



Tamil Nadu Newsprint and Papers Limited

(A Govt. of Tamil Nadu Enterprise)

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TNPL - The Corporate Identity Number : L22121TN1979PLC007799

Dated: 8th October, 2021

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| To BSE Limited (BSE) Corporate Relationship Department Phiroze Jeejeebhoy Towers 25th Floor, Dalal Street Mumbai- 400001 | To National Stock Exchange of India Limited (NSE) Listing Department Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051 |
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Sub : 41st Annual General Meeting of Tamil Nadu Newsprint and Papers Limited held on 23rd September, 2021 – Transcript.

With regard to the 41st Annual General Meeting of the Company held on 23rd September, 2021, through Video Conference, we enclose herewith the copy of transcript of meeting, in accordance to General Circular No. 14 / 2020 dated 8th April, 2020, issued by the Ministry of Corporate Affairs, Government of India.

Kindly take the same on record.

Thanking you,

Yours faithfully,

For TAMIL NADU NEWSPRINT AND PAPERS LIMITED

B. RAVISHANKAR
COMPANY SECRETARY

Encl: as above

TRANSCRIPT OF THE
41ST ANNUAL GENERAL MEETING OF THE COMPANY
HELD ON 23RD SEPTEMBER, 2021 AT 10:30 AM

1. CORPORATE/ MARKETING VIDEO:

(Corporate/ Marketing Video was played from 10.00 A.M. onwards)

2. WELCOME ADDRESS - Dr RAJEEV RANJAN, IAS, CHAIRMAN AND MANAGING DIRECTOR

Good Morning everybody. I extend a very warm welcome to everyone for this 41st Annual General Meeting of the company. This meeting is being held through video conference in accordance with the circulars issued by the Ministry of Corporate Affairs and the Securities Exchange Board of India. This video conference gives me an opportunity to reach out to stakeholders from far off geographical locations and therefore is a welcome note for this meeting. I am joining the AGM from the registered office of the company at Chennai. Before we start the main proceedings of the meeting, I request you all to stand up for the National Anthem and Tamil Thai Valthu.

Dr. Rajeev Ranjan, IAS, Chairman and Managing Director

National Anthem. Okay. Now, I request the other Board members to introduce themselves.

Thiru N Narayanan, IAS (Retd.), Independent Director

Am I audible?

Dr. Rajeev Ranjan, IAS, Chairman and Managing Director

Yes sir. You are audible.

Thiru N Narayanan, IAS (Retd.), Independent Director

My name is N Narayanan. I am an Independent Director on the Board of Directors of TNPL.

Thiru V Chandrasekaran, Independent Director

Good morning, everyone. I am V Chandrasekaran. I am joining this annual general meeting from the registered office at Chennai, and I am an Independent Director on

the Board of the company. I am also the Chairman of the Audit Committee. Thank you.

Tmt Soundara Kumar, Independent Director

My name is Soundara Kumar. I am an Independent Director on the Board of Directors of TNPL.

Thiru P B Santhanakrishnan, Independent Director

Good morning, Chairman and friends. I am P B Santhanakrishnan, Chartered Accountant, Member of the Board. Thank you.

Dr. M Arumugam, Independent Director

I am M Arumugam, Independent Director, attending this meeting from the Board of TNPL.

Dr. Rajeev Ranjan, IAS, Chairman and Managing Director

Statutory Auditors.

Thiru Nagendra Prasad, M/s. Brahmayya & Co., Statutory Auditors:

I am Nagendra Prasad representing Brahmayya and Co., Statutory Auditors of the Company attending the AGM from our office in Chennai.

3. QUORUM

Dr. Rajeev Ranjan, IAS, Chairman and Managing Director

Apart from our Directors, the Statutory Auditors, Cost Auditors, Internal Auditors, Secretarial Auditors of the company and the Scrutinizer for the meeting and the Company Secretary have also joined this meeting by way of a video conference. There are 3 Directors who are not presented to preoccupation with their office work. Presently 80 shareholders have joined the meeting through video conference against the total strength of 44,872 shareholders. Hence, we have the requisite quorum present through video conference to conduct the proceedings of this meeting. Participation of members through video conference is being for the purpose of quorum as per the circulars issued by MCA and section 103 of the Companies Act 2013. The quorum being present, I call this meeting to order.

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

Members may note that this AGM is being held through video conference in accordance with the Companies Act 2013 and circulars issued by the Ministry of Corporate Affairs and SEBI. Facility for joining this meeting through video conference or other audio-visual means is made available for the members on a first come first

serve basis. The Register of Directors, the Register of Directors and Key Managerial Personnel, the Register of contracts or arrangements have been made available for inspection by the members through the AGM. Members seeking to inspect such documents can send their request to invest_grievances@tnpl.co.in.

