



Tamil Nadu Newsprint and Papers Limited



40th
Annual
Report
2019-2020

Expanding to new boundaries...

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 N Narayanan, IAS (Retd.)
Director



Thiru V Chandrasekaran
Director



Tmt. Soundara Kumar
Director



Thiru P. B. Santhanakrishnan
Director



Dr. M. Arumugam
Director

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COMPANY INFORMATION

BOARD OF DIRECTORS

Thiru N Muruganandam, IAS	Chairman
Thiru S Sivashanmugaraja, IAS	Managing Director
Thiru S Krishnan, IAS (w.e.f 16.07.2019)	Director
Tmt. Reeta Harish Thakkar, IAS	Director
Thiru N Narayanan, IAS (Retd.) (w.e.f 19.09.2019)	Director
Thiru V Chandrasekaran	Director
Tmt. Soundara Kumar	Director
Thiru P. B. Santhanakrishnan (w.e.f 19.09.2019)	Director
Dr. M. Arumugam (w.e.f 19.09.2019)	Director

COMPLIANCE OFFICER

Thiru B Ravishankar (w.e.f 30.06.2020)	Company Secretary
Thiru V Sivakumar (From 29.05.2014 – 30.06.2020)	Company Secretary

REGISTERED OFFICE

67, Mount Road, Guindy,
Chennai - 600 032

CIN

L22121TN1979PLC007799

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
Ph No.: 044 - 28131128/ 38 / 48
Fax: 044 - 28131158
Email: mail@brahmayya.com
Web: www.brahmayya.com

COST AUDITORS

M/s Geeyes & Co.,
Cost & Management Accountants,
A-3, III Floor, 56, Seventh Avenue,
Ashok Nagar, Chennai - 600 083
Email: gsco94@gmail.com

SECRETARIAL AUDITORS

M/s R Sridharan & Associates,
Company Secretaries in Practice,
New No.44, Old No.25, Flat No. 3,
Thiruvarangam Apartments,
1st Floor, Unnamalai Ammal Street,
T.Nagar, Chennai - 600 017
Ph No.: 044 - 4216 6988, 4350 2997, 4255 5587
Email: sridharan.r@aryes.in
Web: www.aryes.in

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
Punjab National Bank
Union Bank of India
MUGB Bank Limited
Export-Import Bank of India
ICICI Bank Limited
Kotak Mahindra Bank Limited
IndusInd Bank Limited
Federal Bank
IDBI Bank Limited
Yes Bank Limited

FINANCIAL HIGHLIGHTS - 10 YEARS AT A GLANCE

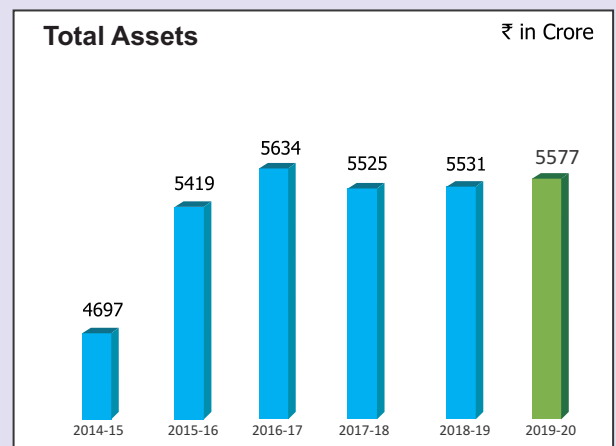
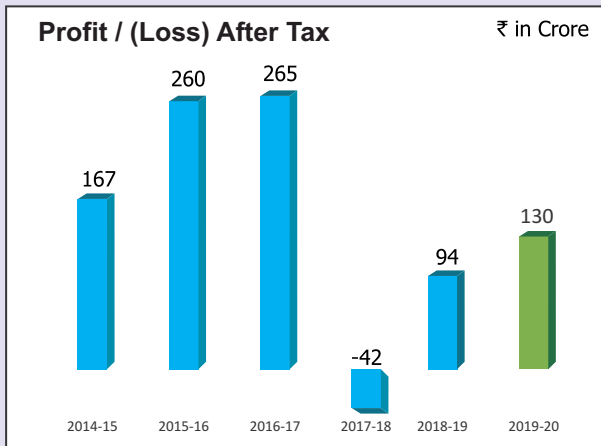
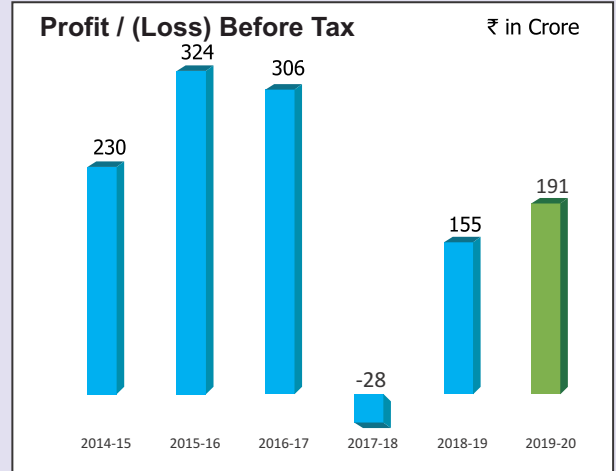
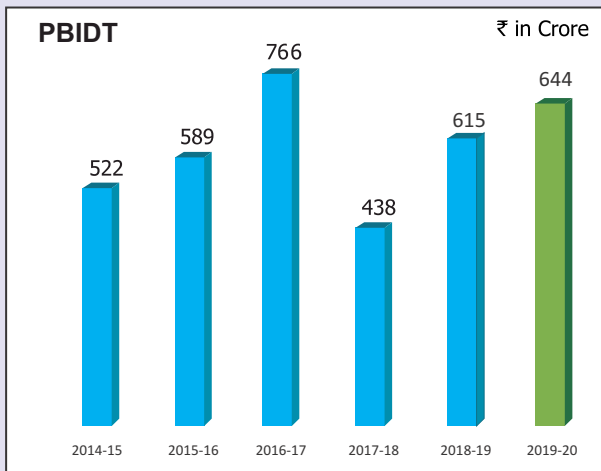
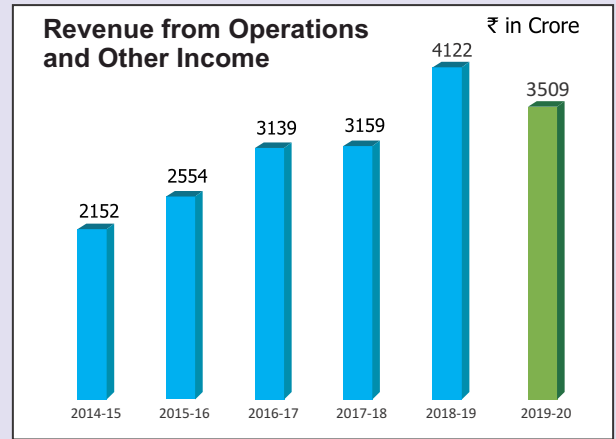
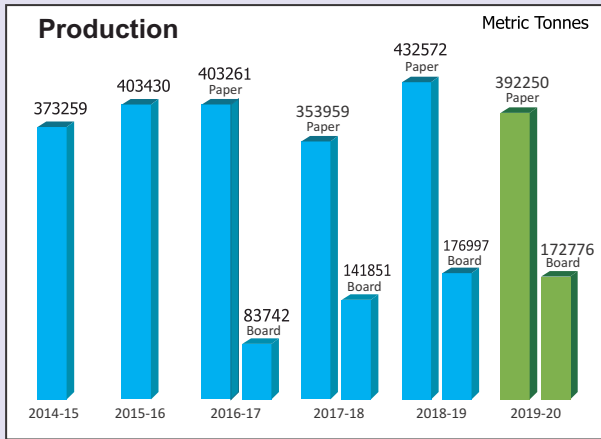
Description	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11
REVENUE (₹ in Lakhs)										
Revenue from Operations & Other Income	350864	412195	315870	313872	255384	215237	230195	188118	153899	122504
PBIDT	64436	61524	43847	76591	58919	52236	52320	42207	43543	36274
Depreciation & Amortisation	23124	22668	22183	20768	14377	13730	19232	17500	16905	12337
Finance Cost	22259	23336	24463	25202	12185	15493	12821	12097	14127	4424
Profit Before Tax (PBT)	19053	15520	(2799)	30621	32358	23013	20268	12611	12511	19514
Income-tax	6050	6081	1417	4164	6377	6340	4150	3463	1617	4615
Profit After Tax (PAT)	13003	9439	(4216)	26457	25981	16673	16118	9148	10894	14899
BALANCE SHEET (₹ in Lakhs)										
Equity										
Share capital	6938	6938	6938	6938	6938	6938	6938	6938	6938	6938
Other Equity	164353	158230	153375	163527	144022	113226	107660	96610	90131	84641
Shareholders Fund (Net worth)	171291	165168	160313	170465	150960	120164	114597	103548	97069	91579
Non-Current Liabilities										
Borrowings	121140	124699	145032	165212	193872	136917	63699	65729	85083	107305
Deferred tax liabilities (Net)	25415	22865	22166	20853	23379	35959	31664	29046	26976	24961
Non-Current Liabilities - Others	14324	10847	11039	10523	10044	10133	9154	8397	7434	7052
Current Liabilities										
Borrowings	56749	28314	50857	74259	59040	47528	45040	49586	58341	41505
Current maturities of Long Term borrowings	39871	42851	46669	42871	15777	22121	38772	34707	29955	
Current Liabilities-Others	128875	158404	116389	79525	88799	96927	68339	57090	50632	35132
Total Equity and Liabilities	557665	553148	552465	563438	541871	469750	371265	348102	355490	307535
Non Current Assets										
Net Assets including CWIP and Intangible Assets	379615	390263	408901	415797	425201	304083	252819	254101	249593	232442
Non-Current investments	28	67	103	107	99	114	114	114	114	114
Non-Current assets others	17371	6494	9839	11502	10025	42119	26931	11146	12810	16455
Current Assets	160651	156324	133622	136032	106545	123433	91400	82741	92973	58524
Total Assets	557665	553148	552465	563438	541871	469750	371265	348102	355490	307535
No of shares	69210600	69210600	69210600	69210600	69210600	69210600	69210600	69210600	69210600	69210600
Book value Per Share ₹	247.49	238.65	231.63	246.3	218.12	173.62	165.58	149.61	140.25	132.32
EPS ₹	18.79	13.64	(6.09)	38.23	37.54	24.09	23.29	13.22	15.74	21.53
Dividend %	60	75	50	75	75	60	60	50	50	50
Debt (LTL) to Equity	0.94	1.01	1.2	1.24	1.39	1.32	0.89	0.97	1.19	1.17

Figures for 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 2018-19 figures have been regrouped to confirm to the current year 2019-20 figures wherever necessary"

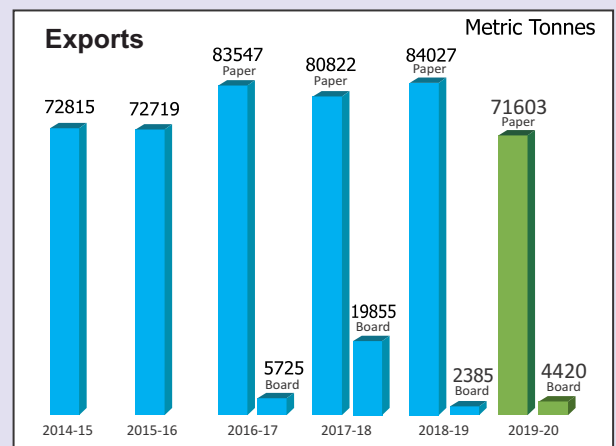
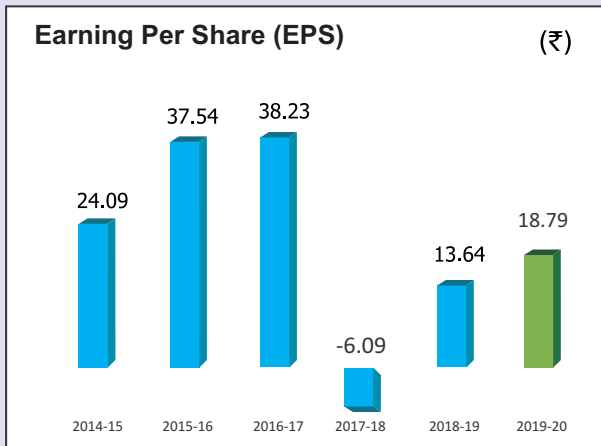
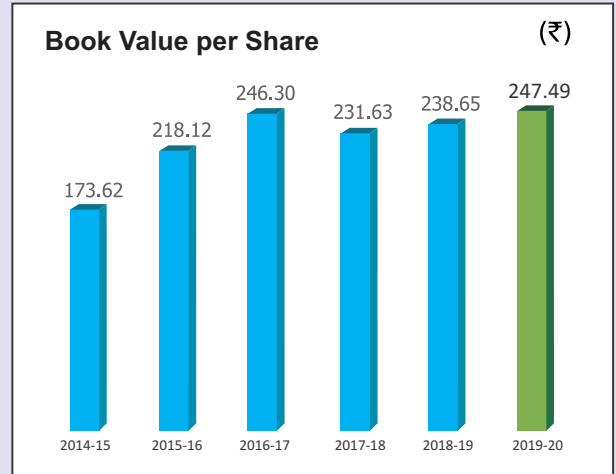
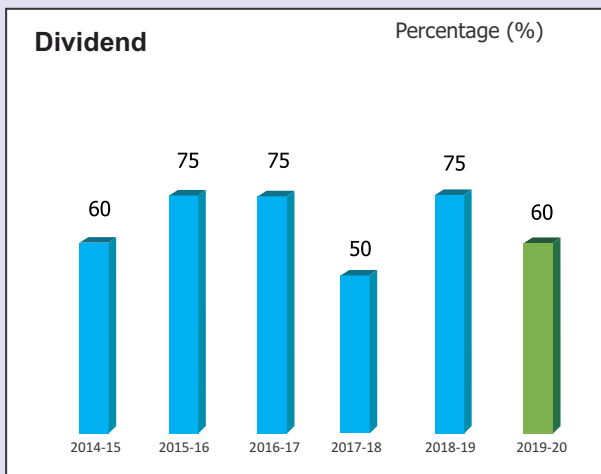
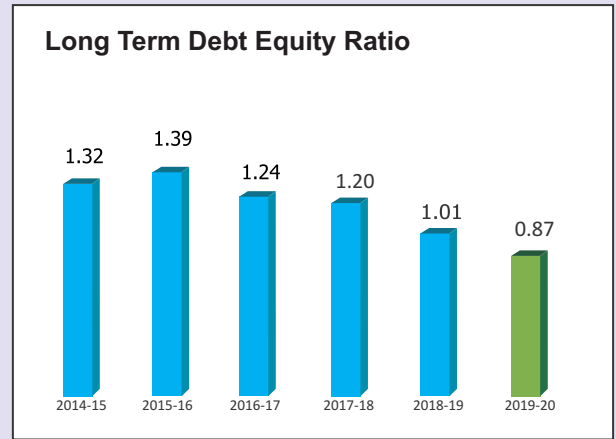
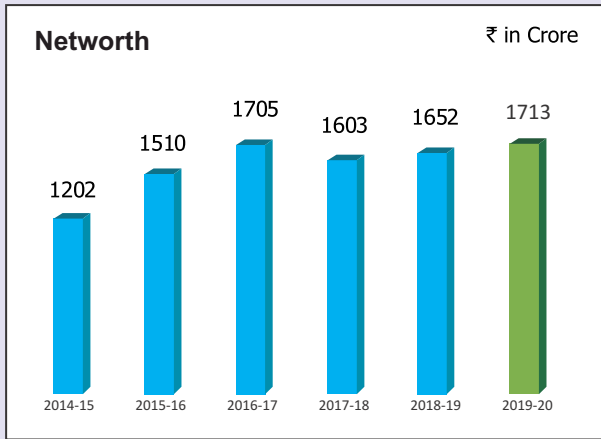
HIGHLIGHTS 2019-20

1. The Company's turnover during the year 2019-20 is 3437.60 crore.
2. During the year the Paper production was 392250 MT.
3. Achieved Paper sales of 378022 MT during the FY 2019-20. Domestic sales accounts for 81% and Exports at 19%.
4. The packaging paper board plant production was 172776 MT during the financial year 2019-20, equivalent to 86% of capacity.
5. The packaging paper board sales during the year 2019-20 was 171785 MT. Domestic Sales account for 97%.
6. Market Capitalization was Rs. 615.63 as on 31.03.2020.
7. 330358 tonnes of Hardwood, Chemical Bagasse Pulp and Deinked Pulp were produced during the year.
8. Generated 5895 lakh units of power, 5959 lakh units were internally consumed and 61 lakh units exported to the state grid (Unit-1). Generated 1358 lakh unit of power, 1255 lakh units were internally consumed and 123 lakh units exported to the state grid (Unit 2).
9. The bio-methanation plants have generated methane gas of 62.13 lakh m³ during 2019-20. The methane gas was consumed in lime kiln and power boilers in replacement furnace oil 3744 KL.
10. The wind farms with an installed capacity of 35.5 MV capacity have generated 405 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 35 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 252303 MT of cement.
13. During the year 2019-20, the overall borrowing increased by Rs. 218 Crores.
14. TNPL is one among the 27 of the world's most important pulp and paper manufacturers participated in WWF Environmental Paper Company Index (EPCI) 2019. The EPCI is a tool for companies who are striving for continual improvement in the environmental performance of pulp and paper production and want to be recognized publicly for their leadership in transparency. TNPL improved its overall performance in 2019 (73.5%) when compared to 2017 (68.6%), 2015 (66.1%) and 2013 (57.6%). In Graphic Paper category, TNPL received highest score in Asia. Globally, among the thirteen participating companies under Graphic Paper category, TNPL stands at sixth position.
15. TNPL has been awarded the "Water Stewardship Award" during India Corporate Governance and Sustainability Vision Summit 2020 on 18th February, 2020 at New Delhi conducted by Indian Chamber of Commerce, Kolkatta. TNPL received this award three times consequently during Corporate Governance & Sustainability Vision Award-2018, 2019 and 2020 in the category of "Water Stewardship Award" conducted by Indian Chamber of Commerce, Kolkata. This award sets out to recognize a Company's effective management and mitigation of water related impacts for adapting for water positive tomorrow.
16. TNPL is one among the 11 companies awarded with both shield and certificate for "Industry Excellence Award" during IEI Centenary Industry Excellence Award ceremony, New Delhi, in the month of November 2019. The award is aimed at setting bench-marks for emerging industries with regard to quality, productivity, innovation and Corporate Social Responsibility.
17. TNPL has been awarded as Winner for "Golden Peacock Award for Energy Efficiency" for the year 2019 by Institute Of Directors (IOD), India's during 21st World Congress on Environment Management and Climate Change and Golden Peacock Awards Presentation Ceremony at JW Marriott Hotel, Bengaluru in the month of July'2019.
18. Recertification audit was completed by Feb 2020 and the audit team had recommended to renew the ISO 9001 certificate and issue a new certificate.
19. Recertification audit was completed by Feb 2020 and the audit team had recommended to renew the ISO 14001 certificate and issue a new certificate.
20. TNPL unit 1 has met the requirements in accordance with the GreenCo Rating System and is being re-rated "GreenCo Gold" under Version 3 of the GreenCo guidelines.

FIGURES AT A GLANCE



FIGURES AT A GLANCE



TECHNOLOGY

TNPL was established in early 80s with an objective of utilizing bagasse – the sugar cane residue – as predominant raw material, which will in turn, conserve the scarce forest resources of the country. Over the years, TNPL has perfected the Bagasse pulping technology, right from the storage, preservation of quality and bleaching. Today, TNPL is an acknowledged leader in the technology of manufacture of paper from bagasse. Started with an initial capacity of 90,000 tonnes per annum (tpa) on a single Paper Machine during 1984, the capacity of TNPL's Unit I in Kagithapuram has been enhanced to 400,000 tpa in 2011, by implementing three major brown field expansions. During its mill operation for over three decades, TNPL brought several new technologies in the company's fold like ECF bleaching of both Hardwood and Bagasse pulp, Oxygen delignification, Integrated Chlorine dioxide technology, Wash presses, Odour free recovery boiler, Collection and Incineration of NCG (Non-Condensable Gases), production of bio-gas from bagasse wash effluent. The Deinked pulp line with three loop, two disperser system followed by Oxidative and Reductive bleaching is first of its kind in India. With this modern Deinked pulp line, the mill is producing printing and writing grade pulp of high brightness.

Today, by way of implementing the state-of-the-art technologies, TNPL enjoys the status of the most environmentally benign mill in the country with least water consumption. To further better 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.

In order to address the solid waste disposal related to the Lime Sludge and Fly ash, TNPL came out with a novel idea to set up a Mini Cement Plant to convert these waste materials into high grade cement. TNPL is manufacturing about 900 tpd of high grade cement which is well received in the market. This is the first of its kind in Indian Paper Industry.

Considering the business opportunity in an allied segment, TNPL made a foray into the Paper Board segment and established a project for manufacture of Paper Board. TNPL's Unit II is about 90 KM away from Unit I, and established for manufacturing 200,000 MT per annum of Multilayer Coated Paper Board, along with a 30 MW captive co-generation power plant.



Mill Expansion Plan of Unit II - Erection of Chemical Recovery Boiler in progress

The Unit was commissioned in January 2016 with a record time of 22 months from the date of commencement of civil works. Like in Unit I, the Unit II also has several latest technologies incorporated in the mill operations. The Board machine has a four layer forming section, first of its kind in the country. The Board machine is totally controlled by a state-of-the-art Distributed Control System (DCS) and Quality Control Systems (QCS). The project features a full-fledged Automatic Storage and Retrieval System (ASRS) with a capacity to store 30,000 MT Reels and 6,000 MT Sheets, which is again first of its kind in India. The Power plant of the TNPL Unit II is equipped with a high efficient boiler

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.

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,



Project Site - Mill Expansion Plan in Unit II under implementation



Bird's eye view of TNPL Unit I facility

to raise more than 6 lakh trees, with various varieties of fruit bearing, flowering, avenue trees including some pulpwood species.

As part of its growth plan, TNPL is implementing a Mill Expansion Plan (MEP) in the Unit II to take the mill capacity from 2,00,000 to 3,65,000 tpa. As part of the MEP, TNPL will be installing a modern Hardwood ECF pulp mill and a Paper Machine.

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 systems being installed in this project will embrace latest technology with least environmental impact. Towards this, the Mill will be installing a latest generation continuous cooking system, employing total collection and incineration of Non-condensable gases to make the mill odour free, reduce and recycle water to the maximum extent and energy efficient Chemical



TNPL's Mini Cement Plant

Recovery Boiler and black liquor evaporators. These new technologies will further strengthen the company's ambition to maintain the leading position with thrust on water conservation and Environment protection.

ENVIRONMENT

TNPL believes that the environment and associated natural capitals must be protected and used in a sustainable way to cater the 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 the overall efficiency in a clean environment.
- Achieve Environment objectives through sustained R & D efforts and process improvements.
- Attain Environmental protection by continual improvements in the 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 regular basis.
- Stimulate rational 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 7,25,391 MT of depithed bagasse during the year as the primary raw material for production of 1,41,765 MT of bagasse pulp during the year 2019-20 has facilitated conservation of about 6.3 Lakh MT of pulpwood. Similarly, TNPL has produced 73,372 MT of Deinked pulp using waste paper as raw material thereby conserved about 3.2 Lakh MT of wood in the year 2019-20.

TNPL is sourcing wood through its Captive plantation and Farm Forestry model and also from Tamil Nadu Forest Plantation Corporation. The unit has raised pulp wood in 20,444 acres during 2019-20 totaling about 1,67,715 acres of land covering various parts of Tamil Nadu under 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 socially and environmentally in a responsible way.

• Water Management and Rain Water Harvesting:

The mill has implemented several water conservation measures and reduced water consumption to about 35 KL per ton of paper during 2019-20 which is lowest figure of Integrated Pulp and Paper industry in National level. In view of harvesting Rain Water, the Unit has engaged the services of Anna University to identify the potential areas and accordingly constructed three Rain Water Collection pits of 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 1,91,118 MT of internally generated agro fuels such as Pith, Wood dust, Bark as fuel in Power Boilers has resulted in conservation of 46,069 MT of Imported coal.

The unit has generated about 4.6 Lakh MT of Black Liquor Solids from Hard Wood Pulp and Chemical Bagasse Pulp plant during 2019-20 and fired the same in Chemical Recovery Boiler to produce power and process stream. This has paved way to conserve about 2.3 Lakh 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 Reactor A of the Bio Reactor of Bio-methanation Plant I during the current year at a cost of Rs. 3.17 Crores from Nov'19. The work is expected to be completed by Oct'20. The Bio gas thus generated from the Bio Methanation plants are being utilized in lime kilns and Power boilers to conserve Furnace oil and imported coal respectively. During the year, the unit have consumed 61.9 lakh Cu.M of Bio gas which resulted in conservation of about 3593.3 KL of furnace oil and around 262 MT of Imported coal.



View of the Sulphide stripping column

• **Innovation on Odour Control:**

The Evaporator Vacuum Pump Seal Water (EVPSW) is one of the high Sulphide source among the evaporator condensate water of Soda Recovery Plant and it creates odor. Prior to implementation of the



Photograph of stage-wise implementation of the in-house Sulphide stripping column

Stripping column, this high Sulphide EVPSW was discharged to effluent channel as there was no control system to reduce Sulphide at source of generation.

In order to control the odor in the vicinity of the recovery island, TNPL's in-house team developed **"Sulphide removal system from the Evaporator Vacuum Pump Seal Water in Soda Recovery Plant by installing Stripping Column and reuse the treated water"**. This low cost stripping column was designed to use air and steam to purge out the Sulphide from the EVPSW. This stripping column was fabricated with the materials sourced internally. This project has been short listed for "CII Environmental Best Practices Award 2020".

• **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, 50 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 2019-20, the cement plant consumed about 59963 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 69653 MT of lime stone. Further, 74886 MT of fly ash, 16613 MT of De-Inking Plant Sludge and 15607 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 5,208 Mt of Carbon Di-Oxide content in the flue gas which utilized as raw material for production of 14,880 Mt of PCC thus avoiding GHG emissions.

• **Biodiversity Park:**

TNPL has established a Biodiversity park by assembling more than 160 species of trees/shrubs comprising of flowering, fruit bearing, medicinal, ornamental, timber etc., in about 6.07 hectares of land at TNPL Housing colony area under the concept of biodiversity enrichment to sustain the green environment. 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, resulting in attraction to the fauna including butterflies, birds, reptiles, insects, being witnessed at site. This facilitates the improvement of Biodiversity by introduction of new species by pollination, seeds transfer through migratory birds. In future, it is planned to undertake a detailed study on the flora and fauna in the Biodiversity Park.

• **Implementation of Management Systems:**

TUV India Private Limited, a subsidiary of TUV NORD CERT GmbH, the certifying body for Integrated Management System comprising both Quality Management System (ISO 9001:2015) and Environmental Management System (ISO 14001:2015) of TNPL Unit I, had issued the certificate for the period of three years with a validity till Feb'2023 based on the recertification audit carried out during Feb'2020.

TNPL Plantation – Marching Towards Sustainability

“Self-sufficiency is the greatest among all wealth”, the concept behind TNPL Plantation Programme. Sustainability is the ability to continue defined activities indefinitely. Environmental Sustainability is effective, only when the regeneration is higher than the rate of harvest and in the ways of sustainable waste disposal. TNPL Completely proves the definition of self-sustainability from the year 2007, i.e., **“Able to maintain itself without outside aid and capable of providing its own needs”**. Plantation department is able source the pulpwood requirement within the state of Tamil Nadu by raising the pulpwood plantations under TNPL schemes during the past 15 years.

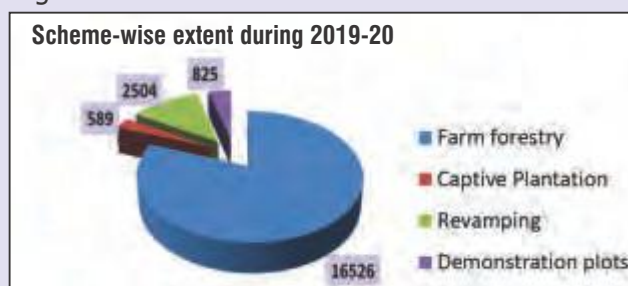
SCHEMES

“Plantation Department” put forth continuous effort for self-sustainability and regeneration indefinitely through various plantation schemes. Initially during 2004, Plantation department has established two schemes viz., Farm forestry and Captive Plantation.

“Progress is impossible without change”, henceforth plantation department has also progressed further by introducing two new additional schemes namely Revamping of low yielding plantations and Demonstration plots. These new schemes serve as a platform for showcasing the new improved TNPL clones to increase the unit area productivity and achieve maximum benefit from minimum area with an aim to benefit both the company and farmers. As shown in the figure below, these schemes have been implemented over **1,67,615 acres** of which **16,465 acres** are under the captive plantation scheme, **2,504 acres** under Revamping scheme, **885 acres** under Demonstration plot scheme and **1,47,761 acres** are under the Farm forestry scheme involving more than 32,209 farmers.



During the year 2019-20, 20444 Acres have been registered under various schemes.



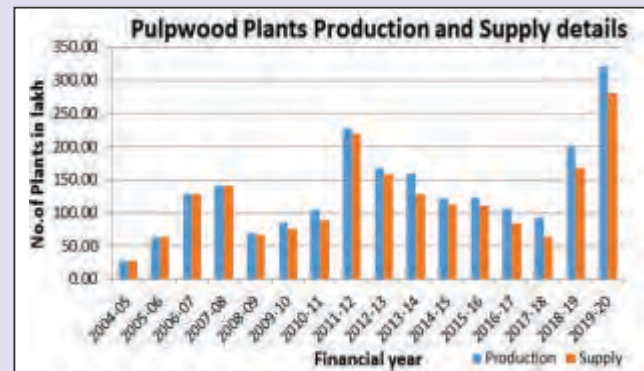
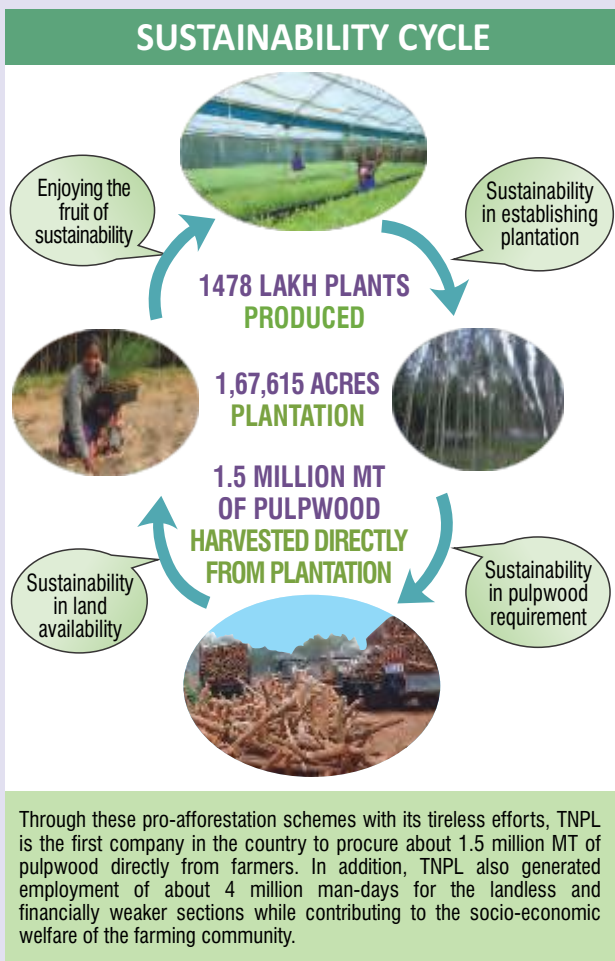
Forestry Research

Varying climatic conditions, soil types, fluctuating water availability, and diminishing land availability, pose the challenge of cultivating more trees in lesser space. Keeping these hurdles as stepping stone for improvement, TNPL, with its expert team of Tree breeders, soil scientists, microbiologists and ecologists stream the knowledge together to arrive at solutions that are ecologically compliant, sustainable availability of pulpwood and remunerative for farmers. TNPL produces superior 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 systematic approach from Selection of superior trees from local sources, Introduction of new provenance from other countries, Inter and intra species Hybridization, Selection of candidate plus trees, analysis of Superior Genetic material, standardization of propagation technique, multi-location trial and Release of new clones which ultimately leads to production of quality saplings for commercial propagation. As a result of continuous research activities for the past 10 years, the company has released three new high yielding Eucalyptus clones viz., TNPL191, TNPL192 & TNPL193 during this year.



Selection, hybridization, variety release and field performance of TNPL 193 CLONE

technique at the Clonal Propagation Centres. The existing clonal propagation facilities at TNPL Unit 1 with the annual production capacity of 15 million clones has been enhanced to 25 million clones by adding additional infrastructure during the year. In addition, the newly established Plant Propagation Centre (PPC) at TNPL Unit 2 at Mondipatti will be able to produce about 15 million clones per annum, which shall produce cumulatively about 40 million clones per annum. In order to meet the additional requirement of Casuarina seedlings in the coastal regions a decentralized nursery was established during the year at Jayangondam, Ariyalur district to cater the needs of East and North Zones. With these facilities, the company was able to produce about 32 million plants during the year and supplied about 28 million saplings to the farmers. The year-wise production and supply of saplings are given in the figure below:



Plant Propagation Centre established at Unit 2

Pulpwood Plant Propagation

Tamil Nadu Newsprint and Papers Limited houses one of India's most advanced Clonal Propagation and Research Centre (CPRC) to propagate new superior clones through apical shoot mini-cutting technology. The mother plantlets produced in the tissue culture lab are further mass multiplied through mini cutting

CORPORATE SOCIAL RESPONSIBILITY

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 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 CSR Committee with the following members:

1. Thiru. N. Narayanan, IAS (Retd) - Chairman
2. Tmt. Soundara Kumar- Member
3. Thiru. P.B. Santhanakrishnan - Member
4. Dr. M. Arumugam - 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 2019-2020 has spent Rs. 399.24 lakhs for its CSR activities against the allocated amount of Rs. 290.00 lakhs. The Company aims to spend Rs. 212.00 lakhs for performing its CSR activities during the financial year of 2020-2021, on the basis of 2% of the average net profit

of the Company made during the three preceding financial years.

CSR is not a single time activity. As CSR is related to sustainable development and improvement of society / local community, the same will be an ongoing activity. Hence, TNPL is integrating its business with the CSR activities. TNPL aims to create educated, healthy, sustainable and culturally vibrant communities, for achieving these goals. TNPL is carrying out various social development activities in the surrounding villages under CSR in association with various Agricultural Institutions, Government bodies, Bankers, Government / Private Hospitals, Skill development Institutions etc.



Samuthaya Pongal Festival



Bee Keeping Training Programme



General Medical Camp



Free education for the children residing at Onavakkalmedu Village of TNPL Town Panchayat



District Level Volley Ball Tournament



Talent Expo 2019

TNPL is conducting spoken English classes / Special coaching classes / Intensive training to teachers for Dyslexic student / Industrial visit cum motivational classes / Sports promotional activities and Sponsoring students to study Diploma in Paper Technology, providing free education to downtrodden people, providing basic furniture materials, drinking water facilities, constructing toilets, noon meal centre, dining hall at Govt. school premises and creating Model School for providing better education to the children. TNPL is organizing Eye Camp, General Medical Camps, Blood Donation Camps, Cancer Screening camps, providing Medical Assistance to the needy people, providing Medical Equipment and Furnitures to Govt. Hospitals. Further, TNPL has constructed toilets, roads, passenger rest shelter, drinking water tank, community hall and also renovating water line bridges, canals, etc.

For Environment improvement, TNPL is distributing free sapling to the surrounding Panchayats for Greenery development and also planting trees in the Government's land / villages and creating parks /

developing green garden in Government office premises such as Railway station, District Court, Village Panchayats, Govt. Schools etc,. TNPL in order to create sustainable and self dependant society is generating livelihood opportunities for rural population. TNPL is conducting Skill Development Programmes to the rural youth and women viz. Tailoring, Computer, Typewriting training, Jute product making training, Home appliances repair training, Basic welding training, Honey bee keeping training to create employment and increase their income. TNPL organizes cattle care camps for farmers. TNPL is providing physical training with expert coaching classes to the surrounding youth / women for attending recruitment of Police constables / Sub inspectors in Police department. All CSR programmes are undertaken which ensure in better understanding of rural children, student community, rural youth, women from socially and economically weaker sections in the neighbouring villages of TNPL for the sustainable development of education, health, livelihood etc.

PRODUCT PROFILE - PAPER

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.

PRODUCT PROFILE - PAPERBOARD

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 42.73% of the total Energy consumed during 2019-20 against the value of 42.25 % in 2018-19.

Agro / Internally generated waste Fuels Utilised	2019-20 MT	2018-19 MT
Agro fuel	102	848
Pith	179462	185048
Wood Dust/bark	11656	11764

TNPL is operating two bio-methanation plants to treat high organic waste water 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 2019-20 is 62.13 Lakh NM³ as against 65.23 Lakh NM³ in the previous year. The bio gas generated is used in lime kiln as fuel to replace 3593.3 KL of furnace oil and in Power Boiler to replace 262 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
2019-20 Captive power Unit				
- Unit-1	5895.13	5958.52	61.36	124.75
- Unit-2	1357.44	1255.43	123.49	21.48
- Wind Farm	404.91	28.17	367.92	9.06
Total	7657.48	7242.12	552.77	155.29
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

PAT CYCLE-I

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 Ist 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.

PAT CYCLE-II

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. TNPL Achieved 0.6528 TOE / TON during the assessment year 2018-19. As TNPL over achieved against the target and claimed 26352 ESCerts and the same was audited by M&V auditors.

TNPL Unit-II is certified with ISO-50001-2011 Energy Management System (EnMS) on 28/09/2019.

TNPL Unit-II is covered under PAT-V cycle by BEE. Considering 2017-2018 as baseline data BEE estimated a Specific Energy Consumption (SEC) of 0.3991 MTOE / MT of Board. BEE has fixed the SEC as 0.3761 MTOE / MT of board in 2021-2022.

TNPL has obtained the Energy Efficient Unit award and most useful presentation award for the year 2019 from Confederation of Indian Industry (CII). During the FY 2019-20, TNPL has saved 48.16 Lakh units of Power (previous year 55.69 Lakhs units), 4754.53 MT of Imported coal (previous year 4235.51 MT) and 3593.3 KL of furnace oil (previous year 3847.63 KL) by implementing various Energy saving projects.



TNPL has installed the first wind Farm of 15 MW capacity during 1993-94 at Devarkulam Perungudi, Tirunelveli District. Since then the company has increased the wind farm capacity to 35.5 MW in stages. The wind farm power is exported to the grid with a small consumption for its Corporate office & Perugamani Water Head works by wheeling.

