



Tamil Nadu Newsprint and Papers Limited

(A Govt. of Tamil Nadu Enterprise)

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TNPL - The Corporate Identity Number : L22121TN1979PLC007799

TNPL/SHARES/1(2&3)/16

Dated: September 30, 2016

To
Central Depository Services (India) Limited
28th Floor, Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 023.

To
National Securities Depository Ltd.
Trade World, 4th Floor
Kamala Mills Compound
Senapati Bapat Marg
Lower Parel, Mumbai – 400 013.

Dear Sir,

Sub : Annual Report under Regulation 34 of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015

We wish to inform you that the 36th Annual General Meeting (AGM) of the Company was held on 28th September, 2016 at 10.15 a.m. at the Music Academy Main Hall, 168 T T K Road, Alwarpet, Chennai – 600 014.

Pursuant to Regulation 34 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 we enclose herewith a copy of the Annual Report for the year 2015-16.

Kindly take the above on record and acknowledge receipt.

Thanking you,

Yours faithfully,

For **Tamil Nadu Newsprint and Papers Limited**

V. Sivakumar

V. Sivakumar
Company Secretary

Encl.: As above

36th Annual Report 2015-2016



New Heights
Driven by Growth

Tamil Nadu Newsprint and Papers Limited



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COMPANY INFORMATION

BOARD OF DIRECTORS

Dr. Rajeev Ranjan, IAS (w.e.f. 8.8.2016)	Chairman & Managing Director
Thiru C V Sankar IAS (From 25.10.2013 to 31.07.2016)	Chairman & Managing Director
Thiru T Udhayachandran IAS (From 8.8.2013 to 11.7.2016)	Director
Thiru K Shanmugam IAS (w.e.f. 11.7.2016)	Director
Thiru Mahesan Kasirajan IAS	Director
Thiru A Velliangiri	Deputy Managing Director
Thiru R Mani (From 8.2.2013 to 26.02.2016)	Director (Operations)
Thiru V Narayanan	Director
Thiru N Kumaravelu	Director
Thiru M R Kumar	Director
Thiru V Nagappan	Director
Tmt Sarada Jagan	Director
Thiru N Narayanan IAS (Retd.) (w.e.f. 14.7.2016)	Director

COMPLIANCE OFFICER

Thiru V Sivakumar	Company Secretary
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REGISTERED OFFICE	67, Mount Road, Guindy, Chennai - 600 032.
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FACTORY

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

STATUTORY AUDITORS

M/s Raman Associate,
Chartered Accountants,
H.O.: 13, Luz Avenue,
Mylapore, Chennai – 600 004.

COST AUDITORS

M/s Raman & Associates,
10, Muthukumarasamy Salai
Off. 1st Main Road, Baby Nagar.
Velachery, Chennai – 600 042

SECRETARIAL AUDITORS

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

REGISTRAR AND SHARE TRANSFER AGENT

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

BANKERS

Canara Bank
DBS Bank Ltd.
HDFC Bank Ltd.
Indian Bank
Oriental Bank of Commerce
Punjab and Sind Bank
State Bank of India
State Bank of Patiala
State Bank of Travancore
Syndicate Bank
The Hongkong and Shanghai
Banking Corporation Ltd.
The Karur Vysya Bank Ltd.
Union Bank of India