To facilitate smooth conduct of the virtual AGM and to provide an e-voting facility at the meeting, the company has engaged the services of the National Securities Depository Limited (NSDL). The members are muted to avoid background disturbances.

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

The company has received requests from a few members to register them as speakers at the meeting accordingly the floor will be open for these members to ask questions or express their views. The moderator will facilitate the session once the Chairman and Managing Director opens the floor for questions and answers. It may be noted that the company reserves the right to limit the number of members asking questions depending on the availability of time at the AGM.

The company has provided the facility to cast the vote electronically through remote e-voting on all resolutions set forth in the notice. Members who have not cast their votes to remote e-voting and who are participating in this meeting can cast their vote during the meeting through the e-voting system provided by NSDL. Members are requested to refer to the instructions provided in the notice for a seamless participation through video conference. In case members face any difficulty, they may reach out to the helpline numbers of NSDL mentioned in the notice to this AGM.

The company has taken all feasible efforts under the current circumstances to enable members to participate through video conference and vote at the AGM. I thank all the members, colleagues of the Board and Auditors for joining this meeting over video conference. I hope all of you are safe and you are in good health. With that, I like to move on to address the shareholders.

4. CHAIRMAN'S SPEECH:

Dr. Rajeev Ranjan, IAS, Chairman and Managing Director

Ladies and gentlemen, Vanakkam. I extend my warm welcome to all of you to this 41st Annual General Meeting of our company. The Directors' report and the Audited Account for the year ended 31st March 2021 have been with you for some time and with your permission, I shall take them as read. I trust you would have gone through the same by now and you are pleased with the performance achieved by the company in these difficult times due to the COVID pandemic.

Paper industry plays a significant role in the Indian economy. Your company commenced newsprint and printing and writing paper production in the year 1984 with a capacity of 90,000 metric tons per annum. Since then, your company has grown steadily and enhanced the capacity to 6, 00,000 metric tons consisting of 4, 00,000 metric tons of printing and writing paper and 2, 00,000 metric tons of multi-

layer packaging board with adequate in-house facilities for pulp, power and filler material.

With consistent growth, the company has emerged as the third-largest producer in the Indian paper industry. Over the years your company has built an enviable reputation among all its stakeholders. Your company has been operating with a vision to be the market leader in paper and paperboard by adopting innovative technologies. In line with the above vision, the company's mission has been to be the manufacturer of World Class Paper and Paperboard to the tune of 1 million tons by 2030 and to be the most preferred supplier. All the efforts of the company have been aligned in other above directions for achieving the goals by keeping the larger vision in mind. All technical and capacity enhancement interventions were done at various stages and periods to meet the mission target of 1 million tons of paper and paperboards. In this context, the company has prepared a roadmap for the next five years covering all three manufacturing units.

Operational and Financial performance:

The year 2021 was a challenging year for the paper industry in India. The company had to contend with severe raw material shortages, deep escalation in costs, and a progressive reduction in market demand during the year.

During the year, Indian paper industry was under severe stress due to the Covid pandemic resulting in poor market conditions and a drop in prices. Despite this, your company has achieved better levels of operation and effectively contained the losses in the adverse situations. The management had taken effective measures to contain costs and increase sales to the maximum possible extent during the year.

During the year, your company has produced 3,23,588 metric tons of paper and achieved paper sales of 2,95,644 metric tons. With the commissioning of multi-layer double-coated paperboard plant, your company has made a foray into the packaging board segment. In the year under review, your company has produced 1,71,711 metric tons of packaging paperboard and achieved packaging paper board sales of 1, 73,810 metric tons.

During the year, your company has exported 82,070 metric tons of paper and paperboard. Normally TNPL's 20% of the total paper produced is exported to around 30 countries. Economies of scale and quality production driven by technology provide us with a competitive edge in these markets, due to softening of demand for printing and writing paper for major part of the year ended March 2021. And despite the increase in input costs in the procurement of raw materials, the company has managed to contain and incurred a loss before tax of Rs (98.69) Cr. However, the company has made a cash profit of Rs 137 Cr. Market capitalization as on 31-03-2021 was Rs 1, 012.9 Crs. The total asset value of the company is Rs 5,983 Crs.

Despite the requirement of funds for capital expenditure and repayment of loans, the Board of Directors of your company has recommended payment of dividend at Rs 3 per share that is 30%. During the year, the overall borrowings increased by Rs 534 Cr.

