



## Tamil Nadu Newsprint and Papers Limited

(A Govt. of Tamil Nadu Enterprise)

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TNPL - The Corporate Identity Number : L22121TN1979PLC007799

4<sup>th</sup> October, 2024

To BSE Limited (BSE) Corporate Relationship Department Phiroze Jeejeebhoy Towers 25 <sup>th</sup> Floor, Dalal Street Mumbai- 400001 BSE Scrip Code: 531426	To National Stock Exchange of India Limited (NSE) Listing Department Exchange Plaza, 5 <sup>th</sup> Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051 NSE Code: TNPL
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**Sub: 44<sup>th</sup> Annual General Meeting of Tamil Nadu Newsprint and Papers Limited held on 27<sup>th</sup> September, 2024 - Transcript - Reg.**

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With regard to the 44<sup>th</sup> Annual General Meeting of the Company held on 27<sup>th</sup> September, 2024, through Video Conference, we enclose herewith the copy of transcript of meeting, in accordance to General Circular No. 14 / 2020 dated 8<sup>th</sup> April, 2020, issued by the Ministry of Corporate Affairs, Government of India.

Kindly take the same on record.

Thanking you,  
For Tamil Nadu Newsprint and Papers Limited

Anuradha Ponraj  
Company Secretary and Compliance Officer  
ICSI Membership No: A26150  
Email Id: anuradha.p@tnpl.co.in  
Contact No: 044-22354417

Encl: a/a.

**TRANSCRIPT OF THE**  
**44<sup>TH</sup> ANNUAL GENERAL MEETING OF THE COMPANY**  
**HELD ON 27<sup>TH</sup> SEPTEMBER, 2024 AT 10:00 A.M.**

**1. WELCOME ADDRESS:**

**Dr Sandeep Saxena, I.A.S., Chairman and Managing Director:**

“A Very Good Morning everybody. I extend a warm welcome to everyone for this 44<sup>th</sup> Annual General Body Meeting of the Company. This meeting is being held through video conference in accordance with the circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India.

Before we start the main proceedings of the meeting, I request you all to please standup for the Tamil Thai Vazhthu.”

**(Tamil Thai Vazhthu was played).**

**Dr Sandeep Saxena, I.A.S., Chairman and Managing Director:**

“Now, I request the Board Members to introduce themselves.

I am Sandeep Saxena, I.A.S., (DIN: 00770925), Chairman and Managing Director of the company. I am joining this AGM from the registered office of the company in Chennai.”

**Tmt. M. Sathiyavathy, I.A.S., (Retd.), Independent Director:**

“I am M. Sathiyavathy, I.A.S., (Retd.) (DIN: 02357307), I am joining this Annual General Meeting from the registered office of the company at Chennai. I am an Independent Director of the Board of this Company and the Chairman of the Stakeholders’ Relationship Committee of the Board.”

**Dr Sandeep Saxena, I.A.S., Chairman and Managing Director:**

“Sundaradevan Sir.”

**Dr. N. Sundaradevan, I.A.S., (Retd.), Independent Director:**

“I am N. Sundaradevan, retired I.A.S. officer, an Independent Director of the company and the Chairman of the Nomination and Remuneration Committee of the Board. I am joining this Annual General Meeting from Coimbatore. Thank you.”

**Dr Sandeep Saxena, I.A.S., Chairman and Managing Director:**

“Dr Arumugam Sir.”

**Dr. M. Arumugam, Independent Director:**

“I am M. Arumugam. I am attending this meeting from my office at Chicago and I have received the Notice of the AGM and there is no one else privy to any of the records I received.”

**Dr Sandeep Saxena, I.A.S., Chairman and Managing Director:**

“Thiru Santhanakrishnan Sir.”

**Dr. M. Arumugam:**

“Thiru Santhanakrishnan. You are muted.”

**Thiru P. B. Santhanakrishnan, Independent Director:**

“Can you hear me now? Ok Sir. I am Santhanakrishnan. I am attending this AGM from my office in Chennai, Nungambakkam. I have received all the papers. Thank you.”

## **2. QUORUM:**

**Tmt. Anuradha Ponraj, Company Secretary:**

“Apart from our Directors, our Statutory Auditor, Mr. N. R. Suresh, our Cost Auditor, Mr. S. Mahadevan, our External Internal Auditor, Mr. B. Ram, our Secretarial Auditor and Scrutinizer for the meeting, Mr. R. Sridharan, have joined this meeting by way of Video Conference.

2 (Two) Directors, Thiru V. Arun Roy, I.A.S., (DIN: 01726117) and Thiru T. Anbalagan, I.A.S., (DIN: 10402554), are not present due to pre-occupation with their office work.

As the requisite quorum shareholders have joined the Video Conference against the total number 49,537 shareholders on cut-off date, i.e. 20<sup>th</sup> September, 2024.

Hence, we have the requisite quorum present through Video Conference to conduct the proceedings of this meeting. The participation of members through Video Conference is being reckoned for the purpose of quorum as per the circulars issued by Ministry of Corporate Affairs and Section 103 of the Companies Act, 2013.”

**Dr Sandeep Saxena, I.A.S., Chairman and Managing Director:**

“The quorum being present, I call this meeting to order.”

**Tmt. Anuradha Ponraj, Company Secretary:**

“I now provide the general instructions to the members regarding participation in this meeting.

