran | Representing LIC,Shareholder |
| 11. Other shareholders | As per Annexure |

BY INVITATION

Thiru P B Srinivasan Partner, P B Vijayaraghavan & Co.

Mr. A Velliangiri, DMD announced that the Chairman & Managing Director of the Company Thiru N S Palaniappan IAS could not be present on time as he was held up in another meeting. As per Cl.78 of the Articles of Association, if at any meeting, the Chairman is not present within 15 minutes after the time appointed for holding the meeting, the Members present can choose another Director as Chairman. Accordingly, Thiru S Krishnamurthy, proposed the appointment of Thiru V Narayanan, Director, as Chairman of the Meeting for conducting the 33rd AGM and Thiru S Senthilvelan, seconded the same. Mr. A Velliangiri, DMD, thereafter requested Thiru V Narayanan to act as Chairman and conduct the Meeting.

Mr. V Narayanan as Chairman of the Meeting welcomed the members. The Chairman informed the members that the requisite quorum was present and the Register of Directors' shareholding was open for inspection. There were 5737 shareholders present in person and 155 shareholders through proxy. The meeting was called to order by the Chairman and started with a prayer.

Notice convening the meeting was taken as read. Thiru P B Srinivasan of M/s. P B Vijayaraghavan & Co., Chartered Accountants, read the Auditors' Report.

The Chairman then addressed the meeting. He informed the shareholders that the Company commenced production in the year 1984 with an initial capacity of 90,000 tonnes per annum. The present capacity is 4,00,000 tonnes per annum. Continuous growth in capacity adopting state of the art technology has made the Company a significant player in the Indian Paper Industry. TNPL today is the second largest producer of uncoated Printing and Writing paper in the country.

In the Financial Year 2012/13 the Company produced 3,71,637 Mts. of Printing and Writing Paper (PWP). The Company increased pulpwood plantation in 9686 acres of land during the year. The Company earned a profit before tax of Rs.126 crore. The Company exported 71,226 Mts. of PWP valued at Rs.312.89 cr.

The 600 tpd cement plant installed under the Lime Sludge and Fly Ash Management scheme commenced production on 30.1.2013. The cement being sold under the Brand name "TNPL Cement", has been well received in the market.

The 300 tpd De-inking pulp plant commenced production on 1.7.2013. The de-inked pulp is used for manufacture of paper replacing high cost imported pulp.

The Revamping of the Steam and Power System will be completed by October 2013.

For the power generated using the steam produced in the recovery boiler, the Company received 136738 Renewable Energy Certificates(RECs) of which 94,678 RECs have been sold. The balance has been carried forward to 2013-14.

The domestic market for PWP improved from December 2012. The Company has strengthened its Dealer network in all four Regions of the country to further improve its sales.

The Company has engaged OMYA, Switzerland to install a 200 tpd PCC Plant and a 120 tpd WGCC Plant on Build, Own and Operate (BOO) basis (near the cement plant) to source these materials at a lower cost. The WGCC Plant will be operational from November 2013 and the PCC Plant from April 2014.

The Company has taken action to set up a Multilayer Coated Board Plant of a capacity of 2,00,000 mts. per annum in Mondipatti Village, Manaparai Taluk, Trichy district. The objective is to complete the project by March 2016. The plant is expected to produce speciality boards such as whiteline chip board, folding box board, solid bleached sulphate board and cupstock.

Under the Corporate Social Responsibility Scheme, the Company has spent Rs.5.36 crore for various community welfare measures during 2012-13 .

Chairman then invited the members to raise queries on the Accounts or offer their comments on it.

Overall the shareholders complimented the management for the information provided in the Annual Report. Specific queries were raised on points like delay in execution of projects , issue of bonus shares, decline in exports, contingent liabilities relating to taxes and duties, transfer to general reserves, R&D expenditure, enhancing the dividend, shortfall in the number of independent directors , implementation of new board project etc. One of the shareholders made derogatory remarks about the Deputy Managing Director.

As regards appointment of independent directors, the shareholders were informed that the Board consists of 10 directors, of which, 5 are independent directors, 3 are Govt. directors (from Industries Department, Finance Department and the Director of Sugar) and two are wholetime directors .

As per the Corporate Governance Code of SEBI if a Company has an executive Chairman, 50% of the Board should consist of independent directors. If the Chairman is non-executive, then 1/3rd of the Board should consist of independent directors. Till 13.12.2012, the Company had a full time Managing Director. The Chairman was non-executive. The Company was therefore complying with the Corporate Governance Code . Subsequently when the Govt. issued orders appointing an executive Chairman & Managing Director in place of the Managing Director, the Company had to induct two more directors as independent directors. Because of factors beyond the Company's control there was a brief interlude when the code was not complied with. The Company has since inducted 2 more independent Directors, in full compliance with the CODE.