Awards and recognition:

TNPL is one among the 27 of the world's most important Pulp and Paper manufacturers.

TNPL has been honoured with the Water Stewardship Award. TNPL has been awarded at 13th cycle of Quality Council of India

Because we are selected as a winner under the innovative initiative project award and for the 14th edition of the CII National Award for Excellence in Water Management 2020.

TNPL's project in-house design sulphide removal from the evaporator, vacuum pumps sealed water in soda recovery plant by low-cost cutting column is one of the 13 projects selected as the most innovative environmental project during the 7th edition of CII Environmental Best Practices Award 2020.

TNPL has been awarded the 15th ICC CSR Corporate Social Responsibility 2021, Virtual and Golden Peacock Award for CSR, Global and National and HR excellence on the 10th June 2021. TNPL has been awarded the status of three-star export house by DGFT. It's been awarded as energy-efficient unit for 2020 in their 21st National Award for Excellence in Energy Management. In the e-poster competition, again it has been chosen the best poster conducted by CII and been honoured with ISO 50,001 2008 certification by TOV Northern in March 2021.

Current status of the paper industry:

In the Paper segment broadly, the industry is classified into four main segments, namely the writing and printing paper, industrial packaging paper, speciality paper and newspaper. 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 and the per capita consumption is around 13 kgs against the Asian average of 26 kgs and the world average of 58 kgs. India is considered one of the fastest-growing markets for paper in the world, with an average annual growth rate of about 6%.

The increasing use of electronic media for communication and learning and emphasis on digitalization is leading to a slowdown in the growth of paper consumption for writing and printing. Covid-19 has unleashed major changes, like the work from home and distance learning. Some of these changes are irreversible and unlikely to impact the usage of paper going forward. However, with a large and growing young population, the need for textbooks and notebooks is expected to continue. Consumption growth rates in this segment will however moderate. The company is focusing on industrial usages of paper and further diversifying the product mix.

In the board segment, the first year of a quarter of the year was slightly sluggish for packaging work mainly on account of lockdowns and nationwide logistics issues. However, demand was formed instead were better during the rest of the year.

Demand from pharmaceuticals, foods and FMCG was strong, and the company was able to market the entire production in addition to reducing stocks. During the year, there was severe increase in the cost of raw materials, wastepaper and imported pulp and availability was a constraint. The company was able to pass on the impact of this increased cost to the market. Overall, the performance of the packaging board business was much better. Packaging board industry continues to grow at a healthy pace during the year, with the main segments of growth being the packaged foods, ready-to-eat takeaway food, pharmaceuticals and FMCG.

During the year, the company is focusing on increasing its market share in higher value addition virgin fibre boards business which includes cup stocks. In-house pulp will provide the company with an input advantage as well as consistency in raw material quality. Active efforts are being made to shift the product mix towards Virgin fibre grades of packaging boards like Folding box boards, SBS boards, Cup stock and other speciality grades to fully utilize the hardwood pulp from the new pulp mill.

The Indian paper industry is highly fragmented. So, in terms of future outlook, and with over 700 paper mills of varying sizes spread across the country, only 50 mills are of a capacity of 50,000 tonnes per annum or more. The overall capacity utilization is estimated at 80% to 90% when the demand and the economy pick up. The company has achieved capacity utilization of 86% in board and 81% in paper during the year 2021. Now in fact, in the board category, it is above 95% realisation. In printing and writing paper, the sales momentum of Q4 last year continued till mid-April 2021.

With the second wave of Covid hitting from the beginning of this year, the market slowed down once again. Lockdowns and closure of educational institutions have led to orders being put on hold. However, with the rapid pace of vaccinations, the situation is improving. Reopening of offices, educational institutions and courts will lead to the regularization of demand.

The international prices of paper and paper pulp and paper continue to be firm. We should keep imports in check. Overall, it is hoped that the year should be positive for the company. In packaging boards, the growth in demand in packaging boards is expected to continue with an anticipated growth of 12% to 15% in virgin fibre-based packaging products boards. Recycled boards is expected to grow at 8%-9% per annum. Some pricing pressure is expected in the second half of the year, as additional capacity is expected to be commissioned in the domestic market. Overall, with minimal imports expected in the segment, the market is expected to be stable in 2021-22.

The substantial increase in coal prices and increase in pulp and wastepaper prices have escalated the cost of production of paper across the globe. This trend of high input prices is also due to the growing demand in emerging economies. A strong upswing of the pulp and paper market is being forecast based on the general improvement in the economic situation and increasing literacy levels in the developing economies. Though India's per capita utilization is quite low compared to go global peers, things are looking up and a requirement is said to arise from the present 16 kg per capita to an estimated 20 kg per capita by 2025.