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 Fortieth Annual General Meeting of the Members of **Tamil Nadu Newsprint and Papers Limited** will be held on Friday, 18th September, 2020 at 10.15 AM through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") 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 2020, the Cash Flow Statement for the year ended 31st March, 2020, 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 2019-20.

3. Appointment of Director:

To appoint a director in the place of Tmt. Reeta Harish Thakkar, I.A.S., Director (DIN - 06976936) who retires by rotation and being eligible offers herself for reappointment

4. 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/- (Rupees Thirteen Lakhs Only) to M/s. Brahmayya & Co. (Firm Registration No.000511S), Chartered Accountants, Chennai, Statutory Auditors, besides reimbursement of Travel & out of pocket expenses (annual) at actuals subject to ceiling of Rs.75,000/- (Rupees Seventy Five Thousand Only) 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)/1258 dated 19/08/2019.

SPECIAL BUSINESS

5. 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/- (Rupees Two Lakhs Seventy Five Thousand Only) plus travelling and out of pocket expenses subject to a maximum of Rs.30,000/- (Rupees Thirty Thousand Only) and applicable Taxes for the financial year ending 31st March, 2021 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."

6. Appointment of Thiru P. B. Santhana-krishnan (DIN - 03213653) as an Independent Director of the Company :

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 Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Rules made there under read with Schedule IV to the Act, (including any statutory modification(s) or re- enactment thereof for the time being in force) and the provisions of the SEBI (Listing Obligations and

Disclosure Requirements) Regulations, 2015, Thiru P.B. Santhanakrishnan (DIN-03213653), who was appointed as Additional (Independent) Director of the Company by the Board of Directors with effect from 19.09.2019 and whose term of office expires at this Annual General Meeting ("AGM") 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 and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 3 consecutive years commencing from 19.09.2019, and is not liable to retire by rotation".

7. Appointment of Dr. M. Arumugam (DIN - 01439166) as an Independent Director of the Company:

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 Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Rules made there under read with Schedule IV to the Act, (including any statutory modification(s) or re-enactment thereof for the time being in force) and the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Dr. M. Arumugam (DIN - 01439166), who was appointed as Additional (Independent) Director of the Company by the Board of Directors with effect from 19.09.2019 and whose term of office expires at this Annual General Meeting ("AGM") 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 and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 3 consecutive years commencing from 19.09.2019, and is not liable to retire by rotation".

8. Re-appointment of Thiru N. Narayanan I.A.S. (Retd.) (DIN - 03076340) as an Independent Director of the Company:

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Rules made there under read with Schedule IV to the Act, (including any statutory modification(s) or re-enactment thereof for the time being in force) and the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Thiru. N. Narayanan I.A.S., (Retd.) (DIN - 03076340), who was appointed as an Independent Director of the Company by the Board of Directors for a period of 3 years with effect from 19.09.2019 and whose term of office expires at this Annual General Meeting ("AGM") 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 and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby re-appointed as an Independent Director of the Company to hold office for a term of 3 consecutive years commencing from 19.09.2019, and is not liable to retire by rotation".

9. Re-appointment of Tmt Soundara Kumar (DIN - 01974515) as an Independent Director of the Company:

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Rules made there under read with Schedule IV to the Act, (including any statutory modification(s) or re-enactment thereof for the time being in force) and the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Tmt. Soundara Kumar (DIN 01974515), who was appointed as an Independent Director of the

Company by the Board of Directors for a period of 3 years with effect from 30.06.2020 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 and who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby re-appointed as an Independent Director of the Company to hold office for a term of 3 consecutive years commencing from 30.06.2020, and is not liable to retire by rotation."

BY ORDER OF THE BOARD

Place : Chennai
Date : 22.06.2020

V. SIVAKUMAR
Company Secretary

NOTES

1. In view of the global outbreak of the COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its Circular dated 5th May 2020 read with Circulars dated 8th April 2020 and 13th April 2020 (collectively referred to as 'MCA Circulars') and Securities and Exchange Board of India ('SEBI') vide its Circular dated 12th May 2020 ('SEBI circular') permitted the holding of the Annual General Meeting ('AGM' or 'Meeting') through Video Conferencing ('VC') facility or Other Audio Visual Means ('OAVM'), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ('the Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR') and MCA Circulars, the 40th AGM of the Company is being held through VC/OAVM on Friday, 18th September 2020 at 10.15 A.M. (IST).
2. A Member, entitled to attend and vote at the meeting, is entitled to appoint one or more Proxies to attend and vote on a Poll instead of himself and such Proxy need not be a Member of the Company. Since the AGM is being held in accordance with the MCA circulars through VC, physical attendance of Members has been dispensed with. Accordingly, the facility for

appointment of Proxies by the members will not be available for the AGM and hence, the Proxy Form and Attendance Slip are not annexed to this notice

3. The explanatory statement pursuant to Section 102 of the Act setting out material facts concerning the business under Item Nos. 5 to 9 of the Notice is annexed hereto. The relevant details pursuant to Regulations 26(4) and 36(3) of the SEBI LODR and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this AGM are also annexed.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The Members will be able to view the proceedings on the National Securities Depository Limited's ('NSDL') e-Voting website at www.evoting.nsdl.com. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first served basis as per the MCA Circulars. The detailed instructions for joining the meeting through VC/OAVM form part of the Notes to this Notice. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. Institutional Investors, who are Members of the Company, are encouraged to attend the 40th AGM through VC/OAVM mode and vote electronically. Institutional Investors intending to appoint their authorised representatives pursuant to Sections 112 and 113 of the Act, as the case may be, to attend the AGM through VC/OAVM or to vote through remote e-Voting are requested to send a certified scanned copy (PDF/JPG Format) of the

relevant Board Resolution / authority letter etc., with attested specimen signature of the duly authorised signatory (ies) who are authorized to vote to the scrutinizer by e-mail at rsaevoting@gmail.com with a copy marked to evoting@nsdl.co.in. and to the company by e-mail at invest_grievances@tnpl.co.in.

6. The Register of Directors, Key Managerial Personnel and their shareholding as maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, as maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the Members electronically during the AGM. Members seeking to inspect such documents, can send email to invest_grievances@tnpl.co.in

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.

7. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
8. Pursuant to Section 124 of the Companies Act, 2013, all unclaimed dividends up to the financial year ended March 31, 2012 have been transferred to the Investor Education and Protection Fund established by Central Government as per Section 125 of the Companies Act, 2013.
9. 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.
10. Shares in respect of which dividend for the year ended 31st March, 2009, 31st March, 2010, 31st March, 2011 and 31st March, 2012 have been transferred to the Investor Education and Protection Fund ("IEPF") of the Central

Government in November 2017, December 2017, November 2018 and November 2019 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 <https://www.tnpl.com/transfer-of-shares-to-IEPF>

11. As regards dividend pertaining to the financial year ended March 31, 2013 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 2011-2012. The unpaid dividend for the financial year 2012-13 (final) will be transferred to the above fund during November 2020. The shares in respect of dividend for the year 2012-13 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 line with the MCA Circular dated 5th May 2020 and SEBI circular dated 12th May 2020, the Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. The Notice convening the 40th AGM has been uploaded on the website of the company at www.tnpl.com and may also be accessed from the relevant section

of the websites of the stock exchanges i.e. BSE Limited and the National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The Notice is also available on the website of NSDL at www.evoting.nsdl.com.

13. Book Closure and Dividend:

- i. Pursuant to the provisions of Section 91 of the Act and the Listing Regulations, **The Register of Members and the Share Transfer Books of the Company will be closed from Friday, 11th September 2020 to Friday, 18th September 2020**, both days inclusive. The dividend of Rs.6 per equity share of Rs.10 each (i.e. 60%), if declared by the Members at the AGM, will be paid subject to deduction of income-tax at source ('TDS') on or after Tuesday, 22nd September 2020 as under:

For Shares held in electronic form: To all the Beneficial Owners as at the end of the day on **Thursday, 10th September 2020** as per the list of beneficial owners to be furnished by the NSDL and Central Depository Services (India) Limited ("CDSL"); and

For shares held in physical form: To all the Members after giving effect to valid transmission and transposition in respect of valid requests lodged with the Company as of the close of business hours on **Thursday, 10th September 2020**.

- ii. Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of the Members w.e.f. 1st April 2020 and the Company is required to deduct TDS from the dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 (the "IT Act"). In general, to enable compliance with TDS requirements, Members are requested to complete and/or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants ("DPs") or in case shares are held in physical form, with the Company by sending documents through e-mail by **Thursday, 10th September 2020**.
- iii. The Company is required to deduct tax at source from the dividend paid at the prescribed

rates, if the dividend amount exceeds Rs. 5,000/-. However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during Financial Year 2020-21 does not exceed Rs. 5,000/- and also in cases where members provide Form 15G /Form 15H (applicable to individuals aged 60 years or more) subject to conditions specified in the IT Act. Form 15G/15H can be downloaded from the web link <https://investors.cameoindia.com> to avail the benefit and email to agm@cameoindia.com by 11:59 p.m. IST on **Thursday, 10th September 2020**. There is also provision to upload the 15G/15H in the web link viz., <https://investors.cameoindia.com> provided by the Company's Registrar and Share transfer agent M/s Cameo Corporate Services Limited.

- iv. For Non-resident shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable.
- v. Non-resident shareholders can avail beneficial rates under the Tax Treaty between India and their country of residence, subject to providing necessary documents, i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the Tax Treaty benefits, by sending an email to investor@cameoindia.com. The aforesaid declarations and documents should be submitted by the shareholders by 11:59 P.M. IST on **Thursday, 10th September 2020**.
- vi. Shareholders who are exempted from TDS provisions through any circular or notification shall provide documentary evidence in relation to the same to enable the Company in applying the appropriate TDS on dividend payment to such shareholder.

The aforesaid documents, as applicable should be received by email to agm@cameoindia.com on or before 10th September 2020 to enable the Company to determine the appropriate TDS

withholding tax rate applicable. Shareholders are requested to note that in case their PAN is not registered the tax will be deducted at higher rate of 20%.

No communication on the tax determination deduction received post **10th September 2020** shall be considered for payment of dividend.

If the tax on the said Dividend is deducted at higher rate in the absence of receipt of or satisfactory completeness of the aforementioned details/ documents by **10th September 2020**, the shareholder may claim an appropriate refund in the return of income filed with their respective Tax Authorities.

No claim shall lie against the Company for such taxes deducted.

The Company will arrange to email a soft copy of the TDS certificate at the shareholders registered email id in due course, post payment of the said dividend. Shareholders will also be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account <https://incometaxindiafiling.gov.in>

Members' cooperation is requested in this regard

Shares held in physical form: Members are requested to send the following documents to our Registrar & Transfer Agents, viz., Cameo Corporate Services Limited latest by **Thursday, 10th September 2020:**

- a) a signed request letter mentioning their name, folio number, complete address and following details relating to bank account in which the dividend is to be received:
 - i) Name and Branch of Bank and Bank Account type;
 - ii) Bank Account Number & Type allotted by the Bank after implementation of Core Banking Solutions;
 - iii) 11 digit IFSC Code.
- b) self-attested original cancelled cheque bearing the name of the Member or first holder, in case shares are held jointly;

- c) self-attested copy of the PAN Card; and
- d) self-attested copy of any document (such as Aadhaar Card, Driving License, Election Identity Card, Passport) in support of the address of the Member as registered with the Company

Shares held in electronic form: Members may please note that their bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividend as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for change/addition/deletion in such bank details. Accordingly, the Members holding shares in Demat form are requested to update their Electronic Bank Mandate with their respective DPs.

Further, please note that instructions, if any, already given by Members in respect of shares held in physical form, will not be automatically applicable to the dividend paid on shares held in electronic form.

The Members who are unable to receive the dividend directly in their bank accounts through Electronic Clearing Service or any other means, due to non- registration of the Electronic Bank Mandate, the Company shall dispatch the dividend warrant/ Bankers' cheque/demand draft to such Members, upon normalization of postal services and other activities.

14. As per Regulation 40 of the SEBI LODR, as amended, securities of listed companies can be transferred only in dematerialised form with effect from 1st April 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Members can contact the Company's Registrar and Transfer Agent, Cameo Corporate Services Limited ("Registrar") at agm@cameoindia.com for assistance in this regard.

15. The format of the Register of Members prescribed by the MCA under the Companies Act, 2013 requires the Company/Registrars and Transfer Agents to record additional details of Members, including their PAN details, e-mail address, bank details for payment of dividend, etc. Members are requested to update the same. Members holding shares in physical form are requested to submit the details to the registrars of the Company at agm@cameoindia.com. Members holding shares in electronic form are requested to submit the details to their respective DPs only and not to the Company or Registrars.

Members are also requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, registering of nomination, power of attorney registration, Bank Mandate details, etc. to their DPs/ registrar Cameo Corporate services. Further, Members may note that SEBI has mandated the submission of PAN by every participant in the securities market.

16. **Nomination facility:** As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting the relevant forms to the Registrar in form no. SH-13 which can be downloaded from <https://www.tnpl.com/grievance>.

17. **Consolidation of Physical Share Certificates:** Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Registrar, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

18. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their Demat account(s) dormant for long. Periodic

statements of holdings should be obtained from the concerned DPs and holdings should be verified from time to time.

19. Process for registering e-mail addresses to receive this Notice electronically and cast votes electronically:

i. **Registration of e-mail address and mobile nos permanently with Company/DP :** Members are requested to register the same with their concerned DPs, in respect of electronic holding and with registrar Cameo Corporate Services Limited, Subramanian Building, No.1, Club House Road, Chennai – 600002., in respect of physical holding, by clicking the link <https://investors.cameoindia.com> or emailing to them at agm@cameoindia.com by providing the required documents. Further, those Members who have already registered their e-mail addresses are requested to keep their e-mail addresses validated/ updated with their DPs/registrar to enable servicing of notices/documents/Annual Reports and other communications electronically to their e-mail address in future.

ii. Alternatively, Members may also send an e-mail request to evoting@nsdl.co.in along with the following documents for procuring user id and password and registration of e-mail addresses for e-Voting for the resolutions set out in this Notice:

1. In case shares are held in physical form, please provide Folio No., Name of the shareholder, scanned copy of the share certificate (front and back), self-attested scanned copy of PAN card, self-attested scanned copy of Aadhaar Card

2. In case shares are held in Demat form, please provide DP ID-Client ID (8 digit DP ID+ 8 digit Client ID or 16 digit Beneficiary ID), Name, client master or copy of Consolidated Account statement, self-attested scanned copy of PAN card, self-attested scanned copy of Aadhaar Card

20. Remote e-Voting before/during the AGM:

i. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies

- (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (as amended) and the MCA Circulars, the Company is providing the facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a Member using remote e-Voting system as well as e-Voting during the AGM will be provided by NSDL
- ii. Members of the Company holding shares either in physical form or in electronic form as on the **cut-off date on Thursday, 10th September 2020** may cast their vote by remote e-Voting. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. 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 before the AGM as well as e-Voting during the AGM.
 - iii. The remote e-Voting period commences on **Monday, 14th September 2020 at 9.00 a.m. (IST) and ends on Thursday 17th September 2020 at 5.00 p.m. (IST)**. The remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting rights of the Members (both physical and demat holding) shall be in proportion to their share of the paid-up equity share capital of the Company as on the **cut-off date i.e. Thursday, 10th September 2020**.
 - iv. Members will be provided with the facility for voting through the electronic voting system during the VC proceedings at the AGM and Members participating at the AGM, who have not already cast their vote by remote e-Voting, will be eligible to exercise their right to vote at the end of discussion on the resolutions on which voting to be held, upon announcement by the Chairperson. Members who have cast their vote on resolution(s) by remote e-Voting prior to the AGM will also be eligible to participate at the AGM through VC/OAVM but shall not be entitled to cast their vote on such resolution(s) again.
 - v. The e-Voting module on the day of the AGM shall be disabled by NSDL for voting 15 minutes after the conclusion of the Meeting.
21. Thiru. R. Sridharan, Practicing Company Secretary (Membership No. F4775 & CP No. 3239) of M/s. R Sridharan and Associates, Company Secretaries has been appointed as the Scrutinizer by the Board to scrutinize e-Voting process before the AGM as well as remote e-Voting during the AGM in a fair and transparent manner. Their email id is rsaevoting@gmail.com
 22. The Scrutinizer shall, immediately 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 conclusion of the AGM, a consolidated Scrutinizer'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 will counter sign the same and declare the result of the voting forthwith.
 23. The results will be declared within 48 hours of conclusion of the Annual General Meeting. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.tnpl.com and on the website of NSDL immediately after the result is declared. The Company shall simultaneously forward the results to BSE Limited ("BSE") and The National Stock Exchange of India Limited ("NSE"), where the shares of the Company are listed.
 24. Since the AGM will be held through VC or OAVM, the Route Map is not annexed in this Notice.
 25. Instructions for attending the AGM through VC/OAVM and remote e-Voting (before and during the AGM) are given below:

A. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM

- i. The Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system and they may access the same at <https://www.evoting.nsdl.com> under the Shareholders/Members login by using the remote e-Voting credentials, where the EVEN of the Company ie 113532 will be displayed. On clicking this link, the Members will be able to attend and participate in the proceedings of the AGM. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID/Password may retrieve the same by following the remote e-Voting instructions mentioned below to avoid a last-minute rush. Further, Members may also use the OTP-based login for logging into the e-Voting system of NSDL.
- ii. Members may join the Meeting through Laptops, Smartphones, Tablets, and iPads for a better experience. Further, Members will be required to allow camera and use the Internet with good speed to avoid any disturbance during the Meeting. Members will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge, or Firefox. Please note that participants connecting from Mobile Devices or Tablets or through Laptops connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective networks. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.
- iii. Members are encouraged to submit their questions in advance with regard to the financial statements or any other matter to be placed at the 40th AGM, from their registered e-mail address, mentioning their name, DP ID and Client ID number/ folio number and mobile number, to reach the Company's e-mail address at invest_grievances@tnpl.co.in before 3.00 p.m. (IST) on **Friday, 11th September 2020**. Such questions by the Members shall be

suitably replied by the Company.

- iv. Members who would like to express their views/ ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered e-mail address mentioning their names, DP ID and Client ID/folio number, PAN and mobile number at invest_grievances@tnpl.co.in on or before **Friday, 11th September 2020** (5.00 p.m. IST). Only those Members who have pre- registered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
- v. Members who need technical assistance before or during the AGM to access and participate in the Meeting may contact NSDL on evoting@nsdl.co.in/1800-222-990 or contact Mr. Amit Vishal, Senior Manager, NSDL at amitv@nsdl.co.in/+91 22 2499 4360.

B. INSTRUCTIONS FOR REMOTE E-VOTING BEFORE/ DURING THE AGM

i. **The instructions for Members for remote e-Voting are as under:**

The way to vote electronically on NSDL e-Voting system consists of 'Two Steps' which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under the 'Shareholders' section.

3. A new screen will open. You will have to enter your User ID, your Password, and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in Demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
b) For Members who hold shares in Demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example, if folio number is 001*** and EVEN is 113001 then user ID is 113001001***

5. Your password details are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- How to retrieve your 'initial password'?

- If your email ID is registered in your Demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account, or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
- If your email ID is not registered, please follow steps mentioned in process for those shareholders whose email IDs are not registered.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

- In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to agm@cameoindia.com

In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of

Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to agm@cameoindia.com

2. Alternatively member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by proving the details mentioned in Point (1) or (2) as the case may be.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your Demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your Demat account number/folio number, your PAN, your name, and your registered address.
 - d) Members can also use the OTP ("One Time Password") based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the checkbox.
8. Now, you will have to click on the "Login" button.
9. After you click on the "Login" button, the Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After a successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of the company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

General Guidelines for Members

1. It is strongly recommended not to share your password with any other person and take the utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
2. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990. In order to address any

grievances relating to e-voting, you may write or contact NSDL at Thiru. Amit Vishal: +91 22 24994360 or amitv@nsdl.co.in

3. Any person who acquires shares of the Company and becomes a Member of the Company after the dispatch of the Notice and holding shares as on the cut-off date, i.e. Thursday, 10th September 2020, may obtain the User ID and password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-Voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you may reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following Toll free no. 1800-222-990.

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. 3

Profile of Tmt. Reeta Harish Thakkar, I.A.S.,

Name	Tmt. Reeta Harish Thakkar, I.A.S.,	
Age	53 years	
Qualification	B.Sc., MBA	
Experience	Tmt. Reeta Harish Thakkar, I.A.S., 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, Pudukkottai	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
	Joint Secretary, Chief Minister's Office, Secretariat	2011
	Additional Commissioner of Industries and Commerce	2011 - 2017 upto August
	Member Secretary, Sports Development Authority of India	31.08.17 to 21.09.18
	Commissioner of Sugar and Managing Director, TASC0	From 22.09.18
	Currently, she is holding the position of Commissioner of Sugar and Managing Director, TASC0 since 22.9.2018	

Inter-se Director Relationship	Tmt. Reeta Harish Thakkar I.A.S., is not having any inter se relation with other Directors of the Company.
Shareholding	Tmt. Reeta Harish Thakkar I.A.S., does not hold any share 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	Audit Committee
2.	Perambalur Sugar Mills Limited.	Chairman & Managing Director	Audit Committee

* Only membership in Audit and Investors' Grievance Committee is considered.

ITEM NO.6

Profile of Thiru. P. B. Santhanakrishnan

Name	Thiru P. B. Santhanakrishnan
Age	67 years
Qualification	B.Sc, F.C.A
Experience	Thiru P. B. Santhanakrishnan is a Chartered Accountant with 41 years' experience in the profession and in finalization of Public Sector Banks / Undertakings / Listed Companies / Charitable Institutions / Educational Institutions and Non Profit Organizations'. He is also a former Director in Oriental Bank of Commerce, Tamilnadu Minerals Limited and Canfin homes Ltd. Member RBI Committee on RTGS. He has made numerous representations before SEBI/SAT/BIFR/CBDT & ITAT on Corporate/Income Tax/FEMA matters.

Inter-se Director Relationship	Thiru P. B. Santhanakrishnan is not having any inter se relation with other Directors of the Company
Shareholding	Thiru P. B. Santhanakrishnan does not hold any share in TNPL.
Directorships and Committee Memberships of other companies	Thiru P. B. Santhanakrishnan is having Directorships and Committee Memberships in the following Companies / organizations :

Sl. No.	Company	Position	Committee Membership
1.	Indo Australian Chamber of Commerce	Director	-

ITEM NO.7**Profile of Dr. M. Arumugam**

Name	Dr. M. Arumugam
Age	56 years
Qualification	Ph. D (Supply chain management), M.B.A., Ph. D (Artificial Intelligence), M. Tech I.I.T
Experience	<p>Dr. M Arumugam has been in software industry with 3 decades of experience and founded Broadline Group of Companies which includes Broadline computer systems and Broadline Technologies Private Limited, a premier player in IT services.</p> <p>He has pioneered the drug logistics management model for the state of Tamil Nadu, which has won acclaims from World Bank, WHO and other leading international agencies. This model has been replicated across India and Worldwide. He has also been providing consultancy to various national and international organizations in health, logistics and SCM, power and education</p>

Experience	<p>He has been instrumental in spearheading and carrying out a number of state and federal government IT initiatives for e-governance, especially those centered on the health, defence, education, public sector and power industries. He won the prestigious Prime Ministers e-governance award for successful innovation in the year 2000</p> <p>The Tamil Nadu government appointed him as a member of the States' IT standardization committee and in this position he has been successful in bringing wider awareness about IT applications to decision makers.</p> <p>He has worked as a consultant with the Home Ministry of Government of India and number of projects with Danida Unaid, The World Bank specializing on different aspects of SCM and logistics-sourcing and procurement, forecasting, storage and distribution, MIS, etc., particularly in health sector</p> <p>His keen interest in furthering education and social growth has resulted in him being associated with the Anna University, Chennai, IIT and several other educational institutions in India on an advisory basis. He has held positions of Member of the Doctoral Committee, Syndicate Member and Member Board of Studies at these Universities.</p> <p>He was also associated as Adjunct Professor of Supply Chain Massachusetts Institute of Technology-Zaragoza Logistics Centre, Zaragoza, Spain in 2008.</p> <p>Currently he is associated as Professor of Technology in Plymouth University, UK.</p>
Inter-se Director Relationship	Dr. M. Arumugam is not having any inter-se relation with other Directors of the Company.
Shareholding	Dr. M. Arumugam does not hold any share in TNPL
Directorships and Committee Memberships of other companies	Dr. M. Arumugam is having Directorships and Committee Memberships in the following Companies

Sl. No.	Company	Position	Committee Membership
1.	Broadline Computer Systems Private Limited	Director	-
2.	Broadline Technologies Private Limited	Director	-
3.	Arsa Energy Private Limited	Director	-

ITEM NO.8**Profile of Thiru. N. Narayanan, I.A.S., (Retd.)**

Name	Thiru N. Narayanan, I.A.S., (Retd.)
Age	71 years
Qualification	Electrical Engineer
Experience	Thiru N. Narayanan I.A.S., (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 (GOTN). Thiru N. Narayanan I.A.S., (Retd.) 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. He has also served his first term as Independent Director from 2016-2019. He has also served on Board of TNPL for more than 15 years and has vast experience in paper industry.
Inter-se Director Relationship	Thiru N. Narayanan I.A.S., (Retd.) is not having any inter se relation with other Directors of the Company.
Shareholding	Thiru N. Narayanan I.A.S., (Retd.) does not hold any share in TNPL.
Directorships and Committee Memberships of other companies	Thiru N. Narayanan I.A.S., (Retd.) is having Directorships in the following Company:

Sl. No.	Company	Position	Committee Membership
1.	Arkha Systems India Private Limited	Director	-

ITEM NO.9**Profile of Tmt Soundara Kumar**

Name	Tmt. Soundara Kumar
Age	65 years
Qualification	B. Sc (Maths), CAIIB
Experience	<p>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 headed Wholesale Banking Credit Committee at Corporate Centre, for over three years, evaluating high-value commercial credit proposals including project finance for infrastructure. Tmt. Soundara Kumar 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.</p> <p>She also headed Credit Committees at State Bank of Indore, SBI Bangalore Circle. Served on the Boards of SIDBI Ventures, SBICI (State Bank of India Commercial and International Bank Ltd.) and CERSAI (Central Registry of Securitization Asset Reconstruction and Securities Interest).</p> <p>She served as member of RBI Working Group to recommend measures for scaling up the Business Correspondent (BC) model for Financial Inclusion and participated in several panel discussions etc. relating to SME, Stressed Assets Management etc.</p> <p>She has also served her first term as Independent Director of TNPL from 2017-2020</p>

Inter-se Director Relationship	Tmt. Soundara Kumar is not having any inter se relation with other Directors of the Company.
Shareholding	Tmt. Soundara Kumar does not hold any share in TNPL.
Directorships and Committee Memberships of other companies	Tmt. Soundara Kumar is having Directorships and Committee Memberships in the following Companies:

Sl. No.	Company	Position	Committee* Membership
1.	Ramco Systems Limited	Director	Audit Committee
2.	Shanthi Gears Limited	Director	Audit Committee
3.	Rajapalayam Mills Limited	Director	-
4.	Sundaram Trustee Company Limited	Director	Audit Committee
5.	Carborandum Universal Limited	Director	Audit Committee
6.	Bank of Baroda	Director	-

* Only membership in Audit and Investors' Grievance Committee is considered.

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

ITEM NO.5

The Board of Directors at their meeting held on 22nd June, 2020 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 2020-21 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. 5 as an ordinary resolution.

ITEM NO.6

Thiru P.B. Santhanakrishnan (DIN - 03213653) was appointed as an Additional Independent Director of the Company with effect from 19th September, 2019, by the Board of Directors in terms of Section 161(1) of the Companies Act, 2013; Thiru P.B. Santhanakrishnan holds office up to the date of this Annual General Meeting. In terms of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a member proposing the candidature of Thiru P.B. Santhanakrishnan for the office of Independent Director to be appointed as such under the provisions of Section 149 and 152 of the Companies Act, 2013.

Thiru P B Santhanakrishnan is a Chartered Accountant with 41 years' experience in the profession and in finalization of Public Sector Banks/Undertakings/Listed Companies/Charitable Institutions/Educational Institutions and Non Profit Organizations'. He is also a former Director in Oriental Bank of Commerce, Tamilnadu Minerals Limited and Canfin homes Ltd.

Member RBI Committee on RTGS.

He has made numerous representations before SEBI/SAT/BIFR/CBDT & ITAT on Corporate/Income Tax/FEMA matters

The company has received from Thiru P.B. Santhanakrishnan (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

In the opinion of the Board of Directors, Thiru P.B. Santhanakrishnan, proposed to be appointed as Independent Director, fulfills the conditions specified in the Companies Act, 2013 and the rules made thereunder and has submitted declaration fulfilling the criteria of independence provided under section 149(6) of the Companies Act, 2013.

The Board of Directors recommends this resolution for your approval.

None of the Directors of the Company and their relatives or key managerial personnel and their relatives other than Thiru P.B. Santhanakrishnan is interested or concerned in the resolution.

ITEM NO.7

Dr. M. Arumugam (DIN - 01439166) was appointed as an Additional Independent Director of the Company with effect from 19th September, 2019, by the Board of Directors in terms of Section 161(1) of the Companies Act, 2013. Dr. M. Arumugam holds office up to the date of this Annual General Meeting. In terms of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a member proposing the candidature of Dr. M. Arumugam for the office of Independent Director to be appointed as such under the provisions of Section 149 and 152 of the Companies Act, 2013.

Dr. M Arumugam has been in software industry with 3 decades of experience and founded Broadline Group of Companies which includes Broadline computer systems and Broadline Technologies Private Limited, a premier player in IT services.

He has pioneered the drug logistics management model for the state of Tamil Nadu, which has won acclaims from World Bank, WHO and other leading international agencies. This model has been replicated across India and Worldwide. He has also been providing consultancy to various national and international organizations in health, logistics and SCM, power and education.

He has been instrumental in spearheading and carrying out a number of state and federal government IT initiatives for e-governance, especially those centered on the health, defence, education, public sector and power industries. He won the prestigious Prime Ministers e-governance award for successful innovation in the year 2000.

The Tamil Nadu government appointed him as a member of the States' IT standardization committee and in this position he has been successful in bringing wider awareness about IT applications to decision makers.

He has worked as a consultant at the Home Ministry of Government of India and number of projects with Danida Unaid, The World Bank specializing on different aspects of SCM and logistics-sourcing and procurement, forecasting, storage and distribution, MIS, etc., particularly in health sector.

His keen interest in furthering education and social growth has resulted in him being associated with the Anna University, Chennai, IIT and several other educational institutions in India on an advisory basis. He has held positions of Member of the Doctoral Committee, Syndicate Member and Member Board of Studies at these Universities.

He was also associated as Adjunct Professor of Supply Chain, Massachusetts Institute of Technology-Zaragoza Logistics Centre, Zaragoza, Spain in 2008.

Currently he is associated as Professor of Technology in Plymouth University, UK.

The company has received from Dr. M. Arumugam (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

In the opinion of the Board of Directors, Dr. M. Arumugam, proposed to be appointed as Independent Director, fulfills the conditions specified in the Companies Act, 2013 and the rules made thereunder and has submitted declaration fulfilling the criteria of independence provided under section 149(6) of the Companies Act, 2013.

The Board of Directors recommends this resolution for your approval.

None of the Directors of the Company and their relatives or key managerial personnel and their relatives other than Dr. M. Arumugam is interested or concerned in the resolution.

ITEM NO.8

Thiru N Narayanan I.A.S., (Retd.) (DIN - 03076340) was appointed as Independent Director of the Company pursuant to approval of the Members under the provisions of the Companies Act, 2013 through resolution passed at the Annual General Meeting held on 28th September, 2016 with effect from 14.07.2016 for a term of three years.

In accordance with Section 149 (10) and (11) of the Companies Act, 2013, an Independent Director shall hold office for a term up to five consecutive years on the Board of a Company, and shall be eligible for re-appointment on passing of a special resolution by

the Company and disclosure of such appointment in Board's report.

As per the provisions of Section 149 of the Companies Act, 2013 and pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company passed a resolution in their meeting held on 19th September 2019, approving re-appointment of Thiru N Narayanan, I.A.S., (Retd.) as Independent Director for a second term of three years with effect from 19th September 2019 based on skills, experience, knowledge and performance evaluation. His re-appointment is subject to the approval of the shareholders at this Annual General Meeting by way of Special Resolution.

In the opinion of the Board of Directors, Thiru N Narayanan, I.A.S., (Retd.), the Independent Director proposed to be re-appointed, fulfill the conditions specified in the Act and the Rules made thereunder and submitted declarations fulfilling the criteria of independence under section 149(6) of the Companies Act, 2013.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as Independent Director.

In terms of Section 160 of the Companies Act, 2013, the Company has received notices in writing from a member proposing the candidature of Thiru N Narayanan, I.A.S., (Retd.) (DIN - 03076340) to be re-appointed as Independent Director as per the provisions of the Companies Act, 2013.

The Board of Directors recommends this resolution for your approval.

None of the Directors of the Company and their relatives or key managerial personnel and their relatives other than Thiru N Narayanan, I.A.S., (Retd.) is interested or concerned in the resolution.

ITEM NO. 9

Tmt. Soundara Kumar (DIN - 01974515) was appointed as Independent Director of the Company pursuant to approval of the Members under the provisions of the Companies Act, 2013 through resolution passed at the Annual General Meeting held on 19th September, 2017 with effect from 30.06.2017 for a term of three years .

In accordance with Section 149 (10) and (11) of the Companies Act, 2013, an Independent Director shall hold office for a term up to five consecutive years on the Board of a Company, and shall be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in Board's report.

As per the provisions of Section 149 of the Companies Act, 2013 and pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company passed a resolution in their meeting held on 22nd June 2020, approving re- appointment of Tmt. Soundara Kumar as Independent Director for a second term of three years with effect from 30.06.2020 based on skills, experience, knowledge and performance evaluation. The re-appointment is subject to the approval of the shareholders at this Annual General Meeting by way of Special Resolution.

In the opinion of the Board of Directors, Tmt. Soundara Kumar (DIN - 01974515) , the Independent Director proposed to be re-appointed, fulfill the conditions specified in the Act and the Rules made thereunder and submitted declarations fulfilling the criteria of independence under section 149(6) of the Companies Act, 2013.

The Board considers that her continued association would be of immense benefit to the Company and it is desirable to continue to avail her services as Independent Director.

In terms of Section 160 of the Companies Act, 2013, the Company has received notice in writing from a member proposing the candidature of Tmt. Soundara Kumar to be re-appointed as Independent Director as per the provisions of the Companies Act, 2013.

The Board of Directors recommends this resolution for your approval.

None of the Directors of the Company and their relatives or key managerial personnel and their relatives other than, Tmt. Soundara Kumar is interested or concerned in the resolution.

Registered Office :
67 Mount Road Guindy
Chennai-600032

Place: Chennai
Date: 22.06.2020

BY ORDER OF THE BOARD

V Sivakumar
Company Secretary

DIRECTORS' REPORT

TO THE MEMBERS

Your Company's Directors are pleased to present the 40th Annual Report of the Company along with Audited Accounts for the financial year ended 31st March, 2020.

1. FINANCIAL RESULTS

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

(₹ in Crore)

Particulars	2019-20	2018-19
Revenue from operations	3471.11	4082.71
Other Income	37.52	39.24
Operating Profit (PBIDT/EBIDTA)	644.36	615.24
Finance cost	222.59	233.36
Gross Profit (PBDT)	421.77	381.88
Depreciation & Amortization expense	231.24	226.68
Profit/Loss before tax (PBT)	190.53	155.20
Tax Expense	60.50	60.81
Profit/Loss after tax (PAT)	130.03	94.39
Other Comprehensive Income	(2.92)	(4.12)
Total Comprehensive Income (Net of Taxes)	127.11	90.27

The overall results are satisfactory as the company had to contend with severe raw materials shortages, steep escalation in costs and reduced production level due to COVID 19 pandemic. The slowdown and softening of demand during the current year resulted in reduction in sales volume. However your Company in comparison with past years achieved better sales realisations as well as production levels and improved efficiency across all areas of operation.

Due to softening of demand for Printing & Writing Paper for major part of the year ended March 2020 and despite increase in input costs in procurement of bagasse and other raw materials, the Company has earned a PBT of Rs. 190.53 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 60% (i.e. Rs. 6/- per share) for the year ended 31st March, 2020. The dividend, if approved by the shareholders at the Annual General Meeting, will be paid to the equity shareholders whose names appear in the Register of Members as on 18th September, 2020. The cash outgo on the proposed dividend will be Rs. 41.53 Crs.

3. TRANSFER TO RESERVES

The Company has transferred Rs. 75 crore to General Reserves out of the amount available for appropriation. Rs. 88.24 crore is proposed to be retained in the profit and loss account.

4. PERFORMANCE HIGHLIGHTS OF THE YEAR

a. Operations

1. The Company's turnover during the year 2019-20 is Rs. 3437.60 crore.
2. Profit before tax is Rs. 190.53 crore and Profit after tax Rs. 130.03 crore.

Printing and Writing Paper

3. During the year the Paper production was 3,92,250 MT.
4. Achieved Paper sales of 3,78,022 MT during the FY 2019-20. Domestic Sales accounts for 81% and Exports at 19%.

Packaging Paper Board

5. The packaging paper board plant production was 1,72,776 MT during the financial year 2019-20, equivalent to 86% of capacity.
6. The packaging paper board sales during the year 2019-20 was 1,71,785 MT. Domestic Sales accounts for 97%.
7. 3,30,358 tonnes of Hardwood, chemical Bagasse Pulp and Deinked Pulp were produced during the year.
8. 7658 lakh units of power was generated of which 7242 lakh units of power was consumed and 553 lakh units exported to the State Power Grid. Power drawn from

State Grid and consumed only 2.14% of total power consumed.

9. The bio-methanation plants have generated methane gas of 62.13 lakh m³ during 2019-20. The methane gas was consumed in lime kiln and power boilers in replacement of furnace oil 3593.3 KL and imported coal 262 MT
10. The wind farms with an installed capacity of 35.5 MW capacity have generated 404.91 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 35 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 2,52,303 MT of cement.
13. During the year 2019-20, overall borrowings increased by Rs. 218 crore.
14. Market Capitalization was Rs. 615.63 crore as on 31.03.2020.

b. Projects Implemented:

Key Development Projects Implemented

Installation of additional sheeting facility in Unit II

To cater to the sheet orders of the Paper boards, the company planned installation of an additional sheet cutter of capacity 100 tonnes/day, at a capital outlay of Rs.10 Crore. A state-of-the-art sheet cutting machine was ordered on M/s.Milltex, Italy. The sheet cutter was delivered in July 2019, as scheduled. The machine has since been erected and commissioned during October 2019. With this facility, the Unit II is able to cater to the growing sheeting demand of the market.