As regards the query on taxes and duties shown under contingent liability, it was explained that the Company had claimed Cenvat credit for plant and machinery. The Assessing Officer treated Plant & Machinery as immovable assets and disallowed the claim. The Company has preferred an appeal against the order. Similarly, in other cases also, appeals have been filed on firm grounds of legitimacy.

As regards the proposal to set up a multilayer double coated board plant, it was clarified that a market study was conducted through an independent consultant. The consultant, after a detailed study submitted a report on the growth prospects for paper and paper board. The demand growth for multilayer coated board is estimated at 11.6% and paper at 6%. The Company therefore decided to set up the board project under Phase I and to add paper capacity under phase II of a New Project at the Greenfield Site in Trichy Dt.

As regards loans outstanding , it was pointed out that the Company has not defaulted on any repayment of loans availed of from banks. The loans taken for MDP, have been fully repaid. 50% of the loans taken for Mill Expansion Plan

have been repaid. The balance will be repaid before 30.6.2015 as scheduled. The long term goal is to keep the Debt Equity Ratio below the acceptable level of 1:1.

On a query relating to delay in execution of projects, the shareholders were informed that all projects are executed under many constraints starting from getting Environment Clearance to vendors supplying machinery on schedule. The delay arises mainly due to external factors and is inevitable. As an example, the environmental clearance for WGCC and PCC plants could be obtained by M/s.OMYA only after 1 ½ years. The WGCC plant will therefore become operational only from November 2013. The PCC plant will become operational only from April 2014.

As regards unclaimed dividend, it was confirmed that dividend warrants are sent to shareholders whose addresses are available as per Company records. The Company remits the unclaimed dividends to the Central Government only after 7 years. If any claims are received within the 7 years, the dividend warrant is updated and sent to the claimants expeditiously.

FII's have increased their holding from 3.61% on 31.3.12 to 5.43% on 31.3.13. FII holdings have since increased to 7.43%. FIIs are holding 52,00,000 shares. Leading financial analysts and fund managers have consistently upheld their confidence in TNPL as a well managed, well performing Company

As regards a suggestion to run schools on a commercial basis, the Company outlined its policy that running of schools is a CSR activity meant for the benefit of children in the local area and will never run them as a business activity.

On a request for issue of bonus shares, the Company reiterated its position that because of its large capital base, despite being the most profitable player in the paper industry, the earnings per share is low. If the share capital is enhanced by way of issue of bonus shares, EPS will drop further affecting the market value of shares. Therefore, it is not desirable to issue bonus shares or rights shares at this time. However the Board is continuously monitoring the situation and will act appropriately when the situation warrants.

On a request to increase the Dividend, it was pointed out that despite huge financial constraints, the Board has maintained the dividend at 50% - same as in the previous year. While recommending the dividend, the Board has taken into account funds required for repayment of loans, capex requirements and the Company's profitability.

On a request from a member to permit inspection of Board Meeting Minutes, it was clarified that as per Companies Act u/s.196, shareholders are not entitled to inspect Board Minutes. Members can however access Minutes of Annual General Meeting and take copies if they wish to do so.

Chairman informed the shareholders that the Audit Committee meets atleast 4 times a year and the Board 7-8 times. The first item on the agenda of the Audit Committee is a list of major issues which may affect the performance of the Company now or in future. The Committee debates every one of the major issues, discusses the plans to mitigate them and updates the Board after every Review.

On a query on manufacturing of Cement, the Chairman explained that of the 7 projects the Company has implemented, two relate strictly to environment management and control. It is wrong to say that the Company has diversified into manufacture of cement. The Company generates two waste materials

i.e.limesludge and fly ash. In the past these waste materials used to be stored around the factory causing pollution in the neighbourhood. The cement plant was envisaged to address this environmental issue and the Company has invested Rs.100 crs. to convert the two waste materials into cement which can be sold commercially.

On a query relating to Business Responsibility Report not attached with Annual Report, the shareholders were informed that it is not applicable to TNPL for the financial year 2012-13.

On a query relating to low market value of shares, it was clarified that in general , the PE ratio is very low in the case of paper companies resulting in low market prices.

After the important queries were answered, the Chairman thanked all the shareholders for their queries and suggestions. The Chairman stated that due consideration will be given to the suggestions made by them.