Mill expansion as part of its growth plan, the company has taken up mill expansion plan, the MEP in a board plant complex, unit two at Mondipatty village, Tiruchirappalli district to be implemented in two phases at a capital cost of Rs 2,520 Cr. The company is implementing the phase one of MEP which consists of 400 tons per day of chemical hardwood pulp plants with the required chemical recovery system and 20-megawatt turbo generator at a capital outlay of Rs 1,250 Cr. All the major plants and machinery have been erected. The pulp mill commissioning is being targeted in October 2021 and production of hardwood pulp is targeted in November 2021.

The major benefits of phase one of the MEP project would be that the chemical hardwood pulp for board making which was either to be imported or purchased will be totally substituted and our cost of production of packing woods will go down substantially. The surplus hardwood pulp available till commissioning phase two of MEP shall be gainfully utilized in unit one to substitute the costly deink pulp. In addition, the quality of paper production unit one and unit two will improve due to better pulp. Project would result in production of the most environmentally friendly Pulp by utilizing ECF bleaching, energy-efficient equipment and state of the art technologies. The water and power consumption will be low and will be on par with leading mills in the world.

Environment Protection:

Protection of 1,24,749 metric tons of bagasse pulp and 48,526 metric tons of deinked pulp during the year has facilitated the conservation of 7.54 lakh metric tons of pulpwood.

World Environment Day, International Ozone Day and World Water Day were celebrated. The company has generated 397.13 lakh units of wind energy during 2021. As a means of energy conservation, 74.68 lakh metric cubic meters of methane gas generated in the bio methanation plant was consumed in lime kiln and power boiler saved 3,864 kilo litres furnace oil and 602 metric tons of imported coal. With the implementation of various water conservation measures, overall water consumption has been reduced to 47 kl per tonne of paper, which is one of the lowest figures in the integrated pulp and paper industry in India. Continuous efforts are being taken to reduce the Water consumption to maximum possible extent throughout stages. Your company has set up a Clonal Propagation and Research Centre in the factory, through which 40 million seedlings have grown and clones have been produced since planted. TNPL is sourcing wood through its captive plantation and farm forestry model and also from Tamil Nadu Forest plantation Corporation. The unit has raised pulpwood in 20,065 acres during 2021, totalling about 1, 87,680 acres of land involving 35,964 farmers throughout the state to its capital plantation and farm forestry team. The company has motivated farmers to raise pulpwood plantation covering 3,755 pounds yields through the year.

Launching a TNPL new website: TNPL have redesigned its website to cater to the evolving user customers adopting a mobile-first strategy. The new website ensures ease of doing access across devices, phones, tablets and personal computer.

Sustainability:

Your company is committed to use the resources efficiently and generating energy from renewable sources and converting waste to wealth. It aims to close the gap between the manufacturer and the natural ecosystem cycles on which humans ultimately depend upon. Our company achieves its sustainability goals by adopting the circular economy model designed to benefit businesses, environment, and the society in which it operates, taking on the global challenges like water depletion, biodiversity loss, climate change, waste generation and pollution and achieve the right balance between economic, environmental and societal sustainability.

Corporate Social Responsibility:

During the year, your company has implemented several community developments measures towards the broad sectors involved included in TNPL CSR policies such as livelihood economic development, social and water conservation, education, public health and medicare, social development, environmental sanitation, culture and heritage and infrastructure development. Your company has spent Rs 2.19 Cr for CSR activities during 2021 by mainly focusing on enhancing the socio-economic status by conducting skill development programs, providing notebooks, drinking water facilities, and especially for Covid-19 prevention measures.

Covid-19 relief efforts:

TNPL is providing medical equipment to the surrounding Government hospitals and primary health care centres.

Medical assistance provided to needy people and aids, and appliances to differently able person.

Honouring Covid-19 frontline workers such as doctors, pharmacists, staff nurses, NCV nurses, staff nurses, lab technicians, village healthcare workers.

Further during the lockdown period, rice bags groceries were distributed to downtrodden people of the surrounding villages and sanitary workers of nearby panchayats.

A Covid care centre to impart Covid treatment with 200 beds has been set up by TNPL in collaboration with the district administration. TNPL has provided the space, the community hall, water necessity at free of cost. Honourable Chief Minister of Tamil Nadu has inaugurated the Covid care centre on 31-05-2021 from the Secretariat and TNPL has also put-up facilities to supply uninterrupted oxygen to Covid case centre through a pipeline of 1.5 kilometres laid at the approximate cost of Rs 30 lakhs from wood yard situated inside the factory premises.