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 pulp mill, improved production levels has been achieved. In order to meet the surge in chemical demands especially while handling varying quality of input raw materials, the Chlorine dioxide plant was found to be a bottleneck. Therefore, the company planned an upgrade of the Chlorine dioxide with marginal modifications in the electrical systems, at an estimated capital outlay of Rs.5 Crore. As planned, the upgrade was completed by August 2019, well within the budget. Now, the company is in a position to achieve the chemical production to meet demands of the pulp mill

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 per annum, by installing a Paper Machine along with captive pulping facility, at an estimated capital outlay of Rs.2520 Crore. The formal Environment clearance for the project was received from the Ministry of Environment, Forest and Climate Change (MOEFCC), New Delhi, vide its order dated April 04, 2019. .

TNPL has proposed to implement the project in two phases as below:

- Under Phase 1, the HWP line with a capacity of 140,000 MT per annum with the following scope shall be set up
- Under Phase 2, the Paper Machine of 165,000 MT/annum along with a Power plant shall be implemented following commissioning of Phase 1

The Phase 1 of the project will feature installation of a state-of-the-art chemical hardwood pulping along with chemical recovery facility and augmentation of service utilities viz., Captive power plant and Waste water treatment plant. The financial closure of Phase 1 of the project was achieved in October 2019.

Towards implementation of Phase 1 of the project, the company has completed ordering of all the major, long delivery plant and machineries like Hardwood Pulp Mill, Chemical Recovery Boiler, Black liquor Evaporator, 20 MW Turbo Generator, Air Cooled Condenser, Lime Kiln, Reausticizing plant, etc. The Contractor for carrying out the civil construction works for the project, has been finalized.

Following foundation stone laying by Chief Minister of Tamil Nadu on 1st November 2019, the civil works at site is proceeding at full swing. The delivery of materials for the Chemical Recovery boiler has commenced from January 2020 and the erection of boiler is in progress. The Pulp Mill equipment are scheduled for delivery from June 2020. The Pulp mill erection will be commenced from August 2020.

As per the schedule drawn considering the delivery of the plant and machinery, the commissioning is fixed as May 2021. However, following the pandemic situation arising on account of COVID 19, the civil construction as well as erection activities had to be suspended with effect from 25th March 2020. The impact of the suspension on the project schedule is being assessed.

Revamping of Bio-gas reactor in TNPL Unit I

The Bio-methanation plant of TNPL has six (6) nos. of UASB reactors. On an average these reactors produce about 30,000 M³/day of bio-gas, resulting in saving of about 15 KL of Furnace oil. However, two of the reactors installed in the year 2002-03 needed revamping to improve the efficiency and to effectively capture the bio-gas effectively besides extending the life of the reactors. The company has taken up revamping by changing the internals and replacing the Carbon steel hoods with Stainless steel hoods. Out of the two reactors, one reactor was repaired and hoods were revamped and commissioned in March 2019. The performance is found to be satisfactory. Following this, the revamp job on the next reactor has been taken up. The job was commenced in November 2019 and is scheduled to be completed in July 2020.

c) Contribution to Environment

- 1) TNPL is one among the 27 of the world's most important pulp and paper manufacturers participated in WWF Environmental Paper Company Index (EPIC) 2019.
- 2) Production of 1,41,765 MT of bagasse pulp and 73,372 MT of Deinked pulp during the year has facilitated conservation of 9.50 Lakh MT of pulpwood.
- 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 404.91 Lakh KWH Wind energy during 2019-20.
- 5) 62.13 Lakh m³ methane generated in the Bio-methanation plant was consumed in lime kiln and Power Boilers saving 3593.3 KL of Furnace oil and 262 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, development of new products and protection of the environment.
3. The company has spent Rs. 10.52 Crores on R & D activities during the year.

f. Awards

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

- 1) TNPL has been honoured with the "Water Stewardship Award" by M/s Indian Chamber of Commerce, Kolkatta for the third time (2018, 2019 and 2020) during India Corporate Governance and Sustainability Vision Summit 2020 held on 18.02.2020 at New Delhi.
- 2) TNPL being one among the 11 companies, received both shield and certificate for "Industry Excellence Award" during IEI Centenary Industry Excellence Award Ceremony, New Delhi in the month of November, 2019.
- 3) TNPL has been awarded the "Golden Peacock Award for Energy Efficiency" for the year 2019 by Institute of Directors (IOD), India during 21st World Congress on Environment Management and Climate Change and Golden Peacock Awards Presentation Ceremony at JW Marriot Hotel, Bengaluru in the month of July, 2019.

5. MARKET TRENDS

a) Printing and Writing Paper

The printing and writing paper demand was stagnant during the year 2019-20, as compared to the market which prevailed during the previous fiscal year. Imports of Writing and Printing paper in large quantities from Indonesia and other East Asian economies have impacted the price trends of Writing & Printing grades of paper in the year 2019-20. In view of this Indian Mills had to review their pricing in the market to avoid stock build up. In addition to this the world wide pandemic of CORONA Virus, has had a significant impact on the seasonal demand during the month of March 2020, when the country was brought under complete LOCK DOWN, by the Union Government.

b) Packaging Boards

The Packaging Board Market improved in the second half of the FY – 2019-20 as the demand picked up marginally and sale volumes improved. Demand was better in recycled grades compared to Virgin grades where the competition was much higher and intense.

The market for Packaging Board is the fastest growing segment in the Paper & Board industry. Kraft & Grey-Back Board account for 55%, White-back and other high end varieties (FBB, SBS, Cup Stock.) account for the remaining 45%. 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, 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.

OUTLOOK

a) Printing and Writing Paper

The domestic paper sector is highly impacted by the Lock down and various containment measures adopted by The Government of Tamil Nadu and India. The Various lockdown measures adopted by Union Government and State Governments are still in force. Schools and Colleges are expected to open in the later part of 2nd Quarter of the year. As a result, the requirement of paper for conversion into Note books and Books will be lower in comparison to a normal full year. Similarly, demand from other sectors are also subdued due to the COVID – 19 pandemic. However requirement of cut size papers is expected

to normalize at a faster pace than the other sectors, due to their requirements in printing of various reports during the pandemic. With both the state and central Government taking required measures to re start the Economy, slowly but steadily demand for W & P grades in various sectors are expected to commence. Overall the forecast for the year 2020-21 is subdued.

b) Packaging Boards

The present situation is expected to usher in higher packaging board's usage by the Pharma Industry. Added to this, the ban on one time use plastic bags, increase in home delivery of various products, could lead to higher demand of packaging grades of boards, through the e-commerce segment.

6. 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 2019-20 are as follows:

Sl. No.	Name of Director/KMP	Date of Appointment / Cessation	Appointment / Cessation
1.	Thiru. N. Narayanan, I.A.S., (Retd.)	13.07.2019	Ceased to be an Independent Director (1st Term)
2.	Thiru K Shanmugam, I.A.S.,	16.07.2019	Ceased to be a Director
3.	Thiru S Krishnan, I.A.S.,	16.07.2019	Appointed as Additional Director
4.	Thiru. N. Narayanan, I.A.S., (Retd.)	19.09.2019	Re Appointed as Additional (Independent) Director (2nd Term)
5.	Thiru. P. B. Santhanakrishnan	19.09.2019	Appointed as Additional (Independent) Director
6.	Dr M. Arumugam	19.09.2019	Appointed as Additional (Independent) Director

Sl. No.	Name of Director/KMP	Date of Appointment / Cessation	Appointment / Cessation
7	Thiru V. Nagappan	31.03.2020	Ceased to be a Director
8	Thiru V. Ramanathan	31.05.2020	Ceased to be CFO and KMP
9	Thiru V. Sivakumar	30.06.2020	Ceased to be Company Secretary and KMP
10	Thiru B. Ravishankar	30.06.2020	Appointed as Company Secretary and KMP

Your Company has nine directors out of whom five 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.

In accordance with the provisions of the Companies Act, 2013 and in terms of the Memorandum and Articles of Association of the Company, Tmt Reeta Harish Thakkar, I.A.S., Director retires by rotation at the forthcoming Annual General Meeting. She is eligible for reappointment as Director.

For the retirement by rotation, Managing Director is not liable for retirement by rotation as per Article 141 of the Articles of Association.

6.1 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.

6.2 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**).

6.3 Meetings

A calendar of Meetings is prepared and circulated in advance to the Directors.

During the year, Eight meetings of the Board and Nine 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.

6.4 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, 2020. 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 16.03.2020. The Directors expressed their satisfaction with the evaluation process.

7. INTERNAL COMPLAINTS COMMITTEE

The Company has constituted an Internal Complaint Committee (ICC) in accordance with Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 & Rules made thereunder comprising of the following members :

1. Tmt. R. S. Tamilarasy, Emp. No.1664, Senior Manager (Lab) – Presiding Officer
2. Thiru. P. Sundaram, Emp.No.1879, Senior Manager – HR / Member
3. Tmt. M. Pemila Beham, Emp.No.3003, Officer – HR / Member
4. Thiru. M. Vellingiari, President Kanmani Trust, Karur – Member representing NGO

The above members are amongst employees preferably committed to the cause of women or who have had experience in social work or have legal knowledge. During the year under review, there were no complaints referred to the committee.

8. 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 2019-20.

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 2019-20. The cost audit report for the year 2019-20 will be submitted to the Central Government before the due date. Cost Audit report

for the financial year 2018-19 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**”.

9. NON- CONVERTIBLE DEBENTURES

No Non-Convertible Debentures is outstanding as on 31.03.2020.

10. FIXED DEPOSITS

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.

11. 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.

12. 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 9 times during the financial year. The review of Management Response to Audit Observations constitutes an important aspect of the Agenda for each meeting.

13. 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.

14. 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.

15. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

During the year, the company has transferred Rs.12,43,860.00/- 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.

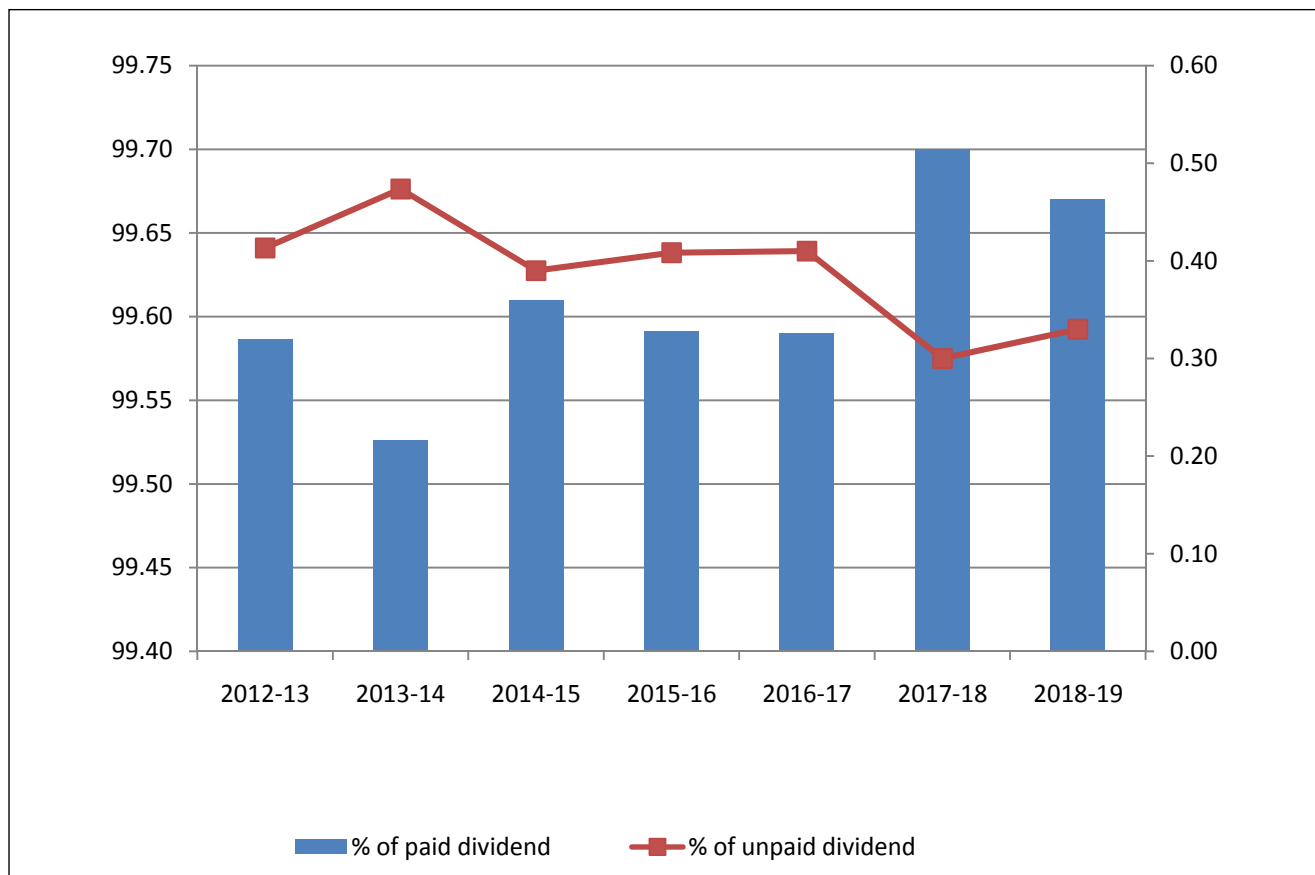
16. UNPAID DIVIDEND STATUS

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	2012-13	6921.06	50	3460.53	3446.40	14.13	99.59	0.41
2	2013-14	6921.06	60	4152.63	4133.13	19.50	99.53	0.47
3	2014-15	6921.06	60	4152.63	4136.36	16.27	99.61	0.39
4	2015-16	6921.06	75	5190.80	5169.59	21.04	99.59	0.41
5	2016-17	6921.06	75	5190.80	5169.29	21.51	99.59	0.41
6	2017-18	6921.06	50	3460.53	3450.18	10.35	99.70	0.30
7	2018-19	6921.06	75	5190.80	5173.47	17.33	99.67	0.33



17. 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.

18. HEALTH

An Occupational Health Centre is functioning on round the clock basis in housing colony with Four Medical Officers, Three Nurses, Two Pharmacists and Five Attenders to render Medical Assistance for the employees and their dependents. In addition, every Sunday, one Specialist Doctor in Cardiology, General Medicines, Ortho, Skin, Gynecology, Eye, Dental, ENT, etc., visit the Occupational Health Centre.

When employees sustain injuries while on duty, First Aid treatment is given at OHC and if need be the injured is referred to outside hospitals for expertise treatment and company bears the entire medical expenses.

The company bears the entire medical expenses for 7 Serious Ailments viz. Heart Ailment, Cancer, Kidney Transplantation, Paralysis, Leprosy, Tuberculosis and Brain Surgery. 180 days of Special Leave is being sanctioned to those employees, who suffer from any one of the above serious Ailments. In the Serious Ailment cases, in case, the 180 days of Special Leave is exhausted, an additional 180 days of special leave is sanctioned on case to case basis. Expenses incurred for the said treatment is borne by the company entirely.

Under a Special Medical Assistance Scheme, 50% of the hospitalization expenses for the employee and their dependants are borne by the company.

Comprehensive Master Health Check-up is being carried out for employees four times in their service period i.e at age of 40 years, 50 years, 56 years and above 59 years. 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.

TNPL is committed to the health of employees thereby ensuring for better productivity.

19. 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.

20. 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**.

21. 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.

22. 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.

23. 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.

TNPL 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 the Company will continue in its endeavour to build and nurture strong links with trade, based on mutuality, respect and co-operation with each other and consistent with consumer interest.

24. 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.

25. 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, 2020, 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, 2020 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

26. 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".

27. 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.

28. BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Report' (BRR) of the Company for the year 2019-20 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".

29. 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.

30. 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.

31. 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.

32. CEO 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, 2020 duly signed by the Managing Director was submitted to the Board of Directors at their meeting held on 30th June, 2020.

33. 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 thank them for their continued support.

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.

The Board of Directors regret the loss of life due to COVID-19 pandemic and record their appreciation to all the persons who risked their life and safety to fight this pandemic.

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

Date: 30th June, 2020
Place: Chennai

34. 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 Tiruchirappalli 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: https://www.tnpl.com/uploads/documents/TNPL_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	Tmt. Soundara Kumar	Member
3	Thiru. P. B. Santhanakrishnan	Member
4	Dr. M. Arumugam	Member

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

Average net profit Rs. 144.47 crores.

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

The Company is required to spend Rs.290 lakhs.

5. Details of CSR spent during financial year:

- a. Total amount budgeted to be spent during the financial year : Rs. 2,90,00,000.00
- b. Total actual amount spent during the year : Rs. 3,99,24,734.71
- 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 2019-2020

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	FREE EDUCATION, INFRA-STRUCTURE DEVELOPMENT IN GOVT. SCHOOLS,SPORTS PROMOTIONS,CULTURAL COMPETITIONS, MODEL SCHOOLS. SPOKEN ENGLISH CLASSES.	EDUCATION	TAMILNADU, KARUR AND TRICHY DISTRICT.	71,82,000.00	1,03,00,745.84	1,03,00,745.84	
2	SPECIAL MEDICAL CAMPS, BLOOD DONATION CAMPS, MONTHLY MOBILE MEDICAL CAMPS, SANITATION,WELFARE TO THE DIFFERENTLY ABLED PERSONS. MEDICAL EQUIPMENTS / FURNITURES TO GOVT. HOSPITALS AND ESI HOSPITAL. FINANCIAL ASSISTANCE TO CHIEF MINISTER PUBLIC RELIEF FUND FOR COVID-19 PREVENTIVE ACTIVITIES.	HEALTH CARE AND MEDICAL SERVICE	TAMILNADU, KARUR AND TRICHY DISTRICT.	36,50,000.00	1,35,57,416.67	2,38,58,162.51	
3	CONSTRUCTED TOILET , NOON MEAL CENTER, DINING HALL,DRAINAGE WALL, COMPOUND WALL, RENOVATION OF SCHOOL BUILDING. RENOVATION OF OBSERVATION HOME, PIPE LINE AND WATER TANK FIXING. PROVIDING FURNITURES. BLOCK TOPPED ROAD,	INFRA-STRUCTURE DEVELOPMENT	TAMILNADU, KARUR AND TRICHY DISTRICT.	61,60,000.00	43,75,947.34	2,82,34,109.85	
4	PROVIDING MAGAZINES, COMPUTER, PROVIDING ELECTRIC SANITARY NAPKIN INCINERATOR. DISPLAYING BAN PLASTIC BOARDS	SOCIAL DEVELOPMENT	TAMILNADU, KARUR AND TRICHY DISTRICT.	9,30,000.00	43,73,094.42	3,26,07,204.27	
5	POLICE CONSTABLE SELECTION TRAINING, TAILORING, COMPUTER AND TYPEWRITING TRAINING, CATTLE CARE CAMPS, VOCATIONAL TRAINING, SKILL DEVELOPMENT PROGRAMMES.	LIVELIHOOD / ECONOMIC DEVELOPMENT	TAMILNADU, KARUR AND TRICHY DISTRICT,	55,78,000.00	9,97,861.90	3,36,05,066.17	
6	CONTRIBUTION TOWARDS DEVELOPMENT OF GREENERIES AROUND FACTORY, GREENBELT AND GARDEN IN RAILWAY LAND, GREEN COVER BY PLANTING TREES, BIODIVERSITY PROGRAMMES. DEVELOPING GREEN GARDEN IN GOVT. OFFICES	ENVIRONMENT & SANITATION	TAMILNADU, KARUR AND TRICHY DISTRICT,	24,50,000.00	13,90,476.20	3,49,95,542.37	
7	PRESERVATION OF HERITAGE BUILDINGS, PROMOTION OF TAMIL LITERATURE, FOLK, TRADITIONAL DANCE ETC.,	CULTURE & HERITAGE	TAMILNADU, KARUR AND TRICHY DISTRICT.	18,00,000.00	35,29,594.24	3,85,25,136.61	
8	DESILTING OF BUNDS / CANAL AND RECLAMATION OF DEGRADED SOIL.	SOIL AND WATER CONSERVATION	TAMILNADU, KARUR AND TRICHY DISTRICT.	12,50,000.00	13,99,598.10	3,99,24,734.71	
			TOTAL	2,90,00,000.00	3,99,24,734.71		SPENT DIRECTLY AND THROUGH TNPL ARAKKODAI TRUST, KARUR

- 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, 2020**

[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 TAMIL NADU 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, 2020 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, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) the Company has complied with the applicable provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of External Commercial Borrowings. There are no Foreign Direct Investment & Overseas Direct Investments 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) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (not applicable to the company during the audit period);
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (not applicable to the company during the audit period);
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (not applicable to the company during the audit period);
 - 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) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (not applicable to the company during the audit period) ; and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (not applicable during the period under review);

(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 Director, Non-Executive Directors, Woman Independent Director 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,

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 : 30th June, 2020

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

**CS R.SRIDHARAN
CP No. 3239, FCS No. 4775
UIN : S2003TN063400
UDIN: F004775B000395847**

‘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. It is the responsibility of the management of the company to devise proper systems to ensure compliance with the provisions of all applicable laws, Rules Regulations and standards and to ensure that the systems are adequate and operate effectively. 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 : 30th June, 2020

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

**CS R.SRIDHARAN
CP No. 3239, FCS No. 4775
UIN : S2003TN063400
UDIN: F004775B000395847**

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

The Members,

TAMIL NADU NEWSPRINT & PAPERS LIMITED

CIN: L22121TN1979PLC007799

67, Mount Road, Guindy

Chennai – 600 032

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of TAMIL NADU NEWSPRINT & PAPERS LIMITED (CIN: L22121TN1979PLC007799) having its Registered Office at 67, Mount Road, Guindy, Chennai – 600 032 (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 the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

In our opinion and to the best of our knowledge and according to the verifications (including Director Identification Number (DIN) Status at the portal www.mca.gov.in) and based on such examination as well as information and explanations furnished to us, which to the best of our knowledge and belief were necessary for the purpose of issue of this certificate and based on such verification as considered necessary, we hereby certify that none of the Directors as stated below on the Board of the Company as on 31st March 2020 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board 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 – Nominee Director - Chairman	04/03/2019
2.	06684301	S Sivashanmugaraja	Managing Director	29/11/2017
3.	01974515	Soundara Kumar	Non-Executive - Independent Director	30/06/2017
4.	03126243	V Chandrasekaran	Non-Executive - Independent Director	13/11/2017
5.	06976936	Reeta Harish Thakkar	Non-Executive - Nominee Director	09/11/2018
6.	03439632	S Krishnan	Non-Executive - Nominee Director	16/07/2019
7.	03076340	N Narayanan	Non-Executive - Independent Director	19/09/2019
8.	03213653	P B Santhanakrishnan	Non-Executive - Independent Director	19/09/2019
9.	01439166	M Arumugam	Non-Executive - Independent Director	19/09/2019
10.	01271378	V Nagappan (Retired on 31st March, 2020)	Non-Executive - Independent Director	09/04/2013

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 : 30th June, 2020

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

**CS R.SRIDHARAN
CP No. 3239, FCS No. 4775
UIN : S2003TN063400
UDIN: F004775B000395913**

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 2019-20

I (A) ENERGY CONSERVATION MEASURES UNDERTAKEN

- (a) 1. Replacement of APH Tubes in First pass in Power Boiler #7 resulted in saving of **11,88,356 units** of power and the cost saving is **Rs.43.49 Lakhs**
(Implemented in Apr 2019)
2. Replacement of APH Tubes in Power Boiler #6 resulted in **3,33,517 MT units** of power and the cost saving is **Rs.12.21 Lakhs**.
(Implemented in Aug 2019)
3. Improvement of TG #2 vacuum resulted in power savings of **18,85,652 units** of power and the cost savings is **Rs. 69.01 Lakhs**
(Implemented in Sep 2019)
4. Increasing the D1 Filtrate recycling ratio from 30% to 50% by introducing ring dilution spray nozzles at D1 Tower feed MC Pump stand pipe resulted in savings of **685 MT** of LP steam (Equivalent Imported coal savings **93.6 MT**) and the cost savings works out to **Rs 5.11 Lakhs**.
(Implemented in Jul 2019)
5. Maximum utilization of SRP Process condensate resulted in savings of **1080 MT** of LP Steam (Equivalent Imported coal savings **147.73 MT**) and the cost savings achieved is **Rs 8.07 Lakhs**.
(Implemented in Jul 2019)
6. Stopping the hard wood refiners in Paper Machine # 3 resulted in power savings of **3,74,681 units** and the cost saving is **Rs.13.60 Lakhs**
(Implemented in Aug 2019)
7. Stopping the soft wood refiners street in Paper Machine # 3 resulted in power savings of **4,82,112 units** and the cost saving is **Rs.17.65 Lakhs**
(Implemented in Jul 2019)
8. Downsizing the LMCD feed pump in Soda Recovery Plant resulted in power savings of **93,600 units** and the cost saving is **Rs.3.43 Lakhs**.
(Implemented in Aug 2019)
9. Replacement of 14 Nos of 150W and 4 Nos of 400W MH Lamp into 8Nos of 40W and 15 Nos 70W LED lamp resulted in power saving of **10,205 units** and cost savings is **Rs.0.4 Lakhs**.
(Implemented in Apr 2019)
10. Replacement of 209 Nos of 36W Tube light fittings into 4 Nos of 70W and 185Nos 18W LED lights resulted in power saving of **15,567 units** and cost savings is **Rs.0.6 Lakhs**.
(Implemented in Apr 2019)
11. Replacement of 128 Nos of 36W CFL lights into 128Nos of 18W LED lights resulted in power saving of **10,092 units** and cost savings is **Rs.0.4 Lakhs**
(Implemented in Apr 2019)
12. Co-gen cooling tower stoppage of fans by utilizing seasonal efforts resulted in savings of **1,45,929 Units** of Power and cost savings is **Rs. 5.34 Lakhs**.
(Recurring savings)
13. Common cooling tower stoppage of fans by utilizing seasonal efforts resulted in savings of **2,75,832 Units** of Power and cost savings is **Rs. 10.10 Lakhs**.
(Recurring savings)
14. Paper Machine # 1 flash steam recovery by using TG condensate resulted in **5046 MT** of LP steam saving equivalent imported coal saving is **689 MT** and the cost saving is **Rs. 37.62 Lakhs**.
(Recurring savings)

15. Implementation of condensate collection system at 104/64 PRDS area near TG # 6 resulted in **448 MT** of LP steam saving and equivalent Imported coal saving of **61.2 MT** and the cost savings being **Rs. 3.34 Lakhs.**
(Recurring savings)
 16. Usage of **11656 MT** of Wood Dust/ Bark in Power Boilers resulted in saving of **3501 MT** of Imported coal and the cost savings of **Rs 191.15 Lakhs**
(Recurring savings)
 17. **2,01,537 M³** of Bio gas consumption in Power Boilers resulted in saving of **262 MT** of Imported coal and the net cost saving being **Rs. 14.31 Lakhs.**
(Recurring savings)
 18. **59,88,832 M³** of Bio gas consumption in Lime Kiln resulted in saving of **3593.3 KL** Furnace oil and the net cost saving being **Rs. 1183.99 Lakhs.**
(Recurring savings)
- (b) Additional investment incurred in implementing of the above proposals - Rs. 289.63 Lakhs
- (c) Impact of measures at a-b in reduction of energy consumption - Rs.1330.21 Lakhs
- Impact on the cost of production per ton of paper - Rs.339.12/MT**
3. Replacement of 36 Nos. of 400 W Metal Halide High Bay lighting with 150 W LED Light fittings in Board Plant 7 Metre floor area resulted in annual savings of **59,130 Units** of power and a cost savings of **Rs.2.37 Lakhs.**
(Implemented in Dec 2019)
 4. Replacement of 4 Nos. of 400 W Metal Halide lamps with 250 W LED Light fittings in High mast tower of Waste Paper Plant area resulted in annual savings of **10,950 Units** of power and a cost savings of **Rs.0.44 Lakhs.**
(Implemented in Nov 2019)
 5. Installation of 2 Nos. of 45KW VFD drive for De-aerator pumps 2 & 3 replacing the DOL starter resulted in annual savings of **87,600 units** of power and the cost savings is **Rs.3.50 Lakhs.**
(Implemented in Oct 2019)
 6. Ash conveying compressor was stopped and compressed air available from instrument air compressor is being utilized which resulted in annual savings of **3,36,000 units** of power and the cost savings is **Rs.13.44 Lakhs.**
(Implemented in May 2019)
 7. Wind Mill Tower outer lighting hitherto supplied from Power Transformers were modified to be fed from lighting supply by laying separate cable for 28 nos. of 250KW Wind Energy Generators at Devarkulam Windfarm resulted in an annual saving of **78,080 units** of electricity and a cost saving of **Rs.3.06 Lakhs.**
(Implemented in Nov 2019)

Unit II

I (A) ENERGY CONSERVATION MEASURES TAKEN

1. Installation of 90KW VFD drive for process water pump No.4 installed to meet additional water requirement resulted in annual savings of **16,128 units** of power and the cost savings is **Rs.0.64 Lakhs.**
(Implemented in Mar 2020)
2. Replacement of 10 Nos. of 150 W Sodium Vapour lamps with 90 W LED lamps in street lights of colony main road resulted in annual savings of **26,280 units** of power and a cost saving of **Rs. 1.05 Lakhs.**
(Implemented in Feb 2020)

I (B) RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION

I. SPECIFIC AREAS IN WHICH R&D STUDIES CARRIED OUT BY THE COMPANY

A circular economy is an alternative to a traditional linear economy (make, use, dispose) by keeping the resources in use as long as possible, then recover and regenerate products and materials at the end of each service life so that maximum value can be extracted from them. TNPL R & D focused on the concept of the circular economy. The various adopted activities are discussed below :

Pulping and Bleaching:**Pulp yield improvement chemical trial at HWECEF plant :**

R & D has carried out wood pulp yield improvement trial by using cooking aid in HWECEF plant in the month of Nov'2019 to Dec'2019 with dosage of 2.0 kg/t of Bone Dry wood chips. After stabilization of cooking chemical, chemical dosage was reduced to 1.5 kg/t and further reduced to 1.0 kg/t.

- Average white liquor consumption during the cooking aid chemical trial was reduced from **412** kg/t to **400** kg/t of unbleached pulp.
- Average WBL solids content was **166** gpl during the trial period against **170** gpl on blank period shows that WBL solid generation per ton of unbleached pulp was **2.05** t against **2.17** t of blank period.
- Cooking aid chemical plant trial has shown reduction in WBL solids generation enhanced the unbleached pulp yield by 2.16% and thereby increase of the unbleached pulp production by 113.85 MT.
- Press-2 kappa number reduction was 3.1% and the brightness improvement was 1.1% ISO.
- There was also no significant variation in ODL pulp kappa number, alkali loss, brightness and viscosity during this cooking chemical trial.
- There was no change in bleaching chemical consumption during this trial period.
- There was no significant variation in bleached pulp properties and other parameters during this cooking chemical trial with marginal improvement in bleached pulp viscosity.

Hydrogen peroxide consumption reduction by using Stabilizer trial in CBECF :

R & D successfully carried out the hydrogen peroxide stabilizer trial from the month of Jun' 2019 to Dec'2019 with dosage of 3.0 kg/t in CBECF plant. Normally stoppage of sulphuric acid addition in Do stage pulp will carryover non process element (NPE) to subsequent bleaching stage which will result in scale formation at extraction stage pipe lines and stand pipe impellers. The trial helps to reduce the hydrogen peroxide consumption

significantly and eliminates scale formation at extraction stage pipe lines and stand pipe impellers

Deinking Plant:**Reduction of Hydrogen Peroxide consumption by Probleach :**

R&D along with Deinking process team conducted 100 days plant scale trial of deinked pulp with "Probleach" as a new bleaching aid and studied the reduction in Hydrogen Peroxide consumption and the consequent financial reduction. The trial study indicates that Specific consumption of Hydrogen peroxide was reduced by 5.25 kg per metric ton of deinked pulp.

Paper Making and Wet end Chemistry**Design of New Product:****Cream wove natural shade:**

Natural shade product for writing and printing segment without adding color and optical whitening agent was developed by R & D team. Product is well accepted in the market and validated.

Radiant Print natural shade:

A special paper product for sublimation printing was developed by R & D for textile industry sector. First phase trial production completed and customer feedback received. Second phase trial production is under planning.

Process improvements:**Improvement of ash by surface filling method:**

R&D developed a new method of filler loading through surface filling to increase the ash content in the paper without effecting the paper properties like stiffness, bulk and strength .

Addressing the ink strike through and ink feathering problem by surface sizing agent:

R & D has tracked the root cause for ink strike through, in writing grade paper and has suggested to add surface sizing agent along with wet end sizing agent (AKD) to overcome the issue of ink strike through.

Improvement of paper bulk by bulk enhancer:

By using bagasse pulp as one of the primary raw material, TNPL is producing copier product

and competing other wood based market products. To maintain the required caliper, Bulk and other desired properties (stiffness) of TNPL copier, a special additive (Arcis-Acti bulk high calio) was suggested by R & D.

Developing the specification for new speciality chemicals/Materials:

Quality specification has been formulated for new speciality chemical for long term procurement

Soda recovery Island:

Study on Failure of Brick Lining in Limekiln-2:

R & D explored the reason for brick lining failure in limekiln-2 and found out that the root cause is carryover of more residual Alkali as Na₂O in Lime Mud Clari Disc (LMCD) sludge which causes chemical attack on inside surface of brick lining. Also found that the thermal attack was also happened due to fluctuation in burning zone temperature from 1200°C to 1300°C which leads to brick lining failure, followed by hot spot which was observed on the outer shell of the kiln-2.

To avoid this issue, R&D suggested to maintain uniform operating conditions of limekiln with respect to kiln feed, fuel ratio, burning zone temperature by introduction of Online Shell Temperature Scanner and ensuring the proper washing of lime mud in causticizing process to maintain lower level of residual alkali.

Silica removal study and optimization of the Lime addition

R&D conducted the plant scale study by using various concentration of Sodium Hydroxide in Clarified Green Liquor by the appropriate addition of burnt lime for more than one month in SRP causticizer plant. From the above study, R&D recommended to maintain 30±2 gpl in the first stage of recausticizing process to remove more silica with addition of 33% instead of 42% of burnt lime.

Sulfide removal in Evaporator Vacuum Pump Seal Water of Soda Recovery Plant by Low Cost Stripping Column.

Among the Sulfide presented in evaporator condensate water of Soda Recovery Plant, the Evaporator Vacuum Pump Seal Water (EVPSW) is one of the high Sulfide content and it is being discharged to effluent channel without any

treatment. This EVPSW is having high Sulfide content next to evaporator foul condensate. In addition, the volume of the EVPSW (1000 m³ per day) is much higher than foul condensate water (350 m³ per day).

In TNPL, it has been obliged to pay more attention to the problem of odor and the most part this has been necessary in order to meet legislative requirements. Hence, in order to treat the Sulfide content from the EVPSW, TNPL's in-house team has developed innovatively Low Cost Stripping Column with Air and steam stripping technique.

Recovery of Sulphate and removal of Chlorides from Recovery Boiler ESP Ash

TNPL R & D explored all the possibilities of recovering sulphate from ESP ash and removing the chlorides from ESP ash to reduce the fresh make up chemical (Sodium sulphate) required for process and to improve the life of process equipments by the removal of chlorides from the ESP ash.

As part of the above exercise, possibility of recovering sodium sulphate from ESP ash, a first phase pilot plant trial run was conducted at M/s Rajam Herbal Products, Salem in the month of June 2019 .

Second phase of trial was conducted at M/s RaniTec, M/s Ranipet Tannery Effluent Treatment Company Private Limited, Vellore in the month of Nov' 19

Power Boiler:

Flue Gas desulfurization (SO₂ reduction) trial in Power Boiler

In order to reduce the SO₂ emission from power boiler and to comply the statutory norms of CPCB and TNPCB, first phase trial study on desulfurization was taken in power boiler-6 by using limestone. Further to increase the SO₂ reduction efficiency, R&D has suggested to reduce the limestone size in the range of 45-75 microns with proper mixing of limestone powder and coal which will be carried out in the second phase trial.

Environment:

Drying of Mixed Liquor Suspended Solids (MLSS) Sludge

R&D carried out pilot plant study in association with M/s Sakthi Engineering, Perundurai, (manufacturers of Sludge Dryers) to dry MLSS

sludge on a rental basis and conducted trials from 25.11.19 to 3.12.19. Results are encouraging and the moisture has been reduced from 80% to 20%. The working cost of economics is in progress.

Conversion of TNPL bagasse pith and wood dust into wooden particle core plug and particle board

TNPL is using plastic core plugs for plugging into the paper reel core in order to maintain the dimensional stability of paper reels until it reaches the end customers. During transportation and rough handling of paper reels, the plastic core plugs are used to damage prior to paper reel conversion by the end customers, which invites more number of customer complaints due to poor quality of plastic core plugs. Further, TNPCB a state regulatory is also insisting TNPL to avoid the plastic use inside the mill premises as much as possible to comply with the direction of state government for "**Beat plastic pollution**". However, due to high cost of imported wooden core plugs, the usage of plastic core plugs is inevitable to TNPL.

Presently wood dust and bagasse pith are being used as agro fuel in power boilers for steam and power generation. While firing the wood dust, there is no issue in Power boilers. Firing of bagasse pith, erosion and corrosion is faced in boiler tubes and other mechanical equipments due to moisture content in bagasse pith. Hence it is decided to explore the possibility of converting the available bagasse pith and wood dust into wooden particle core plug as "**Wealth Out of Waste**" concept. By conversion of these wastes into useful product, TNPL could avoid air pollution due to floatation of bagasse pith and fine wood dust in the ambient air environment.

TNPL has approached M/s Indian Plywood Industries Research & Training Institute (IPIRTI), Bengaluru to explore the technology for conversion of waste materials like bagasse pith and wood dust into valuable products like wooden particle core plug and particle board. IPIRTI, who is a field expert has developed technology for manufacturing of panel products using agro residues via rice husk, rice straw, wheat straw, casurina needle, chirpine needle, bagasse, bamboo, coir etc. An agreement has been entered between IPIRTI and TNPL, to carry out the research work on conversion of wastes to wealth products.

In the Phase I project, IPIRTI is in the technology process for flat panel board and the report on the study will be submitted by IPIRTI in due course of time. Post submission of Phase I project report, subject to its feasibility the technology of flat panel board making by using TNPL wastes can be outsourced. In Phase II project - Developing of wooden particle core plug, required mould for making core plug is being ordered by IPIRTI. Once the mould is ready, the project will be kick started by IPIRTI. The outcome of Phase II project, via Particle core plug from TNPL's waste is expected to be superior in quality and it can replace the plastic core plugs which are being presently used by TNPL in a economic and environment friendly manner.

Mechanical Vapour Recompression

R & D explored possibility of treating Hardwood street & Chemical Bagasse street - extraction stage effluents by **Mechanical Vapour Recompression (MVR) technology so that the treated water can be reused for process**. Also explored to find out rejects generation pattern followed by identification of its disposal options by establishing ten (10) MLD capacity of Mechanical Vapour Recompression (MVR) pilot plant at TNPL unit-1 on trial basis.