Thereafter, the meeting proceeded further to transact the business mentioned in the notice:

ADOPTION OF RESOLUTIONS

ITEM NO.1 Adoption of Balance Sheet

Thiru S Murugan proposed the resolution

RESOLVED THAT the Balance Sheet of the Company as on 31.3.2013, audited Statement of Profit and Loss for the year ended 31.3.2013, Auditors' Report thereon and Directors' Report of the Company as circulated be and are hereby received and adopted

Thiru Lal Jagadish seconded the resolution

On being put to vote on a show of hands, the Resolution was passed with majority.

ITEM NO.2 To declare dividend

Thiru M Sundaram proposed the resolution

RESOLVED THAT dividend at the rate of 50% on fully paid up equity share of Rs.10/- each be and is hereby declared for the year. In the case of shares held in physical form, dividend be paid to shareholders whose names appear on the Register of Members as of 19.9.2013 and in the case of shares held in dematerialised form, dividend be paid to beneficial holders of NSD/CDSL as of 11.9.13

Thiru V Renganathan seconded the resolution

On being put to vote on a show of hands, the Resolution was passed with majority.

ITEM NO.3 To reappoint Thiru N Kumaravelu, Director

Thiru S Senthilvelan proposed the resolution

RESOLVED THAT Thiru N Kumaravelu, Director, be and is hereby reappointed as Director of the Company

Thiru R Ramesh seconded the resolution

On being put to vote on a show of hands, the Resolution was passed with majority.

ITEM NO.4 To reappoint Thiru M R Kumar, Director

Thiru V Premchandar proposed the resolution

RESOLVED THAT Thiru M R Kumar, Director, be and is hereby reappointed as Director of the Company

Thiru S Murugan proposed the resolution

On being put to vote on a show of hands, the Resolution was passed with majority.

ITEM NO.5 Payment of remuneration to Statutory Auditors M/s.P B Vijayaraghavan & Co., Chartered Accountants

Thiru P Daniel Sathya Prakash proposed the resolution

RESOLVED THAT consent of the Company be and is hereby accorded for payment of remuneration of Rs.7,50,000/-(Rupees Seven lakhs fifty thousand only) to M/s. P B Vijayaraghavan & Co., Statutory Auditors, (Regn.No.004721S) besides reimbursement of travelling and out of pocket expenses at actuals subject to other terms and conditions laid down by the Office of the Comptroller and Auditor General of India in their letter No. CA V/COY/Tamilnadu,TNEWSP(1)/55 dt.26.7.2012

Thiru M Sundaram seconded the resolution

On being put to vote on a show of hands, the Resolution was passed with majority.

ITEM NO.6 Appointment of Thiru Mahesan Kasirajan IAS as Director

Thiru V Renganathan proposed the resolution

RESOLVED THAT Thiru Mahesan Kasirajan IAS be and is hereby appointed as Director of the Company

Thiru Lal Jagadish seconded the resolution

On being put to vote on a show of hands, the Resolution was passed with majority.

ITEM NO.7 Appointment of Thiru V Nagappan as Director

Thiru Chenguttuvan proposed the resolution

RESOLVED THAT Thiru V Nagappan be and is hereby appointed as Director of the Company

Thiru S Krishnamurthy seconded the resolution

On being put to vote on a show of hands, the Resolution was passed with majority.

ITEM NO.8 Appointment of Tmt.Sarada Jagan as Director

Thiru S Murugan proposed the resolution

RESOLVED THAT Tmt.Sarada Jagan be and is hereby appointed as Director of the Company

Thiru Daniel Sathya Prakash seconded the resolution

On being put to vote on a show of hands, the Resolution was passed with majority.

ITEM NO.9 Appointment of Thiru T Udhayachandran IAS as Director

Thiru R Ramesh proposed the resolution

RESOLVED THAT Thiru T Udhayachandran IAS be and is hereby appointed as Director of the Company

Thiru S Senthilvelan seconded the resolution

On being put to vote on a show of hands, the Resolution was passed with majority.

ITEM NO.10 Appointment of Thiru A Velliangiri as Deputy Managing Director

Thiru S Krishnamurthy proposed the resolution

RESOLVED THAT consent of the Company be and is hereby accorded to the appointment of Thiru A Velliangiri as Wholetime Director designated as Deputy Managing Director of the Company for a period of one year with effect from 19th December 2012.

FURTHER RESOLVED THAT pursuant to the provisions of Secs.198,269, 309 and 310 and all other applicable provisions, if any of the Companies Act, 1956 and Article 140 of the Articles of Association of the Company and subject to such other approvals as may be necessary, consent of the members of the Company be

and is hereby accorded for payment of remuneration to Thiru A Velliangiri , Deputy Managing Director, as below with effect from 19th December 2012 notwithstanding the absence or inadequacy of profits during any financial year.