Consequent to the second wave of Covid-19, with the count of Covid infections, rapidly rising there was a surge in demand of medical oxygen throughout the country. And the hospitals were running out of oxygen supply. There were a national emergency for getting the oxygen supply wherever possible. TNPL establish an

oxygen gas bottling facility for bottling surplus oxygen to the tune of 100 nm³ per hour a cost of Rs 89 lakhs.

TNPL has taken steps for control the spread of infection in mills, colony and also at all locations.

I take this opportunity to place on record my sincere thanks to the Union and the State Governments and the Banks, financial institution for their valuable support and assistance.

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

I also thank the Statutory Auditors, Secretarial Auditors, Cost Auditors and External-Internal Auditors for their continued support. I also wish to place on record my sincere appreciation for the effort put in all by the employees of the company.

My wholehearted thanks to all the shareholders and other stakeholders for continued encouragement and support. I express my gratitude to all the health workers for the untiring service and appreciation for the public in facing the Covid-19 pandemic. I thank you for having attended this AGM, sparing your precious time.

We also have an in-house publication for sustainability report, which you would like to release it as our efforts in telling about what we have done in terms of sustainability. So, this sustainability report has been released. We have updated it, and this is also in the website, and this is one document which is mentioning about the effort being taken by the company.

5. STATUTORY AUDITOR'S REPORT:

Dr. Rajeev Ranjan, IAS, Chairman and Managing Director

I now provide a summary of the Auditor's report. The statutory auditor's M/s Brahmayya & Co. have expressed unqualified opinion in the audit report for the financial year 20-21. There were no qualifications, observations or adverse comments on financial statements and matters. The Statutory Auditors Report on financial statements are available on page number 176-186 of the annual report. The NIL report from the Comptroller and Auditor General has already been sent separately to our shareholders and is available on page 187 of the annual report.

The Secretarial Auditors M/s. R. Sridharan & Associates have expressed an unqualified opinion in the audit report for the financial year 2020-21. There are no qualifications, observations or adverse comments on financial statements and matters. The Secretarial Auditors' report on financial statements is enclosed in annexure two of the Board's report on pages 71-75 of the annual report.

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

6. E-VOTING:

Dr. Rajeev Ranjan, IAS, Chairman and Managing Director

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

Before we proceed, I'm pleased to bring to your notice that as required under the Companies Act 2013, the company has provided you all, the facility to cast your vote electronically through remote e-voting on all resolutions set forth in the notice. The cut-off date for assessing the entitlement of remote e-voting facility as well as voting at the meeting was Wednesday 15th September 2021. The remote e-voting period commenced on Saturday 18th September 2021, 9 am IST and ended on Wednesday 22nd September 2021, 5pm IST. The remote e-voting module was disabled by NSDL thereafter.

I wish to mention that members on the cut-off date being 15th September 2021, who did not cast their vote through remote e-voting, may cast their vote during the meeting. If a member cast vote by both the modes, then voting done by remote e-voting shall prevail and the voting made during the AGM shall be treated as invalid. Members may please note that there will be no voting by show of hands.

We now take up the resolutions as set forth in the notice. There are eight resolutions proposed to be passed at this annual general meeting, seven ordinary resolutions and one special resolution.

We now open the floor for any questions by members after all the resolutions as tabled.

Item No 1 of the notice:

Adoption of the financial statements by ordinary resolution. The financial statements of the company for the financial year ended March 31st, 2021, including the reports of the Board of Directors and Auditors, have already been provided to the members.

Item No 2 of the notice:

Declaration of dividend by an ordinary resolution. The Board of Directors has recommended payment of a dividend of Rs 3 per equity share of face value of Rs 10 each for the financial year 2020-2021.

Item No 3 of the notice:

The appointment of Director liable to retire by rotation by an ordinary resolution. Thiru N. Muruganandam IAS, holds the position of Principal Secretary to the Government at the industries department, who is retiring by rotation and being eligible, offers himself for re-appointment.

Item No 4 of the notice:

Fixation of the Auditors' remuneration by an ordinary resolution.

Item No 5 of the notice:

Ratification of the remuneration to Cost Auditors by an ordinary resolution.

For item no 6: As I am an interested person, I shall vacate the Chair and request Thiru N Narayanan, IAS (retired) to take the chair and conduct the proceedings.