Members may note that this Annual General Meeting is being held through Video Conference in accordance with the Companies Act, 2013 and circulars

issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India. Facility for joining this meeting through Video Conference or Other Audio-Visual means is made available for the members on a first-come-first serve basis. The Register of Directors and Key Managerial Personnel, and the Register of Contracts or Arrangements, have been made available for inspection by the members during the Annual General Meeting. Members seeking to inspect such documents can send their requests to [invest\\_grievances@tnpl.co.in](mailto:invest_grievances@tnpl.co.in).

The Company has received requests from the members to register themselves as speakers at this meeting. Accordingly, the floor will be open for these members to ask questions or express their views. The moderator will facilitate this session once Company Secretary opens the floor for questions and answers.

The Company had provided the facility to cast the votes electronically through remote e-voting, on all resolutions set forth in the Notice. Members who have not cast their votes through remote e-voting and who are participating in this meeting can cast their votes during the meeting through the e-voting system provided by National Securities Depository Limited (NSDL). Members are requested to refer to the Instructions provided in the Notice of the Annual General Meeting for seamless participation through Video Conference. In case members face any difficulty, they may reach out to the helpline numbers of NSDL mentioned in the Notice of this Annual General Meeting.”

### **3. CHAIRMAN’S SPEECH:**

**Tmt. Anuradha Ponraj, Company Secretary:**

“Now I request Dr. Sandeep Saxena, I.A.S., Chairman and Managing Director to deliver the Chairman’s Speech.”

**Dr Sandeep Saxena, I.A.S., Chairman and Managing Director:**

“LADIES AND GENTLEMEN, VANAKKAM.

I extend my warm welcome to all the shareholders, my colleagues on the Board, Auditors and other stakeholders of the company to this 44<sup>th</sup> Annual General Meeting. The Board's Report and the Audited Accounts for the year ended 31<sup>st</sup> March, 2024 are with you and with your permission I shall take them as read. I trust you would have gone through the same by now and are pleased with the performance achieved by the Company during the year 2023-24.

Your Company commenced paper production in the year 1984 with a capacity of 90,000 Metric Tonnes per annum. Over the years, the capacity stands expanded to 4.0 lakh Metric Tonnes per annum of Printing and Writing Paper. In 2016, the company had set up a state-of-the-art Packaging Board Plant with an annual capacity of 2,00,000 Metric Tonnes per annum in Mondipatti village, Manaparai taluk, Trichy District.

#### VISION:

Your company has been operating with a Vision to adopt state-of-the-art contemporary technology and be the world's most sustainable brand to manufacture eco-friendly paper and paperboards. We also strive to create an inclusive work environment, become the best place to work at, and grow in favourable opportunities. In line with the above Vision, the company's Mission has been to manufacture paper and paperboards of top-notch quality and achieve over 1 million tons per annum by the end of 2030. Besides that, we also focus on becoming the number one choice for our customers and provide our products at the most affordable and competitive prices, meet our financial goals and create a culture of safety and sustainability.

We are exploring new segment to forward integrate in value added products using paper and boards as a raw materials and are in active discussions with paper machine manufacturers to get into newer categories of value added papers.

## OPERATIONAL AND FINANCIAL PERFORMANCE:

During the year, your Company has produced 4.22 lakh MTs of Paper and sold 3.81 lakh MTs of Paper.

In Paper Board Plant, your Company has produced 1.95 lakh MTs of Paper Board and sold 1.77 lakh MTs of Paper Board.

During the year your Company has produced 2.93 lakh MTs of Hardwood Pulp (HWP), Chemical Bagasse Pulp (CBP) and Deinked Pulp (DIP) in Unit I and 1.25 lakh MTs of Hardwood Pulp (HWP) in Unit II. The total Pulp Production during the year was 4.18 lakh MTs.

During the year 2023-24, the market for paper faced challenges due to increase in import of paper. Consequent to which the realisation of paper was lower than the previous year. The prices of raw materials especially, wood has also increased significantly impacting the profitability of the company. The Profit before tax (PBT) is Rs. 324.76 crore and Profit after tax (PAT) is Rs. 208.16 crore.

Market capitalization as on 31<sup>st</sup> March, 2024 is Rs.1707.08 crore. During the year overall borrowings was reduced by Rs. 65 crore.

The Board of Directors had declared an Interim Dividend of 30% (i.e Rs. 3.00/- per equity share) for the financial year 2023-24. The Interim Dividend was paid to the equity shareholders whose names appeared in the Register of Members as on the cut-off date of 13th February, 2024. The cash outgo on the Interim Dividend was Rs.20.76 Crore.

Further, the Board of Directors of your Company have recommended the payment of Final Dividend @ Rs. 1/- per share i.e. 10% on the face value of Rs. 10/- per share out of profit of the company despite requirement of funds for capex and repayment of Loans.

## MARKET OUTLOOK:

The global paper and packaging industry is experiencing significant transformations driven by evolving consumer preferences, technological advancements and regulatory changes.

In the fiscal year 2023-24, India witnessed a significant increase in imports of Printing and Writing papers. This rise, in imported paper is attributed to very competitive pricing from overseas suppliers. These imports have intensified competition in the Indian market, putting pressure on domestic manufacturers, including TNPL, to maintain market share and price competitiveness.