Salient features of MVR:

- Compact, portable, plug & play type, neat and clean.
- Suitable to concentrate wide variety of liquor to very high level with minimum temperature difference using tubular falling film technology.
- Variable temperature control enables evaporation to highest concentration previously not possible with falling film technology.
- Highly efficient heat transfer through tubular evaporators reduces temperature difference and saves electrical energy.
- Mechanical vapor recompression technology with automation offers high flexibility & precise control over process parameters especially to deal with heat sensitive liquor concentration.
- Low capex and highly economical in recurring operational cost.
- Ecofriendly due to elimination of boiler from the system.
- Reduced manpower requirement.

Alternate to conventional Cement Floor at Baggase storage yard:

TNPL unit 1 R & D explore the possibility of **Pavement of CERAPLAST yard at TNPL bagasse yard** instead of conventional cement floor after considering the moving loads of loader/doser and acidific nature of bagasse leachate water. CERAPLAST yard is having the following material composition, which will be paved above the existing concrete pavement of 25mm thickness layer.

- Burned Ceramic Aggregates (10 to 11 mm, 6.2mm and less than 1.5mm)
- Novalac Polymerized MBR (Methyl Butadiene Rubber) - 50%
- Virgin Bitumen -34%
- CMR Bitplast (Bitumen + plastic wastes) – 16%

Over and above the CERAPLAST yard 1.5mm of Quartz and micro fibre reinforced Styrene Acrylic Polymer Modified Bitumen shall be paved for about 1.5mm thickness layer. The durability of this CERAPLAST Lining will long last when compared with the existing conventional concrete floor. Further study on the CERAPLAST yard technology is in progress

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

Pulping and Bleaching:

Pulp yield improvement chemical trial at HWEFC plant

The cooking aid trial at HWEFC plant resulted in direct cost saving was **Rs. 61.31** /t of unbleached pulp, white liquor cost saving was **Rs.47.82** /t of unbleached pulp and the total cost saving per ton of unbleached pulp was **Rs.109.00**.

Hydrogen peroxide consumption reduction by using Stabilizer trial in CBEFC

The maximum average cost of peroxide stabilizer is **Rs.22.49** per ton of pulp during the hydrogen peroxide consumption reduction trial by using Stabilizer in CBEFC. The additional cost for using peroxide stabilizer usage is very less when compared with total cost of hydrogen peroxide saving based on the pulp production.

Deinking Plant:

Reduction of Hydrogen Peroxide consumption by Probleach

Studies on addition of Probleach in deinking plant reduces specific consumption of Hydrogen Peroxide by 5.25 Kg per ton of de-inked pulp and the total Hydrogen peroxide saved during Probleach run is 115.159 MT with net Cost saving due to reduction in Hydrogen peroxide consumption in Deinking Plant during the trial period is Rs 18.0 Lakh.

Paper Making and Wet end Chemistry

Design of New Product:

Development of Cream wove natural shade and Radiant Print natural shade is carried out by R & D team

Improvement of ash by surface filling method :

Achieved good results by increase of ash through surface filling. The stiffness, bulk and strength properties remains same with increase of 1-2% of ash.

Addressing the ink strike through and ink feathering problem by surface sizing agent:

Addition of surface sizing agent has resulted in arresting ink feathering in Writing and Printing Paper.

Improvement of paper bulk by bulk enhancer the following results was achieved during the bulk enhancer trial for the copier product in PM#3

- **Reduction in consumption of BCTMP to zero is achieved.**
- **Reduction in Basis weight by 0.5-1.0 gsm is achieved.**
- **Paper ash improved by 0.5% in Copier**

Developing the specification for new speciality chemicals/Materials:

New quality specification for oxidized biocide and pressure sensitive tape have been developed and regularized. Development of specification and testing procedure for Surface sizing agent, stretch film, shrink film, core plug, is under process.

Soda Recovery Plant:

Study on Failure of Brick Lining in Limekiln-2 resulted in avoidance of unplanned limekiln

shutdown, ring formation in the limekiln and life extension of kiln shell and refractory lining.

Silica removal study and optimization of the Lime addition :

Lesser addition of burnt lime in first stage leads to higher silica content in lime mud which is presently being sent to LSFM plant. The burnt lime saved in the first stage process are used in the second stage causticizing process, thus by TNPL main plant of unit 1 shall have more lime mud with lesser silica.

Higher lime mud with lesser silica can improve the Calcium oxide purity from the lime kilns.

More lime mud can ensure almost nil down time of lime kilns for want of lime mud.

Can reduce the dependency of fresh limestone addition in lime kiln and financial savings to TNPL for procuring the fresh limestone from open market.

Sulphide removal in Evaporator Vacuum Pump Seal Water of Soda Recovery Plant by Low Cost Stripping Column.

Savings of Water due to reduction of Water discharge to Effluent drain and reuse of Process condensate in Chemical Bagasse Bleaching

Effluent odor elimination.

Meeting legislative requirements and reducing Pollution loads.

Reduce the sulphide concentration in Effluent Treatment Plant which enhances Dissolved Oxygen of final effluent thereby reduction of COD is observed.

Reduces sulphide toxicity to microorganism in Effluent Treatment Plant.

Captured NCG gases fired in Lime kiln replacing Furnace oil.

Recovery of Sulphate from Recovery Boiler ESP Ash by removal of Chlorides:

Recovered salt contains 93.4% of Sulphate as Na₂SO₄ and Chlorides as NaCl is 4.85% in the first phase pilot plant trial run at M/s Rajam Herbal Products, Salem.

Recovered salt contains 97% Sulphate as Na₂SO₄ and 3% Chlorides as NaCl in the second phase pilot plant trial run at M/s RaniTec, M/s Ranipet Tannery Effluent Treatment Company Private Limited, Vellore. The purity of Recovered Calcium Sulphate

is 89.8% and purity of Recovered Chloride Salt is 99%.

There will not be any rejects from the proposed project. The recovered sulphate will completely be utilized in the TNPL's process use. Recovered chlorides can be sold in liquid form/Or Convert into salt form to tannery and/ or textile industry or Water Treatment Plant for their use. Calcium sulphate can be utilized in LSFM plant.

Power Boiler:

Flue Gas desulfurization (SO₂ reduction) trial in Power Boiler

The reduction of SO₂ emission in the flue gas is 27%.

Comply the CPCB SO₂ emission norms. Air pollution load to the environment is reduced.

The fly ash, which contains Calcium sulphate (Gypsum), can be utilized in LSFM cement plant thereby ensure the effective management of solid waste disposal

Environment:

Drying of Mixed Liquor Suspended Solids (MLSS) Sludge

Moisture of Mixed Liquor Suspended Solids (MLSS) Sludge has been reduced from 80% to 20%.

Conversion of TNPL bagasse pith and wood dust into wooden particle core plug and particle board

Mould has been developed in association with M/s Indian Plywood Industries Research & Training Institute (IPIRTI), Bengaluru for conversion of waste items like bagasse pith and wood dust into valuable products like wooden particle core plug and particle board.

III. FUTURE PROJECTS

1. ASA sizing: Trail on ASA sizing is planned in the year 2020-21 as the shortage of wax a raw material for AKD sizing is expected globally.
2. High cationic starch: TNPL is planning to increase the First Pass Ash Retention and First Pass retention in all the Paper Machine through the addition of high cationic starch which enhances the retention comparatively on lower consumption.

3. Stripping off Sulphide from Foul Condensate: Installation of Low Cost Stripping Column is planned to remove the sulphide from Foul Condensate of Soda Recovery Plant.
4. Hydrogen peroxide consumption reduction by using Stabilizer in CBECF: Hydrogen peroxide stabilizer experience in CBECF pulp Extraction stage helps to reduce the hydrogen peroxide consumption in extraction stage without affecting extraction stage brightness and minimize the scale formation of extraction stage pipe lines due to non-process element (NPE) carry over from pulp. Hence it is proposed to use Peroxide stabilizer in the Hydrogen peroxide storage tank in HWEFCF to optimize the hydrogen peroxide consumption in HWEFCF EOP stage without affecting the other bleaching properties.
5. Oxygen delignification stabilizer trial at HWEFCF plant: Based on the encouraged results from the laboratory studies on Oxygen delignification stabilizer trial at HWEFCF plant, R&D has proposed for plant scale trial on Oxygen delignification stabilizer at HWEFCF ODL stage in HWEFCF plant to optimize the dissolved solid load at ODL stage without affecting the pulp properties with improved kappa reduction.
6. Pre-treatment of Hardwood and Chemical Bagasse plant effluent before feeding to MVR plant to reduce the scaling problem in MVR plant.

IV Expenditure on R&D

	(Rs. In lakhs)
a) Capital	26.03
b) Recurring	1025.86
c) Total	1051.89
d) Total R&D expenditure as a percentage on turnover	0.31%

I (C) FOREIGN EXCHANGE EARNINGS

a. Activities relating to Exports

During the year company exported 76023 metric tonnes of paper to 30 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)	43043.38
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I (D) FOREIGN EXCHANGE OUTGO

a. Imports (on CIF basis) (₹ In lakh)

Raw materials	42,957.64
Components, and Spare parts & chemicals	2,233.99
Imported coal	28,991.05
Capital goods	656.33
Total	74839.01

b. Other than imports (₹ In lakh)

Engineering & Supervision charges	29.60
Interest	1,184.48
Repayment of foreign currency loan (Long Term)	-
Others	12.67
Total	1,226.75

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*:**

Sl. No.	Name of Director	Designation	Ratio to median Remuneration
1.	Thiru S. Sivashanmugaraja, IAS	Managing Director	8.15
2.	Thiru V. Ramanathan	Executive Director (Finance) & Chief Financial Officer	5.74

- 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	28.56%
2.	Thiru V. Ramanathan	Executive Director (Finance) & Chief Financial Officer	11.35%
3.	Thiru V. Sivakumar	Company Secretary	- 0.22%

* 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. : 3.42 %**
- d. **The number of permanent employees on the rolls of Company (March 2020). : 2567**
- 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 financial year 2019-20, excluding KMPs, the total head count is 2661 and remuneration is Rs.214.85 Crores. For the year 2018-19, excluding KMPs, the total head count is 2765 and remuneration is

Rs. 212.25 Crores. Thus increase in remuneration of employees other than KMPs is Rs.1.22% during the financial year 2019-20 over financial year 2018-19.

The total head count of KMPs in 2019-20 is three (3) and the total remuneration is Rs.114.83 Lakhs. Total head count of KMPs in 2018-19 is three (3) and the remuneration is Rs.99.05 lakhs. Thus increase in remuneration of KMPs is 15.94% during the financial year 2019-20 over the financial year 2018-19.

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, 2020****[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12 (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. V Floor, Subramanian Building, No.1 Club 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	99%

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				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	SHAREHOLDING OF PROMOTER AND PROMOTER 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	35.3195	24444900	0	24444900	35.3195	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	35.3195	24444900	0	24444900	35.3195	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	35.3195	24444900	0	24444900	35.3195	0.0000

B.	PUBLIC SHAREHOLDING									
1.	INSTITUTIONS									
a.	MUTUAL FUNDS/ UTI	11640806	5400	11646206	16.8271	12093741	5400	12099141	17.4816	0.6544
b.	FINANCIAL INSTITUTIONS/ BANKS	447173	1400	448573	0.6481	475617	1400	477017	0.6892	0.0410
c.	CENTRAL GOVERNMENT/ STATE GOVERNMENT(S)	1342820	1465760	2808580	4.0580	2403020	405560	2808580	4.0580	0.0000
d.	VENTURE CAPITAL FUNDS	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	INSURANCE COMPANIES	9248436	400	9248836	13.3633	8351407	400	8351807	12.0672	-1.2960
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	425968	0	425968	0.6154	425968	0	425968	0.6154	0.0000
	Foreign Portfolio Investor (Corporate) Category I	1835421	0	1835421	2.6519	3434991	0	3434991	4.9630	2.3111
	Foreign Portfolio Investor (Corporate) Category II	2597598	0	2597598	3.7531	53852	0	53852	0.0778	-3.6753
	Foreign Portfolio Investor (Corporate) Category III	82442	0	82442	0.1191	0	0	0	0.0000	-0.1191
		4941429	0	4941429	7.1396	3914811	0	3914811	5.6563	-1.4833
	SUB - TOTAL (B)(1)	27620664	1472960	29093624	42.0363	27238596	412760	27651356	39.9524	-2.0838
2.	NON- INSTITUTIONS									
a.	BODIES CORPORATE	3617782	173280	3791062	5.4775	3657046	171680	3828726	5.5319	0.0544
b.	INDIVIDUALS -									
	I INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL UPTO RS. 1 LAKH	7177293	307112	7484405	10.8139	7290572	276214	7566786	10.9329	0.1190
	II INDIVIDUAL SHARE HOLDERS HOLDING NOMINAL SHARE CAPITAL IN EXCESS OF RS. 1 LAKH	3116805	0	3116805	4.5033	4400311	0	4400311	6.3578	1.8544
c.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	ANY OTHER									
	CLEARING MEMBERS	113796	0	113796	0.1644	194387	0	194387	0.2808	0.1164
	HINDU UNDIVIDED FAMILIES	502882	0	502882	0.7265	519911	0	519911	0.7512	0.0246

	IEPF	118675	0	118675	0.1714	128986	0	128986	0.1868	0.0148
	NON RESIDENT INDIANS	495121	17700	512821	0.7409	431737	16300	448037	0.6473	-0.0936
	TRUSTS	31630	0	31630	0.0457	27200	0	27200	0.0393	-0.0064
	Others	1262104	17700	1279804	1.8491	1302221	16300	1318521	1.9050	0.0559
	SUB - TOTAL (B)(2)	15173984	498092	15672076	22.6440	16650150	464194	17114344	24.7279	2.0838
	TOTAL PUBLIC SHAREHOLDING (B) = (B)(1)+(B)(2)	42794648	1971052	44765700	64.6804	43888746	876954	44765700	64.6804	0.0000
	TOTAL (A)+(B)	67239548	1971052	69210600	100.0000	68333646	876954	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	0.0000	0	0	0	0.0000	0.0000
	Public	0	0	0	0.0000	0	0	0	0.0000	0.0000
	TOTAL CUSTODIAN (C)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	GRAND TOTAL (A)+(B)+(C)	67239548	1971052	69210600	100.0000	68333646	876954	69210600	100.0000	0.0000

(ii) Shareholding of Promoters

SI No.	Share holder's Name	Shareholding at the beginning of the year As on 1 st April, 2019			Shareholding at the end of the year As on 31 st March, 2020			
		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	35.3195	0.00	24444900	35.3195	0.00	0.00

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

SI. No.		Shareholding at the beginning of the year As on 1 st April, 2019		Shareholding at the end of the year as on 31 st March, 2020	
		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 30-Mar-2019	6305949	9.1112	6305949	9.1112
	Sale 12-Sep-2019	-149471	0.2159	6156478	8.8952
	Sale 20-Sep-2019	-108576	0.1568	6047902	8.7384
	Sale 27-Sep-2019	-79557	0.1149	5968345	8.6234
	Sale 04-Oct-2019	-117494	0.1697	5850851	8.4536
	Sale 11-Oct-2019	-26280	0.0379	5824571	8.4157
	Sale 18-Oct-2019	-83484	0.1206	5741087	8.2950
	Sale 25-Oct-2019	-70545	0.1019	5670542	8.1931
	Sale 01-Nov-2019	-154916	0.2238	5515626	7.9693
	Sale 08-Nov-2019	-59791	0.0863	5455835	7.8829
	Sale 15-Nov-2019	-46915	0.0677	5408920	7.8151
	At the end of the Year 31-Mar-2020	5408920	7.8151	5408920	7.8151
2	HDFC TRUSTEE COMPANY LTD - A/C HDFC HYBRID EQUITY FUND				
	At the beginning of the year 30-Mar-2019	4080900	5.8963	4080900	5.8963
	Purchase 30-Aug-2019	500000	0.7224	4580900	6.6187
	Purchase 27-Sep-2019	316000	0.4565	4896900	7.0753
	At the end of the Year 31-Mar-2020	4896900	7.0753	4896900	7.0753
	HAVING SAME PAN				
2	HDFC TRUSTEE CO LTD A/C HDFC RETIREMENT SAVINGS FUND-EQUITY PLAN				
	At the beginning of the year 30-Mar-2019	140000	0.2022	140000	0.2022
	Purchase 28-Jun-2019	200000	0.2889	340000	0.4912
	Purchase 23-Aug-2019	36000	0.0520	376000	0.5432
	Purchase 30-Aug-2019	100000	0.1444	476000	0.6877
	Purchase 20-Dec-2019	124000	0.1791	600000	0.8669
	At the end of the Year 31-Mar-2020	600000	0.8669	600000	0.8669
	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 CO LTD A/C HDFC RETIREMENT SAVINGS FUND-HYBRID-EQUITY PLAN				
	At the beginning of the year 30-Mar-2019	38000	0.0549	38000	0.0549
	Purchase 28-Jun-2019	22310	0.0322	60310	0.0871
	Purchase 05-Jul-2019	70000	0.1011	130310	0.1882
	Purchase 23-Aug-2019	27000	0.0390	157310	0.2272
	Purchase 18-Oct-2019	39000	0.0563	196310	0.2836
	At the end of the Year 31-Mar-2020	196310	0.2836	196310	0.2836
	HAVING SAME PAN				
2	HDFC TRUSTEE CO LTD A/C HDFC RETIREMENT SAVINGS FUND-HYBRID-DEBT PLAN				
	At the beginning of the year 30-Mar-2019	5000	0.0072	5000	0.0072
	At the end of the Year 31-Mar-2020	5000	0.0072	5000	0.0072
	HAVING SAME PAN				
3	SBI SMALL CAP FUND				
	At the beginning of the year 30-Mar-2019	2500000	3.6121	2500000	3.6121
	Purchase 02-Aug-2019	98065	0.1416	2598065	3.7538
	Purchase 09-Aug-2019	1935	0.0027	2600000	3.7566
	At the end of the Year 31-Mar-2020	2600000	3.7566	2600000	3.7566
	HAVING SAME PAN				
3	SBI LONG TERM ADVANTAGE FUND-SERIES IV				
	At the beginning of the year 30-Mar-2019	230000	0.3323	230000	0.3323
	Sale 27-Sep-2019	-230000	0.3323	0	0.0000
	At the end of the Year 31-Mar-2020	0	0.0000	0	0.0000
	HAVING SAME PAN				
3	SBI RESURGENT INDIA OPPORTUNITIES SCHEME				
	At the beginning of the year 30-Mar-2019	98000	0.1415	98000	0.1415
	Sale 02-Aug-2019	-98000	0.1415	0	0.0000
	At the end of the Year 31-Mar-2020	0	0.0000	0	0.0000
	HAVING SAME PAN				
3	SBI MAGNUM CHILDREN'S BENEFIT FUND				
	At the beginning of the year 30-Mar-2019	28500	0.0411	28500	0.0411
	Purchase 02-Aug-2019	8000	0.0115	36500	0.0527

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 22-Nov-2019	-36500	0.0527	0	0.0000
	At the end of the Year 31-Mar-2020	0	0.0000	0	0.0000
	HAVING SAME PAN				
3	SBI TAX ADVANTAGE FUND SERIES II				
	At the beginning of the year 30-Mar-2019	27000	0.0390	27000	0.0390
	Sale 27-Sep-2019	-27000	0.0390	0	0.0000
	At the end of the Year 31-Mar-2020	0	0.0000	0	0.0000
4	GENERAL INSURANCE CORPORATION OF INDIA				
	At the beginning of the year 30-Mar-2019	2110074	3.0487	2110074	3.0487
	At the end of the Year 31-Mar-2020	2110074	3.0487	2110074	3.0487
5	GOVERNMENT PENSION FUND GLOBAL				
	At the beginning of the year 30-Mar-2019	1717000	2.4808	1717000	2.4808
	Purchase 27-Dec-2019	17000	0.0245	1734000	2.5053
	Sale 06-Mar-2020	-35674	0.0515	1698326	2.4538
	Sale 27-Mar-2020	-63498	0.0917	1634828	2.3621
	Sale 31-Mar-2020	-10576	0.0152	1624252	2.3468
	At the end of the Year 31-Mar-2020	1624252	2.3468	1624252	2.3468
6	WARBURG VALUE FUND				
	At the beginning of the year 30-Mar-2019	1300000	1.8783	1300000	1.8783
	At the end of the Year 31-Mar-2020	1300000	1.8783	1300000	1.8783
7	ICICI PRUDENTIAL MULTI-ASSET FUND				
	At the beginning of the year 30-Mar-2019	911550	1.3170	911550	1.3170
	Purchase 10-May-2019	1567	0.0022	913117	1.3193
	Purchase 17-May-2019	59175	0.0854	972292	1.4048
	Purchase 24-May-2019	39258	0.0567	1011550	1.4615
	Purchase 14-Jun-2019	146164	0.2111	1157714	1.6727
	Purchase 26-Jul-2019	100000	0.1444	1257714	1.8172
	Purchase 02-Aug-2019	51768	0.0747	1309482	1.8920
	Purchase 03-Jan-2020	7786	0.0112	1317268	1.9032
	Purchase 31-Jan-2020	7194	0.0103	1324462	1.9136
	Purchase 21-Feb-2020	9249	0.0133	1333711	1.9270
	Purchase 28-Feb-2020	150841	0.2179	1484552	2.1449
	Purchase 06-Mar-2020	40907	0.0591	1525459	2.2040

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 13-Mar-2020	47906	0.0692	1573365	2.2733
	Purchase 20-Mar-2020	3531	0.0051	1576896	2.2784
	At the end of the Year 31-Mar-2020	1576896	2.2784	1576896	2.2784
	HAVING SAME PAN				
7	ICICI PRUDENTIAL INFRASTRUCTURE FUND				
	At the beginning of the year 30-Mar-2019	252376	0.3646	252376	0.3646
	Purchase 14-Jun-2019	73082	0.1055	325458	0.4702
	Purchase 21-Jun-2019	1165	0.0016	326623	0.4719
	Purchase 26-Jul-2019	50000	0.0722	376623	0.5441
	Purchase 02-Aug-2019	884	0.0012	377507	0.5454
	Purchase 31-Jan-2020	9043	0.0130	386550	0.5585
	Purchase 14-Feb-2020	60187	0.0869	446737	0.6454
	At the end of the Year 31-Mar-2020	446737	0.6454	446737	0.6454
	HAVING SAME PAN				
7	ICICI PRUDENTIAL MANUFACTURE IN INDIA FUND				
	At the beginning of the year 30-Mar-2019	220035	0.3179	220035	0.3179
	At the end of the Year 31-Mar-2020	220035	0.3179	220035	0.3179
	HAVING SAME PAN				
7	ICICI PRUDENTIAL S&P BSE 500 ETF				
	At the beginning of the year 30-Mar-2019	25	0.0000	25	0.0000
	Purchase 17-May-2019	42	0.0000	67	0.0000
	Purchase 24-May-2019	21	0.0000	88	0.0001
	Purchase 05-Jul-2019	21	0.0000	109	0.0001
	Purchase 26-Jul-2019	21	0.0000	130	0.0001
	Purchase 16-Aug-2019	21	0.0000	151	0.0002
	Purchase 23-Aug-2019	22	0.0000	173	0.0002
	Purchase 30-Aug-2019	21	0.0000	194	0.0002
	Purchase 27-Sep-2019	43	0.0000	237	0.0003
	Purchase 30-Sep-2019	21	0.0000	258	0.0003
	Purchase 04-Oct-2019	21	0.0000	279	0.0004
	Purchase 11-Oct-2019	21	0.0000	300	0.0004
	Purchase 18-Oct-2019	3	0.0000	303	0.0004
	Purchase 25-Oct-2019	21	0.0000	324	0.0004
	Purchase 22-Nov-2019	21	0.0000	345	0.0004

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 27-Dec-2019	23	0.0000	368	0.0005
	Purchase 10-Jan-2020	21	0.0000	389	0.0005
	Purchase 31-Jan-2020	21	0.0000	410	0.0005
	Purchase 07-Feb-2020	21	0.0000	431	0.0006
	Purchase 14-Feb-2020	11	0.0000	442	0.0006
	Purchase 06-Mar-2020	55	0.0000	497	0.0007
	Purchase 20-Mar-2020	33	0.0000	530	0.0007
	Purchase 27-Mar-2020	44	0.0000	574	0.0008
	Purchase 31-Mar-2020	22	0.0000	596	0.0008
	At the end of the Year 31-Mar-2020	596	0.0008	596	0.0008
	HAVING SAME PAN				
7	ICICI PRUDENTIAL VALUE FUND - SERIES 15				
	At the beginning of the year 30-Mar-2019	0	0.0000	0	0.0000
	Purchase 21-Jun-2019	9620	0.0138	9620	0.0138
	Purchase 19-Jul-2019	33852	0.0489	43472	0.0628
	Purchase 26-Jul-2019	116148	0.1678	159620	0.2306
	Purchase 02-Aug-2019	50531	0.0730	210151	0.3036
	Sale 06-Sep-2019	-57094	0.0824	153057	0.2211
	Sale 12-Sep-2019	-153057	0.2211	0	0.0000
	Purchase 17-Jan-2020	49288	0.0712	49288	0.0712
	Purchase 06-Mar-2020	50000	0.0722	99288	0.1434
	Purchase 20-Mar-2020	80000	0.1155	179288	0.2590
	At the end of the Year 31-Mar-2020	179288	0.2590	179288	0.2590
8	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE PURE VALUE FUND				
	At the beginning of the year 30-Mar-2019	738554	1.0671	738554	1.0671
	Sale 07-Jun-2019	-8000	0.0115	730554	1.0555
	Sale 21-Jun-2019	-9050	0.0130	721504	1.0424
	Sale 23-Aug-2019	-115600	0.1670	605904	0.8754
	Sale 06-Sep-2019	-57000	0.0823	548904	0.7930
	Sale 20-Sep-2019	-42800	0.0618	506104	0.7312
	Sale 20-Dec-2019	-94400	0.1363	411704	0.5948
	Sale 27-Dec-2019	-9213	0.0133	402491	0.5815
	Sale 03-Jan-2020	-48000	0.0693	354491	0.5121

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 10-Jan-2020	-38636	0.0558	315855	0.4563
	Sale 17-Jan-2020	-39800	0.0575	276055	0.3988
	Sale 07-Feb-2020	-4807	0.0069	271248	0.3919
	Sale 14-Feb-2020	-71248	0.1029	200000	0.2889
	Sale 21-Feb-2020	-64872	0.0937	135128	0.1952
	Sale 13-Mar-2020	-245	0.0003	134883	0.1948
	Sale 31-Mar-2020	-25000	0.0361	109883	0.1587
	At the end of the Year 31-Mar-2020	109883	0.1587	109883	0.1587
	HAVING SAME PAN				
8	AADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE DIVIDEND YIELD FUND				
	At the beginning of the year 30-Mar-2019	579900	0.8378	579900	0.8378
	At the end of the Year 31-Mar-2020	579900	0.8378	579900	0.8378
	HAVING SAME PAN				
8	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE BALANCED ADVANTAGE FUND				
	At the beginning of the year 30-Mar-2019	577700	0.8346	577700	0.8346
	Sale 14-Jun-2019	-200000	0.2889	377700	0.5457
	At the end of the Year 31-Mar-2020	377700	0.5457	377700	0.5457
	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 30-Mar-2019	408000	0.5895	408000	0.5895
	Sale 14-Feb-2020	-2150	0.0031	405850	0.5863
	Sale 21-Feb-2020	-13351	0.0192	392499	0.5671
	Sale 28-Feb-2020	-201960	0.2918	190539	0.2753
	At the end of the Year 31-Mar-2020	190539	0.2753	190539	0.2753
	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 30-Mar-2019	70000	0.1011	70000	0.1011
	Sale 27-Sep-2019	-23000	0.0332	47000	0.0679

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 07-Feb-2020	-2826	0.0040	44174	0.0638
	Sale 14-Feb-2020	-44174	0.0638	0	0.0000
	At the end of the Year 31-Mar-2020	0	0.0000	0	0.0000
9	FINQUEST SECURITIES PVT. LTD. - CLIENT BENEFICIARY A/C				
	At the beginning of the year 30-Mar-2019	660300	0.9540	660300	0.9540
	Purchase 17-May-2019	3500	0.0050	663800	0.9591
	Purchase 21-Jun-2019	6400	0.0092	670200	0.9683
	Sale 26-Jul-2019	-670200	0.9683	0	0.0000
	At the end of the Year 31-Mar-2020	0	0.0000	0	0.0000
	HAVING SAME PAN				
9	FINQUEST SECURITIES PVT LTD				
	At the beginning of the year 30-Mar-2019	55700	0.0804	55700	0.0804
	Sale 12-Apr-2019	-8800	0.0127	46900	0.0677
	Sale 17-May-2019	-3500	0.0050	43400	0.0627
	Sale 21-Jun-2019	-8800	0.0127	34600	0.0499
	Sale 06-Sep-2019	-34600	0.0499	0	0.0000
	At the end of the Year 31-Mar-2020	0	0.0000	0	0.0000
10	TAMILNADU INDUSTRIAL DEVELOPMENT CORPORATION LTD				
	At the beginning of the year 30-Mar-2019	600000	0.8669	600000	0.8669
	At the end of the Year 31-Mar-2020	600000	0.8669	600000	0.8669
	NEW TOP 10 AS ON (31-Mar-2020)				
11	HARDIK BHARAT PATEL JT1 : MINAL BHARAT PATEL				
	At the beginning of the year 30-Mar-2019	0	0.0000	0	0.0000
	Purchase 26-Jul-2019	670200	0.9683	670200	0.9683
	Sale 06-Sep-2019	-670200	0.9683	0	0.0000
	Purchase 20-Mar-2020	868291	1.2545	868291	1.2545
	At the end of the Year 31-Mar-2020	868291	1.2545	868291	1.2545

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
12	BAJAJ ALLIANZ LIFE INSURANCE COMPANY LTD.				
	At the beginning of the year 30-Mar-2019	317000	0.4580	317000	0.4580
	Purchase 05-Apr-2019	138000	0.1993	455000	0.6574
	Purchase 24-Jan-2020	210000	0.3034	665000	0.9608
	Purchase 31-Jan-2020	40000	0.0577	705000	1.0186
	Purchase 07-Feb-2020	40000	0.0577	745000	1.0764
	At the end of the Year 31-Mar-2020	745000	1.0764	745000	1.0764

(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, 2019)		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, IAS, Chairman At the beginning of the year Date wise Increase/Decrease At the end of the year	- -	- -	-	-
2.	Thiru S Sivashanmugaraja, IAS Managing Director At the beginning of the year Date wise Increase/Decrease At the end of the year	- -	- -	-	-
3.	Thiru K Shanmugam ¹ , IAS Director At the beginning of the year Date wise Increase/Decrease At the end of the year	- -	- -	-	-
4.	Thiru S Krishnan ² , IAS Director At the beginning of the year Date wise Increase/Decrease At the end of the year	- -	- -	-	-
5.	Tmt Reeta Harish Thakkar, IAS 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
6.	Thiru V Nagappan Director At the beginning of the year Date wise Increase/Decrease At the end of the year	- -	- -	-	-
7.	Thiru N Narayanan, IAS (Retd.) ³ Director At the beginning of the year Date wise Increase/Decrease At the end of the year	- -	- -	-	-
8.	Tmt. Soundara Kumar Director At the beginning of the year Date wise Increase/Decrease At the end of the year	- -	- -	-	-
9.	Thiru V Chandrasekaran Director At the beginning of the year Date wise Increase/Decrease At the end of the year	- -	- -	-	-
10.	Thiru P B Santhanakrishnan ⁴ Director At the beginning of the year Date wise Increase/Decrease At the end of the year	- -	- -	-	-
11.	Dr M Arumugam ⁵ Director At the beginning of the year Date wise Increase/Decrease At the end of the year	- -	- -	-	-
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 K Shanmugam, IAS ceased to be a director w.e.f. 16.07.2019
2. Thiru S Krishnan, IAS was appointed as Additional Director w.e.f. 16.07.2019
3. Thiru N Narayanan, IAS (Retd.) ceased to be Independent Director (1st Term) w.e.f. 13.07.2019 and appointed as Additional Independent Director (2nd Term) w.e.f. 19.09.2019.
4. Thiru P B Santhanakrishnan was appointed as Additional Independent Director w.e.f. 19.09.2019.
5. Dr M Arumugam was appointed as Additional Independent Director w.e.f. 19.09.2019.

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 (01.04.2019)				
i) Principal Amount				
- Other than Debentures	167,819.83	-		167,819.83
- 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)	168,473.72	-		168,473.72
Change in Indebtedness during the financial year				
i) Addition				
- Other than Debentures	27,500	-		27500
- Debentures	-	-		-
ii) Reduction*				
- Other than Debentures	(6,808.49)	-		(6,808.49)
- Debentures	-	-	-	-
iii) Interest Accrued but not paid				
- Other than Debentures	(93.77)	-	-	(93.77)
- Debentures	-	-	-	-
iv) Interest accrued but not due				
- Other than Debentures	-	-	-	-
- Debentures				
Net Change	20,597.73	-		20,597.73
Indebtedness at the end of The financial year				
i) Principal Amount				
- Other than Debentures	188,511.34			188,511.34

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
- Debentures	-	-	-	-
ii) Interest Accrued but not paid				
- Other than Debentures	-	-	-	-
- Debentures	-	-	-	-
iii) Interest accrued but not due				
- Other than Debentures	560.11			560.11
- Debentures	-	-	-	-
Total (i+ii+iii)	189,071.45			189,071.45

*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)

Sl. 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	41.63	41.63
	(b) Value of perquisites under Section17(2) Income-taxAct,1961	4.07	4.07
	(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.	8.15	8.15
	Total(A)	53.85	53.85
	Ceiling as per the Act (5% of Net Profit)	952.67	952.67

B. REMUNERATION TO OTHER DIRECTORS

(₹ in Lakh)

Sl. no	Particulars of Remuneration	Name of Directors						Total Amount
1.	Independent Directors	Thiru N. Narayanan (IAS (Retd.))	Thiru V Nagappan	Tmt. Soundara Kumar	Thiru V. Chandrasekaran	Thiru P B Santhana-krishnan	Dr M Arumugam	
	Fee for attending board/committee meetings	2.60	6.35	7.00	7.00	2.90	2.00	27.85
	Commission	-	-	-				
	Others, please specify	-	-	-				
Total (1)								27.85

Sl. no	Particulars of Remuneration	Name of Directors				Total Amount
2.	Other Non-Executive Directors	Thiru N. Muruganandam, IAS	Thiru K Shanmugam IAS *	Thiru S Krishnan, IAS #	Tmt Reeta Harish Thakkar, IAS	
	• Fee for attending board/committee meetings	1.75	0.35	1.75	1.05	4.90
	• Commission	-	-	-		
	• Others, please specify	-	-	-		
Total(2)						4.90
Total (B)=(1+2)						32.75
Total Managerial Remuneration(A)+(B)						86.60
Overall Ceiling as per the Act(11%of Net Profit)						2095.83

* Ceased to be a Director w.e.f. 16.07.2019

appointed as Director w.e.f. 16.07.2019

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

(₹ in Lakh)

Sl. no	Particulars of Remuneration	Key Managerial Personnel		
		Thiru. V. Ramanathan Executive Director Finance & Chief Financial Officer	Thiru V. Sivakumar Company Secretary	Total
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	33.03	21.64	54.67
	(b) Value of perquisites under section17(2) Income-tax Act,1961	2.49	0.39	2.88
	(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	4.06	0.97	5.03
	Total	39.58	23.00	62.58

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF 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

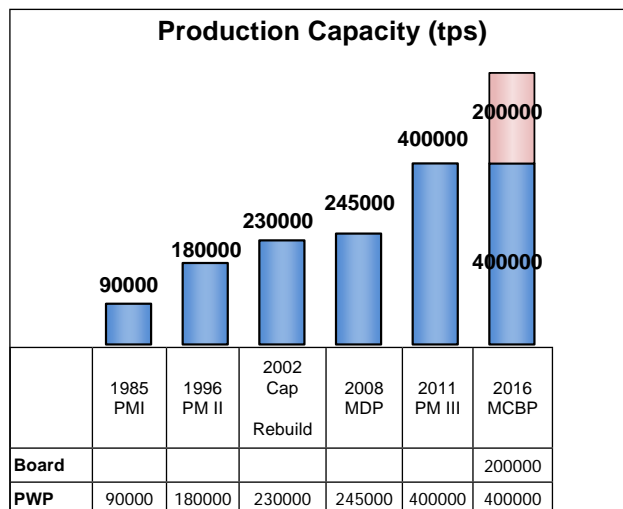
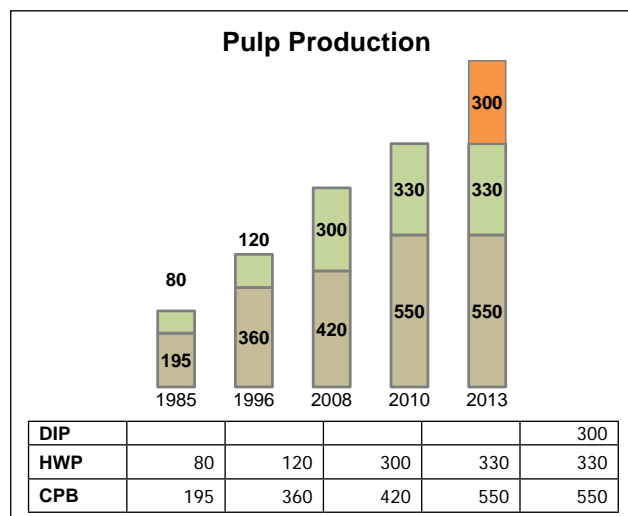
MANAGEMENT DISCUSSION AND ANALYSIS

I. 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 paper, 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 2020-21.

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

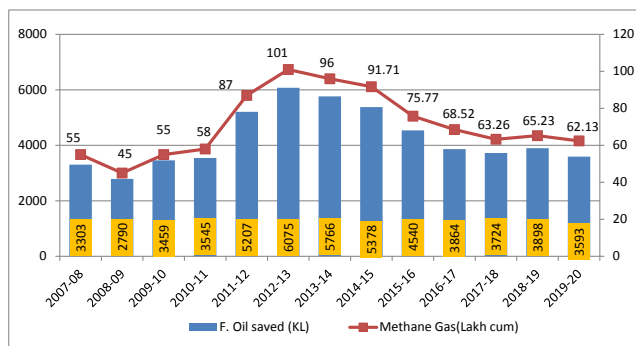
Cost saving measures are undertaken as a continuous exercise in TNPL to keep the cost of production low. TNPL has benchmarked the entire operations and monitor the actuals with reference to the targets set. The concerted actions on process improvement, productivity enhancement, cost reduction measures 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 2019-20, TNPL has consumed 59963 MT of lime sludge for cement manufacturing in conservation of 69653 MT of lime stone.

Two bio-methanation plants consisting of four numbers of UASB reactors set up within the factory premises have generated cumulatively 62.13 lakh m³ of methane gas during 2019 - 20. 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 3593.3 kl of high cost furnace oil and 262 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

Vision of TNPL is translated into reality by its team of dedicated Executives, Staff and Workmen. Training is imparted to improve the knowledge and skill of the employees at all levels. Senior Executives are deputed to management programs conducted by leading Management Institutes.