N Narayanan, IAS (Retd.), Independent Director

I am N Narayanan. I take over the Chair for this particular item. Item six, Appointment of Dr. Rajeev Ranjan, IAS, as Chairman and Managing Director of the company by an ordinary resolution. Now I shall vacate the chair and request Dr Rajeev Ranjan, Chairman and Managing Director, to take the Chair and continue the proceedings.

Dr. Rajeev Ranjan, IAS, Chairman and Managing Director

Item No. 7 of the notice:

Appointment of Thiru Harmander Singh, IAS as Director of the company by an ordinary resolution.

Item No 8 of the notice:

Re-appointment of Thiru V Chandrasekaran as an Independent Director of the company by a special resolution.

The text of the resolutions along with the explanatory statement is provided in the notice circulated to the members. Members who have not cast their vote through remote e-voting may cast their votes now through the e-voting system provided by NSDL. The platform is already open to the shareholders to cast their vote.

7. SPEAKER SHAREHOLDERS:

Dr. Rajeev Ranjan, IAS, Chairman and Managing Director

We have received from eight shareholders, requests to be speaker shareholders. I will now call out the names one by one. The speaker shareholders are requested to restrict their queries to the accounts for the financial year 2021 and confine the observation comment to preferably about 3-5 minutes. Before we go live with the Q&A, here are some points to note for your convenience. Kindly turn on your video when you are projected on the broadcast screen, kindly unmute yourself and proceed to ask the question. Please mention your name, folio number and the

location from where you are joining. Please avoid repetition of the same or similar questions already raised by a member. I seek your kind cooperation in this regard. After getting all the queries, the consolidated reply will be given. In case of any queries which require elaborate replies, the same will be replied by email. Now I'm opening the floor for Q&A. We request Thiru Vaibhav Barjatya to unmute himself and kindly proceed with the question.

Moderator

Sir, Vaibhav has not joined till now Sir.

Dr. Rajeev Ranjan, IAS, Chairman and Managing Director

He has not joined. Ok. So, we will go to the next. We request Thiru Santosh Kumar Saraf to unmute himself and kindly proceed with the question.

Moderator

Sir, Santosh has also not joined. We will move on to the next available speaker.

Dr. Rajeev Ranjan, IAS, Chairman and Managing Director

Ok. Then we can request Thiru Suresh Chand Jain to unmute himself and kindly proceed with the question.

Moderator

Sir, he has also not joined till now. We'll move on to the next available speaker. Speaker number five.

Dr. Rajeev Ranjan, IAS, Chairman and Managing Director

Ok. Now we request Thiru Santosh Chopra to unmute himself and kindly proceed with the question.

Moderator

Sir, He hasn't joined till now.

Dr. Rajeev Ranjan, IAS, Chairman and Managing Director

Ok. Now we request Thiru Yusuf Yunus Rangwala to unmute himself and kindly proceed with the question.

Moderator

Yusuf, you are unmuted.

Yusuf Rangwala

Vanakkam Sir. I am speaking from Mumbai Sir. You are a South company Sir. I am also born in South. Two South Indian people are talking Sir. Meeting Sir. *Sir aapki jo Chairman speech Sir lajawab thi Sir. Sir aapka jo TNPL jo apna one of the leading hai Sir south mein. Mai janna chahta hun Sir last bonus kab diya tha? Or dekhiye Sir aaj total there are 35 meeting going on but aapka name aaya jab aaya Tamil Nadu News mujhse raha nahi gaya. Mai sab meeting chod kar aapko do shabad bolne ke lie aaya. Sir aapka itna acha management hai, excellent management; aapki Secretarial team bhi achi hai aur aapka Sir Chairman speech dia usme sab aagya Sir. Mujhe us bare mai kuch touch ni karna chahta hoon. Mai teen apne points rakhta hoon, agar ho sake toh wo. Mujhe Sir toda visit karaiye after COVID-19. Mera itna humble request hai or agar nahi ha toh toh mujhe mera film bhej dijiye mere mobile pe. Mera number hai 9004578702 ye mera mobile number hai. Aap usme mujhe film bhej dijiye Sir Secretary ko bhejeke, wo chalega. Sir nothing more to it. Sir, COVID-19 mei apne kitne aadmi ko effect hua? Or aapne Sir bataya apne staff mei kisiko haani nahi hui. Wo jankar Sir mujhe bahut khushi hui ki apni Company itni achi chal rahi hai or Rs 3 aapne dividend diya ha Rs10 ke share pe. Aaj aapka share Sir upar hai. Sir Main apna competitor kaun hai? Westcoast Paper? Fir aapna main apne businesses mei kaun competitor hai? Wo janna chahta hu Sir. Nothing more to it. Sir aaj bahut meeting hai aapse vidah lena chahta hoon. Bas aapse mulaqat hogyi Ravi Sir, aapse milkar mujhe bahut khushi hui, bas is khushi se main aapse vida lena chahta hu. Thank you very much. Aane wale sab resolution or aane wala sab tyoharo ki mai aapko shubh kamnayein deta hu. Meri taraf se sweekar karyein. Dusshera, Diwali sab ka sab tyohar Sir mai aapko shubh kamnayein dena chahta hu. Ho sake toh Sir aap mujhe bulaiye visit krayein toh sir aapse mulaqat hoyegi. Thank you very much. May God bless our Company. Vanakkam Sir. One more time Vanakkam Sir. Thank you very much*