The domestic market has faced sluggish demand, in the year 2023-24. Various sectors, including Education, Publishing and Corporates, have been experiencing reduced consumption of printed materials. This is partly due to the ongoing digital transformation, which has led to a decline in traditional paper usage. Additionally, economic uncertainties and shifts in consumer behaviour have contributed to the muted demand for printing and writing papers.

The domestic market faced very high downward pressure on prices due to the influx of imports. While this may benefit customers and industries that rely upon paper, local manufacturers had to face many challenges. The pricing pressure has been exacerbated by fluctuations in raw material costs also, which impact production costs and margins. Availability of Hard wood is an issue. Most Indian Paper Mills, have resorted to importing wood chips, at much higher costs. This has further added to increase in raw material costs.

However the ongoing Red Sea crisis is impacting global shipping routes, potentially increasing transportation costs and causing delays in import of raw materials. This could be a saving grace to the Indian paper manufacturers. Without imports coming into the country, domestic manufacturers could potentially shore up prices at least to cover up the escalating costs, to some extent.



## PROJECTS:

### Tissue Paper Machine:

Considering the market potential for Tissue paper, a 100 tpd capacity, state-of-the art Tissue Paper Machine along with its auxiliaries is proposed to be installed at TNPL Unit-II at an estimated project cost of Rs.300 crore. The machine shall have facilities to produce different grades of tissue paper ranging from 13 GSM to 40 GSM mostly made from high quality in house Hard Wood Pulp. The procurement action was initiated in February, 2024 and expected to be commissioned before March, 2026.

### Revamp of Steam and Power System In Unit I:

The installation of two high pressure boilers of 125 tph each along with a 42 MW Turbo Generators under Revamping of the existing Steam and Power System (RSPS 2) at Unit I is being taken up in phases to retire and replace the old low-pressure boilers installed in 1985. As part of Phase # 1, procurement of one High Pressure Boiler is under progress and is likely to be completed by end of March, 2026.

### Rooftop Solar Power Plant at Unit I & Unit II:

In line with our commitment to environment and renewable energy, 1 MW each rooftop solar power plants are under installation on building at both units. The project is likely to be completed by July 2026.

## ENVIRONMENT, SUSTAINABILITY AND GOVERNANCE:

TNPL firmly believes that Impact on Environment due to industrial activities must be totally minimized by adopting appropriate environmentally benign technologies.

TNPL aims to achieve its environmental objectives and impact reduction measures with multiple approaches right from resource conservation to recycling, restoring ecosystems, conserving biodiversity, awareness creation.

During the year, the company established high yielding Clonal Pulpwood Plantations in an extent of 22,982 acres involving 5938 farmers.

83.06 lakh NM<sup>3</sup> Methane gas was generated in the Bio-methanation Plant and consumed in Lime Kiln and Power Boilers, which has resulted in saving of 4464.24 KL of furnace oil and 707 MTs of imported coal.

The wind farms with an installed capacity of 35.5 MW have generated 372.82 lakh Kwh units of “Green Power” during the year.

Implementation of various water conservation measures resulted in reduction of overall consumption of water in Unit – I to 28 KL/per ton of Paper, one of the lowest in the industry.

#### CORPORATE SOCIAL RESPONSIBILITY:

Your Company is committed to being a socially responsible corporate citizen. During the year, your Company has implemented several community development measures towards the broad sectors included in TNPL’s CSR policy such as Education, Health Care, Community Development and Infrastructure Development, Environment & Soil Quality and Culture & Heritage. Your Company has spent Rs. 3.71 crore for CSR activities during 2023-24 by mainly focusing on enhancing the socio economic status by conducting skill development programme, sports promotional activities, free education to the children of downtrodden people, sponsorships, special coaching classes, general medical camp and monthly mobile medical camps in the villages surrounding the TNPL factory, supply of free drinking water facilities etc.,

## AWARDS AND RECOGNITION:

Your Company was recognized with many notable awards and accolades during the year. The major awards are highlighted here:

“WINNER” of the prestigious “Golden Peacock Business Excellence Award” for the year 2024 at the UAE Global Convention – 31<sup>st</sup> World Congress on Leadership for Business Excellence and Innovation conducted by the Institute of Directors (IOD), New Delhi.

“Most Sustainable & Innovative Manufacturing Practices” for the year 2024 by the World Manufacturing Congress, Mumbai.

“WINNER” in the 8<sup>th</sup> Annual OHSSAI HSE Excellence & ESG Global Award 2023 for its Outstanding Achievements in Safety Excellence.

“WINNER” in the “23<sup>rd</sup> Annual Greentech Environment Awards 2023” during the event hosted by the Greentech Foundation.

“Energy Efficient Unit Award” and “Most useful presentation Award” during the 24<sup>th</sup> National Award for Excellence in Energy Management Institute by Confederation of Indian Industry (CII).

“Best HR Company Award” and “Best Corporate Social Responsibility Practices Award” during the “11<sup>th</sup> Golden Globe Tigers Award 2023” conducted by Fun and Joy Network, Mumbai.

## ACKNOWLEDGEMENT:

On behalf of the company, I wish to thank the Investor community for their solid support and for the confidence they have reposed in the Company.

I also wish to place on record my sincere appreciation for the efforts put in by all employees of the Company.