FINANCIAL HIGHLIGHTS - 10 YEARS AT A GLANCE

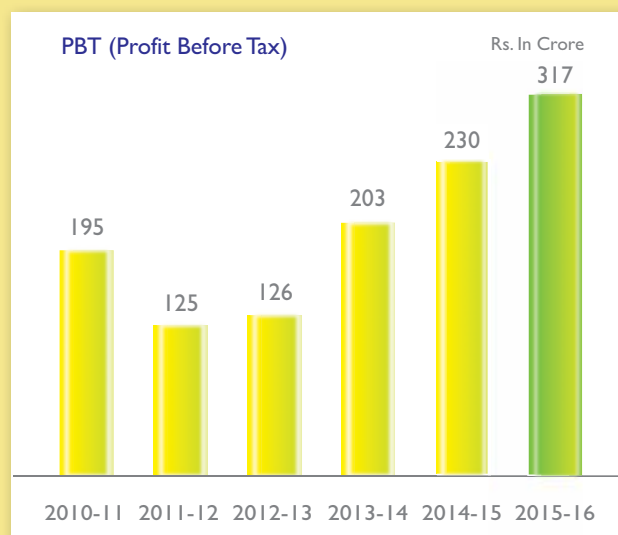
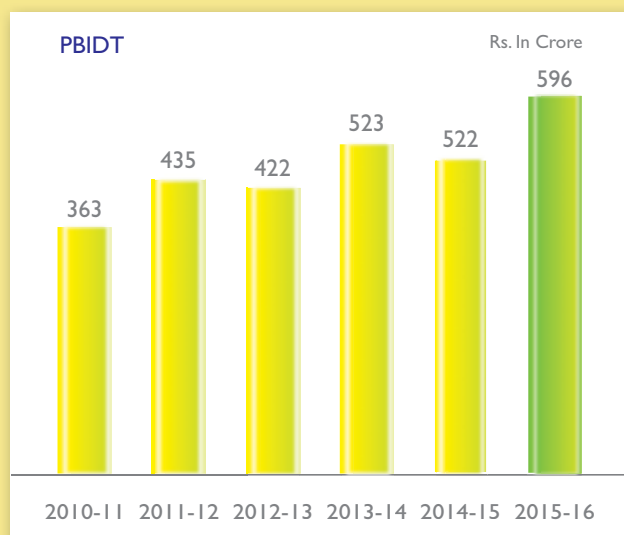
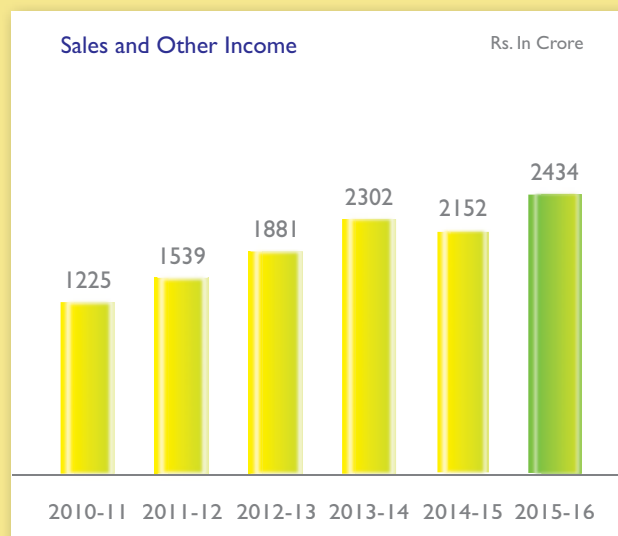
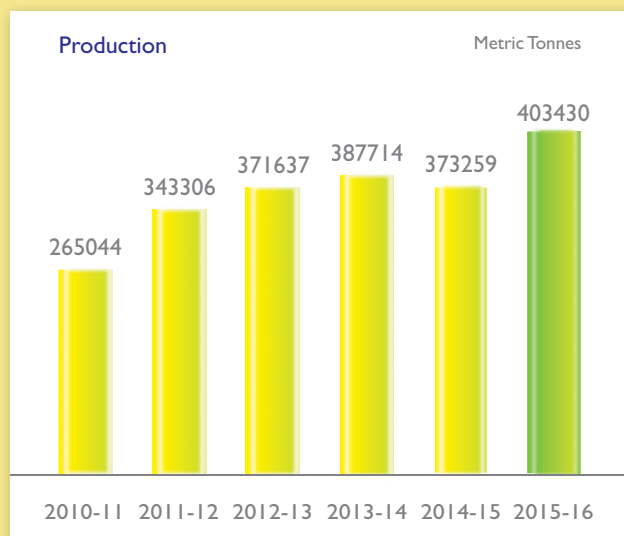
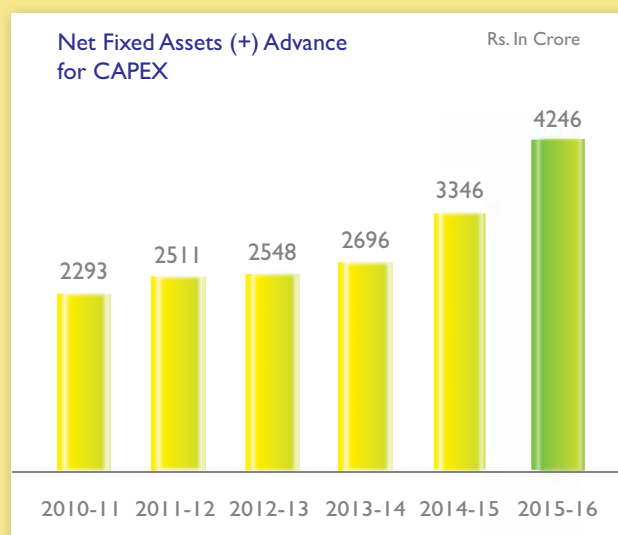
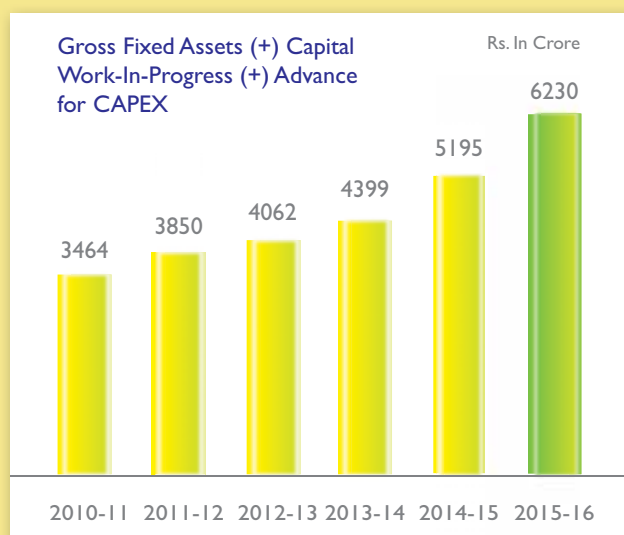
DESCRIPTION	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
	REVENUE: (Rs. in lakhs)									
Sales & Other Income	88040	96965	110030	107362	122504	153899	188118	230195	215237	243431
PBIDT	21455	26266	30792	31980	36274	43543	42207	52320	52236	59601
Interest	2052	2391	4927	4618	4424	14127	12097	12821	15493	13931
Profit Before Tax	12503	16306	15785	15806	19514	12511	12611	20268	23013	31723
Tax	3897	5023	5047	3200	4615	1617	3463	4150	6340	6331
Profit After Tax	8606	11283	10738	12606	14899	10894	9148	16118	16673	25392
	BALANCE SHEET: (Rs. in lakhs)									
Net Fixed Assets	117782	128351	148396	209659	229342	248678	254101	252819	304083	422210
Investments	114	1715	114	1140	114	114	114	114	114	114
Captive Plantation	289	304	504	962	1319	1795	2121	2121	1632	797
Net Other Assets	10670	7699	20048	25993	34575	46836*	26279*	38718*	56860*	20683*
Total Capital Employed	128855	138069	169062	237754	265350	297423	282615	293772	362689	443804
Share Holders Fund	57631	63990	66432	80450	91579	97068	103547	114597	120164	144554
Borrowings	55940	55244	80645	136291	148810	173379*	150022*	147511*	206566*	261688*
Deferred Tax Liability	15284	18835	21985	21013	24961	26976	29046	31664	35959	37561
Total	128855	138069	169062	237754	265350	297423	282615	293772	362689	443804
Book Value Per Share (Rs.)	83.27	92.46	95.99	116.24	132.32	140.25	149.61	165.58	173.62	208.86
EPS (Rs.)	12.43	16.30	15.52	18.21	21.53	15.74	13.22	23.29	24.09	36.69
Dividend (%)	40.00	45.00	45.00	45.00	50.00	50.00	50.00	60.00	60.00	75.00
Debt (LTL) to Equity	0.84	0.62	0.88	1.19	1.17	1.21	0.97	0.89	1.32	1.45

* Regrouped as per pre-revised Schedule VI for the purpose of comparison only.