Dr. Rajeev Ranjan, IAS, Chairman and Managing Director

Thank you. Vanakkam. Can we now request Thiru Navin Sharma to unmute himself and kindly proceed with the question? Not there.

Moderator

Navin?

Navin Sharma

Good Morning, Sir.

Moderator

Can you just start your video also Sir?

Navin Sharma

Yes, Sir. I am Navin Sharma, my DP ID is 1208160032293321. I am attending this AGM from Mumbai. My few questions- The first one, what will be the capacity post-

expansion? What are the associated timelines for commissioning of these lines and commercial sales to begin? The next question is, will the expansion aid in better margins? If so, by how much? How do we see the state of demand and pricing post opening of schools and offices? The last one, can you please elaborate on the representations to the industry made regarding anti-dumping duty from FTA countries? What can be expected from these? Do we have any visibility on the timelines on imposition of ADD. Thank you again for giving me the opportunity and all the best for the future.

Dr. Rajeev Ranjan, IAS, Chairman and Managing Director

Thank you. I would like to call upon the next shareholder Thiru Hardik Jain to unmute himself and kindly proceed with a question.

Moderator

Mr Hardik Jain hasn't joined till now.

Dr. Rajeev Ranjan, IAS, Chairman and Managing Director

Ok. Then we can request Thiru Mageshv.

Moderator- Mageshv, please unmute your mic.

Magesh V- Vanakkam.

Dr. Rajeev Ranjan, IAS, Chairman and Managing Director

Vannakam. Please go ahead.

Magesh V

Idanai idhanan ivan mudikum endrai ithu athanai avan kan vidal. Oru kariyathai oruvar eppadi seithu mudipar enbathe arayndhu parthu atharkku piragu andha kariyathai avar idam oppadaikka vendum iduve thiruvalluvam kooru girathu. Kadandha irandu andugalaga tengale pondra investorgalukku ellam TNPL in nilamaiye kandu varuthapattu konda irundha podhu neengal CMD aga vandhu niruvanathe oru nalla padhaikku thirumba vazhi vagutheergal. Indha corona kalathilum indha niruvanam athavathu 2020-21 kalakattathil 98 kodi nastham adaindirunthalam engale pole mudhalyitarukku 30% dividend kodupathu engalukku TNPL methane nambikkaiye kootukirathu.

Now I pose two questions, Sir. Question number one. When will the pulp mill at the unit 2 be completed? Question number two, how much will the import cost be reduced for us by starting pulp mill production in unit 2? Once again, we are looking forward to the golden age of this company, paying us 75% dividend as before. Thank you, Sir.

8. REPLIES TO SHAREHOLDERS:

Dr. Rajeev Ranjan, IAS, Chairman and Managing Director

Thank you. Now I will proceed to answer the queries. We had three of them from three shareholders and the first one from Mr Yusuf Rangwala was in Hindi. For the benefit of others, I like to just summarize the main points and answer the points that he had raised. He had complimented the company for its excellent management, and he is also asking details about our main competitors, and about the impact of Covid. And he also made a request for facilitating visits. And if that is not happening during the COVID time, then we can give him details about the company through the number that he has given. We will be sending you. Mr Rangwala was also hard-pressed for time. many meetings to attend but he chose to prioritize the TNPL meeting because he feels that this is a very good company and is doing well. And he is benefiting from the association. Basically, for his visit, we will facilitate when the situation improves but meanwhile we would like to, we will send him the there is a lot of the newly revamped website. I will ask him to look at it and we will be sharing with him a lot of new additions that we have been doing in terms of the company and what it has been doing of late. The main competitors we can even give him the details, of which are the main competition has alluded to the large integrated companies which are in this. But the Indian paper industry, as I mentioned is largely fragmented, and it is extremely unorganized. We have about 750 of that and the bigger ones are the ones which are organized and there is a competition among them and there is a general trend of more organized and consolidation in many many industries and paper and paperboards is no exception to that.