My whole-hearted thanks to all Shareholders and other Stakeholders for continuous encouragement and support.

I am extremely grateful to my colleagues on the Board for their valuable advice and support.

I take this opportunity to place on record my sincere thanks to the Union and State Governments and the Banks / Financial Institutions for their valuable support and assistance.

I also thank the Statutory Auditors, Secretarial Auditors, Cost Auditors and External Internal Auditors for their continued support.

Let me conclude by saying that “We have come a long way” yet “we have miles to go before we sleep” and with your support we will achieve and reach our destination.

Nandri, Vanakkam.”

#### **4. SUMMARY OF AUDITOR’S REPORT:**

**Tmt. Anuradha Ponraj, Company Secretary:**

“I now provide a summary of the Auditors’ Report.

The Statutory Auditors, M/s. Maharaj N R Suresh and Co LLP, have expressed unqualified opinion in their audit report for the financial year 2023-2024. There were no qualifications, observations or adverse comments on financial statements and matters. The Statutory Auditors’ Report on financial statements is available on Page numbers 218 and 232 of the Annual Report.

The “NIL” report from the Comptroller and Auditor General of India is available on Page 233 of the Annual Report.

The Secretarial Auditors, M/s. R. Sridharan and Associates, have expressed an unqualified opinion in their secretarial audit report for the financial year 2023-2024. There were no qualifications, observations or adverse comments. The Secretarial Auditors' report is enclosed as Annexure-2 to the Board's report on Page number 88 to 92 of the Annual Report.

Accordingly, the Auditors' Reports are not required to be read out before the meeting, as provided in the Companies Act, 2013 and the Secretarial Standards on General Meetings.”

## 5. E-VOTING:

**Tmt. Anuradha Ponraj, Company Secretary:**

“As the Notice convening the 44<sup>th</sup> Annual General Meeting is already circulated to all the members, with your permission, I take the Notice convening the meeting as read.

Before we proceed, I am pleased to bring to your notice that, as required under the Companies Act, 2013, the Company has provided the facility to cast votes electronically through remote e-voting, on all Resolutions set forth in the Notice. The cut-off date for ascertaining the entitlement for remote e-voting facility as well as voting at the meeting was Friday, 20<sup>th</sup> September, 2024. The remote e-voting period commenced on Sunday, 22<sup>nd</sup> September, 2024 (9.00 AM) IST and ended on Thursday, 26<sup>th</sup> September, 2024 (5.00 PM) IST. The remote e-voting module was disabled by NSDL thereafter.

I wish to mention that Members as on the cut-off date being Friday, 20<sup>th</sup> September, 2024, who did not cast their vote through remote e-voting, may cast their vote during the meeting.

The members as on cut-off date i.e., Friday, 20<sup>th</sup> September, 2024, who have not exercised their vote through remote e-voting and are participating in this AGM through Video Conference are entitled to vote during this meeting through

e-voting facility provided by NSDL. Member who have already cast their votes during the e-voting window before the AGM, will not be able to cast their votes again. Once the Members have cast a vote on a resolution, Members shall not be allowed to change it subsequently.

We now take up the Resolutions as set forth in the Notice. There are 8 (Eight) resolutions proposed to be passed at this Annual General Meeting. Out of which 7 (Seven) resolutions are Ordinary Resolutions and 1 (One) resolution is Special Resolution.

I also wish to add at this point that the Notice was dispatched electronically to all the shareholders of the Company in due compliance with the circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India on Thursday, 5<sup>th</sup> September, 2024.

We will open the floor for any questions by members after all the Resolutions are tabled.

Item No. 1 of the Notice – Adoption of Financial Statements, by way of ORDINARY Resolution:

The Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2024 including the reports of Board of Directors and Auditors have already been provided to the members.

Item No. 2 of the Notice – The Declaration of Dividends, by way of ORDINARY Resolution:

The shareholders may confirm and ratify the payment of an Interim Dividend of Rs 3.00/- (Rupees Three only) per Equity Share of the face value of Rs. 10.00/- (Rupees Ten only) each for the financial year 2023-24 and to declare a

Final Dividend of Re. 1.00/- (Rupee One only) per Equity Share of the face value of Rs. 10.00/- (Rupees Ten only) each, for the financial year 2023-24.

Item No. 3 of the Notice - Appointment of Director, liable to retire by rotation, by way of ORDINARY Resolution:

Thiru V. Arun Roy, I.A.S., (DIN: 01726117), Director, who is retiring by rotation and being eligible offers himself for reappointment.

Item No. 4 of the Notice – Fixation of the Statutory Auditors' Remuneration, by way of ORDINARY Resolution:

The shareholders may approve the fixation of remuneration to M/s. Maharaj N R Suresh and Co LLP., (Firm Registration No. 001931S/5000020), Chartered Accountants and Statutory Auditors of the Company.

Item No. 5 of the Notice – Ratification of the Remuneration to the Cost Auditors, by way of ORDINARY Resolution:

The shareholders may ratify the remuneration to M/s. S. Mahadevan & Co. (Firm Registration No. 000007), Cost Auditors of the Company.

Item No. 6 of the Notice – Alteration of Articles of Association of the Company, by way of SPECIAL Resolution:

The shareholders may approve the alteration or amendment of the existing Articles of Association of the Company by adoption of a new set of Articles of Association in substitution to the existing Articles of Association of the Company by aligning with the provisions of the Companies Act, 2013.