(Rs. per month)

Basic Pay	90000
Special Pay	20000
Dearness Allowance	17678
House Rent Allowance	38500
Other Allowances	30626
Provident Fund and Superannuation Fund to be paid at 12% and 14% respectively on the Basic Pay plus Special Pay and Dearness Allowance. Thiru A. Velliangiri will be governed by the rules and regulations of TNPL.	

FURTHER RESOLVED THAT Thiru A Velliangiri will not be entitled to any sitting fee for attending the meeting of the Board or any Committee thereof

Thiru M Sundaram seconded the resolution

On being put to vote on a show of hands, the Resolution was passed with majority.

ITEM NO.11 Appointment of Thiru R Mani as Director(Operations)

Thiru Lal Jagadish proposed the resolution

RESOLVED THAT consent of the Company be and is hereby accorded to the appointment of Thiru R Mani as Wholetime Director designated as Director(Operations) of the Company for a period of one year with effect from 8th February 2013

FURTHER RESOLVED THAT pursuant to the provisions of Secs.198,269, 309 and 310 and all other applicable provisions if any of the Companies Act, 1956 and Article 140 of the Articles of Association of the Company and subject to such other approvals as may be necessary, consent of the members of the Company be and is hereby accorded for payment of remuneration to Thiru R Mani , Director(Operations)as below notwithstanding the absence or inadequacy of profits during any financial year.

	(Rs. per month)
Basic Pay	68000
Dearness Allowance	47155
Special Allowance	3850
General Monthly Medical Reimbursement	9592
Other Allowances	16462
Provident Fund and Superannuation Fund to be paid at 12% and 14% respectively on the Basic Pay and Dearness Allowance. Free housing provided in the Company's quarters Thiru R Mani will be governed by the rules and regulations of TNPL.	

FURTHER RESOLVED THAT Thiru R Mani will not be entitled to any sitting fee for attending the meeting of the Board or any Committee thereof

Thiru V Renganathan seconded the resolution

On being put to vote on a show of hands, the Resolution was passed with majority.

ITEM NO.12 Appointment of Thiru Md.Nasimuddin IAS as Managing Director

Thiru R Ramesh proposed the resolution

RESOLVED THAT pursuant to the provisions of Sec.269 and other applicable provisions, if any, of the Companies Act, 1956 and Art.140 of the Articles of Association of the Company and subject to such other approvals, as may be necessary, consent of the members of the Company be and is hereby accorded to the appointment of Thiru Md.Nasimuddin IAS as Managing Director of the Company from 31.5.2012 to 13.12.2012 on such terms and

conditions and such remuneration as may be prescribed by the Government of Tamil Nadu from time to time

Thiru P Daniel Sathya Prakash seconded the resolution

On being put to vote on a show of hands, the Resolution was passed with majority.

ITEM NO.13 Appointment of Thiru N S Palaniappan IAS as Chairman and Managing Director

Thiru Chenguttuvan proposed the resolution

RESOLVED THAT pursuant to the provisions of Sec.269 and other applicable provisions, if any, of the Companies Act, 1956 and Art.140 of the Articles of Association of the Company and subject to such other approvals, as may be necessary, consent of the members of the Company be and is hereby accorded to the appointment of Thiru N S Palaniappan IAS as Chairman and Managing Director of the Company w.e.f.13.12.2012 on such terms and conditions and such remuneration as may be prescribed by the Government of Tamil Nadu from time to time

Thiru P Daniel Sathyaprakash seconded the resolution

On being put to vote on a show of hands, the Resolution was passed with majority.

There being no other business, the meeting ended with a vote of thanks to the Chair.

The National Anthem was played before the Meeting was concluded.

**V NARAYANAN
CHAIRMAN OF THE MEETING**

ANNEXURE

1) 5892 shareholders(including proxies) attended the 33rd AGM held on 19.9.2013 .

2) List of shareholders who spoke at the meeting are given below:

FOLIO NO./ DP Id./ Client ID No.	NAME
	Tvl.
IN 301080/22394546 00001425 22137897 00000146	P Daniel Sathya Prakash V Renganathan S Senthilvelan M Sundaram
IN 300394/ 12371133 00000272	R Ramesh Lal Jagadish S Murugan
12044700/057311511 IN 301637/40117566 IN301080/22404600	Ramalingam Vidyasankar R Sivakumar V Baalasubramanian V Premchander Chenguttuvan S Krishnamurthy
IN301637/60026924 IN301774/10308922 IN300513/13545086 IN01658841/12036000 IN 300360/10033537 00001392	Leslie Prabhu Padmanabhan P V John Moses Thanabalan P Subramanian Murugesan