I will now address the second question from the second shareholder's question from Mr Navin Sharma, who has mentioned about he is from Mumbai, and he has put in four questions. The first one is what will be the total capacity post-expansion? What are the associated timelines for commissioning of these lines and commercial sales to begin? TNPL is implementing a mill expansion program in unit 2 to take the mill capacity from 2, 00,000 to 3, 65,000 tonnes per annum and the total capacity of TNPL to 7,65,000 tonnes per annum. TNPL has proposed to implement the project in two phases. The Phase one which is under implementation, is the HWP line with a capacity of 1,40,000 metric tonnes per annum, covering the installation of a modern hardwood ECF pulp mill, along with a chemical recovery island. The project is targeted for commissioning by November 2021. Under phase two, a paper machine of 1,65,000 machines along with power plants shall be implemented. However, we are now looking at it instead of a paper machine, a board machine would be more useful at this stage and the revised techno-economic analysis is being prepared considering the present market scenario. The second question was, will the expansion aid in better margins and if so, by how much? In the first phase of the project, the imported hardwood part pulp that is BHWSP usage in Unit 2 will be substituted by the new in-house HWP pulp plant, providing a savings of about Rs 10 Cr per month, which means that with phase 1 of the MEP program we will be having saving of about Rs 120 Cr per annum, is what we are looking at it and this will increase the bottom line of the company and thereby better profitability margins will be achieved. The third question put up by Mr Navin Sharma was how do you see the state of demand and pricing post opening of schools and offices? The reopening of offices, educational institutions and courts will lead to the regularization of demand

and obviously, the market will be stabilized. In addition to very high international shipping costs, the import of paper into India is negligible. A favourable demand-supply situation will help us in selling higher quantities at improved realisation and right now we are, from this month onwards we are seeing how prices, we are able to pass on the increased cost in terms of price increases. So, this is happening across and this is a favourable trend for the company. If we have no third wave in a major form, then we are sure that we will be able to get a good price increase in the market. And as I said, we are already seeing green shoots and we are implementing the price increases. The last question put up was, can you please elaborate on the representations that industry made regarding anti-dumping duty from FTA countries? What can be expected from these? Do we have any visibility on the timelines on imposition of ADD? The Indian paper industry represented to the Government through IPMA for imposition of safeguard duty and anti-dumping duty. The safeguard duty was levied on copier paper with a special price of USD 785 TMT. This led to virtual stoppage of imports in copier grades. However, industry is actively working towards convincing the Government for similar import tariffs for writing and printing paper also. There has been very minimal exports of paper in 2021. Due to lower demand in India due to Covid, higher paper prices in the international market and liquidity issues. Importers who had imported paper in India actually have suffered major losses, because there have been no sales. So this is a favourable thing for us.

Now, I go on to the last, u know, comments from Mr. Magesh who complimented the management and definitely, we are in sync with what he is saying. And with that, let me say that we have generally responded to the speaker shareholders, in general, and if there's anything more if you need, you can write back to our office and we will be happy to furnish the replies to the best of our abilities, any additional information we would like to share. I already mentioned that we have a revamped website where we have put on more information, put on more, there are a lot of materials to share, and we are now ensuring that we have better communication with the stakeholders and the shareholders and that's why we are bringing out this sustainability report. We are bringing out various things. So, in line with that, we will be open to further details.

9. CONCLUSION:

Dr. Rajeev Ranjan, IAS, Chairman and Managing Director

Members may note that voting on the NSDL platform will continue to be open for 15 more minutes after the closure of the meeting. As of now, 104 shareholders are present or participating in the meeting and we have remained so throughout the meeting. Members who have not cast their vote yet are requested to do so. The Board of Directors has appointed Mr. R.Sridharan of M/s. R. Sridharan & Associates, Company Secretaries as the scrutinizer to supervise the e-voting process. The consolidated results of remote e-voting and the e-voting at the AGM will be uploaded on the website of the company at www.tnpl.com as well as on the website of NSDL and shall also be communicated to the stock exchanges. The resolution, as set forth in the notice, shall be deemed to be passed today subject to the receipt of requisite number of votes. We have 104 members participating today in this 41st Annual General Meeting. We are grateful to all our shareholders from across the country

who have participated in this AGM through video conferencing. I would like to thank you all for attending the meeting and I hereby declare the proceedings as closed. Kindly take care and stay safe.

Thank you.

National anthem