ACHIEVEMENTS 2015 - 16

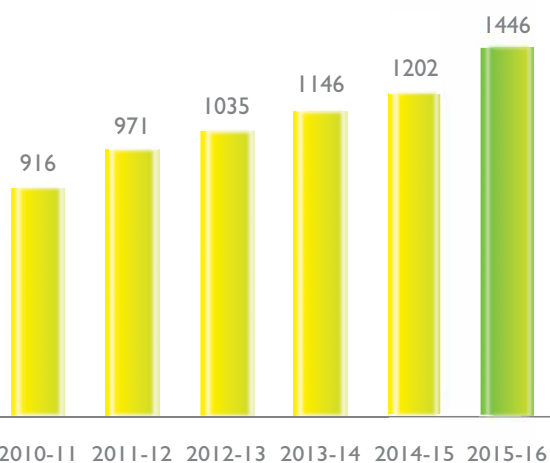
- Sales and other income crossed Rs.2400 crore mark for the First time.
 - Profit before Tax of Rs.317.23 crore is a record high.
 - Profit after Tax of Rs 253.92 crore is an all time high exceeding the previous record achieved during 2014-15 by Rs. 87.19 crore (52.29%).
 - Paper production at 403430 Mts is the highest ever achieved.
 - De-inked Pulp Production increased to 42705 Mts higher by 9913 Mts compared to the previous year.
 - 6284.30 lakh units of power were generated, of which 5956.25 lakh units were consumed and 328.05 lakh units were exported to the state grid. Power drawn from State Grid constitutes only 1.70% of total power consumed.
 - Received 106147 Renewable Energy Certificates (REC) and sold 68496 RECs fetching revenue of Rs. 10.27 crore. Balance has been carried forward for sales during 2016 – 17.
 - Water consumption was reduced to about 40 KL Per ton of paper.
 - The green field Multilayer Double Coated Board Plant of a capacity of 2,00,000 Mts per annum was implemented in a record time of 22 months between April, 2014 and January, 2016.
 - Cement production capacity was increased from 600 tpd to 900 tpd. The Project was implemented in 9 months.
 - The Company has setup a “Conversion Centre of Paper and Packaging Board (CCPPB) Unit” in the 38.40 acres of land in Mayanur in Karur District. An industrial shed measuring 1,20,000 square feet has been made ready for occupation.
 - Cumulatively 1,12,865 acres of land have been brought under Company’s Farm Forestry and Captive Plantations schemes, benefitting 22,215 farmers in 29 districts of Tamilnadu.
 - Repaid Term Loans amounting to Rs. 215.88 crore as per schedule.
 - Dun & Bradstreet, Mumbai, has selected TNPL as the Top Indian Company under the sector Paper and Board products for “Dun & Bradstreet Award 2016”, **Fifth time in a row.**
 - Confederation of Indian Industry - Godrej Green Business Centre (CII - Godrej GBC), Hyderabad have conferred on TNPL the “Green-Co Gold rating”.
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CONSISTENT GROWTH

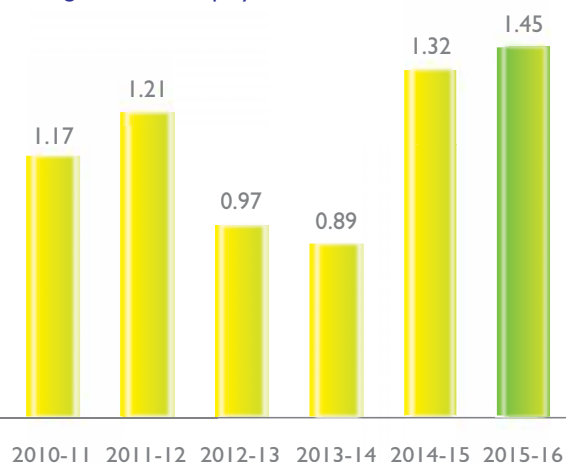


Net Worth

Rs. In Crore

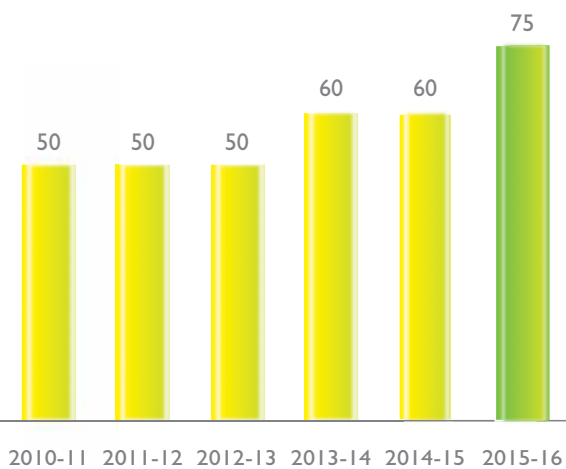


Long term Debt Equity Ratio



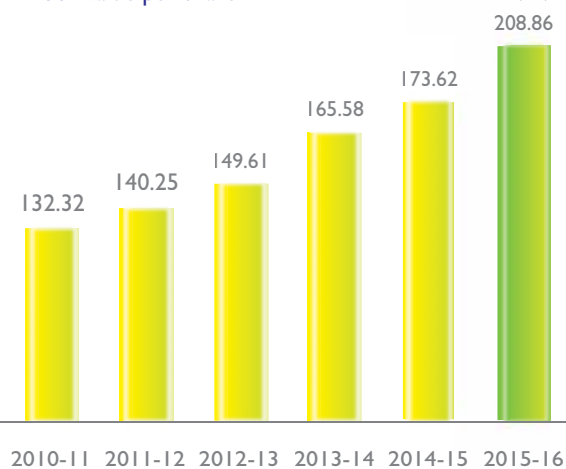
Dividend

Percentage (%)



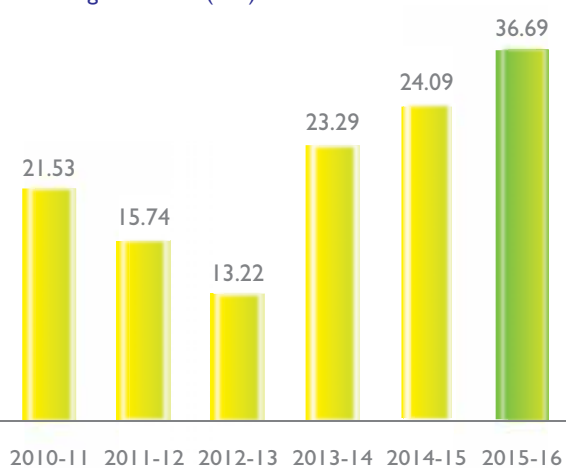
Book Value per Share

(Rs.)