The Company has implemented a periodical performance appraisal system. Key performance Indicators (KPI) is set for the organisation, 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 76023 mts of PWP to 30 countries during the year 2019-20.

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 31.3.2020 is 8.33% (31.03.2019: 8.67%).

IV. THE SUCCESS DRIVERS

Environment Management

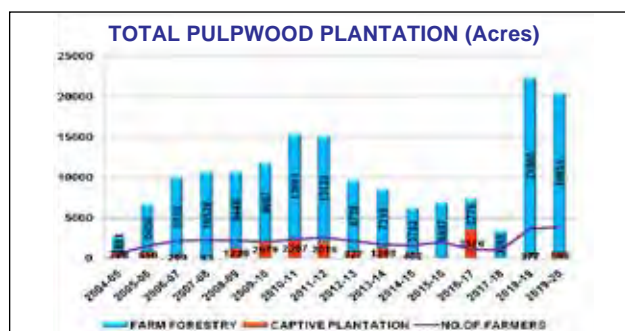
TNPL treats environment improvement as a priority area. Continuous studies are undertaken to reduce the water consumption with improvement in the quality of effluent. Compliance to pollution control norms and CREP regulations are strictly adhered to. The mill has implemented several water conservation measures and reduced water consumption to 35 KL per ton of paper during 2019-20 which is one of the lowest in the paper industry. Continuous efforts are taken to reduce the water consumption to maximum possible extent at all stages.

SUSTAINED AVAILABILITY OF PULPWOOD

In line with the National Forest Policy, 1988, which states that forest based industries are to produce the required raw material on its own by making linkage with the farmers. Implementing the tree farming activity outside forest area is thus a significant step towards converting the underutilized degraded wastelands into green cover. Further, by establishing pulpwood raw material outside the forest area, the same amount of natural forest remains protected without disturbance for pulpwood and firewood.

On these lines, TNPL has initiated plantation programme by the introduction of two plantation schemes in the year 2004, namely the Farm Forestry and Captive Plantation and has accelerated the pace to increase the area under pulp wood plantations. Both schemes are economically viable, socially compatible, and people centric. The major activities carried out in this programme are motivating the farmers on tree farming and facilitating them to raise the pulpwood plantations. Presently, developments of pulpwood plantation in the land belonging to small and marginal farmers and institutional, temple and government lands are encouraged.

As shown in the fig. below, these schemes have been implemented over 1,67,615 acres of which 16,465 acres are under the captive plantation scheme and 1,51,150 acres are under the Farm forestry scheme involving more than 32,209 farmers. Through these pro-afforestation schemes, TNPL is the first company in the country to procure about 1.5 million MT of pulpwood directly from farmers. In addition, TNPL also generated employment of about 4 million mandays for the landless and financially weaker section while contributing to the socio economic welfare of the farming community.



FORESTRY RESEARCH

Varying climatic conditions, soil types, fluctuating water availability, and diminishing land availability, pose the challenge of cultivating more trees in lesser space. Keeping these hurdles as stepping stone for improvement, TNPL, with its expert team of Tree breeders, soil scientists, microbiologists and ecologists stream the knowledge together to arrive at solutions that are ecologically compliant, sustainable availability of pulpwood and remunerative for farmers. TNPL produces superior 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 Superior Genetic material, standardization of propagation technique, multi-location trial and Release of new clones and production of quality saplings for commercial propagation. As a result of continuous research activities for the past 10 years, the company has released three high yielding Eucalyptus clones viz., TNPL191, TNPL192 & TNPL193 during this year.

PLANT PROPAGATION

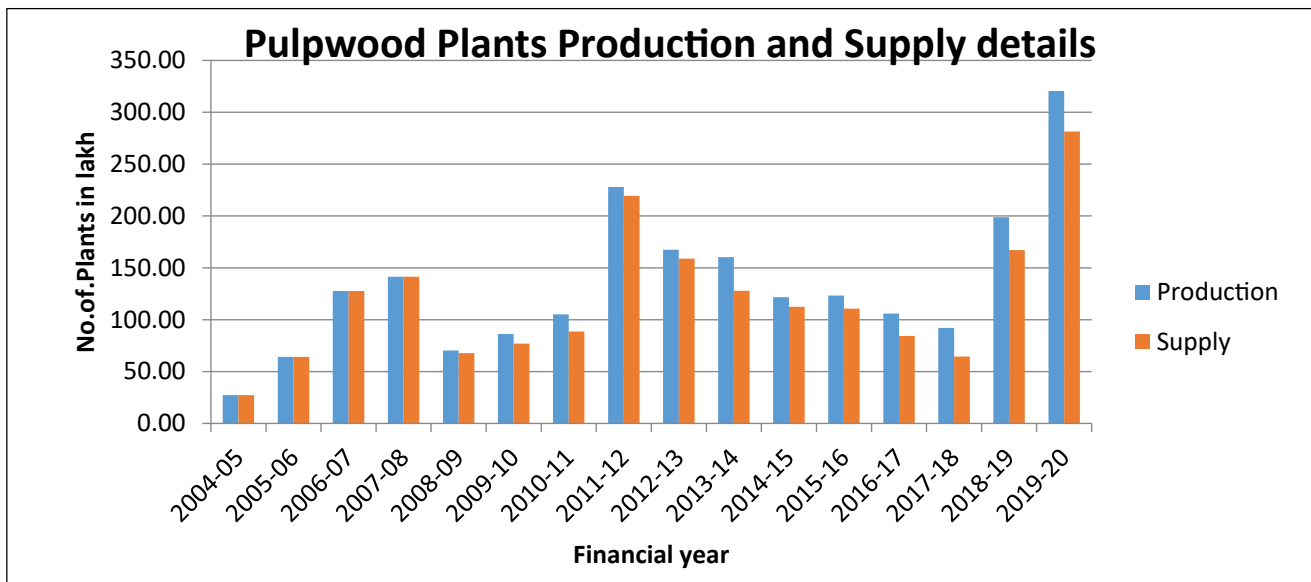
Tamil Nadu Newsprint and Papers Limited houses one of India's most advanced Clonal Propagation and



Selection, Hybridization, Variety release and field performance of TNPL 193 CLONE

Research Centre (CPRC) to propagate new superior clones through apical shoot mini-cutting technology. The mother plantlets produced in the tissue culture lab are further mass multiplied through mini-cutting technique at the Clonal Propagation Centres. The existing clonal propagation facilities at TNPL Unit 1 with the annual production capacity of 15 million clones has been enhanced to 25 million clones by adding additional infrastructure during the year. In addition, the newly established Plant Propagation Centre (PPC) at TNPL Unit 2 at Mondipatti will be able

to produce about 15 million clones per annum, which shall produce cumulatively about 40 million clones per annum. In order to meet the additional requirement of Casuarina seedlings in the coastal regions a decentralized nursery was established during the year at Jayangondam, Ariyalur district to cater the needs of East and North Zones. With these facilities, the company was able to produce about 32 million plants during the year and supplied about 28 million saplings to the farmers. The year-wise production and supply of saplings are given in the fig below:



Plant Propagation centre established at Unit 2

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.

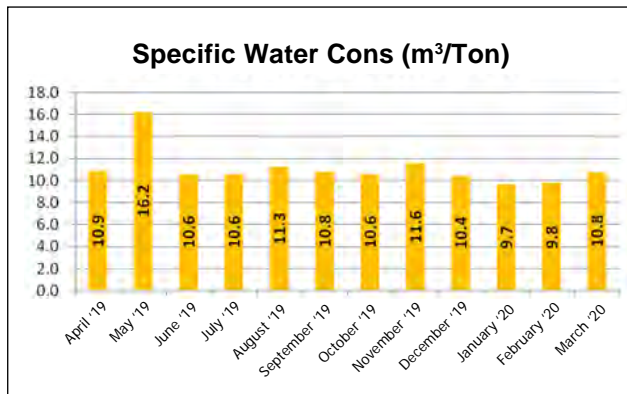
Water Management at Unit-I

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 35 KL per ton of paper- the lowest in the Industry.

Water and Environment Management at Unit-II

The mill sources water from River Cauvery. The mill has implemented water conservation measures and in 2019-20, the specific water consumption has been reduced to 11.1 m³/T of Board against level of 16m³/T of Board during 2018-19. The entire board

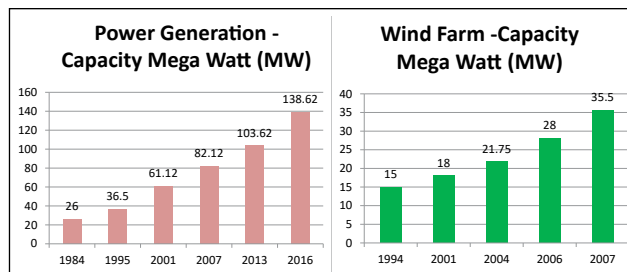
manufacturing process is being carried out with a closed loop system to reduce fresh water consumption and water conservation measures were implemented to reuse the final effluent for secondary uses.



TNPL Unit II has implemented state-of-the-art Effluent treatment process and the entire treated effluent is being used for plantation through drip irrigation of 650 acres. Compliance to pollution control norms – both water and air, are strictly adhered to.

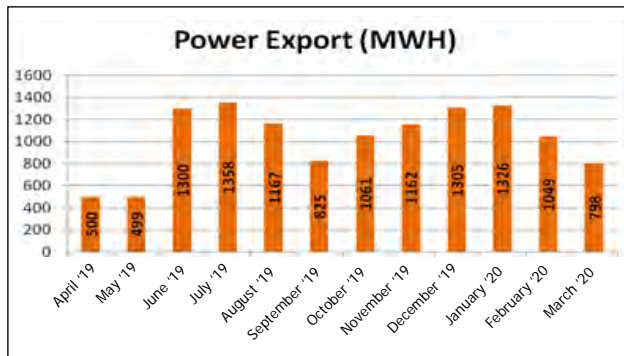
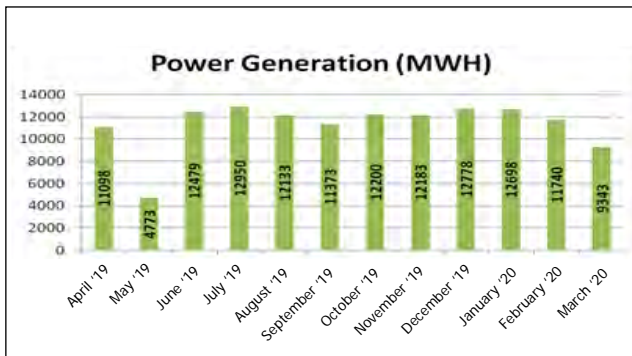
Energy Management

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.

TNPL Unit II has two power boilers and one Turbo generator with a generation capacity of 35MW. Unit II is self sufficient in power and surplus power is exported to TANGEDCO.



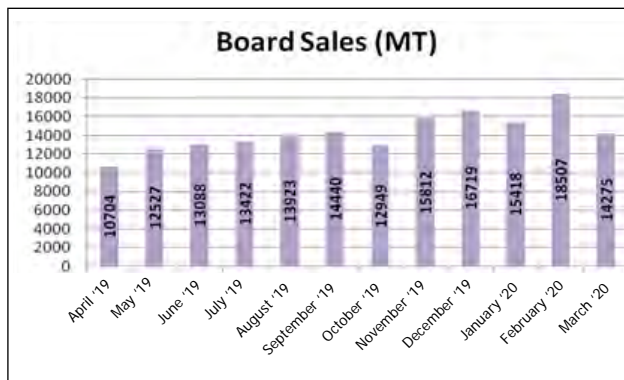
Marketing Management at Unit-I

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 improved 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.

Marketing Management at Unit-II

TNPL unit II has established a strong and wide marketing network of dealers for the board products. In addition there has been demand for export of boards which bear testimony for the quality at par with international players. During the year 2019-20, TNPL unit 2 has dispatched 171785 MT of board.



Research and Development at Unit-I

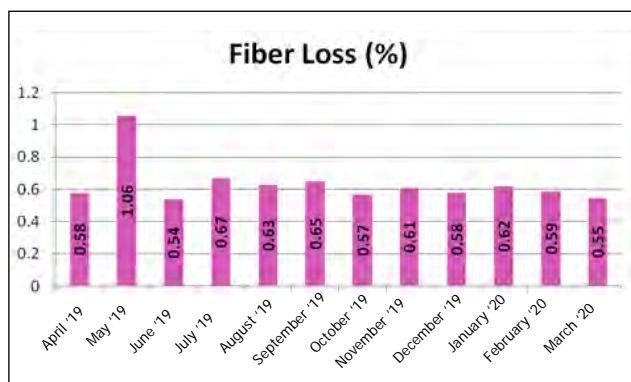
The major issues of Pulp and Paper Industry in India are high cost of production caused by inadequate availability of raw material, high cost of raw material, non-availability of good quality fiber and environmental challenges. To overcome above hurdles TNPL's R & D focus on optimization of raw material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

Research and Development Unit II – new product development and improvement

Product development to meet customer satisfaction and market demand has been the aim of Research and Development wing. New products were developed for the market in the packaging segment. Tailor made products suiting specific industry requirement were developed in 19-20.

1. Aura Green Liner – developed for Corrugated box outer liner and for marine packaging with higher burst factor and RCT .
2. Aura Green Uncoated – specific for packaging segments – marine packaging segment
3. Aura Brilliant Plus – Aura fold blue grade with brilliant shade and higher bulk for Pharma segment
4. Aura Fold Eco Blue – Medium bulk board with surface for premium print segment

Continuous improvements are made in both furnish composition, pulp parameters, machine parameters to improve the Board quality at par with international boards, for multifarious applications. Likewise continuous improvements made in process resulted in reduction in fibre loss and better fibre utilization and lower specific consumption of utilities and chemicals.



Quality Control at Unit-I

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.

Quality Control at Unit-II

Board quality is being monitored on real time basis with installed online Quality Control system on six locations in the board machine. The final board quality after manufacture however is subjected to stringent Quality testing with state-of-the-art Autolab, to meet

customer requirements and satisfaction. Customer feedback has been the main input to improvement in quality.

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 Plan, 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 31.3.2020 is Rs. 1610.09 Crore. The working capital loans outstanding as on 31.3.2020 is Rs. 566.99 Crore. The weighted average cost of loan outstanding as on 31.3.2020 is 8.33%.

VI. OUTLOOK, OPPORTUNITIES AND CHALLENGES

The Indian paper industry has close linkages with economic growth. India’s growth in the fourth quarter of the fiscal year 2020 went down to 3.1% according to the Ministry of Statistics. This drop is mainly due to the coronavirus pandemic effect on the Indian economy.

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.

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 forecast based on the general improvement in the economic situation and increasing literacy level in the developing countries.

Indian paper industry is going through a very trying phase as of now. Most of Industrial activity is restricted due to the ensuing Pandemic situation across the country. Lock down was imposed in phases across the country starting with the first phase in the 4th week of March 2020. This led to a complete stand still of Industrial activity for 21 days. Subsequently Lock down was relaxed for certain segments like Essential commodities, and gradual lifting of Lock down is under progress. 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 2025.

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 2019-20, TNPL utilized 59.92 Lakh m³ of bio gas in lime kiln and 2.01 Lakh m³ of bio gas in power boilers resulted in savings of 3593.3 KL of furnace oil and 262 MT of imported coal.

VIII. HUMAN RESOURCES DEVELOPMENT

a. KNOWLEDGE SHARING:

Alfresco portal has been installed for Training section wherein, 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 intangible benefit.

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 mid May 2018. Bonus / Ex-gratia was amicably resolved with the 5 Recognized Trade Unions for the financial year 2018-2019.

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/organisations/Associations like IIMs, FICCI, NITIE, CII, IPPTA, IPMA and NPC etc.

Accordingly for the year 2019 - 2020, 104 in-house training programmes were conducted on various topics by covering 2332 mandays. The topics include Energy Management System ISO 50001:2018 Standards by M/s. Quality Council of India, Capacity Building Workshop by Sustainability core team members by M/s. Confederation of Indian Industry - M/s. ITC Centre of Excellence for Sustainable Development (CESD), New Delhi, Green Co Rating System Site Assessment by M/s. Confederation of Indian Industry, Hyderabad etc., Besides this, over 249 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 workmen / chargemen and 810 of them from 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 155 Graduate Apprentices, 25 Diploma Apprentices as per the guidance of the Board of Apprenticeship Training, Chennai and 122 ITI Apprentices as per the guidance of The Regional Joint Director of Training, Trichy / Asst. Director of Training, Related Instruction Centre, Namakkal & 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 Personal Social Responsibility. 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 equipments 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 2019-20, TNPL has spent Rs. 3.99 crores towards CSR activities.

As required in the Companies Act, 2013, "Corporate Social Responsibility Committee" consisting of four Independent Directors is functioning in TNPL.

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	2019-20	2018-19	% change Inc / Dec	Remarks
Revenue from Operation	Rs Cr	3437.60	4040.87	-15	
EBIDTA Margin *	%	18.8	17.0	10	
Operating Profit Margin (EBIT) *	%	25.5	22.6	13	
Net Profit Margin (PAT)	%	3.8	2.3	62	Note 1
Interest cover ratio (All Loans) *	times	2.90	2.95	-2	
Debt Equity Ratio (Long term)	times	0.87	1.01	14	
Debt Equity Ratio - LTL (Excl. Project loan) **	"	0.94	1.01	7	
Current ratio #	times	1.27	1.00	27	Note 2
Debtors Turnover (as a % on Revenue)	%	15	11	-40	Note 3
Inventory Turnover (as a % on Revenue)	%	25	21	-16	Note 4
Return on Net Worth	%	7.6	5.7	33	Note 1

* Profit prior to exceptional item

** 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 : During 2018-19, Rs 73.19 Cr provided towards exceptional items due to this company's Net profit has reduced to Rs 94.39 Cr. For the year 2019-20, only Rs 1.21 Cr provided as exceptional item and the company earned Net profit after exceptional items of Rs 130.03 Cr. So, Net Profit Margin and Return on Net Worth has improved.

Note 2 : Increase in Current Ratio is mainly due to reduction in acceptances, other current liabilities and increase in receivables

Note 3 : During the year, company's turnover declined by 15% due to restricted production and also lower collection in Q4 resulting in increase in debtors %.

Note 4 : Though there is a reduction of 2% in inventory, turnover of the company has also declined by 15%, resulting in increase in Inventory %.

ANNEXURE- VII

REPORT ON CORPORATE GOVERNANCE

This Corporate Governance Report relating to the year ended on 31st March, 2020 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), 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, 2020, the Board consisted of Ten directors – a Chairman, Managing Director (Executive Director) nominated by GOTN and two non-executive Directors nominated by GOTN, and six 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.

Thiru N Narayanan, I.A.S., (Retd.), Thiru V Chandrasekaran, Thiru V Nagappan, Tmt Soundara Kumar, Thiru P B Santhanakrishnan and Dr M Arumugam are categorized as Independent Directors

During the year 2019 -20, following changes took place in the composition of the Board:

Sl. No.	Name of Director	Event Date	Appointment / Cessation
1.	Thiru N Narayanan, I.A.S., (Retd.)	13.07.2019	Ceased to be a Director
2.	Thiru. K Shanmugam, I.A.S.,	16.07.2019	Ceased to be a Director
3.	Thiru. S Krishnan, I.A.S.,	16.07.2019	Appointed as Additional Director
4.	Thiru P B Santhanakrishnan	19.09.2019	Appointed as Additional Independent Director
5.	Thiru N Narayanan, I.A.S., (Retd.)	19.09.2019	Appointed as Additional Independent Director (2nd Term)
6.	Dr M Arumugam	19.09.2019	Appointed as Additional Independent Director

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 16th March, 2020 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 2019-2020, 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 N Muruganandam, I.A.S.,	Non-Executive	8	5	Yes	8	1	-	-
Thiru S. Sivashanmugaraja, IAS, Managing Director	Executive	8	7	Yes	0	0	-	-
Thiru K Shanmugam, IAS (upto 16.07.2019)	Non-Executive	1	1	No	10	0	3	2
Thiru S Krishnan, I.A.S.,	Non-Executive	7	5	No	10	0	4	3
Tmt Reeta Harish Thakkar, IAS	Non-Executive	8	3	Yes	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 N Narayanan, IAS (Retd.) (upto 13.07.2019 (Reappointed 2nd Term from 19.09.2019)	Independent Non-Executive	5	4	NA	1	0	0	0
Thiru V Nagappan	Independent Non-Executive	8	7	Yes	2	0	1	0
Tmt. Soundara Kumar	Independent Non-Executive	8	8	Yes	7	0	2	2
Thiru V. Chandrasekaran	Independent Non-Executive	8	8	Yes	8	0	2	4
Thiru P B Santhanakrishnan	Independent Non-Executive	4	4	NA	0	0	0	0
Dr M Arumugam	Independent Non-Executive	4	4	NA	0	0	0	0

*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
Thiru 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. of Tamil Nadu.
Thiru 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.

Name of the Directors	Qualification	Skills/Competence/Expertise
Thiru S Krishnan, IAS	B.A (Hons), M.A (Economics), IAS	Thiru S Krishnan IAS belongs to 1989 batch of Indian Administrative Service. He has 30 years of service in various departments of Government of Tamil Nadu. Currently, he holds the position of Additional Chief Secretary to Government, Finance Department., Govt of Tamilnadu
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.

Name of the Directors	Qualification	Skills/Competence/Expertise
Thiru V Chandrasekaran	B.Com, F.C.A.	<p>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.</p>
Thiru P B Santhanakrishnan	B.Sc, F.C.A.	<p>Thiru P B Santhanakrishnan Chartered Accountant with 41 years of experience in the finalization of Public Sector Banks/ Undertakings/Listed Companies/Charitable Institutions/Educational Institutions and Non Profit Organizations'. He is also a former Director in Oriental Bank of Commerce and Canfin homes Ltd. Member RBI Committee on RTGS</p> <p>He has made numerous representations before SEBI/ SAT/BIFR/CBDT & ITAT on Corporate /Income Tax/FEMA matters.</p>
Dr M Arumugam	Ph. D (Supply chain management), M.B.A., Ph. D (Artificial Intelligence), M.Tech I.I.T	<p>Dr. M Arumugam has been in software industry with 3 decades of experience and founded Broadline Group of Companies which includes Broadline computer systems and Broadline Technologies Private Limited, a premier player in IT services.</p> <p>He has pioneered the drug logistics management model for the state of Tamil Nadu, which has won acclaims from World Bank, WHO and other leading international agencies. This model has been replicated across India and Worldwide. He has also been providing consultancy to various national and international organizations in health, logistics and SCM, power and education.</p> <p>He has been instrumental in spearheading and carrying out a number of state and federal government IT initiatives for e-governance, especially those centered on the health, defence, education, public sector and power industries. He won the prestigious Prime Ministers e-governance award for successful innovation in the year 2000.</p> <p>The Tamil Nadu government appointed him as a member of the States' IT standardization committee and in this position he has been successful in bringing wider awareness about IT applications to decision makers.</p>

Name of the Directors	Qualification	Skills/Competence/Expertise
Dr M Arumugam		<p>He has worked as a consultant at the Home Ministry of Government of India and number of projects with Danida Unaid, The World Bank specializing on different aspects of SCM and logistics-sourcing and procurement, forecasting, storage and distribution, MIS, etc., particularly in health sector.</p> <p>His keen interest in furthering education and social growth has resulted in him being associated with the Anna University, Chennai, IIT and several other educational institutions in India on an advisory basis. He has held positions of Member of the Doctoral Committee, Syndicate Member and Member Board of Studies at these Universities.</p> <p>He was also associated as Adjunct Professor of Supply Chain Massachusetts Institute of Technology-Zaragoza Logistics Centre, Zaragoza, Spain in 2008.</p> <p>Currently he is associated as Professor of Technology in Plymouth University, UK.</p>

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	Director
3.	Tamilnadu Industrial Investment Corporation Limited	Nominee Director
4.	Tamilnadu Generation and Distribution Corporation Board	Nominee Director
5.	Titan Company Limited	Chairman
6.	TIDEL Park Limited	Director
7.	Tamilnadu Minerals Limited	Nominee Director
8.	TANCEM	Director

Sl. No.	Names of the companies /bodies corporate / firms / association of individuals	Nature of interest or concern / change in interest or concern
	Private Companies / Bodies	
9.	IIT Madras Research Park (Sec.8 Company)	Director
10.	Tamilnadu Industrial Guidance and Export Promotion Bureau	Chairman
11.	Chennai Metropolitan Development Authority	Member
12.	Entrepreneurship Development Institute	Director
13.	Mono Rail Empowered Committee	Member
14.	Tamilnadu Trade Promotion Organisation	Nominee Director

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

Eight Board Meetings were held during the year 2019-20 as against the minimum requirement of four meetings. The meetings were held on the following dates:

28.05.2019, 13.08.2019, 13.09.2019, 19.09.2019, 7.11.2019, 13.02.2020, 24.02.2020 and 16.03.2020.

c) 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 update
- 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.

d) 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.

e) 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.

f) 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 40th 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:

- a) Management discussion and analysis of financial condition and results of operations;
- b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;

- c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses; and
- e) 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 2019-2020 the following five non-executive Independent Directors are the members in the Audit Committee:

1. Thiru V Chandrasekaran, Chairman of the Committee
2. Thiru N Narayanan, IAS (Retd.), Member (upto 13.07.2019)
3. Thiru V Nagappan, Member
4. Tmt Soundara Kumar, Member
5. Thiru P B Santhanakrishnan

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 Chandrasekaran	9	9
Thiru V Nagappan	9	8
Tmt Soundara Kumar	9	9
Thiru P B Santhanakrishnan@	5	4
Thiru N Narayanan, IAS (Retd.)	1	1

@ Appointed as Director w.e.f. 19.09.2019

The Audit Committee met 9 times during 2019-20 as against the minimum requirement of 4 meetings. The dates on which the meetings were held are given below:

28.05.2019, 13.08.2019, 13.09.2019, 19.09.2019, 07.11.2019, 12.02.2020, 13.02.2020, 24.02.2020, 16.03.2020.

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, 2020:

1.	Thiru V Nagappan	Chairman of the Committee
2.	Thiru V. Chandrasekaran	Member
3.	Dr M. Arumugam @	Member

@ Appointed as director w.e.f. 19.09.2019

The Stakeholders Relationship Committee met on 13th February, 2020 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 V Chandrasekaran	1	1
Dr M Arumugam	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.

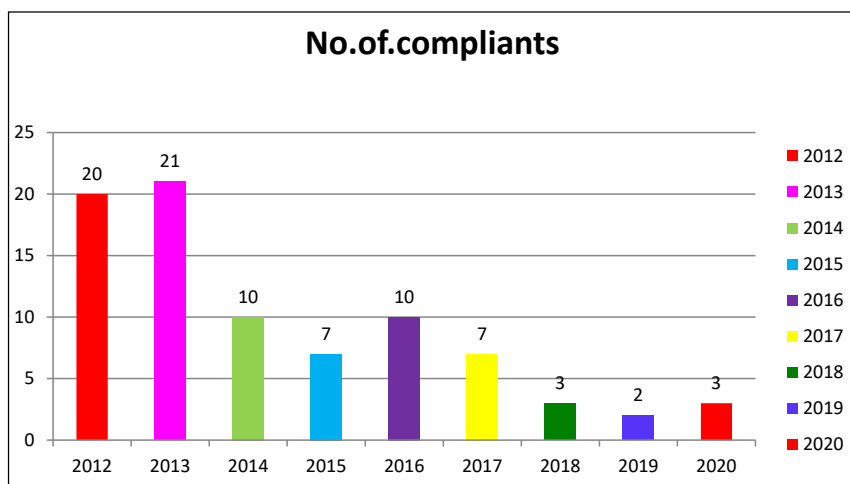
The Company Secretary, being the Compliance Officer, is entrusted with the responsibility, to specifically, look into the redressal of the shareholders and investors complaints and report the same to the Investors' Grievances Committee.

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	1
Non-receipt of Dividend Warrants	2
Non-receipt of Share Certificates	NIL
Miscellaneous/ Others	NIL
Total	3

Complaints Status: 1.4.2019 to 31.3.2020

Nature of complaints (Received and Resolved)	Q1	Q2	Q3	Q4	Total
Securities and Exchange Board of India	NIL	1	NIL	NIL	1
Stock Exchanges	NIL	NIL	1	NIL	1
Shareholders	NIL	1	NIL	NIL	1
Total	NIL	2	1	NIL	3



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, 2020 have been acted upon. No share transfer was pending as on 31st March, 2020.

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, 2020, 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 Nagappan	Member
3.	Tmt Soundara Kumar	Member

Meetings and attendance during the year

The Corporate Social Responsibility Committee met on 28.05.2019.

Director	No. of Meetings Held	Attended
Thiru N Narayanan IAS (Retd.)	1	1
Thiru V Nagappan	1	1
Tmt Soundara Kumar	1	1

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, 2020, the following non-executive Independent Directors are the members in the Committee:

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

Appointed Chairman of the Committee w.e.f. 07.11.2019

* Ceased to be a director w.e.f. 13.07.2019

The Nomination and Remuneration Committee met on 28th May, 2019, 13th August 2019 and 19th September 2019.

Meetings and attendance during the year

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

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, 2020

Executive Directors				₹ In Lakh	
Name & Position	Pay & Allowances	Reimbursement of medical expenses	Perquisites	others	Total
Thiru S Sivashanmugaraja, IAS, MD	41.63	-	4.07	8.15	53.85
Total	41.63	-	4.07	8.15	53.85

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 Meeting	CSR Committee Meeting	Nomination and Remuneration Committee Meeting	Independent Director's Meeting
Thiru N Muruganandam IAS Appointed as Chairman on 04.03.2019	175000*	0	0	0	0	0
Thiru S Krishnan IAS Appointed as Director on 16.07.2019	175000*	0	0	0	0	0
Thiru K. Shanmugam IAS Ceased as director w.e.f. 16.07.2019	35000*	0	0	0	0	0
Tmt Reeta Harish Thakkar IAS, Appointed as director w.e.f. 09.11.2018	105000*	0	0	0	0	0
Thiru N. Narayanan, IAS (Retd.) Ceased as Director w.e.f. 13.07.2019 Appointed as director w.e.f. 19.09.2019	140000	30000	0	30000	30000	30000
Thiru V Nagappan	245000	240000	30000	30000	60000	30000
Tmt. Soundara Kumar Appointed as a director w.e.f. 30.06.2017	280000	270000	0	30000	90000	30000
Thiru V Chandrasekaran Appointed as a director w.e.f. 13.11.2017	280000	270000	0	30000	90000	30000

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 P B Santhanakrishnan Appointed as director w.e.f. 19.09.2019	140000	120000				30000
Dr M Arumugam Appointed as director w.e.f. 19.09.2019	140000		30000			30000
Total	1715000	930000	60000	120000	270000	180000

* remitted to Govt. of Tamil Nadu

Non-executive Directors were paid sitting fees of Rs.35000/- per meeting and Rs.30000/- for other committee.

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
2016-17	The Music Academy, 168,T.T.K.Road, Chennai-600 014	19.09.2017	10.15 AM	3
2017-18	-do-	19.09.2018	10.15 AM	1
2018-19	-do-	19.09.2019	10.15 AM	0

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, 2019.

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, Two (2) circular resolutions by the Board and One (1) circular resolution 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 2019-20. 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
30th June, 2019	12th July, 2019
30th September, 2019	18th October, 2019
31st December, 2019	20th January, 2020
31st March, 2020	7th May, 2020*
* Due to the COVID 19 pandemic SEBI had extended the due dates for filing of quarterly compliance for the quarter ended 31.03.2020.	

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 2019-20 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 certified to the Board on their review of financial statements and cash flow statements for the financial year ended 31st March 2020 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 40th 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 2019-20 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.	Whether the website also displays official news releases and presentations to the media, analysts, institutional investors etc. ?	Yes
c.	Audited financial results (Newspapers published in)	Financial Express, Business Standard, Dina Thanthi
d.	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.

- e. 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.
- f. 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.
- g. Chairman's communiqué: Printed copy of the Chairman's speech is usually distributed to all the shareholders at the Annual General Meeting.
- h. 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.
- i. 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 & 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.

- j. All disclosures made to the stock exchanges as statutorily required are also available on the Company's website www.tnpl.com
- k. 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.
- l. Ministry of Corporate Affairs: The Company has periodically filed all the necessary documents with the MCA.
- m. 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.
- n. 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

Particulars	Regulation Number	Compliance status (Yes/No/NA)
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

- o. 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.
- p. The Corporate Governance Report of the Company for the year 2019-20 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. 40th Annual General Meeting

Day, Date and Time	Friday, 18th September 2020 at 10.15 AM
Venue	Through Video Conference ("VC") / Other Audio Visual Means ("OAVM")

2. Financial Year Calendar (2020-2021) (Tentative):

The Company follows the period of 1st April to 31st March, as the Financial Year. For the Financial year 2020 -2021, Financial Results will be announced as per the following tentative schedule.

1st quarter ending June 30, 2020	First/Second week of August 2020
2nd quarter ending September 30, 2020	First/Second week of November 2020
3rd quarter ending December 31, 2020	First/Second week of February 2021
4th quarter ending March 31, 2021	Third/Fourth week of May 2021

3. Book closure date: 11.09.2020 to 18.09.2020 (both days inclusive) on account of AGM and Dividend.
4. Record Date in respect of shares held in dematerialized form, is 10.09.2020 for determining those who will be entitled to receive dividend to be declared at the ensuing Annual General Meeting.
5. Cut Off Date is 10.09.2020 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 40th Annual General Meeting will be made through electronic voting. The electronic voting period will be from 9.00 a.m. IST on 14.09.2020 to 5.00 p.m. IST on 17.09.2020, 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: 22.09.2020 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 2019-2020 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 2019-2020 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.)

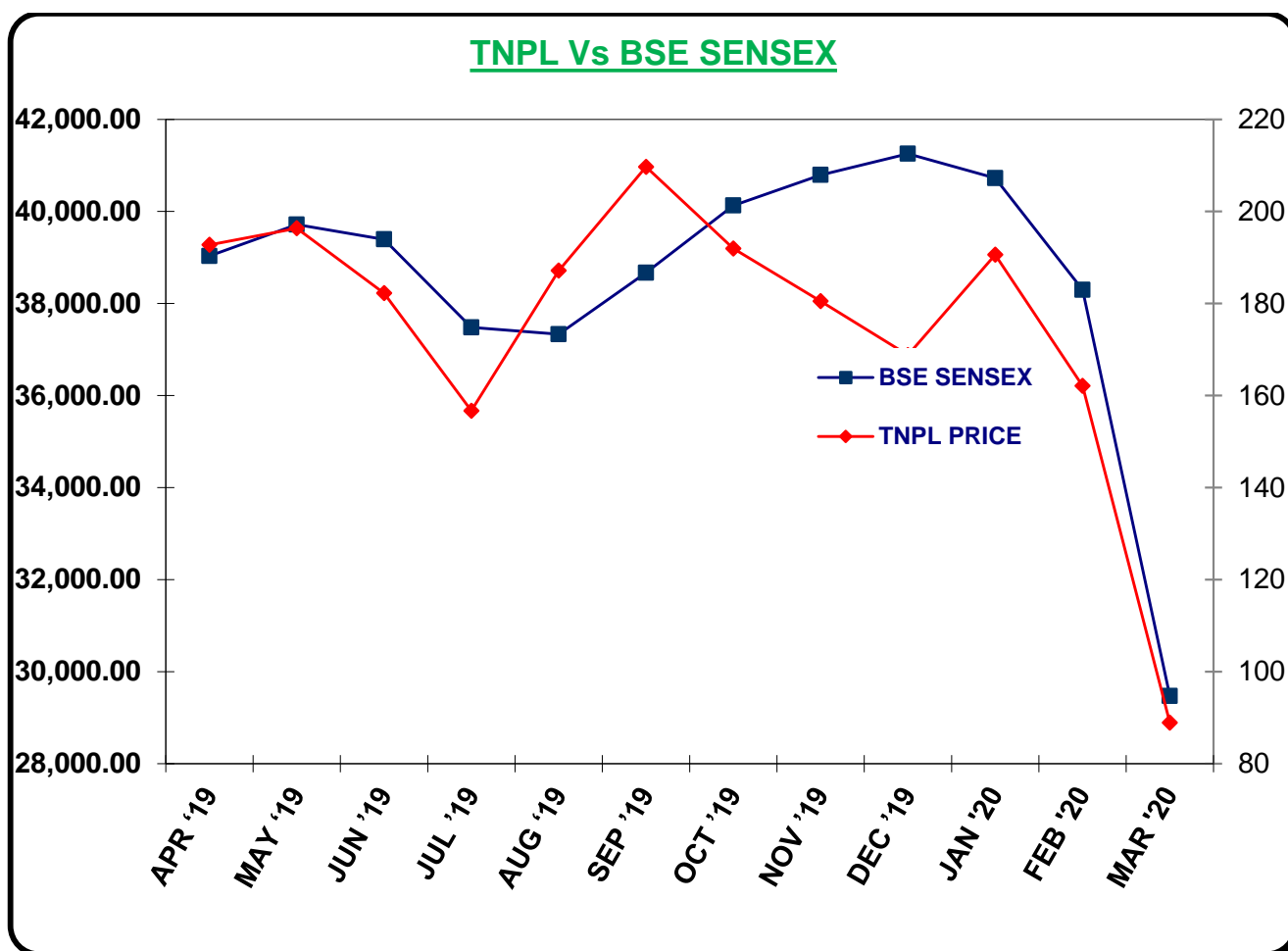
Month/Year	Bombay Stock Exchange (BSE)			National Stock Exchange (NSE)		
	High Price	Low Price	Volume	High Price	Low Price	Volume
Apr-19	222.30	192.10	1,06,353	223.80	192.45	10,71,549
May-19	209.80	177.25	95,830	210.00	177.55	11,07,192
Jun-19	209.80	166.35	4,70,710	197.85	166.30	9,63,594
Jul-19	184.50	152.00	41,193	185.45	151.40	9,75,180
Aug-19	196.70	151.30	1,49,631	196.90	151.05	21,79,000
Sep-19	215.40	185.30	3,44,480	215.35	184.30	42,05,879
Oct-19	208.50	176.40	1,01,299	211.05	176.50	17,03,902
Nov-19	198.70	176.00	1,10,774	198.75	175.70	13,92,900
Dec-19	182.50	163.90	85,514	181.30	164.00	12,09,205
Jan-20	198.70	164.50	1,56,034	198.95	163.85	19,23,611
Feb-20	195.15	154.50	94,363	196.00	154.25	11,46,061
Mar-20	172.00	86.30	1,06,918	166.00	88.05	19,56,650

11. (b) Market Capitalization (Rs.)