Item No. 7 of the Notice – The Appointment of Thiru. Pratik Tayal, I.A.S., (DIN: 09422959) as a Director, by an ORDINARY Resolution:

The shareholders may approve the appointment of Thiru. Pratik Tayal, I.A.S., (DIN: 09422959) as a Director on the Board of TNPL, with effect from 13<sup>th</sup> August, 2024.

Item No. 8 of the Notice – Appointment of Thiru T. Anbalagan, I.A.S., (DIN: 10402554) as a Director, by an ORDINARY Resolution:

The shareholders may approve the appointment of Thiru T. Anbalagan, I.A.S., (DIN: 10402554) as a Director on the Board of TNPL, with effect from 13<sup>th</sup> August, 2024.

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

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

## **6. SPEAKER SHAREHOLDERS:**

**Tmt. Anuradha Ponraj, Company Secretary:**

“We have received requests from 6 (Six) shareholders to be “Speaker Shareholders”. I will now call out their names one-by-one. The Speaker shareholders are requested to restrict their queries to the accounts for the Financial Year 2023-24 and confine their observations or comments to preferably about 5 (Five) minutes.



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

Please avoid repetition of same or similar questions already raised by a Member. I seek your kind co-operation in this regard.

After getting all the queries, consolidated reply will be given. In case of any queries which require elaborate replies, the same will be replied by email.

Now, I am opening the floor for Question and Answer.

Now we request Thiru. Yusuf yunus rangwala, DP/ Client ID 1601010000232396, to unmute himself and kindly proceed with the question.”

**Dr Sandeep Saxena, I.A.S., Chairman and Managing Director:**

“Mr. Yusuf, please unmute yourself and you can speak.

Mr. Yusuf, are you online? Can you hear us? Please unmute yourself and please share your query.”

**Tmt. Anuradha Ponraj, Company Secretary:**

“Now, I would like to call upon Thiru. Lal Jagadheesh, DP / Client ID IN300214 / 21446104.”

**Dr Sandeep Saxena, I.A.S., Chairman and Managing Director:**

“Mr. Lal Jagadish, please unmute yourself and you can speak.

Mr. Jagadish, can you hear us? I think we are not able to hear him. Maybe we can go. Yes, Mr. Jagadish, you are online.

Mr. Jagadish, we are waiting for your question. You came online. You can unmute yourself.

We can go to the next question.”

**Tmt. Anuradha Ponraj, Company Secretary:**

“The next speaker is Thiru Vaibhav Badjatya, DP / Client ID 1208870290812273.

**Dr Sandeep Saxena, I.A.S., Chairman and Managing Director:**

“Vaibhav Badjatya Ji, can you please come online?”

**Thiru. Vaibhav Badjatya:**

“Hello.”

**Dr Sandeep Saxena, I.A.S., Chairman and Managing Director:**

“Welcome, Mr. Badjatya Ji. We would like to hear from you your views.”

**Thiru. Vaibhav Badjatya:**

“Good morning, everyone. Thank you for providing me with the opportunity to speak at the platform, AGM.

Sir, I have two queries. Though you have already touched upon both of the questions in your introduction speech, I would just like you to elaborate more on the same.

First, companies across India have reported increasing cost of wood. So, can you please explain the reason for a sharp increase in wood cost? What drove the sharp increase in domestic wood prices?

Secondly, what will be the impact in the reduction of competition from imported paper due to the Red Sea crisis-driven increase in freight rates? If you could elaborate on both these points, as I mentioned. They have been touched upon, but a little more elaboration will be helpful, Sir. Thank you very much.”

**Dr Sandeep Saxena, I.A.S., Chairman and Managing Director:**

“Thank you, Vaibhavji. Very pertinent questions. Definitely, both points are very important. We'll be elaborating. We may go to the next speaker, please.”

**Tmt. Anuradha Ponraj, Company Secretary:**

“Thiru Mahesh Vasudevan, DP/Client ID IN301330 / 42046780.”

**Dr Sandeep Saxena, I.A.S., Chairman and Managing Director:**

“Yes, Sir. Please go ahead. Mr. Mahesh Vasudevan, you are there in the panelists. Please go ahead.”

**Thiru Magesh Vasudevan:**

“Yes. Mahesh Vasudevan from Trichy. Good morning, everyone.

Firstly, I would like to thank TNPL management for providing a dividend of Rs 4/-, an interim dividend of Rs 3/- and final dividend of Rs 1/-, even in these strenuous economic conditions. As a shareholder, I would like to ask a few questions, Sir.

Question number one: TNPL will normally execute projects continuously from its inception. Growth and success are mainly because of its continuous projects and new products. Please let me know the new projects proposed other than tissue, Sir.

Second question: TNPL is the first public sector undertaking to install wind farm projects, under non-conventional energy. Is there any plan for its upgradation and capacity enhancements?

I wish the best for the company's next vision, Sir.

Thank you, everyone, for the good opportunity.

Nandri, Vanakkam.”

**Dr Sandeep Saxena, I.A.S., Chairman and Managing Director:**

“Thank you. Thank you, Mahesh Ji. Very pertinent questions. Thanks a lot for your questions.

May we go to the next speaker, please?”