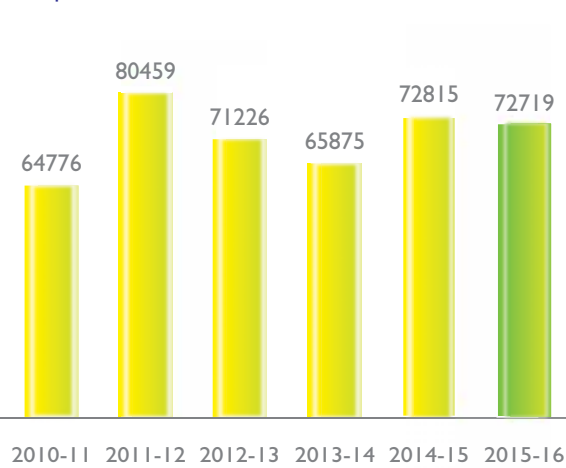
Earning Per Share (EPS)

(Rs.)



Exports

Metric Tonnes



Growth with Technology

The Unit I of TNPL was commissioned in October 1985 with an installed capacity of 90,000 tpa of Newsprint /Fine paper, with a single machine. Over the years, the company has added two more paper machines, besides upgrading the Paper machines. The company has augmented the captive pulping capacity by way of installing new chemical hardwood line, upgrading the chemical bagasse pulp line and setting up a new deinked pulp line besides adopting ECF bleaching in all the chemical pulp lines. Simultaneously, the company has also been augmenting the power plant capacity to meet the steam and energy requirement of the expanded mill. Effective from January 2011, the mill's production capacity rose to 400,000 tpa. All the three modern high-speed paper machines are capable of producing variety of Printing and Writing papers and are equipped with state-of-the-art automation to ensure consistent quality. The machines operate on a pre-dominant bagasse pulp in the furnish. Today, TNPL Unit I is self-sufficient in terms of power and pulp.

As part of Solid waste management, TNPL set up a 600 tpd Cement plant in January 2013, to produce high grade cement using the mill waste materials namely Lime sludge and fly ash. Encouraged by success of this plant, TNPL enhanced the production capacity to 900 tpd by introducing a Pre-calciner and other balancing equipment in the existing Cement plant. The project was fully implemented by January 2016.

For further growth in its area of core competence, TNPL examined various options. As the existing site is saturated in terms of land area for installation of additional plants, TNPL thought of a green field project in a new location. As

the Paper Board segment is recognized as a growing segment, TNPL thought it is prudent to foray into this market segment. Accordingly, a Paper Board project was conceived, and thus TNPL Unit II emerged.

A land area measuring around 874.46 acres was acquired in Mondipatti village, Chettichatram and K.Periapatti Village to set up Unit II.

TNPL Unit II was designed to produce 200,000 tonnes per annum high grade Paper Board for usage in pharmaceutical, health care, food, cosmetics and other consumer product industries, in various GSM ranging from 170 to 450. Civil construction for the project was started in April 2014. Machinery erection were completed in December 2015 and the board was reeled on January 21, 2016, in a record time of 22 months. The plant was constructed using TNPL cement manufactured by TNPL in its cement plant in Kagithapuram. With the completion of Board project in January 2016, the total production capacity of TNPL has increased to 600,000 MT per annum.

The state-of-the-art multilayer double coated paper board machine of capacity 200,000 MT per annum supplied by VOITH, Germany has advance features like tandem shoe press, Speed sizing for surface sizing, three on-line coating stations, hard and soft nip calendering and a winder. The machine has on-line quality control system for monitoring and controlling the end product quality parameters like GSM, Moisture, Colour, Thickness, surface profile etc.

The finished reel is stretch filmed and then Kraft wrapped. Based on

the market demand, the reels are converted into sheets through 4 No. modern fully automatic Sheet cutting machines imported from Italy. The cut sheets are packed in a Ream packing machine sourced from Japan. The Automatic Storage and Retrieval system (ASRS) supplied by a company from Finland is capable of storing 30,000 MT of finished Paper board in reel form and 6,000 MT in sheet form.

A full-fledged modern automatic quality testing laboratory will test various parameters of the finished paper board like Surface smoothness, bending strength, gloss, tensile strength, brightness, compression test, tear factor, burst factor etc., to meet the stringent quality standards for board.

To meet the steam and power requirements, 2 Nos. of 90 tph Boilers capable of generating steam at 105 ata and 515 °C, designed and supplied by THERMAX and a 30 MW Turbo Generator (TG) set supplied by BHEL, have been installed.

A modern Effluent treatment plant has been installed to treat the waste water. The treated waste water will be used to irrigate 570 Acres of land in the factory area. Environmentally conscious TNPL has already planted 6,80,000 trees in 68 varieties including teak wood, mango, neem, coconut and many other flowering trees. The treated waste water will be entirely used for the above plantation, through drip irrigation. This will enable the area to get a very high green cover facilitating a visible improvement in the environment standards.

TNPL - Unit – I Kagithapuram – 832 Acres



TNPL - Unit – II Mondipatti – 874.46 Acres



Growth with Environment Care

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.

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.
- Minimise waste and maximise recycling / reuse.
- Creating social and ecological Awareness in Environment, Safety and Health.

Resource Conservation:

The mill has used 838169 MT of depithed bagasse during the year as primary raw material for manufacture of paper. Utilisation of bagasse as fibrous raw material has conserved about 7.0 Lakh MT of wood in the year 2015-16.

TNPL is committed to procure pulp wood only from the responsible known

sources. TNPL's own farm forestry and captive plantation programs are covered by FSC (Forest Management Certification) which guarantees that the wood used for the production of paper come from the plantations which are managed in a socially and environmentally responsible way. FSC product label guarantee the customer that the product they buy comes from sustainable sources.

TNPL has produced 42,705 MT of Deinked pulp using waste paper as raw material and thereby conserved about 1.8 Lakh MT of wood in the year 2015-16.