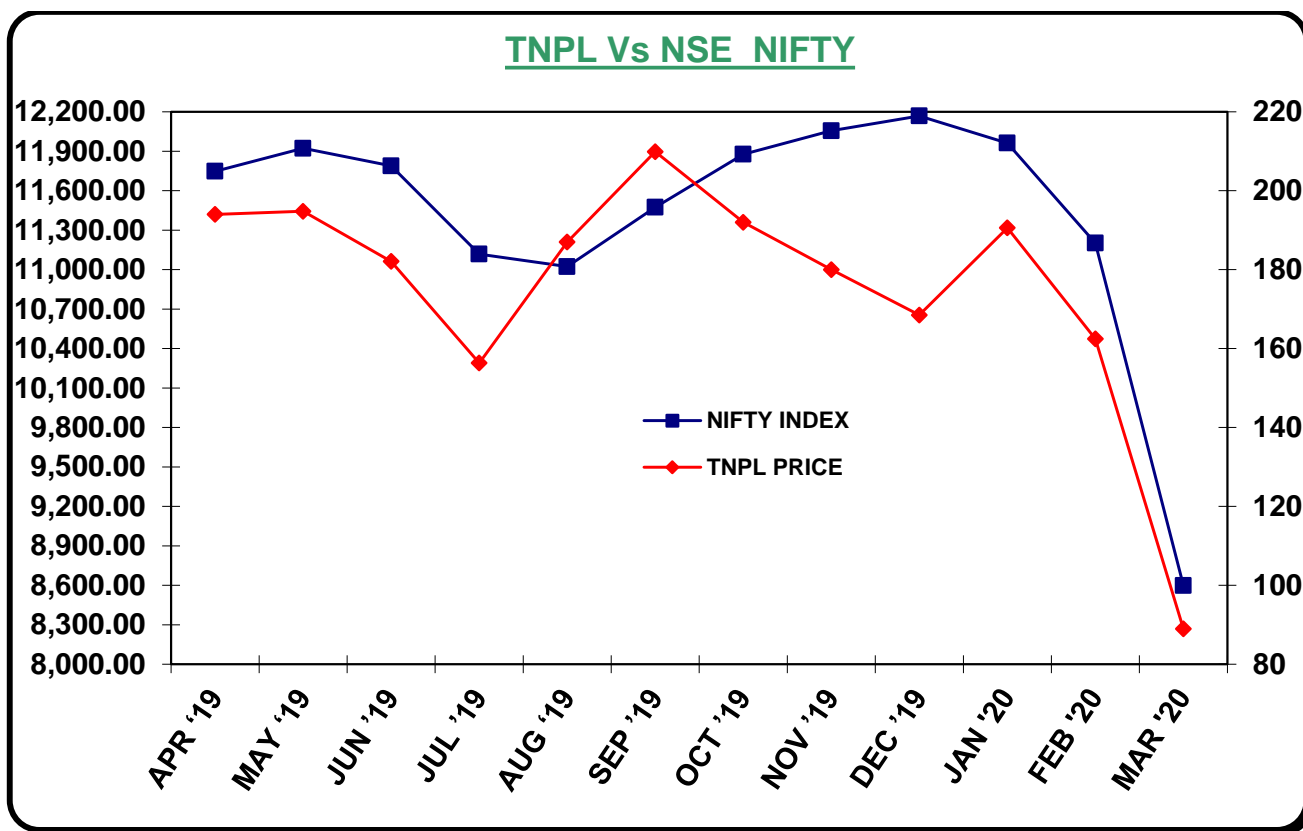
Market Capitalization	BSE	NSE
As on March 31, 2019	14,25,39,23,070	14,25,73,83,600
As on March 31, 2020	6,15,28,22,340	6,15,62,82,870

12. Share price performance in comparison to broad based indices – BSE Sensex and NSE Nifty :
For the years 2018-19 to 2019-20:

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
2018-2019	(-)40.26	(-)16.91	(-)23.35	(-)40.77	(-)14.39	(-)26.38
2019-2020	(-)56.83	(-)23.55	(-)33.28	(-)56.82	(-)25.70	(-)31.12



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 and can also be downloaded from website of TNPL.

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 2020 for the year ended 31st March, 2013 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, 2020:

SI. No.	Year	Amount (Rs.)	% to the total dividend
1.	For the year 2012-13	14,12,995.00	0.41%
2.	For the year 2013-14	19,50,300.00	0.47%
3.	For the year 2014-15	16,27,218.00	0.39%
4.	For the year 2015-16	21,04,080.00	0.41%
5.	For the year 2016-17	21,51,622.50	0.41%
6.	For the year 2017-18	10,35,095.00	0.30%
7.	For the year 2018-19	17,33,287.50	0.33%

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.
Dividend :-2011-12 (Final)	21.09.2012	26.11.2019	11.11.2019	12,43,860.00
TOTAL				12,43,860.00

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
2011-12	10411
(-) Shares returned by IEPF Authority to Shareholder	100
TOTAL	128986

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

- a) 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.
- b) 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. B. Ravishankar whose e-mail id is ravishankar.b@tnpl.co.in

Members who have not encashed their dividend warrants in respect of dividends declared for the year ended 31st March 2013 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:

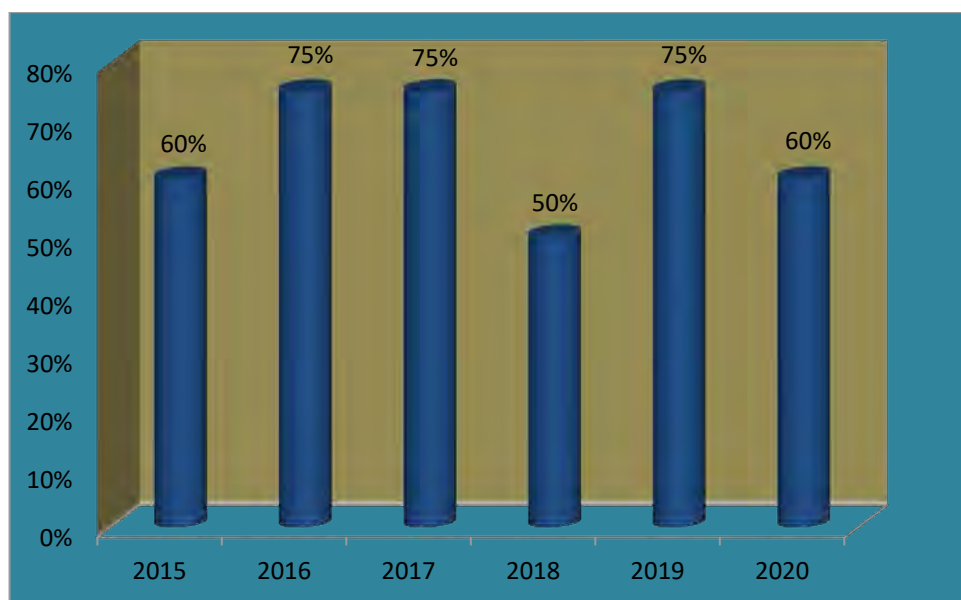
Shareholders are requested to ensure that any correspondence for Change of Address, change in Bank Mandates etc. should be signed by the first named shareholder. Shareholders who hold shares in dematerialized form should correspond with the Depository participant with whom they have opened Demat Account/s.

- 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
2019-20	60%	4152.63

**16. Distribution of Shareholding as on 31st March, 2020**

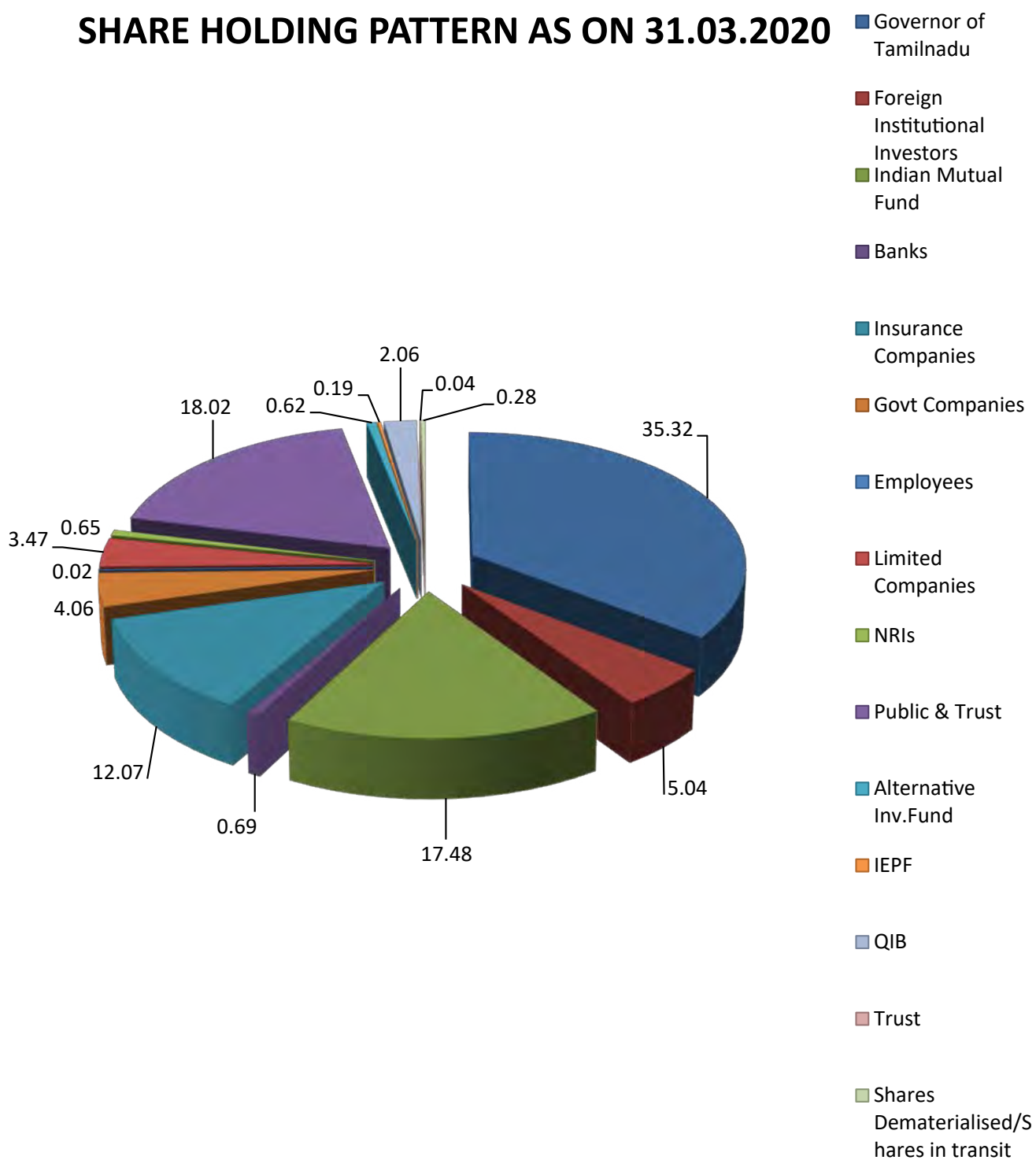
DISTRIBUTION SCHEDULE AS ON 31.3.2020						
Share or Debenture holding (Rs.)		No. of holders	% of Total holders	Total Shares	Total Amount (Rs.)	% of Total Amount
10	5000	31645	90.5022	3336184	33361840	4.8203
5001	10000	1627	4.6530	1274324	12743240	1.8412
10001	20000	819	2.3422	1231597	12315970	1.7794
20001	30000	280	0.8007	707540	7075400	1.0223
30001	40000	116	0.3317	419113	4191130	0.6055
40001	50000	90	0.2573	420825	4208250	0.6080
50001	100000	188	0.5376	1374015	13740150	1.9852
100001	And Above	201	0.5748	60447002	604470020	87.3377
Total		34966	100.0000	69210600	692106000	100.0000

Distribution of Shareholding as on 31.03.2020				
	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	Nil	-	0.00
2	Mutual Funds and UTI	10	12099141	17.48
3	Banks, Financial Institutions Insurance Companies (Central/State Govt.)	17	11637404	16.82
4	Foreign Institutional Investors	Nil	NIL	Nil
	FPI	29	3488843	5.04
	SUB-TOTAL	56	27225388	39.34
C	OTHERS			
1	Private Corporate Bodies	426	2402778	3.47
2	Indian Public	33677	12470708	18.02
3	NRIs/OCBs	653	448037	0.65
4	Alternative Inv. Fund	1	425968	0.62
5	IEPF	1	128986	0.19
6	QIB	4	1425948	2.06
7	Others	147	237887	0.34
	Sub-total	34909	17540312	25.34
	GRAND TOTAL (A+B+C)	34966	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	5408920	7.82
3	HDFC TRUSTEE COMPANY LTD - A/C HDFC HYBRID EQUITY FUND	4896900	7.08
	HDFC TRUSTEE CO LTD A/C HDFC RETIREMENT SAVINGS FUND-HYBRID-EQUITY PLAN	196310	0.28
	HDFC TRUSTEE CO LTD A/C HDFC RETIREMENT SAVINGS FUND-HYBRID-DEBT PLAN	5000	0.01
	HDFC TRUSTEE CO LTD A/C HDFC RETIREMENT SAVINGS FUND-EQUITY PLAN	600000	0.87
4	SBI SMALL CAP FUND	2600000	3.76
5	GENERAL INSURANCE CORPORATION OF INDIA	2110074	3.05
6	GOVERNMENT PENSION FUND GLOBAL	1624252	2.35
7	ICICI PRUDENTIAL MULTI-ASSET FUND	1576896	2.28
	ICICI PRUDENTIAL VALUE FUND – SERIES 15	179288	0.26
	ICICI PRUDENTIAL MANUFACTURE IN INDIA FUND	220035	0.32
	ICICI PRUDENTIAL INFRASTRUCTURE FUND	446737	0.65
	ICICI PRUDENTIAL S&P BSE 500 ETF	596	0.00
8	WARBURG VALUE FUND	1300000	1.88
9	HARDIK BHARAT PATEL JT1: MINAL BHARAT PATEL	868291	1.25
10	BAJAJ ALLIANZ LIFE INSURANCE COMPANY LTD.	745000	1.08

SHAREHOLDING PATTERN							
SL. No.	Category	Shareholding Pattern As on 31 st March, 2020			Shareholding Pattern As on 31 st March, 2019		
		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	29	3488843	5.04	36	4515461	6.52
3	Indian Mutual Funds	10	12099141	17.48	28	11646206	16.83
4	Banks	3	477017	0.69	4	43405	0.06
5	Financial Institutions	-	-	-	1	405168	0.59
6	Insurance Companies	5	8351807	12.07	5	9248836	13.36
7	Govt. Companies	9	2808580	4.06	6	1865760	2.70
8	Employees	89	16300	0.02	96	17600	0.03
9	Limited Companies	426	2402778	3.47	518	4733882	6.84
10	NRIs	653	448037	0.65	527	512821	0.74
11	Public & Trust	33677	12470708	18.02	31317	11086492	16.02
12	Alternative Inv.Fund	1	425968	0.62	1	425968	0.62
13	IEPF	1	128986	0.19	1	118675	0.17
14	Trust	3	27200	0.04	5	31630	0.05
15	QIB	4	1425948	2.06	-	-	-
16	Shares Dematerialised/Shares in transit	55	194387	0.28	61	113796	0.16
	Total	34966	69210600	100.00	32607	69210600	100.00

SHARE HOLDING PATTERN AS ON 31.03.2020



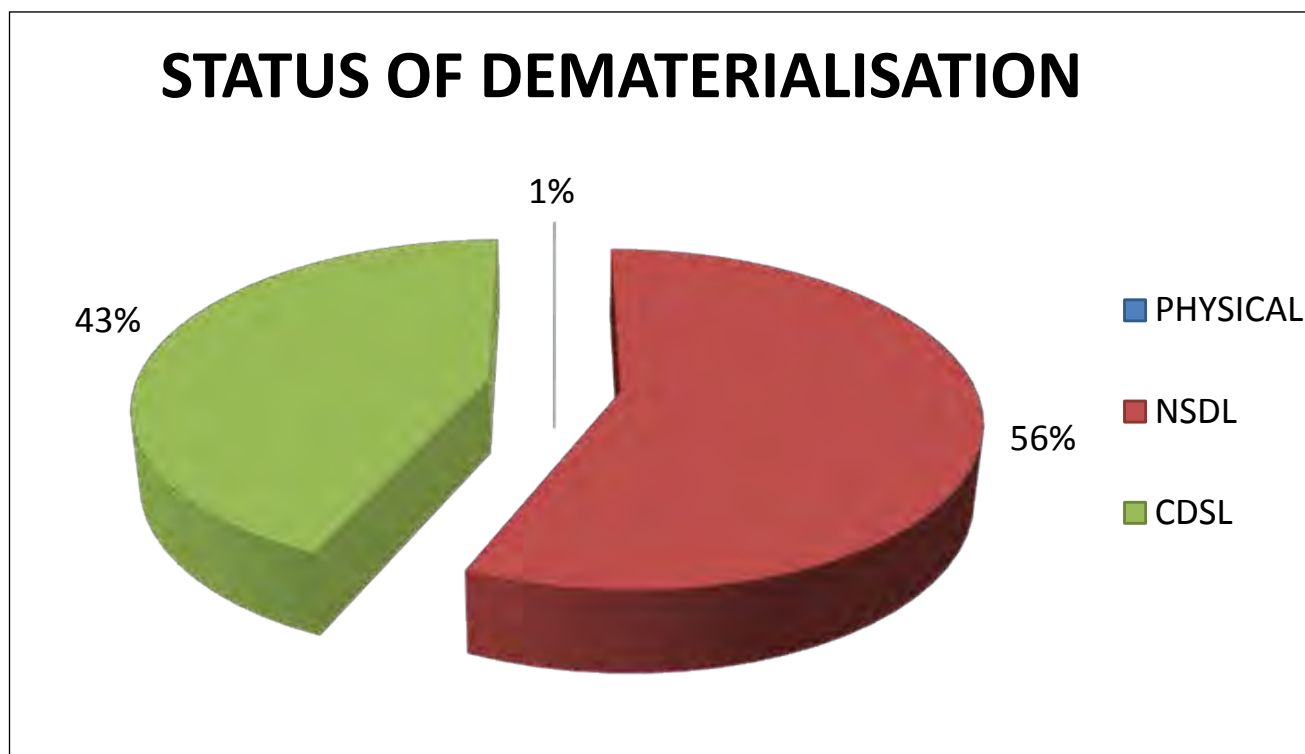
17. Dematerialisation of Shares and liquidity :

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, 2020:

Category	No. of Shareholders	No. of Shares	% to Holdings
PHYSICAL	2305	876954	1.2671
NSDL	20805	38615094	55.7936
CDSL	11856	29718552	42.9393
TOTAL	34966	69210600	100.00

From the above table, as on 31st March 2020, there are 68333646 shares in demat form aggregating to 98.73% of the total Equity Share capital while 876954 shares are in Physical form aggregating to 1.27% 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) **A1** (Pronounced ICRA A one)

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) A1' indicates very strong degree of safety regarding timely payment of financial obligations. Such instruments carry lowest 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.

c. CRISIL has assigned the following credit rating for the Company as below:

- I. Long term rating - (CRISIL) **A** (Pronounced CRISIL A)

The outlook on long term rating is 'Negative'. The long term rating of '(CRISIL) A' indicates adequate degree of safety regarding timely servicing of financial obligations, it carry low 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: ravishankar.b@tnpl.co.in, invest_grievances@tnpl.co.in
 Contact Person: Thiru B Ravishankar, Company Secretary

c. E-mail ID of Investor Grievances Section: invest_grievances@tnpl.co.in

d. Name of the Compliance Officer : Thiru B Ravishankar 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.
- 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
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
2018-19	Final	75	19.09.2019	28.11.2026

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 120 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 2019-20, 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: 30.06.2020

N Muruganandam, IAS
CHAIRMAN

**CERTIFICATE BY CEO 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 31.03.2020 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 31.03.2020 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 31.03.2020;
 - b. that there are no significant changes in accounting policies during the year ended 31.03.2020; 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.

* Thiru. V. Ramanathan, ED(F) & CFO has retired on attaining the age of superannuation on 31st May, 2020.

For **TAMIL NADU NEWSPRINT AND PAPERS LIMITED**

Place : Chennai
Date : 30.06.2020

S. Sivashanmugaraja, IAS
Managing Director

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 2020.

For **TAMIL NADU NEWSPRINT AND PAPERS LIMITED**

Place: Chennai
Date: 30.06.2020

N Muruganandam, IAS
CHAIRMAN

Independent Auditors' Certificate on Corporate Governance To The Members of Tamil Nadu Newsprint and Papers Limited

1. 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 2020** 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

2. 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

3. 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.
4. 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.
5. 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.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on the procedures performed by us, in our opinion and to the best of our information and according to the explanations provided to us, we certify that 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 2020.
8. 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 : June 30, 2020
Place : Chennai

R. Nagendra Prasad
Partner
Membership No. 203377
UDIN :20203377AAAACR7937

ANNEXURE - VIII

BUSINESS RESPONSIBILITY REPORT FY 2019-20

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) 2019-20.

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: 2019-20
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) | – | 3437.60 |
| 3. Total profit after taxes (Rs. In Crore) | – | 103.03 |
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?	*	*	*	*	*	*	*	*	*
Link for policies on our website provided below										

S. No	Particulars	P1	P2	P3	P4	P5	P6	P7	P8	P9
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 : <https://www.tnpl.com/Code-of-Conduct>

Principle 2 : <https://www.tnpl.com/uploads/documents/41fbbd534b5ae3687972b47c757c3ded.pdf>
<https://www.tnpl.com/uploads/documents/cc9875b0e45b43d2438e85d9cce66bef.pdf>
<https://www.tnpl.com/uploads/documents/Energy%20Policy%20for%20TNPL%20UNIT-II.pdf>

Principle 3 : <https://www.tnpl.com/uploads/documents/94fff5376839441c6316ac02620a9ffc.pdf>

Principle 4 : <https://www.tnpl.com/uploads/documents/7877c74681dd973082841069c74994aa.pdf>
<https://www.tnpl.com/uploads/documents/dcf7a32a6cdb23df14adbdbbd5b623f7.pdf>

Principle 5 : <https://www.tnpl.com/uploads/documents/499fb86875c320bf2ab0c19d171740ec.pdf>

Principle 6 : <https://www.tnpl.com/uploads/documents/2927ffde6495d426649be0f825a4f718.pdf>

Principle 7 : <https://www.tnpl.com/uploads/documents/c321413fe16739506937affeb089c067.pdf>

Principle 8 : https://www.tnpl.com/uploads/documents/TNPL_CSR_Policy.pdf

Principle 9 : <https://www.tnpl.com/uploads/documents/2927ffde6495d426649be0f825a4f718.pdf>
<https://www.tnpl.com/uploads/documents/6a3e8148b4d2ba3075aa7d1f2400bda0.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 BRR for FY 19-20 is uploaded in the website of the company along with Annual Report.

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 three 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 is 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 Radiant Printing-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 Aura Green Liner and Aura Green uncoated were developed with high Burst factor and RCT particularly for corrugated box segment. Likewise in Folding box board grades (FBB), Aurafold Brilliant Plus has been developed. Aura Celebration for wedding card segment has been developed as an uncoated Folding box board incorporating Bagasse pulp in the pulp mix.

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	1334 kWh/MT	35 m ³ /MT	0.768 MT / MT of paper
Packaging Board	492 kWh/MT	11 m ³ /MT	0.847 MT / MT of Board
Cement	108 kWh / MT	Nil	Lime Sludge – 59963.21 MT @1% moisture; Fly ash – 74886

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 has 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 January 20, 2021.

We have raised pulp wood in 1,67,615 acres of land (as on 31.03.2020) covering various parts of Tamil Nadu under Farm forestry Scheme and Captive Plantation leading to about 49.24 lakh MT CO₂ sequestration.

The company has manufactured 73,372 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 32,209 local and small farmers under the form 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 191 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 FY19-20 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)	1718	167.5	10	2752	160
2	Permanent Employees (Women)	82	61	74	88	107
3	Contractual employees	1126	196	17	0	0
4	Employees with Disability	12	2	17	10	83

Unit – II

Sl. No.	Description	Emp. Strength	Safety Training		Skill Up gradation	
			Man days	Percentage	Man days	Percentage
1	Permanent Employees (Men)	569	409.90	72	420.5	74
2	Permanent Employees (Women)	47	28.20	60	32.6	69
3	Contractual employees	1251	984.13	79	0	0
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, skill training, cattle care and vaccination camps, Blood donation camp, Free Eye camp, Awareness camp on Health care, Anemia awareness camp and in order to bring proficiency in English, spoken English classes had been conducted to Govt. Primary / Middle schools children.

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 2019-20

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's environment policy is committed to produce products by adopting environment friendly technology by sustained R & D efforts and continual improvement in the process. The policy is 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 62.13 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 2019-20 are presented in the below table:

SI. No	Parameter	UOM	Value
1	Biogas Generated	Lakh m ³	62.13
2	Furnace oil savings	KL	3593.3
3	Reduction in Green House Gas Emission	t CO ₂ e	82180

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 2019-20 along with reduction of Green House Gas emission is presented in the below table:-

SI. No	Parameter	UOM	Value
1	Black liquor Solid fired	MT	4,59,247
2	Reduction in Green House Gas Emission	t CO ₂ e	5,14,441

TNPL Captive plantation and farm Forestry: TNPL has raised plantation in 20,444 acres of land in 2019-20 totaling about 1,67,615 acres of land as on 31/03/2020 covering various parts of Tamil Nadu under Captive and Farm Forest model. This has led to carbon sequestration of 49.24 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 42.70% of the energy requirements from renewable sources.

SI. No	Parameter	UOM	Value
1	Agro fuel	Lakh MT	1.91
2	Green House Gas Reduction	t CO ₂ e	1,23,899

Wind Energy: The company has installed 35.5 MW of Wind energy generators in Devarkulam and Perungudi,

Tamil Nadu. The electricity generated and the Green House Gas emission for the year 2019-20 is presented in the below table:

Sl. No	Parameter	UOM	Value
1	Electricity Generation	Lakh kwh	404.91
2	Green House Gas Reduction	t CO ₂ e	37,697

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 2019-20 are presented in the below table

Sl. No	Parameter	UOM	Value
1	Lime sludge utilization in cement manufacturing	MT	59,963
2	Lime Stone Conserved	MT	69,685
3	Fly Ash utilization in cement manufacturing	MT	74,886

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
- PAT – II Cycle commenced in the year 2016-17 and covered the FY 2016-17, 17-18 & 18-19. The baseline for the assessment period is 2014-15 and accordingly the SEC for TNPL was frozen at 0.7680 TOE/MT of paper (after normalization). As per the notification we have to reduce 6% in Energy consumption during the period. The Target SEC for TNPL is 0.7234 TOE/MT of paper. TNPL achieved SEC 0.6528 TOE/MT which is lower than the targeted SEC. For this Accredited Energy Auditor M/s CII , Hyderabad conducted M&V Audit and recommended 26352 EScerts.
- TNPL Implemented 18 Energy conservation measures by investing INR 289.63 lakhs in FY 2019-20 thereby saving electrical energy equivalent to 48.16 lakh kwh and thermal energy equivalent to 4754.53 MT of imported coal and 3593.30 KL of furnace oil resulting in saving of Rs 1619.84Lakhs (Totally).
- Received Energy Efficient Unit Award and Most Useful Presentation award from CII for the FY 2018-19.
- Tnpl was awarded Golden Peacock Award for energy efficiency by Institute of Directors.

Unit II: Packaging Board:

Energy Conservation

1. TNPL Unit-II is covered under PAT-V cycle by BEE. Considering 2017-2018 as baseline data BEE estimated a Specific Energy Consumption (SEC) of 0.3991 MTOE/MT of Board. BEE has fixed the SEC as 0.3761 MTOE/MT of board in 2021-2022.
2. Introduction of LED lamps in major areas considering the LUMENS requirement, in order to increase the life of the lamps and reduce energy consumption.
 - a. Replacement of 400W Metal Halide lamps with 250W LED lamps in high mast tower.
 - b. Replacement of 150W Sodium vapour lamps with 90W LED street light fittings.
 - c. Replacement of 400W Metal Halide High bay fitting with 150W LED Fittings at Board Machine 7-Metre floor.
3. Installation of 90KW VFD drive for process water pump No.4 installed to meet additional water requirement.
4. Installation of 2 Nos of 45KW VFD drive for De-aerator pumps 2 & 3 replacing the DOL starter.
5. IR dryers power requirement reduction by optimising the process. (Earlier in all GSM 100% power input was required in IR coater drying. Now except, in lower GSM (190 to 250), all other GSM products are running with power input to a maximum of 90% and minimum of 70%)
6. LP steam optimisation by increasing the after press dryness and increasing the final moisture in board.
7. Ash conveying compressor was stopped and compressed air available from instrument air compressor is being utilized.
8. In Boiler No.1 sonic soot blowers have been installed in air pre-heater tube bank area to clear the accumulated ash thereby increasing the heat transfer from flue gas to FD air. Hence it reduces the fuel consumption.

Clean technology

1. Our plant is certified with ISO 9001, ISO 14001 and OHSAS 18001 Integrated Management system, ISO-50001-2011 Energy Management System (EnMS). The processes are followed as per the requirements.
2. Primary sludge from Effluent Treatment Plant is used for sundried board manufacturing and secondary sludge for plantation as manure.
3. Fresh water saving by using clarified water for equipments in BM4 (68 equipments).
4. Fresh water saving by using clarified water for secondary dilution in BM4.
5. Fresh water saving by collecting all the return water from mechanical seals in BM4 equipments.
6. Fresh water saving in WPP by closing the sealing water for the L3 Stream when equipments are not in operation.
7. Fresh water saving by using sealing water instead of fresh water for Heat exchangers in WPP.
8. Plastics generated during processing of waste paper is being sent to other cement plant and used as Alternate fuel.
9. Coating chemicals (calcium) is recovered and used in our cement plant.

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 commenced from Sep'2018. During FY 19-20, TNPL consumed 16,612.83 MT (@ 50% moisture) of Deinking plant sludge in LSFM.

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.

TNPL Unit I produced 432572 MT against the consented quantity of 4,00,000 MT during 2018-19. TNPCB issued show cause notices under both Water and Air Acts during Nov'19 against the enhanced production. TNPL responded to TNPCB in Dec'19 stating that the increased production was achieved through only by improving the operational efficiency and machine runnability, higher basis weight, higher usage of imported pulp without any additional infrastructure, without additional pollution load and without any impact on Environment.

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. IPMA- 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 (IPMA), 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 being 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 2019-20 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 of the surrounding villages.

Industrial Training:

Since August 2014, an Industrial Training Institute in affiliation with National Council for Vocational Training (NCVT) and the Quality Council of India (QCI) is being run through TNPL Arakkodai Trust at the premise situated in TNPL township area covering four trades viz. instrument mechanics, Fitter, Electrical and welding. TNPL ITI have won overall Championship and individual championship in the District level sports meet in the year 2018-19. Students of the Institution has achieved first rank in All India skill competition in the year 2016-17 & 2017-18 respectively. In addition, short term trainings Viz., Repair of home appliances, Basic welding have been conducted to the unemployed rural youths during the year 2019-20.

Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

Community welfare initiatives are being carried out with the support of our trust i.e. the "TNPL Arakkodai Trust". It mainly covers the Education, Health care and Medical Services, Infrastructure Development, Social Development, Livelihood / Economic Improvement, Environment & Sanitation, Culture & Heritage, soil and water conservation and Industrial Training sectors. We also collaborate with some esteemed educational institutions Viz., SIT, Trichy, various Government bodies and donor agencies to fulfill our community development objectives and had conducted various skill development training programmes in association with nationalized Banks for upliftment of the rural women and unemployed youths of the surrounding villages. As it is mandatory since 2013 onwards, majority of the administrative and supporting efforts of CSR programmes are being undertaken by TNPL and CSR programs are being carried out by our in-house team / representatives from TNPL.

Have you done any impact assessment of your initiative?

In the year 2016, we engaged an external agency to conduct a CSR performance Audit in implemented projects. Based on the observations we have developed an action plan in place to carry out the improvements in terms of implementation, budget and mechanism of receiving feedback on various initiatives from the stakeholders.

Based on the CSR activities undertaken for economic development and social development of communities in geographical areas, particularly in the vicinity of their operations, the stakeholders have given their positive impact on our CSR programmes which are being undertaken with community participation and have fulfilled their needs. However, a fresh Periodical Social impact assessment study will be conducted shortly in this period.

What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

During 2019-20 TNPL has spent Rs. 3.99 crores for Corporate Social Responsibility (CSR) activities as detailed below:

S.No	Sector in which the project or activity is covered	Amount spent (Rs. in lakhs)
1	Education	103.01
2	Health Care and Medical Service	135.57
3	Infrastructure Development	43.76
4	Social Development	43.73
5	Livelihood/Economic Development	9.98
6	Environment and Sanitation	13.90
7	Culture and Heritage	35.30
8	Soil and Water Conservation	14.00
	Total	399.25

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 initiation of a CSR project, we carry out a survey on needs assessment among communities belonging to social, economically, weaker sections in the neighboring villages. Thereafter, we invite new proposals from adjacent town panchayats and village Panchayats. The senior executives from CSR team will evaluate the same. After due consultation and consideration, a final proposal of such CSR programme will be placed before the CSR Committee comprising of independent Directors for consideration and approval of CSR programmes for implementations.

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, 8.9 for the year 2018-19, 8.1 and for the year 2019-20, 7.9 respectively.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TAMIL NADU NEWSPRINT AND PAPERS LIMITED

Report on the 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 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), 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 Companies Act, 2013 ("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, 2020, and Profit and Other Comprehensive Income, 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
<p>Provision towards Wage arrears pending wage settlement with employees</p> <p>Management's estimates towards the obligations for wage arrears payable to its employees pending settlement of agreement with employees amounting to ₹ 4562.68 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 ₹ 2694.67 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, 2020, the Company has recognised deferred tax asset in the nature of MAT credit aggregating to ₹ 29317.17 lakhs.</p> <p>Recognition of MAT credit asset requires significant judgement regarding the likelihood of its realization within 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. Emphasis of Matter

We draw your attention to Note 2(d) to the financial statements, which describes the management's assessment of the impact of the outbreak of Coronavirus (Covid-19) on the business operations of the Company. The management believes that no adjustments are required in the financial results as it does not impact the current financial year. However, in view of the highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve.

Our opinion is not modified in respect of this matter.

5. Information Other than the Financial Statements and Auditor's Report thereon

- 5.1 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.
- 5.2 Our opinion on the financial statements does not cover the other information and we do not express any form of assurance/conclusion thereon.
- 5.3 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 financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- 5.4 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.

6 Responsibilities of Management and Those Charged with Governance for the Financial Statements

- 6.1 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 including other comprehensive income, 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.
- 6.2 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.
- 6.3 Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

7 Auditor's Responsibilities for the Audit of the Financial Statements

- 7.1 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.
- 7.2 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.

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.

- 7.3 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
- 7.4 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.
- 7.5 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.