**Tmt. Anuradha Ponraj, Company Secretary:**

“Thiru. J. Dinesh, DP/ Client ID IN300214 / 24231696 to unmute himself and kindly proceed with the question.”

**Thiru J. Dinesh:**

“Sir, good morning, Sir.

This is J. Dinesh Kumar. My folio ID is IN300214 / 24231696. I congratulate the management for the better performance during the financial year 2023-24 with an EBITA of Rs 839 crores and PBT of Rs 325 crores, in spite of challenges. I have two questions to the management to get more clarity on that.

First question: How does the company anticipate the demand evolving in the coming quarters considering factors such as import of paper and paper board in India, etc?

Second question: What are steps taken by the management on renewable energy projects such as solar energy etc.?

Thank you to the company for giving me an opportunity to speak at the AGM.

Thank you so much.”

**Dr Sandeep Saxena, I.A.S., Chairman and Managing Director:**

“Thank you. Thank you, Mr. Dinesh.”

**Tmt. Anuradha Ponraj, Company Secretary:**

“Now, I call upon Mr. Vijay Kumar, DP/ Client ID IN300214 / 1770985.”

**Thiru. Vijayakumar:**

“Sir, Good Morning, Sir.

I am Vijay Kumar from Sivakasi, Tamil Nadu. My folio number is 17770985.

First of all, I am thankful to the management of TNPL for giving this opportunity. My question is that the current world economy is currently facing the turbulent period. In this scenario, what is the percentage of TNPL export sales. And also request to provide an outlook on the export market trends.

My second question is, can you brief us about the CSR expenses incurred by the company during the financial year 2024? Thank you for the opportunity given me to this forum, Sir. Thank you.”

**Dr Sandeep Saxena, I.A.S., Chairman and Managing Director:**

“Thank you. Thank you, Mr. Vijay Kumar, very pertinent questions.

Can we once again try, Mr. Lal Jagdish, if he is online?”

**Mr. Elango, NSDL, Moderator:**

“Yes, Sir. Yeah, we will allow.”

**Dr Sandeep Saxena, I.A.S., Chairman and Managing Director:**

“Mr. Lal Jagdish, please unmute yourself.”

**Thiru. Lal Jagadheesh:**

“Good morning, Sir.”

**Dr Sandeep Saxena, I.A.S., Chairman and Managing Director:**

“Yes, Sir. Good morning.”

**Thiru. Lal Jagadheesh:**

“Is it audible?”

**Dr Sandeep Saxena, I.A.S., Chairman and Managing Director:**

“Yes, yes. You are audible, Mr. Lal Jagdish. Please go ahead.”

**Thiru. Lal Jagadheesh:**

“First question for me is, the company has a reserve surplus of Rs 2020 crores and book value of Rs 301 per share against the face value of Rs 10 per share. Does the company have any proposal to issue bonus shares, sir? That is the first question.

The second question is, what are the major projects in the pipeline and the timeline for completion of these projects?

Third is, can you discuss any recent product innovations and developments in the company's product portfolio? How does the company approach diversification of these products, offering to adopt the changes in the market demands, Sir? That is all my questions Sir.”

**Dr Sandeep Saxena, I.A.S., Chairman and Managing Director:**

“Thank you, Mr. Lal Jagdish. Thanks for your questions.

Again, we can go back to Mr. Yusuf Yunus Rangwala. Can you please join us, Sir? Are you able to hear us? We'll be happy to hear a question from you.”

**Thiru. Yusuf yunus rangwala:**

Sir, Vanakkam. Aapko aawaz aa rha hai, Sab?

**Dr Sandeep Saxena, I.A.S., Chairman and Managing Director:**

“Haan, Vanakkam, Vanakkam, bilkul aawaz aa rha hai Yusuf Ji. Thank you very much.”

**Thiru. Yusuf yunus rangwala:**

“Sir. Aapka company ka share department is providing very good services. Sir, you have declared Rs 4/- dividend. This is very excellent. Sir, aapne Chairman speech mein sab bata diya, Sir. Mein janna chahta hoon what is the total number of staff. Sir, aapne last bonus kab diya tha? Itna accha aapke pass reserves hain, itna accha aapke pass hai. Sir, bonus ke baare mein aapki kya aasha hai, Sir? Sir, ho sake to mujhe factory visit karana, Sir. Aur diwali mein Sir aaplog kuch gifts jaise sweets, dry fruits hamare yahan bhejiye, Sir. Sir, ham aapke sath hain, Sir. Today, there are 25 meetings but I left all the meetings, Sir kynki aaki company aisi hai aur aapke share department lajawab hai. They are very excellent, very hard-working. Unke yahan se phone bhi aaya tha. Iske liye sab companies ko chhod ke aapke yahan juda hua hoon, Sir. Sir mera dhyan rakhna Sir, Diwali mein. Aap mujhe kuch aisa gift bhejna. Send some goodies, Sir, at the time of Diwali. No more questions, Sir. I support all the resolutions. Phoolon ki khushboo, kaliyon ki bahar, aur Tamil Nadu ka sath. Sir, I am also from Madras. My birthplace, Sir. Vannakam Sir, Vannakam. Please keep smiling and stay healthy and wealthy. Thank you. I pray to God for your good health, Sir. Thank you, Sir. Jai Hind, Sir.”