The mill has implemented various water conservation projects and has attained overall water consumption of about 40 KL Per ton of paper during 2015 -2016 which is one of the lowest in paper industry. By utilizing about 1.81 Lakh MT of internally generated agro fuels such as Pith, Wood dust, Bark as fuel in Power Boilers has resulted in conservation of about 40,000 MT of Imported coal.

Wealth from waste:

TNPL stepped into an innovative way of making cement from inorganic solid wastes generated from chemical recovery cycle and fly ash from power boilers. Every day, about 200 tonnes lime sludge and 100 tonnes fly ash from the power boilers are converted into high grade cement which is first

of its kind in pulp and paper industry. During 2015-16, 78,500 MT of lime sludge from Recaustisizing unit was consumed in Cement Manufacturing resulting in conservation of about 50,704 MT of lime stone from natural resources.

Climate Change and sustainability:

Towards greening the surrounding areas, the company has planted about 10000 trees during 2015-16 and also maintaining of about 3.25 Lakh trees in and around the mill (Unit I). TNPL has generated wind power about 319.83 Lakh units during 2015-16 which resulted in reduction of about 29,700 MT of tCO₂e. Similarly, treatment of bagasse wash water through the two bio-methanation plants had reduced 99336 MT of tCO₂e.

Recognition for environmental protection:

TNPL has attained the distinction of being the "2nd Paper manufacturing unit and 1st Agro based Paper Manufacturing Company in India" to undergo the Green Co Rating System and attained the prestigious "Green-Co Gold rating" which is rated as National best by Confederation of Indian Industry - Godrej Green Business Centre (CII - Godrej GBC), Hyderabad.

Bio-methanation Plant



A Modern Waste Water Treatment Plant – Unit-II



TNPL – Cement Plant Kagithapuram



Growth with Tree Plantation

To become self-reliant and source pulpwood in a more sustainable way at a reasonable cost, TNPL implemented two plantation models i.e. Farm Forestry and Captive Plantation scheme during 2004-05 with buy-back guarantee. The total plantations raised by TNPL as on March 31, 2016 stand at 1,12,865 acres involving 22,215 farmers.

In order to improve the sustained availability of pulpwood, a systematic model i.e., cluster approach with a web based monitoring system has been developed by TNPL. Under this approach, contiguous block of 10-15 potential pulpwood growing villages are grouped into one cluster, and closely monitored by a field staff. 36 such clusters have been formed in four districts. Cluster approach has helped in close monitoring of plantations till harvesting is completed and identifying new areas within the cluster for future plantations. TNPL added 6897 acres of plantations during the year.

Even under high competition among the pulpwood traders, about 95,061 MT of pulpwood has been procured from plantation sources during the year 2015-16. About 9.10 lakh MT of pulpwood has been procured from plantations sources in last 6 years.

TNPL has established India's largest centralized Clonal Propagation & Research Centre (CPRC) at Kagithapuram for supplying high yielding clonal plants and seedlings to raise pulpwood plantations under

Farm Forestry scheme. The clonal plants are being produced with a unique propagation technique of mini and micro cuttings using apical shoots for planting without any rooting hormones. During 2015-16 about 123.28 lakh quality plants were produced and 107.57 lakh plants were supplied to the farmers at subsidized price. The species wise details are given hereunder:

Variety	Achievement in Lacs	
	Production	Supply
Eucalyptus Clone	92.08	80.10
Casuarina - Clone	9.06	7.74
Eucalyptus Seedling	3.62	3.06
Casuarina Seedling	18.27	16.63
Others species	0.25	0.04
Total	123.28	107.57

RESEARCH AND DEVELOPMENT ACTIVITIES:

To improve the quality and productivity of the plantation, Forestry R &D wing of TNPL is undertaking tree improvement programme. During 2015-16, 80 CPTs (Candidate Plus Trees) were selected and raised in the mother beds for further multiplication. These clones will be planted in various agro climatic zones to test its suitability. New clones with high productivity in the name of TNPL will be introduced within 2 years.



Forest Research Development CPT selection

Farm Forestry



Plantation in 570 acres using Treated Effluent Water



Captive Plantation



Growth with Social Responsibility

TNPL is committed to being a socially responsible corporate citizen.

As 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 constitute a CSR Committee of the Board, the Company has constituted a CSR Committee with the Independent Directors as its Members and the Chairman of the Audit Committee as the Chairman of CSR Committee.

As per section 135(5) of the Companies Act 2013, TNPL is spending atleast 2% of the average net profits of the Company made during three preceding financial years which covers Education, Health, Socio-Economic Development and Security, Environment and Culture,

Heritage and Development. The Company for the year 2015-16 had spent Rs.369.36 lakhs against the allocated amount of Rs. 373.00 lakhs. Further, the Company aims to spend around Rs. 500.00 lakhs on CSR activities during the financial year of 2016-17, which is calculated based on the 2% of the average net profits of the Company made during the three preceding financial years.

TNPL is committed to help the inhabitants of the surrounding villages by taking part in drinking water supply schemes, construction of retaining walls in the irrigation channels, laying and improving roads, culverts, providing lighting facilities, development of parks, supply of equipment and instruments to Fair Price Shops, improving infrastructure facilities in Government Schools, conducting medical camps,

providing financial assistance to needy people, contributing for cultural programmes, sports activities, construction / renovation works in the place of worship etc., This has paved the way for establishing a harmonious relationship with the surrounding neighbourhood.

TNPL undertakes Community Development activities in consultation with local Panchayats by categorizing the needs of the community under various heads viz., Infrastructure and basic amenities, construction of drainages and retaining walls, providing drinking water supply, education, medical camps and environment, promotion of tamil literature, Art & Culture, assistance for the differently – abled, training of unemployed youth, Organizing sports and talent competitions etc.



Talent Expo – 2015 (Gramiya Nadanam)



1. Ball Badminton Tournament 2. Reward Rank Holders 3. Blood Donation Camp 4. Contribution of Rs. 25.00 lakhs towards creation of Butterfly Park

Growth with Quality Products

TNPL produces a wide portfolio of high quality surface sized and non-surface sized papers and Coated & Uncoated Boards best suited for the packaging industry.

PREMIUM PAPER BRANDS

TNPL Pigmented Paper

A printing paper with low coat weight, ideally suited for high end multi-colour offset and gravure printing. With its high degree of surface uniformity and almost zero two-sidedness, it is ideal for brochures, catalogues, books, etc. Available in gsm range of 57 gsm to 130 gsm.