8. Report on Other Legal and Regulatory Requirements

- 8.1 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
- 8.2 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.
- 8.3 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.
 - e. On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2020 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 : June 30, 2020
Place : Chennai

R. Nagendra Prasad
Partner
Membership No. 203377
UDIN No. : 20203377AAAACL9184

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 – 98.06% Packaging Board – 86.39% Cement – 84.95%
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 Independent 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 2020, 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, Goods and Services Tax, duty of customs, cess and other statutory dues and there are no undisputed statutory dues outstanding as at 31st March 2020, 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	66.43	Hon'ble High Court of Madras
Cenvat Credit Rules,2004	Capital goods Credits	2003-2007	1708.24	Commissioner of Central Excise, Trichy
Cenvat credit Rules,2004	Capital goods Credits	2008-2009	14.15	Hon'ble High Court of Madras
Cenvat credit Rules,2004	Input credit reversal	2009-2015 2016-2018	1695.59	The Customs, Excise and Service Tax Appellate Tribunal, Chennai
Cenvat credit Rules,2004	Input Service Credit	2012-2018	320.89	The Customs, Excise and Service Tax Appellate Tribunal, Chennai
Cenvat credit Rules,2004	Input credit reversal on coal	2013-2018	2981.42	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	Customs Duty	2000-2001	217.39	Hon'ble Supreme Court
Customs Act, 1962	Customs Duty	2012-2013	2400.99	The Customs, Excise and Service Tax Appellate Tribunal referred to the Larger bench
Income Tax Act,1961	Income Tax	2002-2004	629.29	Assessing Officer, Chennai
Income Tax Act,1961	Income Tax	2004-2005 2009-2010 2012-2013 2014-2015	1134.01	Income Tax Appellate Tribunal, Chennai
Income Tax Act,1961	Income Tax	2007-2008	103.86	Hon'ble High Court of Madras
Income Tax Act,1961	Income Tax	2016-2017	6171.82	Commissioner of Income-tax (Appeals), Chennai & Assessing Officer, 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

Place : Chennai
Date : June 30, 2020

R. Nagendra Prasad
Partner
Membership No. 203377
UDIN No. : 20203377AAAAACL9184

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, 2020** 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 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, 2020**, 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

Place : Chennai
Date : June 30, 2020

R. Nagendra Prasad
Partner
Membership No. 203377
UDIN No. : 20203377AAAAACL9184

**COMMENTS OF THE CONTROLLER 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, 2020,
WILL BE FORWARDED TO THE SHAREHOLDERS SEPARATELY**

BALANCE SHEET AS AT 31ST MARCH 2020**(₹ in Lakh)**

Sl. No	Particulars	Note	As at 31-Mar-20	As at 31-Mar-19
I	ASSETS			
1)	Non-current assets			
	(a) Property, plant and equipment	4	369880.06	387497.70
	(b) Capital work-in-progress	5	6169.77	1447.63
	(c) Right to use Assets	5 A	2181.15	-
	(d) Investment property	6	527.84	529.83
	(e) Intangible assets	7	856.42	787.51
	(f) Biological assets other than bearer plants	8	751.11	788.18
	(g) Financial assets			
	i) Investments	9	27.54	66.58
	ii) Loans	10	1827.03	2971.02
	(h) Other non-current assets	11	14792.82	2735.01
	Total Non-Current Assets		397013.74	396823.46
2)	Current Assets			
	(a) Inventories	12	84603.89	86079.00
	(b) Financial assets			
	i) Trade receivables	13	52756.49	44162.01
	ii) Cash and cash equivalents	14	441.05	5023.51
	iii) Bank Balances other than (ii) above	14A	120.15	120.38
	iv) Loans	15	2673.30	2225.56
	v) Other Financial Assets	15 A	754.52	-
	(c) Other current assets	16	19301.64	18714.31
	Total current assets		160651.04	156324.77
	Total Assets		557664.78	553148.23
II	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity share capital	17	6937.78	6937.78
	(b) Other equity	18	164353.33	158230.26
	Total Equity		171291.11	165168.04
	LIABILITIES			
1)	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	19	121140.04	124699.25
	(ii) Lease Liability		2176.75	-
	(b) Provisions	20	12118.76	10816.96
	(c) Deferred tax liabilities (net)	21	25414.62	22865.52
	(d) Other non-current liabilities	22	28.39	29.81
	Total non-current liabilities		160878.56	158411.54
2)	Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	19	56749.14	28313.77
	(ii) Lease Liability		524.34	-
	(iii) Trade payables			
	Total Outstanding dues of Micro & Small Enterprises	23	350.51	206.28
	Total Outstanding dues of Creditors other than Micro & Small Enterprises		98844.12	120607.53
	(iv) Other financial liabilities	24	56936.33	59019.08
	(b) Other current liabilities	25	9087.50	16986.30
	(c) Provisions	20	2618.22	2702.69
	(d) Current tax liabilities (net)		384.95	1733.00
	Total current liabilities		225495.11	229568.65
	Total equity and liabilities		557664.78	553148.23

Note 1 to 43 are forming part of financial statements

N MURUGANANDAM, IAS
CHAIRMAN
(DIN -00540135)

S.SIVASHANMUGARAJA, IAS
MANAGING DIRECTOR
(DIN- 06684301)

vide our report of even date
For BRAHMAYYA & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No: 000511S

Place : Chennai
Date : 30th June, 2020

V. SIVAKUMAR
COMPANY SECRETARY

R.NAGENDRA PRASAD
Partner
Membership No: 203377

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2020**(₹ in Lakh)**

Sl. No	Particulars	Note	For the Year ended 31-Mar-20	For the Year ended 31-Mar-19
I	INCOME			
	Revenue from Operations	26	347111.28	408271.46
	Other Income	27	3752.85	3924.34
	TOTAL INCOME (I)		350864.13	412195.80
II	EXPENSES			
	Cost of Purchase / materials consumed	28	152682.56	201393.97
	Purchase of stock-in-trade	29	10582.16	11725.55
	Changes in inventories of finished goods, work-in-progress & Stock-in-Trade	30	(7299.48)	(9297.50)
	Power, fuel & water charges		58778.05	68641.78
	Employee benefit expense	31	29355.76	26750.87
	Finance costs	32	22258.76	23335.86
	Depreciation & amortization expense	33	23124.43	22668.38
	Other expenses	34	42207.33	44137.83
	TOTAL EXPENSES (II)		331689.57	389356.74
III	PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX (I - II)		19174.56	22839.06
IV	Exceptional Items	35	121.09	7319.38
V	PROFIT BEFORE TAX (III-IV)		19053.47	15519.68
VI	TAX EXPENSE	36		
	- Current tax		3216.54	5184.16
	- Deferred tax / MAT credit entitlement		2833.70	896.84
			6050.24	6081.00
VII	PROFIT FOR THE PERIOD (V -VI)		13003.23	9438.68
VIII	OTHER COMPREHENSIVE INCOME			
	A (i) Items that will not be reclassified to Profit or Loss		(765.70)	(196.88)
	(ii) Income tax relating to items that will not be reclassified to Profit or Loss		253.93	53.65
	B (i) Items that will be reclassified to Profit or Loss		337.19	(412.52)
	(ii) Income tax relating to items that will be reclassified to Profit or Loss		(117.83)	144.15
			(292.41)	(411.60)
IX	TOTAL COMPREHENSIVE INCOME (VII + VIII)		12710.82	9027.08
X	EARNINGS PER EQUITY SHARE OF RS.10 EACH (EPS)			
	- Basic & Diluted (₹)		18.79	13.64

Note 1 to 43 are forming part of financial statements

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MANAGING DIRECTOR
(DIN- 06684301)

vide our report of even date
For BRAHMAYYA & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No: 000511S

Place : Chennai
Date : 30th June, 2020

V. SIVAKUMAR
COMPANY SECRETARY

R.NAGENDRA PRASAD
Partner
Membership No: 203377

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2020

(₹ in Lakh)

Sl.No.	Particulars	2019-20	2018-19
A	CASH FLOW FROM OPERATING ACTIVITIES		
	PROFIT BEFORE TAX	19053.47	15519.68
	Adjustments for :		
	Depreciation and amortisation	23124.43	22668.38
	Provision for advances & Loans	41.92	5760.09
	Provision for Impairment of Assets / Right to procure Bagasse	79.17	1559.29
	Interest on Overdue bills	(690.21)	(720.42)
	Interest Income	(497.33)	(793.04)
	Rental Income	(79.30)	(105.88)
	(Profit)/Loss on write off/ sale of Fixed Assets	161.48	(3.68)
	Fair value movement of Biological Assets	(21.88)	(18.26)
	Exchange Fluctuations	111.43	475.87
	Provision for Trade Receivables	197.75	1379.06
	Finance Cost	22258.76	23335.86
	Operating Profit before working capital changes	63739.69	69056.95
	Decrease(Increase) in inventories	1534.06	(37721.04)
	Decrease(Increase) in trade receivables	(8633.97)	14936.79
	Decrease(Increase) in Other Financial Assets	(754.52)	0.00
	Decrease(Increase) in other current assets	(292.06)	(674.53)
	Decrease(Increase) in current financial assets	49.59	316.31
	Decrease(Increase) in non current financial assets	1143.99	105.39
	Decrease(Increase) in other non-current assets	139.54	(109.30)
	Increase(Decrease) in non-current provisions	575.13	(351.13)
	Increase(Decrease) in other non current liabilities	(1.42)	(1.58)
	Increase(Decrease) in trade payable	(21619.18)	43947.54
	Increase(Decrease) in current provisions	(84.47)	334.94
	Increase(Decrease) in other current financial Liabilities	1208.48	2075.88
	Increase(Decrease) in other current payables	(7898.80)	(6153.50)
	Cash from Operations	29106.06	85762.72
	Income Tax paid	(4961.59)	(3874.87)
	Net Cash from Operating Activities	24144.47	81887.85
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Proceeds on Sale of Fixed Assets	54.57	4.70
	Proceeds from Asset held for sale	0.00	22.00
	Additions to Fixed Assets, Capital Work-In-Progress & Capital Advance	(21382.90)	(5416.96)
	Interest Income	544.26	584.45
	Rental Income	66.99	112.50
	Net Cash from Investing Activities	(20717.08)	(4693.31)
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from Borrowings	39563.22	20000.00
	Repayment of Borrowings	(46213.71)	(44273.57)
	Increase (Decrease) in short term borrowings	32869.84	(33009.84)
	Payment of Lease Liabilities	(480.03)	0.00
	Interest on Lease Liabilities	(259.40)	0.00
	Interest paid	(22797.52)	(23433.22)
	Dividend paid	(5190.80)	(3460.53)
	Dividend tax paid	(1066.98)	(711.32)
	Net Cash from Financing Activities	(3575.38)	(84888.48)
D	TOTAL INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS DURING THE YEAR (A+B+C)	(147.99)	(7693.94)
	Cash and cash equivalents at the beginning of the year	(9157.84)	(1463.90)
	Cash and cash equivalents at the end of the year	(9305.83)	(9157.84)
	Cash and cash equivalents comprise of the following		
	Cash and cash equivalents	441.05	5023.51
	Bank overdrafts (cash credit)	(9746.88)	(14181.35)
	Cash and cash equivalents	(9305.83)	(9157.84)

Notes : 1. Cash Flow statement has been prepared by following Indirect method.

2. Figures of previous year has been regrouped/restated/reclassified wherever necessary.

N MURUGANANDAM, IAS
CHAIRMAN
(DIN -00540135)

S.SIVASHANMUGARAJA, IAS
MANAGING DIRECTOR
(DIN- 06684301)

vide our report of even date
For BRAHMAYYA & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No: 0005115

Place : Chennai
Date : 30th June, 2020

V. SIVAKUMAR
COMPANY SECRETARY

R.NAGENDRA PRASAD
Partner
Membership No: 203377

Statement of Changes in Equity**A. Equity Share Capital****(₹ 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
Balance as at 01-Apr-19	6937.78
Changes in Equity Share Capital during 2019-20	0.00
Balance as at 31-Mar-20 (Includes Shares forfeited Rs.16.72 lakh)	6937.78

B. Other Equity**(₹ 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
Balance at the beginning of the period 01-Apr-19	17973.11	130801.18	9908.09	(47.47)	(246.82)	(157.83)	158230.26
Transition impact of Ind AS 116 'Leases' (Net of taxes of ₹.177.24 Lakh)	-	-	(329.97)	-	-	-	(329.97)
Restated balance as on 01-Apr-19	17973.11	130801.18	9578.12	(47.47)	(246.82)	(157.83)	157900.29

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	
Total Comprehensive Income	-	-	13003.23	(39.03)	337.19	(726.67)	12574.72
Dividend	-	-	(5190.80)	-	-	-	(5190.80)
Dividend Distribution Tax	-	-	(1066.98)	-	-	-	(1066.98)
Transfer from/ (to) retained earnings	-	7500.00	(7500.00)	-	-	-	-
Tax on Other Comprehensive Income	-	-	-	-	(117.83)	253.93	136.10
Balance at the end of the period 31-Mar-20	17973.11	138301.18	8823.57	(86.50)	(27.46)	(630.57)	164353.33

Note 1 to 43 are forming part of financial statements

N MURUGANANDAM, IAS
CHAIRMAN
(DIN -00540135)

S.SIVASHANMUGARAJA, IAS
MANAGING DIRECTOR
(DIN- 06684301)

Vide our report of even date
For BRAHMAYYA & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No: 000511S

Place : Chennai
Date : 30th June, 2020

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, 2020 are approved for issue by the Company's Board of Directors on June 30, 2020.

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
- Measurement of Lease Liabilities and Right to use of assets (ROU)

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.

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 2020 is included in the concerned notes.

Estimation of Impact of COVID-19 Pandemic - Disruption and Uncertainty in Business:-

On March 11, 2020 the World Health Organization declared Coronavirus outbreak (COVID-19) as a global pandemic. Responding to the potential serious threat that this pandemic has to public health, the Central Government and State Governments have taken series of measures to contain the outbreak, which included imposing nationwide lockdown with effect from 25th March, 2020 and the lockdown continued further across the country.

COVID-19 impacted the business operation of the Company since 25th March, 2020, by way of interruption in production due to closure/lock down of production facilities, unavailability of personnel and distribution channel and supply chain disruptions resulting in reduction in economic activities. The company was operational only for the essential services such as power, water and security services with minimum man power as the company is covered under essential service. In terms of the government guidelines, the company has scaled up its operations from 15th April, 2020.

The company has considered the possible effects and potential impact that may result from COVID-19 on the carrying value of property, plant & equipment, trade receivable, inventories, financial assets and other current assets appearing in the financial statements. In developing the assumptions and estimates relating to the future uncertainties in the economic conditions because of this pandemic, the company as at the date of approval of these financial statements has used internal and external sources of information and based on current estimates, expects to recover the carrying amounts of these assets. The management believes that no adjustments are required to be made for the financial results and carrying value of assets and liabilities as it does not have any impact for the current financial year ended 31st March, 2020.

In view of the highly uncertain economic environment, the actual impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the company will continue to closely monitor any material changes to future economic conditions

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 37 – Leases

Note 41 – Financial Instruments

3. Significant accounting policies

a. Foreign currency transactions

Transactions in foreign currencies (other than advance receipt or payment of foreign currency) are translated into the functional currency of the Company at the exchange rates at the date of the transaction. The foreign currency transactions received or paid in advance are accounted at the date of receipt or payment of foreign currency

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.

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 FVTPL.

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 off).

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.

v. 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;

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.

l. 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.

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. The Company as a Lessor:

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risk and rewards of ownership to the lessee, the contract is classified as finance lease. All other leases are classified as operating lease.

ii. The Company as a Lessee :

The Company's lease asset consists of lease for buildings and Plant & Machinery. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Transition

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the interest rate implicit in the lease or incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the interest rate at the date of initial application. Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the applicable accounting policies included as part of our Annual Report for year ended March 31, 2019.

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

There are no new standard or amendments to the existing standards notified by Ministry of Corporate Affairs ("MCA") which would have been applicable from April 1, 2020.

(₹ in Lakh)

NOTES TO THE FINANCIAL STATEMENTS

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)	Impairment (Ref Note 35.1)	Upto 31-Mar-19	As at 1-Apr-19	Additions/ (Deletions)	Impairment (Ref Note 35.1)	Upto 31-Mar-20	As at 31-Mar-20	As at 31-Mar-19
4	Property Plant and Equipment (PPE)													
	Land (Note - (a & b))	7237.31	1703.00	8940.31	8940.31	168.34	9108.65	-	-	-	-	-	9108.65	8940.31
	Buildings	70749.63	1080.43	71830.06	71830.06	966.60	72784.18	6822.59	2813.02	2842.88	79.17	12545.18	60239.00	62194.45
	Plant & Machinery (Note - (c & d))	378924.51	2658.63	381581.72	381581.72	3775.94	384988.02	47757.42	18925.00	19186.49	-	85713.66	299274.36	314900.43
	Furniture, Fixture and other Equipment	2005.43	61.99	2045.99	2045.99	40.14	2082.59	622.86	279.62	254.99	-	1133.76	948.83	1164.21
Vehicles	475.64	25.06	500.69	500.69	62.80	563.49	149.70	52.70	51.88	-	254.27	309.22	298.30	
	Total	459392.52	5529.11	464898.77	464898.77	5013.82	469526.93	55352.57	22070.34	79.17	99646.87	369880.06	387497.70	
5	Capital Work-in-Progress													
5A	Right to use Assets													
	(i) Buildings	-	-	-	-	632.61	632.61	-	-	-	-	119.41	513.20	0.00
	(ii) Plant and Machinery	-	-	-	-	2041.30	2041.30	-	-	-	-	373.35	1667.95	0.00
	Total	-	-	-	-	2673.91	2673.91	-	-	-	-	492.76	2181.15	0.00
6	Investment Property													
	Land	451.23	-	451.23	451.23	-	451.23	-	-	-	-	-	451.23	451.23
	Building	86.37	-	86.37	86.37	-	86.37	5.78	1.99	1.99	9.76	76.61	78.60	
	Total	537.60	-	537.60	537.60	-	537.60	5.78	1.99	1.99	9.76	527.84	529.83	
7	Other Intangible Assets													
	Computer software	1044.82	12.67	1057.49	1057.49	362.35	1419.69	850.84	144.22	94.68	-	1089.59	330.10	62.43
	Right to Procure Bagasse	3205.73	415.01	3620.74	3620.74	-	3620.74	884.54	451.83	198.76	-	3094.42	526.32	725.08
	Total	4250.55	427.68	4678.23	4678.23	362.35	5040.43	1735.38	596.05	293.44	-	4184.01	856.42	787.51

Note :

- a) The Land includes ₹.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 ₹.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 Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013. Further, during 2018-19, "the Commissioner of land administration" has issued instructions vide Circular No.M2/27011/13 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 along with interest was determined and the final award for compensation was completed in Jan 2020. The total additional compensation due including interest in terms of GO / circulars amounting to ₹. 3699.47 lakhs have been capitalized toward private patta land in the books of account upto the period ended 31st March 2020.

In respect of Government Poramboke land of 41.89 acres, the Govt., vide G.O.No.447, Revenue (LD5(2)) Department, dated 11.11.2013, has adopted the guideline value (GLV) of adjacent patta lands and arrived land value of ₹.84.68 lakh. Pending completion of formalities for transfer of poramboke land and determination of cost for transfer, the company has adopted the guideline value of ₹.84.68 lakhs and capitalized during the year ended 31st March, 2020.

- 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 entered into an agreement with the Sakthi Sugars Limited (SSL) for procurement of bagasse on fuel substitution and having three agreements which having a term expiring during the period between September, 2020 to September, 2021. The Company and Sakthi Sugars Limited (SSL) have mutually agreed to close current agreements and enter into single common agreement for all three locations, Appakudal, Sivagangai and Modakurichi effective from 01st August 2020. The net receivable from SSL on the existing agreements as on 30-04-2020 is ₹. 2150 Lakhs and this amount shall be carried over as 9% interest bearing loan to be repaid by SSL in equated monthly instalments over the period of agreement term of 5 years from date of agreement. Further, SSL is entitled for Transport Subsidy of ₹. 750 Lakhs from the Government in terms of as per G.O.(Ms). No.81 dated 3rd April, 2020, and SSL also agreed for direct transfer of their entitlement in favour of the company towards settlement of outstanding loan by submission of necessary documents to the Government

The Company has erected 2 No's of 85 TPH high pressure boiler & its auxiliaries at the cost of ₹ 3438 Lakhs and now SSL has fully repaid capital cost of one Boiler by April-2020. Each boiler has been valued by chartered engineers for ₹. 1965 lakhs each. In terms of proposed restructuring of existing agreements, both TNPL and SSL have agreed that the ownership rights of one Boiler shall be transferred to SSL on settlement of outstanding loan in full by SSL. Till settlement of the loan in full, the company shall keep the asset as security for the outstanding loan.

- e) As at 31 March 2020, PPE are subject to charge on secured bank loans (Refer Note 19)
- f) 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 except net value of identified assets impaired amounting to ₹.79.17 lakh.

NOTES TO THE FINANCIAL STATEMENTS

g) Capital Work-in-Progress includes:

(₹ in Lakh)

Sl. No.	Particulars		As at 31-Mar-20	As at 31-Mar-19
	Tangible Assets			
A)	Regular Projects		642.54	1161.16
B)	Packaging Board Plant - Mill Expansion Plan			
	Opening Balance	(a)	221.74	-
	Additions:			
	Buildings		2269.72	-
	Plant and Machinery		1456.78	-
	Finance Costs #		487.02	-
	Corporate Environment Responsibility Expenditure		110.91	-
	Pre-Operative Expenses		800.45	221.76
	Pre-Operative Income		(17.70)	-
		(b)	5107.18	221.76
	Closing Balance (a) + (b)		5328.92	221.76
C)	Packaging Board Plant:			
	Opening Balance	(a)	64.71	590.89
	Additions:			
	Land		115.47	1756.87
	Buildings		610.12	175.29
	Plant and Machinery		1294.25	181.84
	Vehicles		4.90	1.45
	Furniture, Fixture & Other Equipment		49.72	129.14
	Intangible Assets		0.00	2.00
		(b)	2074.46	2246.59
	Less: Transferred to Fixed Assets on capitalization			
	Land		168.34	1703.00
	Buildings		578.27	549.33
	Plant and Machinery		1143.98	387.85
	Vehicles		0.55	1.45
	Furniture, Fixture & Other Equipment		49.72	129.14
	Intangible Assets		0.00	2.00
		(c)	1940.86	2772.77
	Closing Balance (a)+(b)-(c)		198.31	64.71
	Grand Total (A + B + C)		6169.77	1447.63

The capitalisation rate applied to determine the amount of borrowing costs eligible for capitalisation is in the range of 8.22% to 8.35%

NOTES TO THE FINANCIAL STATEMENTS

h) Disclosures relating to Investment Property:

(₹ in Lakh)

Particulars	31-Mar-20	31-Mar-19
Rental income for investment property	64.04	93.84
Direct operating expenses to income generating property	37.85	51.28
Less: Reimbursement of Expenses	(35.86)	(49.29)
Depreciation on Investment property	(1.99)	(1.99)
Fair value of Investment Property		
a) Land at Tiruppatur	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

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-20	31-Mar-19
Standing crops:		
Opening Balance	788.18	710.55
Add: New plantations / Maintenance cost	33.52	72.84
Less: Harvested wood transferred to inventories	(92.47)	(13.47)
Changes in fair value less estimated costs to sell	21.88	18.26
Closing Balance	751.11	788.18

As at 31st March 2020, standing crops comprises 5336.85 acres of plantations (31 March 2019: 5642 acres) . During the year the company harvested 3344 Mts (31 March 2019: 337 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	2019-20	2018-19
Gain included in 'other income' - Change in fair value	21.88	18.26

NOTES TO THE FINANCIAL STATEMENTS

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 market prices for Wood/ Mt as on 31.3.2018 ₹. 3700/- Every year an increase of 5% from the previous year is considered. As there is no change in Market value is expected for the year 2020-21, 5% increase has not been considered. Estimated yields (in tons) per acre (31 March 2020: 5.11 ; 31 March 2019: 5.31) Risk-adjusted discount rate (31 March 2020: 9%; 31 March 2019: 9%)	The estimated fair value would increase (decrease) if: <ul style="list-style-type: none"> - 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)

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-20	As at 31-Mar-19
9	Investments		
	Quoted equity shares		
	IDBI Bank Limited	27.54	66.58
	(142720 equity shares of Rs.10 each, fully paid)	27.54	66.58
	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-20	Dividend income recognized during 2019-20	Fair value at 31-Mar-19
IDBI Bank Ltd - Equity Shares	27.54	0.00	66.58

No strategic investments were disposed during 2019-2020.

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakh)

Note	Particulars	As at 31-Mar-20	As at 31-Mar-19
10	Loans		
	Advance to Sugar Mills considered good - Unsecured	1827.03	2971.02
	Advance to Sugar Mills - Credit Impaired (Refer Note 35.1)	3433.78	3433.78
	Less: Provision for Advance to Sugar Mill	(3433.78)	(3433.78)
		1827.03	2971.02
11	Other Non- Current Assets		
	Advances & Deposits with Government and public bodies	2249.65	1873.73
	Capital Advances	12051.07	279.46
	Prepaid Expenses	275.90	354.52
	Other advance	216.20	227.30
		14792.82	2735.01
12	Inventories		
	Raw materials		
	In Stock	28992.39	40762.03
	In Transit	12267.26	10097.64
	Work in process	13901.50	13522.84
	Stock of Finished Goods	11322.49	5315.18
	Stock of Traded goods	718.25	353.70
	Stores, Consumables and spare parts		
In Stock	17280.63	15991.29	
In Transit	121.37	36.32	
		84603.89	86079.00

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 ₹.730.66 Lakh (31 March 2019: ₹.457.19 Lakh). The write-down are included in cost of Repairs & Maintenance.

Note	Particulars	As at 31-Mar-20	As at 31-Mar-19
13	Trade Receivables		
	Trade Receivables considered good-Unsecured	52756.49	44162.01
	Trade Receivables which have significant increase in credit risk	0.00	0.00
	Trade Receivables - Credit Impaired	1927.07	1729.32
		54683.56	45891.33
	Less : Provision for Trade Receivables - Credit impaired	1927.07	1729.32
		52756.49	44162.01
	(Trade Receivables have been hypothecated to banks / Financial Institutions as securities for borrowings)		

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakh)

Note	Particulars	As at 31-Mar-20	As at 31-Mar-19
14	Cash and Cash Equivalents		
	Balance with Banks		
	Current accounts	432.96	5010.18
	Cheques, drafts on hand	0.00	12.30
	Cash on hand	8.09	1.03
		441.05	5023.51
14A	Bank balances Other than cash and cash equivalents		
	Unpaid Dividend accounts	120.15	120.38
		120.15	120.38
15	Loans		
	Current maturities of Loans:		
	Advance to Sugar Mills-Considered good Unsecured	2046.03	1331.41
	Advance to Sugar Mills- Credit Impaired (Refer Note 35.1)	1394.57	1394.57
	Less: Provision for Advance to Sugar Mill - Credit Impaired	(1394.57)	(1394.57)
	Advances considered good - Unsecured	277.66	245.46
	Advances - Credit Impaired	21.45	21.45
	Less: Provision for Advances - Credit impaired	(21.45)	(21.45)
	Employee Advances	342.17	331.08
	Interest accrued on Loans/Deposits considered good - unsecured	7.44	317.61
	Interest accrued on Loans/Deposits - Credit Impaired (Refer Note 35.1)	553.71	553.71
	Less: Provision for Interest accrued on Loans - Credit impaired	(553.71)	(553.71)
		2673.30	2225.56
15A	Other Financial Assets		
	Derivative Assets	754.52	0.00
		754.52	0.00
16	Other Current Assets		
	Advances for Materials and Services considered good - Unsecured	7749.99	7024.99
	Advances for Materials and Services - Credit Impaired	419.95	378.03
	Less: Provision for Advances - Credit Impaired	(419.95)	(378.03)
	Balance with:		
	- Central Excise / TN VAT /GST - (includes ₹.469.77 Lakhs (FY2018-19 ₹.466.93 lakh) paid under protest for disputes)	4557.90	6728.33
	Claims Receivables #	4119.24	3128.93
	Export Incentives Receivables	1037.70	902.47
	Prepaid Expenses	1836.81	929.59
		19301.64	18714.31

Claims receivable includes

- 1) Claims receivable includes ₹.2694.67 lakh (Previous Year ₹.1705.45 lakh) towards net output VAT/GST refund represents VAT paid net off input credit upto 30th June, 2017 and SGST paid net of GST Credit w.e.f. 1st July, 2017 relating to Board plant as per the incentive scheme sanctioned by Government of Tamil nadu.
- 2) VAT refund on capital goods ₹.650.14 lakh (Previous Year ₹.650.14 Lakh), Claim with custom ₹.434.61 lakh (Previous Year ₹.422.24 lakh), Back ended capital subsidy ₹.192.50 lakh (Previous Year ₹.192.50 Lakh), Environment Protection Subsidy ₹.30 lakh (Previous Year ₹.30 lakh), Claim with M/s.ABFSL ₹.117.32 lakh (Previous Year ₹.117.32 lakh) and claim with insurance companies ₹. Nil (Previous Year ₹.11.28 lakh)

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakh)

Note	Particulars	As at 31-Mar-20	As at 31-Mar-19
17	Equity Share Capital		
	Authorized		
	13,50,00,000 (31 March 2019 : 13,50,00,000) Equity Shares of Rs.10/- each	13500	13500
	Issued		
	7,00,00,000 (31 March 2019 : 7,00,00,000) Equity Shares of Rs.10/- each	7000	7000
	Subscribed and Fully Paid up*		
	6,92,10,600 (31 March 2019 : 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-20		31-Mar-19	
	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.

(iii) Particulars of shareholders holding more than 5% of shares

Sl.No	Particulars	31-Mar-20		31-Mar-19	
		Number in Lakhs	% of total shares	Number in Lakhs	% of total shares
1	Equity shares of ₹. 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	54.09	7.82%	63.06	9.11%
3	- HDFC Trustee Company Limited - HDFC Hybrid Equity Fund	48.97	7.08%	40.81	5.90%

NOTES TO THE FINANCIAL STATEMENTS

(iv) Dividends

The following dividends were declared and paid by the Company during the year

(₹ in Lakh)

Particulars	2019 - 20	2018 - 19
₹.7.50 per equity share (Financial year 2018-19: ₹.5.00)	5190.80	3460.53
Dividend Distribution Tax (DDT) on dividend to equity shareholders	1066.98	711.32
	6257.78	4171.85

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.

(₹ in Lakh)

Particulars	2020 - 21	2019 - 20
₹.6.00 per equity share (Financial year 2018-19: ₹.7.50)	4152.64	5190.80
	4152.64	5190.80

(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	2019-20	2018-19
Profit /(loss) for the year, attributable to the equity holders	13003.23	9438.68
	13003.23	9438.68

b. Weighted average number of equity shares (basic and diluted)

(In Numbers)

Particulars	As at 31-Mar-20	As at 31-Mar-19
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) - (₹)	18.79	13.64

NOTES TO THE FINANCIAL STATEMENTS

18. Other Equity

(₹ in Lakh)

Particulars	As at 31-Mar-20	As at 31-Mar-19
(a) Securities premium	17973.11	17973.11
(b) General reserve		
(i) Opening balance	130801.18	134973.03
(ii) Transfer from / (to retain earnings)	7500.00	(4171.85)
(iii) Closing balance	138301.18	130801.18
(c) Retained Earnings		
(i) Opening balance	9908.09	469.41
Less: Transition impact of Ind AS 116 'Leases' (Net of taxes of ₹.177.24 Lakh)	(329.97)	0.00
(ii) Profit / (Loss) for the year	13003.23	9438.68
(iii) Less : Appropriations		
(a) Dividend on equity Shares	5190.80	3460.53
(b) Tax on dividend	1066.98	711.32
(c) Transfer (from retain earnings) / General reserves	7500.00	(4171.85)
	8823.57	9908.09
(d) Fair value of gain/(loss) on Equity Instruments through OCI		
(i) Opening balance	(47.47)	(8.55)
(ii) Change during the year (net)	(39.03)	(38.92)
	(86.50)	(47.47)
(e) Effective portion of cash flow hedges		
(i) Opening balance	(246.82)	21.55
(ii) Change during the year (net)	219.36	(268.37)
	(27.46)	(246.82)
(f) Re-measurement of defined benefit plans		
(i) Opening balance	(157.83)	(53.52)
(ii) Change during the year (net)	(472.74)	(104.31)
	(630.57)	(157.83)
Total Other Equity	164353.33	158230.26

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 8.33 percent (2018-19: 8.66 percent)

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakh)

Note	Particulars	As at 31-Mar-20	As at 31-Mar-19
19	Borrowings		
	Non-current borrowings		
	Term loans - From Financial Institutions - Secured		
	A) Term Loans-General Corporate Loan - Rupee Term Loans	14500.00	15000.00
	B) Mill Expansion Plan(MEP)-Unit 2 - Rupee Term Loans	2896.00	0.00
	Term loans - From Banks - Secured		
	A) Lime Sludge & Fly Ash Management System(LSFM) - Rupee Term Loans	450.00	900.00
	B) Term Loans-General Corporate Loan/Working Capital Term Loan - Rupee Term Loans	47489.56	43124.98
	- Foreign Currency Term Loan	898.43	1475.13
	C) Multilayer Coated Board Plant - Unit 2 - Rupee Term Loans	45738.83	64199.14
	D) Mill Expansion Plan (MEP) at Unit 2 - Rupee Term Loans	9167.22	0.00
		121140.04	124699.25
19	Current borrowings		
	a) Loans from Banks - Secured **		
	Working Capital Loans - Banks		
	Cash Credit	9706.99	14181.16
	Rupee Loan	10200.00	0.00
	b) Financial Institution - Secured #	3802.26	0.00
	Sub-Total (a)	23709.25	14181.16
	c) Unsecured bank loans		
	Short Term Loans from Banks		
	Cash Credit	39.89	0.19
	Export Packing Credit(EPC)-INR	8500.00	7500.00
	Buyer's Credit - Foreign Currency	0.00	6632.42
	Rupee Loan	24500.00	0.00
	Sub-Total (b)	33039.89	14132.61
	Total (a) + (b)	56749.14	28313.77

** Secured by a first charge on current assets 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.

Loan from M/s. Tamilnadu Industrial Investment Corporation Ltd (TIIC) was drawn against trade receivables ageing between 91 & 150 days. This loan is secured by residual charge on movable fixed assets of the company

RBI had announced vide circular dated 27.03.2020, among other key measures to combat COVID – 19, "to ease financial stress", allowed a moratorium of three months for repayment of Term Loan installments falling due between March 1, 2020 and May 31, 2020 and vide its circular dated 23.05.2020 extended further period of three months, i.e., from June 1, 2020 to August 31, 2020 in view of extended lockdown. Accordingly, the repayment schedule and all subsequent due dates including the tenor for such loans gets shifted across the board by three months.

Based on the above circulars, the Company had not availed of initial moratorium announced by RBI vide circular dated 27.03.2020 and honored its loan commitments, however, opted for extended moratorium period of 3 months effective from June 1, 2020 announced vide circular dated 23.05.2020 for principal portion of Term Loan mainly to conserve cash given the uncertain market scenario and continued lockdown measures by the Government.

NOTES TO THE FINANCIAL STATEMENTS

A. Term and repayment schedule

Terms and condition of outstanding borrowings are as follows

Particulars	Note	Year of maturity #	Terms of repayment	Coupon / Interest Rate	31-Mar-20		31-Mar-19	
					Non-Current	Current Maturities	Non-Current	Current Maturities
Non - Current Borrowings								
Term loans - From Financial Institutions - Secured								
A) Term Loans - General Corporate Loan								
- Export - Import Bank of India	(viii)	Aug-25	20 Step up quarterly installments	1 Y MCLR + 60 bps	14500.00	500.00	15000.00	15000.00
- Export - Import Bank of India	(iv)	Oct-19	Quarterly in Sixteen equal installments	8.75% p.a (fixed) - annual reset	-	-	1875.00	1875.00
B) Mill Expansion Plan (MEP) - Unit 2					14500.00	500.00	15000.00	16875.00
- Export - Import Bank of India	(iii)	Nov-29	Quarterly in Twenty Eight step up installments	1 Y Gsec + 265 bps	2896.00	-	-	-
Term loans - From Banks - Secured								
A) Lime Sludge Fly Ash Management System								
- Canara Bank	(i)	Dec-21	Quarterly in Eighteen equal installments	1 Y MCLR	450.00	450.00	900.00	1500.00

(₹ in Lakh)

(₹ in Lakh)

NOTES TO THE FINANCIAL STATEMENTS

Particulars	Note	Year of maturity #	Terms of repayment	Coupon / Interest Rate	Non-Current 31-Mar-20	Current Maturities 31-Mar-20	Total 31-Mar-20	Non-Current 31-Mar-19	Current Maturities 31-Mar-19	Total 31-Mar-19
Non - Current Borrowings										
i) Rupee Term Loans										
- Syndicate Bank	(v)	May-21	Semi - annual in Eight equal installments	1 Y MCLR	1250.00	1250.00	2500.00	2500.00	2500.00	5000.00
- State Bank of India (Earlier known as SBT)	(v)	May-21	Semi - annual in Eight equal installments	1 Y MCLR + 25 bps	499.98	500.00	999.98	999.98	1000.00	1999.98
- Canara Bank	(v)	May-21	Semi - annual in Eight equal installments	1 Y MCLR	1375.00	1375.00	2750.00	2750.00	2750.00	5500.00
- Federal Bank	(vi)	Jun-22	Quarterly in Twelve equal installments	1 Y Gsec + 197 bps	3125.00	1875.00	5000.00	5000.00	2500.00	7500.00
- The Bank of Tokyo - Mitsubishi UFJ Limited	(vii)	Oct-22	Semi - annual in Six equal installments	7.91% p.a on a fully hedged basis + appl. withholding tax	10000.00	6666.67	16666.67	20000.00	-	20000.00
- Canara Bank	(viii)	Jun-27	Quarterly in Thirty Two equal installments	1 Y MCLR + 30 bps	3906.25	468.75	4375.00	4375.00	625.00	5000.00
- IndusInd Bank Limited	(ix)	Jun-27	Quarterly in thirty one step up installments	Fixed for One Year (Subject to reset on every 28th of June)	4875.00	75.00	4950.00	-	-	-
- Canara Bank	(x)	Apr-25	Quarterly in Twenty equal installments	1 Y MCLR	8500.00	1500.00	10000.00	-	-	-
- Canara Bank	(x)	May-25	Quarterly in Twenty equal installments	1 Y MCLR	10625.00	1875.00	12500.00	-	-	-
- Kotak Mahindra Bank Limited	(xi)	Mar-22	Quarterly in Twelve equal installments	6 M MCLR	3333.33	3333.34	6666.67	6666.67	3333.33	10000.00
- ICICI Bank Limited	(xii)	Sep-19	Single repayment at the end of the term	1 Y MCLR + 45bps	-	-	-	-	5000.00	5000.00

(₹ in Lakh)

NOTES TO THE FINANCIAL STATEMENTS

Particulars	Note	Year of maturity #	Terms of repayment	Coupon / Interest Rate	Non-Current 31-Mar-20	Current Maturities 31-Mar-20	Total 31-Mar-20	Non-Current 31-Mar-19	Current Maturities 31-Mar-19	Total 31-Mar-19
- Kotak Mahindra Bank Limited	(xiii)	Oct-20	Quarterly in Twelve equal installments	6 M MCLR	-	833.33	833.33	833.33	1666.67	2500.00
ii) Foreign Currency Term Loan					47489.56	19752.09	67241.65	43124.98	19375.00	62499.98
- ICICI Bank	(vii)	Jun-22	Quarterly in Sixteen equal installments	8.25% p.a on a fully hedged basis	898.43	718.74	1617.17	1475.13	655.61	2130.74
C. Multi Coated Board Plant (Unit-2)					6166.00	6162.00	12328.00	12336.00	8216.00	20552.00
- Syndicate Bank	(ii)	Dec-21	Quarterly in Eighteen equal installments	1 Y MCLR	1658.89	1668.00	3326.89	3326.89	2224.00	5550.89
- State Bank of India (Earlier known as SBT)	(ii)	Dec-21	Quarterly in Eighteen equal installments	1 Y MCLR + 25 bps	3303.43	3337.50	6640.93	6640.93	4450.00	11090.93
- Indian Bank	(ii)	Dec-21	Quarterly in Eighteen equal installments	1 Y MCLR	8333.33	6666.67	15000.00	15000.00	5000.00	20000.00
- 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	26277.18	616.30	26893.48	26895.32	455.55	27350.87
- ICICI Bank Limited	(ii)	Dec-26	Quarterly in thirty one step up installments	1 Y MCLR + 60 bps	45738.83	18450.47	64189.30	64199.14	20345.55	84544.69
D. Mill Expansion Plan - (Unit-2)					811.48	-	811.48	-	-	-
- Indian Bank - Erstwhile Allahabad Bank	(iii)	Mar-29	Quarterly in Twenty Six step up installments	1 Y MCLR	811.48	-	811.48	-	-	-

(₹ in Lakh)

NOTES TO THE FINANCIAL STATEMENTS

Particulars	Note	Year of maturity #	Terms of repayment	Coupon / Interest Rate	Non-Current 31-Mar-20	Current Maturities 31-Mar-20	Total 31-Mar-20	Non-Current 31-Mar-19	Current Maturities 31-Mar-19	Total 31-Mar-19
- Punjab National Bank (erstwhile Oriental Bank of Commerce)	(iii)	Mar-29	Quarterly in Twenty Six step up installments	1 Y MCLR	1262.56	-	1262.56	-	-	-
- Union Bank of India	(iii)	Mar-29	Quarterly in Twenty Six step up installments	1 Y MCLR	7093.18	-	7093.18	-	-	-
					9167.22	-	9167.22	-	-	-
		Grand Total			121140.04	39871.30	161011.34	124699.25	42851.16	167550.41

Year of maturity of the respective loans have been revised wherever applicable in line with availment of moratorium announced by Reserve Bank of India (RBI) 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, Manappari 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) - First pari passu charge on assets to be created out of Mill Expansion Plan with other lenders funding for Phase – I of the project & First pari passu charge on existing assets at Unit –II (both movable and immovable fixed assets) along with existing lenders and proposed lenders for MEP
- (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 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.,
- (vi) - First Pari Passu Charge on moveable Fixed Assets with at least 1x cover.
- (vii) - Residual charge on moveable fixed assets of the company.
- (viii) - Secured by a first pari passu charge on movable fixed assets of the company (except assets under specific charge to other lenders)
- (ix) - Subservient charge on entire moveable fixed assets of the company, both present and future (except those which are under specific charge to the respective term lenders).
- (x) - Subservient charge on current asset and entire moveable fixed assets of the company.
- (xi) - Exclusive hypothecation charge on revamped power plant & machinery
- (xii) - Secured by residual charge on current assets of the company.
- (xiii) - Second hypothecation charge on fixed assets of the borrower with a minimum asset cover of 2X.