**Dr Sandeep Saxena, I.A.S., Chairman and Managing Director:**

“Thank you. Thank you. Vannakam, Nandri. Bahut accha laga aapne 3 bhashaon mein baat kiya. I am very very happy. Thanks a lot. Thank you very much.”

## **7. REPLIES TO SHAREHOLDERS:**

**Dr Sandeep Saxena, I.A.S., Chairman and Managing Director:**

“So, if we may take up the questions, there are some repetitions also. So, I'll be giving only once, the reply for that.

Let's start with Yusuf Yunus Rangwalaji's question. He asked about the first of all, thank you very much for the dividends and the company will be very happy to give maximum returns possible on the investment which our shareholders make with us with the confidence that the company will be performing very well. Sure, we'll keep it up and last year's bonus of 40% together was a very high bonus.

Thank you, it is at face value and this year also, if God willing, Inshallah, we will be able to give a good bonus to all our people. Definitely, during the time of Deepavali, your request will be considered to the possible extent possible, but regarding your question of how many permanent staff you have, I would like to inform you that the number of permanent employees in the role of the company as on 31<sup>st</sup> of March 2024 was 3232 number of permanent employees.

Next, I go to the question which was raised by Mr. Lal Jagdish. He asked about the company's reserve and surplus position and also book value and asked whether company has any proposal to issue bonus shares. Jagdish Ji, increasing the share capital by issuing the bonus share will reduce EPS and the market price. Currently, the company does not have any proposal on the issue of bonus shares. However, the company will look into the proposal to issue bonus shares at an appropriate time. Then the question was regarding the major projects in the pipeline and the timeline for completion of these projects. So, as I already touched upon again, I



reiterate that for the current year, the following projects are in the pipeline: 100 TPD tissue plant with a capital outlay of Rs 300 crores expected to be completed by March, 2026. The second is revamping of the power and steam system by replacing the old boiler and turbo generator in a phased manner as part of the phase 1 procurement of one high-pressure boiler is under progress and is likely to be completed by the end of March, 2026. Another project which is in the pipeline is the implementation of a 2-megawatt solar energy plant and Notebook conversion unit, this is also in the pipeline.

As far as your question, Jagdish ji, is about how the company is bringing new products and diversification, here I would like to inform you that we have tried to make an entry into 2 emerging segments. One is the paper bag, which you know is now an emerging market and secondly, the liquid packaging boards. Now, as far as the paper bag is concerned, you know that it is a very, very fast-growing product in the industrial segment and TNPL has successfully designed and manufactured a paper suitable for making the paper bags, that depends on the GSM because it requires more of the capacity to hold the weight. And one very good thing is that as your company always try to strive hard to go for environmentally sustainable products, it is a good alternative for plastics, and we are producing it in our main plant at Kagithapuram. The second product what we have started now to sort of produce is from unit 2, it is liquid packaging board. Jagdish ji, you would have seen that most of our mixes come in polythene sachet, most of the liquids which are being sort of sold after packaging for convenience is always in plastic as the raw material. So, we have gone for a liquid packaging board and successfully designed and manufactured a superior quality board used for the liquid packaging from our board mill at Mondipatti. This really will go a very long way because even the milk can be half a litre, 1-litre milk can be packed in this liquid packaging boards and this will be the product of the future which will be definitely replacing the plastics because there is everyday millions and millions of such packaging are being used using plastic. So, this is what I would like to respond to you.

I think I did not completely respond to what Rangwala ji has told. He asked about the bonus issue. Now we are giving finally the 40% only, no bonus we are issuing.

Next, I come to the question by Mr. Vaibhav Badjatya ji. So, he raised a very pertinent point that is regarding the increase in the cost of wood. As all the dear shareholders you know that wood is the main raw material for our production line, our product line and there is an increase, as you know the wood takes time to come to maturity when we can use it for the making of the pulp and from the pulp various other products. You may recollect during 2020 and 21, we had a period of COVID and during the COVID period, all activities came to a standstill as you know. That was the time if the wood had been planted at that time, it would have reached maturity now in 2023 - 24. 3 to 5 years is the cycle where a tree which has been planted as a clone for Casuarina or as a sapling for Eucalyptus takes to grow and that is why there was less of plantation. So, the basic root cause is this only that at that time there was not much selling of mature pulpwood by the various mills. I am not saying only about the paper mills alone but the other wood-based industries. They did not use much of the wood and farmers did not get the sort of return for matured wood at that time. So, the plantation activities were also less and that is what caused the reduction in the availability of the pulpwood now during this period. And this is the demand and supply. So, whenever there is competitive demand for the same raw material which goes into the plywood industry and also which goes into the pulpwood industry, there the demand is more. So, the rates are going up and we have reached to a high level of price now. I wish and I hope that now the prices would be stabilized for pulpwood, and it will not be going further up. However, we are also taking steps to improve the plantation, raising the new plantation in the vicinity of our unit so that the transportation cost will be lesser and we are also trying to go for better-yielding growth so that the farmers will be getting a better return for the efforts they are taking.

The second thing you asked about the imported paper, how is the reduction in the competition due to the Red Sea crisis, which is driving the increase in the freight rates. So, I would like to inform you that the Red Sea crisis does not impact the import of paper and printing and writing paper grades in India as most of the imports are from the eastern side that is from Indonesia and China and there is that is why there is no reduction in the competition from the imports due to the Red Sea crisis. However, the inputs which we are importing from the western side or the market of the western side for the finished product, there the cost of

transportation has increased which has increased the cost of inputs procurement and also reduced the margin for the final product that way we are impacted, not the from the competition side.