TNPL PrintFine

A premium uncoated wood free paper with good surface evenness and ultra-low two-sidedness and superior smoothness. Ideal for high-end printing of diaries, calendars, annual reports, brochures, catalogues, etc. and for other multi-colour, high resolution, high speed, web and sheet fed offset printing. Available in gsm range of 54 gsm to 120 gsm.

TNPL Radiant Print (Platinum)

Most preferred uncoated wood free paper with a pleasing shade and print readiness. Ideal for high-end printing of diaries, calendars, annual reports, brochures, catalogues, premium grade notebooks, etc. and also for multi-colour, high resolution, high speed web and sheet fed offset printing. Available in gsm range of 54 gsm to 120 gsm.

TNPL Ace Marvel

A Non-surface sized wood free paper that is primarily used as base paper for regular coating and also for Thermal and Carbonless Coating. Available in the gsm range of 42 gsm to 120 gsm.

TNPL Eco Maplitho

A traditional non-surface sized wood free product with TNPL's stamp of superior quality. The product is considered as excellent "value for money". Ideal for notebooks, examination papers, continuous stationery, etc. Available in gsm range of 47 gsm to 120 gsm.

TNPL Copier Paper (Platinum)

A widely acclaimed trouble-free Photocopy Paper with enhanced fibre orientation and high dimensional stability. Available in 70, 75 and 80 gsm.

TNPL Copy Crown

A popular Photocopy Paper in the International Market. Has better brightness (92% plus) and higher opacity. Available in 75 and 80 gsm in A4 and A3 Sizes.

TNPL EzeeWrite

Ready-to-use, plain surface-sized paper in 56 gsm which is marketed in the size of 33.5 x 42.0 cm.

TNPL Printer's Choice

Surface-sized cut-size "ready-to-print" paper with high degree of dimensional accuracy for publishing and printing industry. Supplied in commercial offset printing size of 45.5 cm x 58.5 cm in 60 gsm.

TNPL Centum

Ready-to-use, plain and ruled, surface-sized paper in 54 gsm in size of 31.5 cm x 39.0 cm. Used as examination papers and for other general uses.

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

AURA PEARL – White-Lined Chipboard

White-lined Chipboard (White-back) of medium density with ideal Stiffness and Tensile to suit best carton performance. The product is widely used in general packaging; FMCG & Industrial Packaging; Hosiery & Garments; Match Shells; as top-liners for Corrugated Boxes; Toys & Games; Cereals; Electronic Appliances; etc. The double side coated board is used for Playing & Wedding Cards; Promotional Materials; Publication Covers; Stationery & General Merchandising; etc.

AURA FOLD – Folding Box Board

Folding Box Board with high bulk (low density); high stiffness; high smoothness; color fidelity; high ink and varnish holdout. Low levels of heavy metals (each <20 ppm);

Food Grade and meets FDA requirement; free from any flavor or colour. Available as Cream Back (GC2) and White Back (GC1). Aura Fold is widely used in the packaging of Food & Beverages; Cigarettes; Pharmaceuticals; Personal & Health Care Products; Cosmetics & Toiletries; Electronics; etc.

AURA GRAFIK – Solid Bleached Sulphate Board

Solid Bleached Sulphate Board of medium density. Designed for true reproduction of images and hues with exceptional print quality, high color fidelity, and resolution; no flavor or colour. Suitable for high quality embossing and foil stamping. It meets the food grade requirements of FDA. The product is available as Cream White (GC2) or Brilliant White with Silky Texture (GC1). Widely used in Promotional Materials, Blister Packs, Book Covers, Personal & Health Care Products, Pharmaceuticals; Aroma & Flavour sensitive products; Cosmetics & Toiletries; Greeting Cards & Wedding Cards; Lottery Tickets; Smart Cards; etc.

AURA FLUTE – Uncoated Solid Bleached Sulphate Board

The board is made to very close tolerances with regard to its specifications designed to meet demanding requirements faced in subsequent organic coatings for conversion to end products such as paper cups. Ideal substrate for use as base board for conversion to paper cups. Low levels of heavy metal content (each <20 ppm); free from any flavor or color and low detectable levels of Dioxins (< 1 part per trillion). It meets the food grade requirements of FDA.

PE Coated Boards – Aura Fold; Aura Grafik; Aura Flute or Aura Pearl

TNPL has also established a state-of-the-art conversion facility at its premises at Mayannur, which is located midway between Unit I and Unit 2. From this facility we offer PE Coated Grades of Writing & Printing Paper and all grades of Coated & Uncoated Boards that are made at these two Units.



INSPIRED BY NATURE'S INTELLIGENT DESIGNS



AURA FLUTE

Coated SBS made to very close tolerances; designed to meet demanding requirements based on PE Coating

Low levels of heavy metals content (each <20 ppm); free from any flavour or colour


Linear substrate for use as base board for conversion to paper cups

No detectable levels of Dioxa (< 1 part per trillion)




COMPLETE RANGE OF COATED BOARDS FOR PACKAGING

1



WE CAN'T IMPROVE ON NATURE SO WE TAKE INSPIRATION FROM IT



AURA FOLD


Folding Box Board with high bulk (low density); high stiffness; high smoothness; colour fidelity and high print resolution

Available as Cream Back (GC2) and White Back (GC1)

Suitable for high definition offset and gravure printing; high ink and varnish holdout

Widely used in Food & Beverages; Cigarettes; Pharmaceuticals; Personal & Health Care Products; Cosmetics & Toiletries; Electronics; etc.

Low levels of heavy metals content (each <20 ppm); Food Grade and will meet FDA requirement



COMPLETE RANGE OF COATED BOARDS FOR PACKAGING

2



AROMA & FLAVOUR SENSITIVE PACKAGING



AURA GRAFIK

Solid Bleached Sulphate Board of medium density

Available as Cream White (GC2) or Brilliant White with Silky Texture (GC1)

Designed for true reproduction of images and hues with exceptional print quality; high colour fidelity and resolution; no flavour or colour


Widely used in Promotional Materials; Blister Packs; Book Covers; Personal & Health Care Products; Pharmaceuticals; Aroma & Flavour sensitive products; Cosmetics & Toiletries; Greeting & Wedding Cards; Lottery Tickets; Smart Cards; etc.