NOTES TO THE FINANCIAL STATEMENTS

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-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
Cash flows	(147.99)	(6650.49)	32869.84	-	26071.36
Finance costs	-	-	-	22745.78	22745.78
Interest paid	-	-	-	(23056.92)	(23056.92)
Exchange fluctuations	-	111.43	-	-	111.43
Net debt as at 31-Mar-20	(9305.83)	161011.35	47002.26	1101.12	199808.90

20 Provisions

(₹ in Lakh)

Particulars	Non-current		Current	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
Provisions for employee benefits Note (b)				
Defined benefit liability - Gratuity	7590.12	6991.25	1846.45	1956.56
Liability for compensated absences	4438.74	3743.23	771.77	746.13
Total provisions for employee benefits (A)	12028.86	10734.48	2618.22	2702.69
Other provisions				
Provision for decommissioning liability Note (a)	89.90	82.48	0.00	0.00
Total other provisions (B)	89.90	82.48	0.00	0.00
Total provisions (A+B)	12118.76	10816.96	2618.22	2702.69

Note (a) provision for decommissioning liability

The Company has made a provision of ₹.89.90 lakh (Previous Year ₹.82.48 lakh) in respect of obligation on decommissioning of Plant & Machinery erected at various Off-sites (Sugar Mills), The unwinding of discount of ₹.7.42 lakh (Previous Year ₹.6.81 lakh) recognized as expenses.

NOTES TO THE FINANCIAL STATEMENTS**Note (b) Provisions for employee benefits****(₹ in Lakh)**

Particulars	As at 31-Mar-20	As at 31-Mar-19
Defined benefit liability - Gratuity	9436.57	8947.81
Liability for compensated absences	5210.51	4489.36
Total employee benefit liabilities	14647.08	13437.17
Non-current	12028.86	10734.48
Current	2618.22	2702.69
Total employee benefit liabilities	14647.08	13437.17

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-20	31-Mar-19	31-Mar-20	31-Mar-19
Balance at the beginning of the year	8947.82	8957.81	4489.36	4342.02
Interest Cost	619.96	638.35	310.43	306.00
Current service cost	483.32	461.60	203.54	199.59
Past service cost	0.00	0.00	0.00	0.00
Benefits paid	(1341.20)	(1270.28)	(689.65)	(704.90)
Actuarial loss/(gain) on obligation (balancing figure)	726.67	160.34	896.83	346.65
Balance as at the end of the year	9436.57	8947.82	5210.51	4489.36

i. Expense recognized in profit or loss (Note 31)**(₹ in Lakh)**

Particulars	TYPE OF PLAN			
	GRATUITY		LEAVE ENCASHMENT	
	2019-20	2018-19	2019-20	2018-19
Current service cost	483.32	461.60	203.54	199.59
Net Interest on Net Defined Benefit Obligations	619.96	638.35	310.43	306.00
Net actuarial (gain)/loss recognized in the year	0.00	0.00	896.83	346.65
Past service cost	0.00	0.00	0.00	0.00
Expenses recognized in the statement of profit and loss	1103.28	1099.95	1410.80	852.24

ii. Remeasurements recognized in other comprehensive income**(₹ in Lakh)**

Particulars	TYPE OF PLAN	
	GRATUITY	
	2019-20	2018-19
Actuarial (gain) / loss on defined benefit obligation	726.67	160.34
	726.67	160.34

NOTES TO THE FINANCIAL STATEMENTS

iii) Defined benefit obligation

Particulars	Gratuity		Leave Encashment	
	2019-20	2018-19	2019-20	2018-19
Discount Rate	6.58%	7.49%	6.58%	7.49%
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	Gratuity		Leave Encashment	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
Discount Rate				
Impact due to increase of 50 basis points	(289.76)	(241.27)	(176.42)	(138.69)
Impact due to decrease of 50 basis points	309.68	256.21	189.26	148.26
Salary escalation rate				
Impact due to increase of 50 basis points	269.91	222.95	189.40	149.68
Impact due to decrease of 50 basis points	(256.96)	(213.62)	(178.17)	(141.22)

v) Maturity Profile of Defined Benefit Obligation :

(₹ in Lakh)

Defined Benefits	As at 31/03/2020	As at 31/03/2019
Gratuity		
Less than one Year	872.63	987.56
One to Three Years	3614.71	3762.64
Three to Five Years	1835.21	2042.16
More than Five years	3220.59	2934.90
Leave Encashment		
Less than one Year	418.02	419.90
One to Three Years	1333.46	1286.72
Three to Five Years	807.77	792.32
More than Five years	1629.84	1372.11

Provident Fund

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.

In accordance with actuarial valuation of provident fund liabilities and based on the assumptions as mentioned below, there is no deficiency in the interest cost as present value of expected future earnings of the fund is greater than the expected amount to be credited the individual members based on the expected guaranteed rate of interest of Government administered provident fund.

NOTES TO THE FINANCIAL STATEMENTS

The details of fund and plan assets are given below :

(₹ in Lakh)

Particulars	As at 31-Mar-20	As at 31-Mar-19
Present value of Obligation (PVO)	28986.07	27291.34
Fair value of Plan Assets	30767.84	27498.64
Net Liability / (Net Asset)	(1781.77)	(207.30)

The plan assets have been primarily invested in Government securities and corporate bonds.

The principal assumptions used in determining the present value obligation of Interest guarantee under the deterministic approach are as follows

Particulars	As at 31-Mar-20	As at 31-Mar-19
Discount Rate	6.58%	7.49%
Guaranteed rate of return	8.50%	8.65%

The company contributed ₹.1632.59 lakh (Previous Year : ₹.1579.42 lakh) towards the provident fund for the year ended 31st March, 2020.

21. Movement in deferred tax balances

(₹ in Lakh)

Particulars	Net deferred tax (assets) liabilities					
	01-Apr-18	2018-19	31-Mar-19	01-Apr-19	2019-20	31-Mar-20
Recognized in profit and loss:						
Property ,Plant and equipment	72654.54	2279.85	74934.39	74934.39	(521.59)	74412.80
Intangible assets	(162.55)	(571.38)	(733.93)	(733.93)	97.71	(636.22)
Biological assets	41.94	6.39	48.33	48.33	7.64	55.97
Finance Cost - Decommissioning Liability	(22.56)	(2.38)	(24.94)	(24.94)	(2.59)	(27.53)
Lease Liabilities #	(1.60)	(0.13)	(1.73)	(178.97)	(4.35)	(183.32)
Provision for loss allowance	(101.04)	(2493.04)	(2594.08)	(2594.08)	(83.75)	(2677.83)
Disallowance of expenses U/ sec., 43B	(450.88)	247.99	(202.89)	(202.89)	(17.22)	(220.11)
Tax lossess carried forward - unabsorbed depreciation	(24359.09)	6605.84	(17753.25)	(17753.25)	6743.26	(11009.99)
Employee Benefits Plan	(4467.76)	7.86	(4459.90)	(4459.90)	(168.87)	(4628.77)
Tax Credits - MAT Credit Entitlement	(20945.21)	(5184.16)	(26129.37)	(26129.37)	(3187.80)	(29317.17)
(A)	22185.79	896.84	23082.63	22905.39	2862.44	25767.83
Recognized in other comprehensive income :						
Remeasurement of defined benefit plans	(28.33)	(56.03)	(84.36)	(84.36)	(253.93)	(338.29)
Investments at fair value through OCI	(2.38)	2.38	0.00	0.00	0.00	0.00
Derivatives	11.40	(144.15)	(132.75)	(132.75)	117.83	(14.92)
(B)	(19.31)	(197.80)	(217.11)	(217.11)	(136.10)	(353.21)
Total (A+B)	22166.48	699.04	22865.52	22688.28	2726.34	25414.62

Opening balance of deferred tax on lease liabilities as at 01-Apr-19 has been restated by ₹.177.24 lakh to give impact of transition to Ind AS 116 'Leases'.

NOTES TO THE FINANCIAL STATEMENTS

Tax losses carried forward

Tax losses never expires for which deferred tax asset was recognized and outstanding as follows: (₹ in Lakh)

Particulars	As at 31-Mar-20	As at 31-Mar-19	Expiry date
Expire	-	-	-
Never expire	11009.99	17753.25	-

(₹ in Lakh)

Note	Particulars	As at 31-Mar-20	As at 31-Mar-19
22	Other Non-current Liabilities		
	Government grants	25.30	26.50
	Deferred Rent Payable	3.09	3.31
		28.39	29.81

Government grants

The company has recognized in its books Government subsidy of ₹.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.

(₹ in Lakh)

Note	Particulars	As at 31-Mar-20	As at 31-Mar-19
23	Trade payables		
	Trade payables to related parties	-	-
	Other trade payables		
	Acceptances	46104.88	63268.98
	Sundry Creditors		
	Total Outstanding dues of Micro & Small Enterprises	350.51	206.28
	Total Outstanding dues of Creditors other than Micro & Small Enterprises	52739.24	57338.55
		99194.63	120813.81

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-20	As at 31-Mar-19
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	350.51	206.28
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	-	-

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakh)

Note	Particulars	As at 31-Mar-20	As at 31-Mar-19
24	Other Financial Liabilities		
	Current maturities of Long Term Debt	39871.30	42851.16
	Interest accrued but not due	1101.12	1412.26
	Security Deposits from customers/contractors	7006.37	6821.13
	Unclaimed Dividend #	120.15	120.38
	Employee related Liabilities @	6861.22	4131.78
	Derivative Liabilities	0.00	1442.51
	Creditors for Capital Goods	1976.17	2239.86
		56936.33	59019.08

There are no amount due and outstanding to be credited to Inverstors 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 ₹ 4562.68 lakh has been provided till 31-Mar-20 on an estimated basis. The difference, if any, shall be dealt with and accounted for in the year of finalisation of agreement with workmen

(₹ in Lakh)

Note	Particulars	As at 31-Mar-20	As at 31-Mar-19
25	Other Current Liabilities		
	Advance received from customers	1031.99	8901.08
	Statutory dues payable	1203.61	1221.54
	Tax Deducted at Source	545.36	557.14
	Other payables #	6306.54	6306.54
		9087.50	16986.30

The Company's exposure to currency and liquidity risks related to above financial liabilities is disclosed in Note 41

Other payables includes:

- ₹ .2410.35 lakh (Previous Year ₹.2410.35 lakh) being the guarantee commission in respect of IBRD Loan guaranteed by Govt. of India lying since 2002.
- ₹. 1018.99 lakh (Previous Year ₹.1018.99 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.

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakh)

Note	Particulars	For the Year ended 31-Mar-20	For the Year ended 31-Mar-19
26	Revenue from Operations		
	Sale of Products		
	Printing & Writing Paper		
	- Domestic Sales	215484.86	249198.98
	- Export Sales	40774.42	53707.91
		256259.28	302906.89
	Less: Discounts	22897.55	23205.28
		233361.73	279701.61
	Packaging Board		
	- Domestic Sales	97328.74	104170.07
	- Export Sales	2268.96	1378.46
		99597.70	105548.53
	Less: Discounts	14748.95	7762.14
		84848.75	97786.39
	Cement	12410.71	11597.26
	Sale of Energy	1422.87	1515.75
	Sale of Traded Goods		
	Note Books	10437.19	9472.27
	Paper & core pipe	11.01	0.00
	Coal	1182.76	3667.84
Pre printed marks sheets	65.19	49.11	
Pulp	0.00	285.57	
Burnt Lime	20.27	11.56	
Total sale of products (a)	343760.48	404087.36	
Other Operating revenue			
Export Incentive	1782.60	2365.99	
Sale of Clone	274.38	208.96	
Sale of scrap, wastes etc.	1293.82	1609.15	
Total other operating revenue (b)	3350.80	4184.10	
Total revenue from operations (a+b)	347111.28	408271.46	

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakh)

Note	Particulars	For the Year ended 31-Mar-20	For the Year ended 31-Mar-19
27	Other Income		
	Interest Income:		
	Under the effective interest method-Interest on advances to Sugar Mills	497.33	793.04
	Other Interest - Over Due bills	690.21	720.42
	Change in fair value of biological assets	21.88	18.26
	Net gain on sale of Property, plant and equipment	0.00	3.68
	Rental Income from property	79.30	105.88
	VAT / GST Refund - Note (i)	989.22	1094.69
	Government Grants - Note (ii)	1.20	1.20
	Other receipts - Note (iii)	1473.71	1187.17
		3752.85	3924.34
28	Cost of Purchase / Materials Consumed		
	Raw materials consumed - Note (iv)	97999.42	127156.73
	Chemicals consumed	32391.94	35175.75
	Freight & Handling charges	6535.07	7610.36
	Packing Expenses	6918.55	7165.37
	Bagasse purchased	8837.58	24285.76
		152682.56	201393.97
29	Purchase of Stock-in-trade		
	Note Books	9491.85	8016.08
	Pre-Printed Marksheet	59.10	44.54
	Pulp	0.00	279.45
	Paper & Core pipe	14.22	1.15
	Coal	1003.81	3377.01
	Burnt lime	13.18	7.32
	Total	10582.16	11725.55

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. In the absence of guidelines on eligibility of IGST/CGST for GST Refund entitlement, the Company has considered only Net output SGST amounting to ₹.989.22 lakh for the financial year 2019-20 and ₹.1094.69 lakh for the financial year 2018-19.
- (ii) Government grants includes Effluent Treatment Plant (ETP) subsidy of ₹.1.20 lakh (Previous Year ₹.1.20 lakh) being related to specific fixed asset has been recognised as other income over the useful life of the asset.
- (iii) Other receipts include electricity tax paid for the period 1st May 2016 till 31st May 2019 amounting to ₹ 50.11 lakhs was reimbursed in terms of exemption provided by Government during the year.
- (iv) Excluding cost of bagasse procured in lieu of steam / fuel supplied to Sugar Mills which is included in the respective natural heads of accounts

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakh)

Note	Particulars	For the Year ended 31-Mar-20	For the Year ended 31-Mar-19
30	Changes in Inventories of Bagasse, Work-in-Progress and Finished Goods		
	Opening Stock :		
	Bagasse	17851.11	6993.31
	Work in Progress	13522.84	9275.71
	Finished Goods	5315.18	10992.18
	Traded Goods	353.70	484.01
	Sub-total (a)	37042.83	27745.21
	Closing Stock:		
	Bagasse	18400.07	17850.99
	Work in Progress	13901.50	13522.84
	Finished Goods	11322.49	5315.18
Traded Goods	718.25	353.70	
Sub-total (b)	44342.31	37042.71	
Total (a-b)	(7299.48)	(9297.50)	
31	Employee Benefit Expenses		
	Salaries, Wages and Bonus	21364.81	19807.95
	Contribution to provident fund & Other funds	2566.09	2469.24
	Gratuity and Leave Encashment	2514.08	1952.18
	Staff Welfare expense	2910.78	2521.50
	29355.76	26750.87	
32	Finance Costs		
	Interest expense on financial liabilities measured at amortized cost		
	Term Loans	14165.12	15628.25
	Less: Interest Capitalized	(317.66)	0.00
	Working Capital	6518.42	5320.82
	Less: Interest Capitalized	(169.36)	0.00
	Other Finance costs	1795.42	2379.98
	Interest on Lease Liabilities	259.40	0.00
	Unwinding of discount on decommissioning liabilities	7.42	6.81
	22258.76	23335.86	
33	Depreciation and Amortization Expenses		
	Depreciation of property, plant and equipment	22336.24	22070.34
	Depreciation on Right to use assets	492.76	0.00
	Depreciation on investment property	1.99	1.99
	Amortization of intangible assets	293.44	596.05
	23124.43	22668.38	

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakh)

Note	Particulars	For the Year ended 31-Mar-20	For the Year ended 31-Mar-19
34	Other Expenses		
	Stores consumed	1246.53	1538.64
	Repairs and maintenance:		
	- Building	1053.97	935.92
	- Plant and machinery	17902.76	15662.08
	- Others	541.10	643.71
	Rent	107.82	161.85
	Rates and Taxes	375.05	451.67
	Insurance	418.05	307.56
	Transportation Charges	4622.90	5786.23
	Commission & Discount on Sales	8190.32	10445.96
	Travelling & Conveyance	538.75	439.84
	Auditors' Remuneration - Note no.39(c)	22.08	23.66
	Printing and Stationery	122.08	100.64
	Communication	89.56	101.50
	Advertisement	257.19	231.33
	Farm Forestry	1187.40	876.28
	Provision for Trade Receivables	197.75	1379.06
	Loss on sale/write off of fixed assets	161.48	0.00
	Loss on Foreign Exchange Fluctuations (Net)	1830.04	2133.30
	Security Personnel Expenses	929.05	773.68
	Vehicle Hire Charges	347.47	326.49
	Corporate Social Responsibility (CSR)	399.25	405.59
	Sitting fee to Directors	32.75	24.75
	Miscellaneous	1633.98	1388.09
		42207.33	44137.83
35	EXCEPTIONAL ITEMS (Refer Note 35.1)		
	Provision for advances & Loans	41.92	5760.09
	Provision for Impairment of Tangible Assets / Right to procure Bagasse	79.17	1559.29
		121.09	7319.38

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 had paid ₹.7500 Lakh as advances to sugar mills and these agreements are due to expire or due for renewal in September, 2024 and September, 2026. Out of the repayment commitments by these companies to whom advances have been made, an amount of ₹ 2152 lakh became 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 in the financial year 2018-19. Further there were no supplies of bagasse in the last three 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 ₹ 5760.09 Lakh and provided for impairment of the Intangible asset – Right to procure Bagasse amounting to ₹ 1559.29 Lakh during the year ended 31st March, 2019 and disclosed the same as Exceptional item under note 35.

The Company have filed a petition against the above sugar mills before NCLT under Insolvency and Bankruptcy Code, 2016 (IBC). For one of the sugar mill, NCLT have appointed an Interim Resolution Professional (IRP) and Company has filed its claim before the IRP. The Company has also filed a petition on another Sugar mill before the NCLT and NCLT has heard the arguments on 28-11-2019 and has reserved its orders. In the meantime, the Company has shifted some of the Machineries which were Installed at Sugar Mills like Compactors, Depithers etc. and related Stores and Spares.

The Company also requested the IRP to grant permission to take possession of the remaining property, plant and equipment having a carrying cost of ₹ 181.02 Lakh and spares costing ₹ 16 Lakh as on 31st March, 2020. The civil Structures and other assets are non-moveable and could not be transferred from Sugar Mills and does not carry any value in use. Therefore, the Company has considered those assets are impaired and provided for carrying cost of ₹ 79.17 Lakh towards impairment. Also, outstanding balance of ₹ 41.92 Lakh out of advance given for construction of Coal Shed become non-recoverable and have provided for the outstanding balance as on 31-Mar-20 and has disclosed the same as exceptional items.

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-20	
	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Current tax		
Current Tax on taxable income for the year	3216.54	5184.16
Deferred tax		
Deferred tax /(MAT credit entitlement)	2833.70	896.84
Total tax expenses	6050.24	6081.00

b) Income tax recognized in other comprehensive income

(₹ in Lakh)

Particulars	For the year ended 31-Mar-20		
	Before Tax	Tax (expense) benefit	Net of tax
Remeasurement of defined benefit liability	(726.67)	(253.93)	(472.74)
Fair value of equity investments through OCI	(39.03)	-	(39.03)
Effective portion of gain /(loss) on hedging instruments in cash flow hedges	337.19	117.83	219.36
	(428.51)	(136.10)	(292.41)

NOTES TO THE FINANCIAL STATEMENTS

(₹ 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)

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-20	For the Year ended 31-Mar-19
Profit before tax	19053.47	15519.68
Income tax rate	34.944%	34.944%
Current tax expenses on Profit before tax	6658.04	5423.20
Tax effect of:		
Permanent disallowances		
CSR Expenditure as per Sec.135 of Companies Act 2013	139.51	141.73
Disallowance - Donation & Taxes	(7.74)	102.13
Temporary differences	(739.57)	441.98
Other items	0.00	(28.04)
Total income tax expense/(credit)	6050.24	6081.00
Effective tax Rate	31.75%	39.18%

37 Leases

A) Leases as lessor

The Company leases out its investment property and buildings on operating lease basis.

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-20	As at 31-Mar-19
Within less than one year	13.04	12.66
Between one and five years	2.74	14.80
After more than five years	4.25	4.63
	20.03	32.09

NOTES TO THE FINANCIAL STATEMENTS

ii) Amounts recognized in profit and loss - Grouped under other income (Note 27)

During the year ended 31 March 2020, property rentals of ₹.79.30 lakh (31 March 2019: ₹.105.88 lakh have been included in other income (Note 27) in profit or loss, is as follows:

(₹ in Lakh)

Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Income from Investment property	64.04	93.84

B) Leases as lessee

a) The Company 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 and also Buildings on lease to conduct its business in the ordinary course.

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-20	As at 31-Mar-19
Payable in less than one year	8.71	17.78
Payable between one and five years	22.49	62.65
Payable after more than five years	37.55	61.80
Total	68.75	142.23

ii) Amounts recognized in profit and loss - Grouped under other expenses (Note 34)

(₹ in Lakh)

Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Lease expense - minimum lease payments	11.61	21.56

b) On transition, with effective from 1st April, 2019, the adoption of the new standard Ind AS 116 – Leases resulted in recognition of 'Right of Use' asset of ₹ 2673.91 Lakh and a lease liability of ₹ 3181.12 Lakh. The cumulative effect of applying the standard, amounting to ₹ 329.97 Lakh (net of deferred tax credit of ₹ 177.24 Lakh) was debited to retained earnings, net of taxes. The effect of this adoption is insignificant on the profit before tax, profit for the period and earnings per share. Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

In the statement of profit and loss account for the current year, lease expenses included as part of cost of materials consumed is now recognised as depreciation expense for the right-of-use asset and finance cost accrued on lease liability.

The rate of interest implicit in the lease considered based on incremental borrowing rate of 8.75% p.a has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

NOTES TO THE FINANCIAL STATEMENTS

The following is the movement in lease liabilities during the year ended March 31, 2020:

(₹ in Lakh)

Particulars	As at 31-Mar-20
Balance at the beginning	0.00
Additions	3181.12
Finance cost accrued during the period	259.40
Payment of Lease Liabilities	(739.43)
Balance at the end	2701.09
Lease liability -Non Current	2176.75
Lease liability - Current	524.34

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2020 on an undiscounted basis:

(₹ in Lakh)

Particulars	As at 31-Mar-20
Payable in less than one year	739.99
Payable between one and five years	2442.13
Payable after more than five years	96.78

Interest on lease liabilities is ₹ 259.40 Lakh for the year ended 31-Mar-20

The total cash outflow for leases is ₹ 751.04 lakh for the year ended 31-Mar-20, including cash outflow for short term and low value leases. The Company has lease term extension options that are not reflected in the measurement of lease liabilities.

NOTES TO THE FINANCIAL STATEMENTS

38. Contingent liabilities and Commitments

(to the extent not provided for)

(₹ in Lakh)

Particulars	As at 31-Mar-20	As at 31-Mar-19
Contingent liabilities		
Claims against the Company not acknowledged as debts		
a) Claims against the company not acknowledged as debts - Statutory Dues		
i) Income-tax *	8038.98	1921.12
ii) Wealth Tax	19.46	19.46
iii) Custom Duty	2919.69	2699.69
iv) Excise Duty #	6954.80	6753.76
v) CST/VAT	1069.62	1069.62
* Income-tax demand include disputed tax demand of ₹.4822.15 lakh relating to AY2016-17 which were based on adoption of incorrect income chargeable to tax and disallowance of certain exemptions made by the company. The Company believe that these demands are not tenable and have been advised to file rectification U/sec.,154 of the Income-tax Act, 1961 with the Assessing Officer. Pending disposal of the petition, the demand has been shown as disputed tax demands.		
# The company has opted to settle three of the pending excise and service tax disputes through Sabka Vishwas Legacy Dispute Resolution Scheme (SVLDRS) and have paid an amount of ₹.63.27 lakh in settlement of disputed demands of ₹.248.82 lakh.		
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.	106.03	105.61
iii) Cess on Land Lease- Perungudi - Wind farm	54.78	54.78
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.	3584.61	3465.71

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakh)

vii) Tamil Nadu Generation & Distribution Corporation Ltd claims towards various charges for Start-up power, Cross subsidy surcharge, Transmission charge, Compensation Charges, Wind farm-CDM Benefit Sharing & Wind Farm Unutilized Banked units pending before appellate authority and courts	2094.94	2094.94
viii) Appeal is pending before Appellate Tribunal for Electricity (APTEL) for Differential Power Tariff Compensation to a Sugar Mill	0.00	784.51
ix) 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	2800.39
x) Third party claims arising from disputes relating to contracts pending before Tribunal/Courts.	194.06	403.96
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	4136.00	2446.09
e) Letter of Credit issued by banks on behalf of the Company	48455.96	15419.04
Total	80598.48	40207.84
Commitments		
a) Estimated amount of contracts remaining to be executed on capital account and not provided for	69186.45	2751.93
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	4152.64	6257.78
Total	73339.09	9009.71
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 31.03.2020 amounting to ₹.5386.24 lakh (Previous Year ₹.95455.71 lakh). In this regard, export obligations/ commitments amounting to ₹.1639.10 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 31.03.2020 amounting to ₹.3747.14 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 ₹.23596.98 Lakh (Previous year ₹.16125.35 lakh)</p>		

NOTES TO THE FINANCIAL STATEMENTS

39 Additional Information :

(₹ in Lakh)

Particulars	2019-20	2018-19
a) Value of Raw Materials, Chemicals, Stores & Spare Parts consumed		
i) Major Raw Materials consumed		
a) Indigenous		
Wood	29755.44	27703.08
Bagasse @	31743.45	40368.23
Waste Paper	11858.12	14966.14
LSFM - Raw materials	5416.63	5214.33
Pulp	0.00	1201.04
Total (a)	78773.64	89452.82
b) Imported		
Imported Pulp	37962.37	59575.54
Waste Paper	15726.95	20886.14
Total (b)	53689.31	80461.68
Total - (a) + (b)	132462.95	169914.50
Indigenous - Percentage on Total Consumption	59.47%	52.65%
Imported - Percentage on Total Consumption	40.53%	47.35%
	100.00%	100.00%
<p>@ 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</p>		
ii) Chemical consumed		
Indigenous	32507.44	34776.60
Imported	523.95	559.58
Total	33031.40	35336.18
Indigenous - Percentage on Total Consumption	98.41%	98.42%
Imported - Percentage on Total Consumption	1.59%	1.58%
	100.00%	100.00%
iii) Stores and Spares consumed		
Indigenous	11068.22	8855.16
Imported	1509.96	1646.23
Total	12578.19	10501.39
Indigenous - Percentage on Total Consumption	88.00%	84.32%
Imported - Percentage on Total Consumption	12.00%	15.68%
	100.00%	100.00%

NOTES TO THE FINANCIAL STATEMENTS

39 Additional Information : (Contd)

(₹ in Lakh)

Particulars	2019-20	2018-19
iv) Fuel (Coal , Furnace oil etc)		
Factory		
Indigenous	6555.64	13898.97
Imported	29371.21	30296.43
Sub-Total (a)	35926.85	44195.40
Off-sites		
Indigenous	438.08	887.24
Imported	16293.46	16569.85
Sub-Total (b)	16731.54	17457.09
Total (a) + (b)	52658.39	61652.49
Indigenous - Percentage on Total Consumption	13.28%	23.98%
Imported - Percentage on Total Consumption	86.72%	76.02%
	100.00%	100.00%
b) Foreign Currency Transactions:		
i) Earnings in Foreign Currency		
FOB Value of Exports	41792.55	53098.42
ii) Value of imports calculated on CIF values		
Wood pulp	28232.88	70278.00
Chemicals	530.63	475.79
Waste Paper	14724.76	20566.27
Stores & Spares	1703.36	1945.70
Coal	28991.05	31527.45
Capital Goods	656.33	153.78
iii) Other expenditure in Foreign Currency		
Engineering and Supervisory Charges	29.60	68.18
Interest	1184.48	1079.24
Others	12.67	170.57
iv) Dividend remitted in Foreign Currency	2018-19	2017-18
No. of Non-Resident Shareholders	6.00	6.00
No. of Share held by Non-Resident Shareholders	1900.00	1900.00
Dividend	0.14	0.10
c) Details of Auditors Remuneration	2019-20	2018-19
a) Statutory audit	13.00	13.00
b) Limited Review	3.90	3.90
c) Tax audit	2.60	2.60
d) Certification fees	2.00	3.90
e) Reimbursement of out of pocket expenses	0.58	0.26
Total	22.08	23.66

NOTES TO THE FINANCIAL STATEMENTS

39 Additional Information : (Contd)

(₹ in Lakh)

d) Expenditure on Research & Development		
Salaries & Wages	332.25	278.35
Repairs and Maintenance	214.75	190.11
Depreciation	49.17	46.11
Chemicals	344.51	375.10
Plantation Research	79.16	101.20
Other Expenses	6.02	5.77
Total	1025.86	996.64
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		
Thiru S.Sivashanmugaraja, IAS - Managing Director		
Thiru V.Ramanathan, Executive Director & Chief Financial Officer		
Thiru V Sivakumar, Company Secretary		
Short-term employee benefits	128.67	86.00
Other Long Term Benefits	13.19	13.02
	141.86	99.02
iii) Employee Benefit Plan where there is significant influence: TNPL Provident Fund Trust	1317.28	1266.46
iv) TNPL School Society	565.99	482.35
v) TNPL Arakodai Trust	260.77	327.79
vi) Balance payable to related parties		
a) TNPL Provident Fund Trust	113.33	108.39
b) TNPL School Society	119.91	41.60
c) TNPL Arakodai Trust	39.20	21.33

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 has filed its objections and clarifications with CCI on 31.07.2019. It was directed by CCI vide Order dated 22.01.2020 that the hearing in the matter would be notified in due course.

NOTES TO THE FINANCIAL STATEMENTS

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.

(₹ in Lakh)

Particulars	Carrying amount as at 31-Mar-20			Carrying amount as at 31-Mar-19		
	Fair value - Hedging instruments	FVOCI - Equity instruments	Amortized cost	Fair value - Hedging instruments	FVOCI - Equity instruments	Amortized cost
Financial assets measured at fair value						
Equity securities	-	27.54	-	-	66.58	-
Forward exchange contracts used for hedging	754.52	-	-	-	0.00	-
	754.52	27.54	-	-	66.58	0.00
Financial assets not measured at fair value						
Advances to sugar mills*	-	-	3873.06	-	-	4302.43
Trade receivables*	-	-	52756.49	-	-	44162.01
Cash and cash equivalents*	-	-	561.20	-	-	5143.89
Loans*	-	-	627.27	-	-	894.15
	-	-	57818.02	-	-	54502.48
Financial liabilities measured at fair value						
Lease Liabilities	-	-	2701.09	-	-	-
Forward exchange contracts used for hedging	-	-	-	1442.51	-	-
	-	-	2701.09	1442.51	-	-
Financial liabilities not measured at fair value						
Borrowings	-	-	217760.48	-	-	195864.18
Trade payables	-	-	99194.63	-	-	120813.81
Interest accrued but not due	-	-	1101.12	-	-	1412.26
Security Deposits from customers / contractors	-	-	7006.37	-	-	6821.13
Employee related Liabilities	-	-	6861.22	-	-	4131.78
Unclaimed Dividend	-	-	120.15	-	-	120.38
Creditors for Capital Goods	-	-	1976.17	-	-	2239.86
	-	-	334020.14	-	-	331403.40

NOTES TO THE FINANCIAL STATEMENTS

41. Financial Instruments and Risk management (continued)

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.

(₹ in Lakh)

Particulars	Fair value - 31-Mar-20			Fair value - 31-Mar-19		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets measured at fair value						
Equity securities	27.54			66.58		
Forward exchange contracts used for hedging	754.52					
	782.06			66.58		
Financial liabilities measured at fair value						
Lease Liabilities		2701.09				
Forward exchange contracts used for hedging					1442.51	
		2701.09			1442.51	

* The Company has not disclosed the fair values for financial instruments such as trade receivables, cash & cash equivalents and Loans, trade payable, 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

41. Financial Instruments and Risk management (continued)

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.

Details of customers who owed more than 10% of Total Receivables

Particulars	As at 31-Mar-20	As at 31-Mar-19
Number of customers who owed more than 10% of the total receivables	1	1
Contribution of customers in owing more than 10% of Total Receivables	32%	25%

The movement in the allowance for impairment :

a) Trade Receivables

(₹ in Lakh)

Particulars	As at 31-Mar-20	As at 31-Mar-19
Balance at beginning of the year	1729.32	355.01
Add: Provision recognised in the year	211.39	1379.06
Less: Amounts recovered during the year	13.64	4.75
Less: Provisions written back	-	-
Balance as at 31st March	1927.07	1729.32

b) Advances

(₹ in Lakh)

Particulars	As at 31-Mar-20	As at 31-Mar-19
Balance at beginning of the year	7340.83	21.45
Add: Provision recognised in the year	41.92	7319.38
Less: Amounts recovered during the year	-	-
Less: Provisions written back	-	-
Balance as at 31st March	7382.75	7340.83

Confirmation of balances for some of 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 ₹.441.05 lakhs at 31 March 2020 (31 March 2019: ₹.5023.51 lakhs). The cash and cash equivalents are held with bank and cash on hand.

Derivatives

The derivatives are entered into with bank as counterparties.

41. Financial Instruments and Risk management (continued)

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

Particulars	(₹ in Lakh)	
	As at 31-Mar-20	As at 31-Mar-19
	Maturity - 1- 6 Months	
Foreign Currency Risk		
Forward Exchange Contracts		
Exports	4198.96	3954.17
Imports - Regular	4741.12	21994.38
Imports - Mill Expansion Plan (MEP)	930.93	-
Average INR:USD forward contract rate - Exports	72.780	71.010
Average INR:USD forward contract rate - Imports - Regular	75.866	69.994
Average INR:EURO forward contract rate - Imports - MEP	82.971	-

The amount at the reporting date relating to items designated as edged items & Hedge instruments are as follows

Particulars	(₹ in Lakh)	
	Change in value used for calculating hedge ineffectiveness	Effective portion of Cash flow hedges
As at 31-Mar-20		
Foreign Currency risk		
Exports Sales	-	(169.78)
Imports - Materials	-	127.39
As at 31-Mar-19		
Foreign Currency risk		
Exports Sales	-	84.61
Imports - Materials	-	(464.19)

NOTES TO THE FINANCIAL STATEMENTS

41. Financial Instruments and Risk management (continued)

Reconciliation by risk category of components of equity and analysis of OCI items, resulting from cash flow hedge accounting:

(₹ in Lakh)

Particulars	Effective portion of Cash flow Hedges		Total
	Imports	Exports	
Balance as at 01-Apr-19	(464.19)	84.61	(379.58)
Changes in fair value	62.43	(45.12)	17.31
Amount reclassified to Statement of Profit and Loss / included in the cost of non-financial items	(401.76)	39.49	(362.27)
Change in the fair value of the effective portion of the outstanding cash flow hedges	127.39	(169.78)	(42.39)
Balance as at 31-Mar-20	127.39	(169.78)	(42.39)

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-20	Year Ended 31-Mar-19	Year Ended 31-Mar-20	Year Ended 31-Mar-19	Year Ended 31-Mar-20	Year Ended 31-Mar-19	Year Ended 31-Mar-20	Year Ended 31-Mar-19
	PAPER & BOARD		ENERGY		CEMENT		TOTAL	
1 Segment Revenue								
a) External Sales	329926.90	390974.35	1422.87	1515.75	12410.71	11597.26	343760.48	404087.36
b) Inter Segment Sales	0.00	0.00	40848.90	48037.54	271.18	34.28	41120.08	48071.82
Sub-Total	329926.90	390974.35	42271.77	49553.29	12681.89	11631.54	384880.56	452159.18
Reconciliation : Less: Inter Segment Revenue	0.00	0.00	40848.90	48037.54	271.18	34.28	41120.08	48071.82
Sale of products	329926.90	390974.35	1422.87	1515.75	12410.71	11597.26	343760.48	404087.36

NOTES TO THE FINANCIAL STATEMENTS

42 Operating segments (contd.)

(₹ in Lakh)

Particulars	Year Ended 31-Mar-20	Year Ended 31-Mar-19	Year Ended 31-Mar-20	Year Ended 31-Mar-19	Year Ended 31-Mar-20	Year Ended 31-Mar-19	Year Ended 31-Mar-20	Year Ended 31-Mar-19
	PAPER & BOARD		ENERGY		CEMENT		TOTAL	
Add: Other operating income							3350.80	4184.10
Total revenue from operations	329926.90	390974.35	1422.87	1515.75	12410.71	11597.26	347111.28	408271.46
2 Segment Results								
Segment profit (loss) before income tax	37855.26	34139.53	(454.96)	(332.67)	(623.77)	(1032.12)	36776.53	32774.74
Less: Other unallocable expenditure							17723.06	17255.06
Segment profit before income tax							19053.47	15519.68
Segment profit before income tax includes:								
- Interest Expense							22258.76	23335.86
- Interest Revenue							1187.54	1513.46
- Depreciation and amortisation	18700.45	18799.76	3297.43	2729.83	1049.38	1042.69	23047.26	22572.28
- Depreciation for unallocated corporate assets							77.17	96.10
3 Assets								
Segment Assets	473154.05	461196.73	63642.87	66139.67	17536.04	18301.92	554332.96	545638.32
Unallocated Corporate Assets							3331.82	7509.91
Total segment assets	473154.05	461196.73	63642.87	66139.67	17536.04	18301.92	557664.78	553148.23
Capital Expenditure (excludes unallocated corporate capital expenditure of Rs.19.62 lakh. (previous year Rs.38.38 lakh)	4902.13	5473.38	256.68	84.82	197.74	360.21	5356.55	5918.41
4.Segment Liabilities								
Unallocated Corporate Liabilities	135915.29	154170.19	2578.12	2617.47	1005.06	1105.12	139498.47	157892.78
Total segment liabilities	135915.29	154170.19	2578.12	2617.47	1005.06	1105.12	386373.67	387980.19

NOTES TO THE FINANCIAL STATEMENTS**Geographical information****(₹ in Lakh)**

Particulars	India		Rest of the world		Total	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
Revenue from Operations	300717.10	349000.99	43043.38	55086.37	343760.48	404087.36

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)

vide our report of even date
For BRAHMAYYA & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No: 000511S

Place : Chennai
Date : 30th June, 2020

V. SIVAKUMAR
COMPANY SECRETARY

R.NAGENDRA PRASAD
Partner
Membership No: 203377

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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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REPRODUCING FINE RESULTS
FOR THE CUSTOMER
AND FOR THE COMPANY

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AURA ... FOLD ...

Bulk and smoothness engineered to perfection

This two-side coated folding box board is naturally the perfect choice for high end packaging and widely used for premium FMCG packaging, personal care products, cosmetics and cartons of industrial 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 scratch cards.



AURA ... FLUTE ...

Harvest fruitful print results

A solid bleached sulphate uncoated board, this board is designed for high speed cup conversion machines for wide range of cup sizes with acceptable printing and conforms to direct food contact applications.



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