The next question was from Mr. Mahesh Vasudevan, he asked about the Mill Extension Plan etc., and also asked about the status of phase 2 of MEP. Maheshji, the implementation of paper or board-making machines under Mill Expansion Plan Phase 2 will be taken up after witnessing the improvement in the existing marketing scenario. You would have seen in the Chairman's speech also that we are having a subdued market, we are having the challenges which are coming from the imported grade of finished products which are highly competitive rates, and which have shrunk the margin. So, that is what management is taking into account at the moment whether we should go for expansion or should we go for improving the efficiency in our production so that we are becoming more competitive and definitely the expansion will be taken up at an appropriate time, and as I told before, the company has already taken up the various plans, various capital expenditure plans which are requiring huge capital. So, once in the next 1 or 2 years, we are able to complete the entire sort of present commitment for the capex including the tissue paper unit also set up definitely we will go for an expansion plan.

Next, Mr. Dinesh also asked a very pertinent question. The first question he was asking about how the company anticipates the demand in the coming quarters. Of course, the same question of import of papers and paperboard into India particularly from the eastern countries to our country is posing a challenge. As you know it's a cyclic industry and in next quarter that is Q3 and Q4, the education sector demand begins to pick up and it will continue into Q4 also. So, the tenders and inquiries have started coming out and for the demand of paper it is picking up and we are also taking a position wherein we are competitive in the market considering that cheaper imports are also now widely available in the Indian market. That is a challenge which the industry as a whole is looking to take appropriate corrective or competitive actions.

The second very important thing you have asked about the renewable energy projects like solar projects. Now, we are committed for saving the environment and also go for renewable form of energy and that is why at the rate of 1 megawatt each rooftop solar power plant we are installing on both our unit 1 and unit 2 and in another maybe about less than 2 years' time we will be able to complete that the project has already started and we are committed to improving the efficiency so that we create a minimal impact on the environment possible.

Then Mr. Vijay Kumar he asked the question about what is the percentage of export sales which are which we are doing now and how is the export market. Vijay Kumar ji I really would like to thank you for touching upon a very very important sector. As you know that we have a finite domestic demand. So, we have to see that how within India, our country, we should not be flooded with too much of production beyond the requirements, thereby crashing the prices within the country. So, it is imperative for the company to ensure that we have the production which is being sold outside also, export also. So, that there is a balance between the demand and supply within the country and as you know that the export market though it is very large however it is highly competitive. So, what we call net sale revenue from the exports is normally either at par or below the domestic sales realization. To specifically answer your question approximately, 20 percent of our production is being exported. We go slightly up and down, so sometimes it goes to 24-25 percent, sometimes it is 19 percent, because it is a very very dynamic thing and as you know with the supply chain being disrupted due to global disturbances, war etc. export market has become highly sort of competitive and also cost costly also. So, you know that because of the more of online transactions the questions there is a de-growth in printing and writing grades. However, as an alternative to plastics and also with the newer products such as folding box boards and solid bead sulphate boards, there is a very huge scope to go for more and more product development and then looking for the export market will be as a company will be always open and very sort of keen to go for better and better sort of share of the export.

Also, you asked about the CSR expenses during the financial year 2024. So, I would like to inform you that from 2023 to 2024 your company has spent

Rs 3.71 crores towards various CSR activities. I would like to highlight some for Education it was Rs 1.27 crores, for Healthcare / Medical services it was Rs 13 lakhs, for Infrastructure Development it was Rs 202 lakhs, for Environment and Sanitation it was Rs 14 lakhs and for Cultural Heritage, it was Rs 15 lakhs.

While I was responding to Yusuf Rangwala ji, I used the word bonus. Actually, it should be taken as dividends because he used the word bonus. So, I also responded but it's actually the dividend, so, 40% what has been given for last year is the final dividend.

I think with this I have I hope that I have satisfactorily responded to the queries which our respected shareholders have raised.”

**Tmt. Anuradha Ponraj, Company Secretary:**

“Thank you CMD, Sir. With that, we conclude the question session from all the shareholders.”

## **8. CONCLUSION:**

**Tmt. Anuradha Ponraj, Company Secretary:**

“Members may note that the voting on the NSDL platform will continue to be open for 15 (Fifteen) more minutes after the closure of the meeting.

Members who have not cast their vote yet are requested to do so. The Board of Directors has appointed, Thiru. R. Sridharan, of M/s. R. Sridharan & Associates, Company Secretaries, as the scrutinizer to supervise the e-voting process.

The consolidated results of remote e-voting and the e-voting at the AGM will be uploaded on the website of the Company at [www.tnpl.com](http://www.tnpl.com) as well as on the website of NSDL and shall also be communicated to the stock exchanges.

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

We are grateful to all our shareholders from across the country who have participated in this AGM, through video conferencing.”

**Dr. Sandeep Saxena, I.A.S., Chairman and Managing Director:**

“Thank you all for attending the meeting and I hereby declare the proceedings as closed.

Thank you. I request you all to please standup for the National Anthem.”

**(National Anthem was played).**

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