Suitable for high quality embossing and foil stamping




COMPLETE RANGE OF COATED BOARDS FOR PACKAGING

3



PERFECTLY PRISTINE PACKAGING



AURA PEARL

White-lined Chipboard (White Back) of medium density


Garments; Match Shells; Top Liners for Corrugated Boxes; Toys & Games; Cereals; Appliances; etc.

Low aspect ratio on stiffness & tensile for best carton performance

C2S used for Playing and Wedding Cards; Promotional Material; Publication Covers; Stationery & General Merchandising; etc.

Recyclable; eco-friendly

C1S used in general packaging; FMCG & Industrial Packaging; Hosiery &



COMPLETE RANGE OF COATED BOARDS FOR PACKAGING

4

1. Aura Flute 2. Aura Fold 3. Aura Grafik 4. Aura Pearl

Growth with Energy

Pulp and Paper Industry is Energy intensive. 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 41.46 % of the total Energy consumed during 2015-16 against the value of 40.10 % in 2014-15.

Agro / Internally generated waste Fuels Utilised	2015-16	2014-15
Agro fuel	568	1062
Pith	171183	160648
Wood Dust/ bark	9649	7990
BL Solids	471134	450952
Bio-methanation gas ('000 M3)	7566	9145

TNPL is operating two bio-methanation plants to treat the high organic wastewater from bagasse handling and storage system and generate biogas. Biogas generation during the year 2015-16 was 75.66 Lakh NM3 against 91.45 Lakh NM3 in the previous year. Bio gas generated was used in lime kilns as fuel in replacement of 4438.86 KL of furnace oil and in Power Boiler in replacement of 238.23 MT of Imported Coal.

TNPL is self sufficient in power. Unit I Captive Power Plant capacity is 103.62 MW. TNPL has generated 6284.30 lakh kwh captive power and 319.83 lakh kwh wind power during FY 2015-16. (Previous year captive power was 6208.84 lakh kwh and wind power 469.20 lakh kwh). TNPL has exported 328.05 lakh units of power from its CPP and 309.32 lakh units from its Wind Farm during FY 2015-16 (previous year TNPL Exported 367.27 lakh units of

power from CPP and 453.54 lakh units of power from Wind farm).

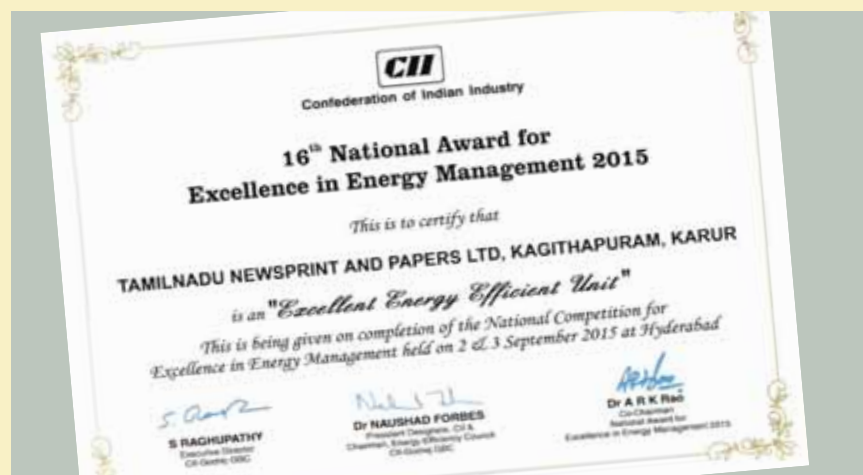
As a part of Energy Conservation Act 2001, Ministry of Power notified the list of designated consumers (DCs) of power intensive industries across the country on 30th March 2012. The ministry also specified the baseline energy consumption of the individual DCs and the targeted energy consumption norms to be met during the period from FY 2012-13 to FY 2014-15 as per "Perform Achieve and Trade" (PAT) scheme. For 1st PAT Cycle BEE notified Specific Energy Consumption for TNPL has 0.572 TOE / TON and fixed the target as 0.550 TOE/TON. TNPL achieved 0.530 TOE / TON during the assessment year 2014-15. As the actual was less than the ceiling fixed, TNPL has claimed 4969.22 Escerts (Energy Saving Certificates). These Escerts are saleable through authenticated norms for which modalities from the concerned authorities are awaited.

This has been certified by the M&V (Measurement and Verification) Audit. TNPL has also completed statutory Energy audit as per Energy conservation Norms.

TNPL has obtained the Excellent Energy Efficient Unit award for the year 2015 from Confederation of Indian Industry (CII), continuously for the fourth time. During the FY 2015-16, TNPL has saved 19.14 lakh units of Power, 9035.59 MT of Imported coal and 4570.86 KL of furnace oil 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 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 Thirty Sixth Annual General Meeting of the Members of Tamil Nadu Newsprint and Papers Limited will be held on Wednesday, 28th September, 2016 at 10.15 AM at the Music Academy Main Hall, 168 T T K Road, Alwarpet, Chennai 600 014 to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Statement of Profit and Loss for the year ended 31st March 2016, the Cash Flow Statement for the year ended 31st March, 2016, 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. To declare dividend on equity shares for the year 2015-16
3. To appoint a Director in the place of Thiru Mahesan Kasirajan IAS, Director (holding DIN 05102717), who retires by rotation and being eligible offers himself 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 10,00,000/- to M/s. Raman Associate (Firm Registration No.002910S), Chartered Accountants, Chennai, Statutory Auditors, besides reimbursement of Travel & out of pocket expenses (annual) at actual subject to ceiling of Rs.75000/- and other terms and conditions laid down by the Office of the Comptroller and Auditor General of India in their letter No., CA V/COY/TAMILNADU/TNEWSP(1)/911 dated 29.07.2015."

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/- plus travelling and out of pocket expenses subject to a maximum of Rs.30,000/- and applicable Taxes for the financial year ending 31st March, 2017 as approved by

the Board of Directors of the Company to be paid to M/s. Raman & Associates (Firm Registration No.0050), Cost and Management 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. **Approval of extension of contractual engagement of Thiru A. Velliangiri (DIN- 00153169) as Deputy Managing Director**

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 to the appointment of Thiru A. Velliangiri as Deputy Managing Director of the company from 19.12.2015 to 31.03.2017.

RESOLVED FURTHER THAT pursuant to the provisions of Section. 196, 197, 198, 203 and all other applicable provisions, if any, of the Companies Act, 2013 and Article 140 of the Articles of Association of the Company and subject to such other approvals, as may be necessary, consent of the members of the Company be and is hereby accorded for payment of remuneration to Thiru A. Velliangiri, Deputy Managing Director as below with effect from 19.12.2015 notwithstanding the absence or inadequacy of profits during any financial year:

Rs.

Particulars	Per Month
Basic Pay	90,000
Special Pay	20,000
Dearness Allowance	67,050
House Rent Allowance	33,000
Provident Fund	21,246
Other allowances (Leave Encashment, Medical reimbursement, Bonus Ex-gratia/ Gratuity)	43,704

RESOLVED FURTHER THAT Thiru A. Velliangiri, Deputy Managing Director will not be entitled to any sitting fee for attending the meetings of the Board or any Committee thereof."

7. **Appointment of Thiru K. Shanmugam, IAS (DIN 00794191) as a Director**

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

"RESOLVED THAT pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Rules made there under (including any statutory modification(s) or re-enactments thereof for the time being in force), Thiru K. Shanmugam, IAS (DIN 00794191) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 11.07.2016 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 alongwith the deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation".

8. **Appointment of Thiru N. Narayanan, IAS (Retd.) (DIN 03076340) as an Independent Director**

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

"RESOLVED THAT pursuant to the provisions of 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, IAS (Retd.) (DIN 03076340), who was appointed as an Additional (Independent) Director of the Company by the Board of Directors with effect from 14.07.2016 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 alongwith the deposit of requisite amount 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 14.07.2016, not liable to retire by rotation."

9. **Appointment of Dr. Rajeev Ranjan, IAS (DIN 01806973) as Chairman and Managing Director**

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and Article 140 of the Articles of Association of the Company and subject to such other approvals, as may be necessary, Dr. Rajeev Ranjan, IAS (holding DIN

01806973) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 08.08.2016 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 along with the deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as Chairman & Managing Director of the company w.e.f. 08.08.2016 on such terms and conditions and such remuneration as may be prescribed by the Government of Tamil Nadu from time to time."

Place : Chennai
Date : 17.08.2016

BY ORDER OF THE BOARD
V SIVAKUMAR
Company Secretary

NOTES

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

A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholders.
- 3) During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the company provided that not less than three days of notice in writing is given to the Company.
- 4) The relative Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Business set out under Items 5 to 9 is annexed hereto and forms part of the notice.
- 5) Pursuant to the provisions of Section 91 of the Act and the Listing Regulations, the Register of Members and Share Transfer Books of the Company will be closed from 22.09.2016 to 28.09.2016 (both days inclusive) for the purpose of payment of the dividend for the financial year ended 31st March, 2016 and the AGM.
- 6) The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the AGM.

- 7) The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
- 8) The dividend for the year ended 31st March, 2016 as recommended by the Board, if approved at the meeting, will be paid to those members whose names appear in the company's Register of Members on 28th September, 2016. In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership as per details furnished by National Securities Depository Limited and Central Depository Services (India) Limited for this purpose.
- 9) Pursuant to Section 205A of the Companies Act, 1956, all unclaimed dividends upto the financial year ended March 31, 2008 have been transferred to the Investor Education and Protection Fund established by Central Government as per Sec 205C of the Companies Act, 1956. No claim shall be entertained against the IEPF or the Company for the amounts so transferred.
- 10) As regards dividend pertaining to the financial year ended March 31, 2009 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. Thereafter, the Members shall have no claim against the Fund or the Company in respect of his unpaid dividend. Such transfer has already been effected with regard to the unpaid dividend for the financial years 1996-97 to 2007-2008. The unpaid dividend for the financial year 2008-09 (final) will be transferred to the above fund during November 2016. Members are therefore requested to lodge their claims for unpaid dividend, if any, immediately with the Company.
- 11) Members holding shares in physical form are requested to quote their Registered Folio No. in all their correspondences and notify promptly change, if any, in their Address/ bank mandate to the company's Registrar and Share Transfer Agents viz. Cameo Corporate Services Limited Unit : Tamil Nadu Newsprint and Papers Limited, 'Subramanian Building', 1 Club House Road, Chennai 600 002
- 12) Electronic copy of the Notice of the 36th Annual General Meeting of the company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email Ids are registered with the Company / Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copy of the same is being sent through permitted mode.
- 13) Members may note that the Notice of the 36th Annual General Meeting and the Annual Report for

Financial Year 2015-2016 will also be available on the company's website www.tnpl.co.in for their download. The physical copies of the aforesaid documents will also be available in the company's Registered Office in Chennai for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the company's investor email id: invest_grievances@tnpl.co.in

- 14) A route map showing directions to reach the venue of the 36th AGM is given at the end of this notice as per the requirement of the Secretarial Standards-2 on "General Meeting".
- 15) Voting through electronic means
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 36th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (remote e-voting) will be provided by Central Depository Services Limited (CDSL)
 - II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper
 - III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
 - IV. The remote e-voting period commences on 24th September, 2016 (9.00 a.m. IST) and ends on 27th September 2016 (5.00 pm IST). During this period members of the company holding shares either in physical form or in dematerialized form, as on the cutoff date (i.e 21st September 2016), may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
 - V. The process and manner for remote e-voting are as under:
 - A. IN CASE OF MEMBERS RECEIVING E-MAIL
 - i. The shareholders should log on to the e-voting website www.evotingindia.com.

- ii. Click on Shareholders.
- iii. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- iv. Next enter the Image Verification as displayed and Click on Login.
- v. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vi. If you are a first time user follow the steps given below:

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

- vii. After entering these details appropriately, click on "SUBMIT" tab.

- viii. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ix. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x. Click on the EVSN for the Tamil Nadu Newsprint and Papers Limited.
- xi. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiii. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xv. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvi. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvii. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xviii. Note for Non-Individual Shareholders & Custodians:
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates and Custodians respectively.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details they should create compliance user using the admin login and password. The Compliance user would be able to link the depository account(s) / folio numbers on which they wish to vote.
- The list of accounts linked in the login should be e-mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

B. IN CASE OF MEMBERS RECEIVING THE PHYSICAL COPY:

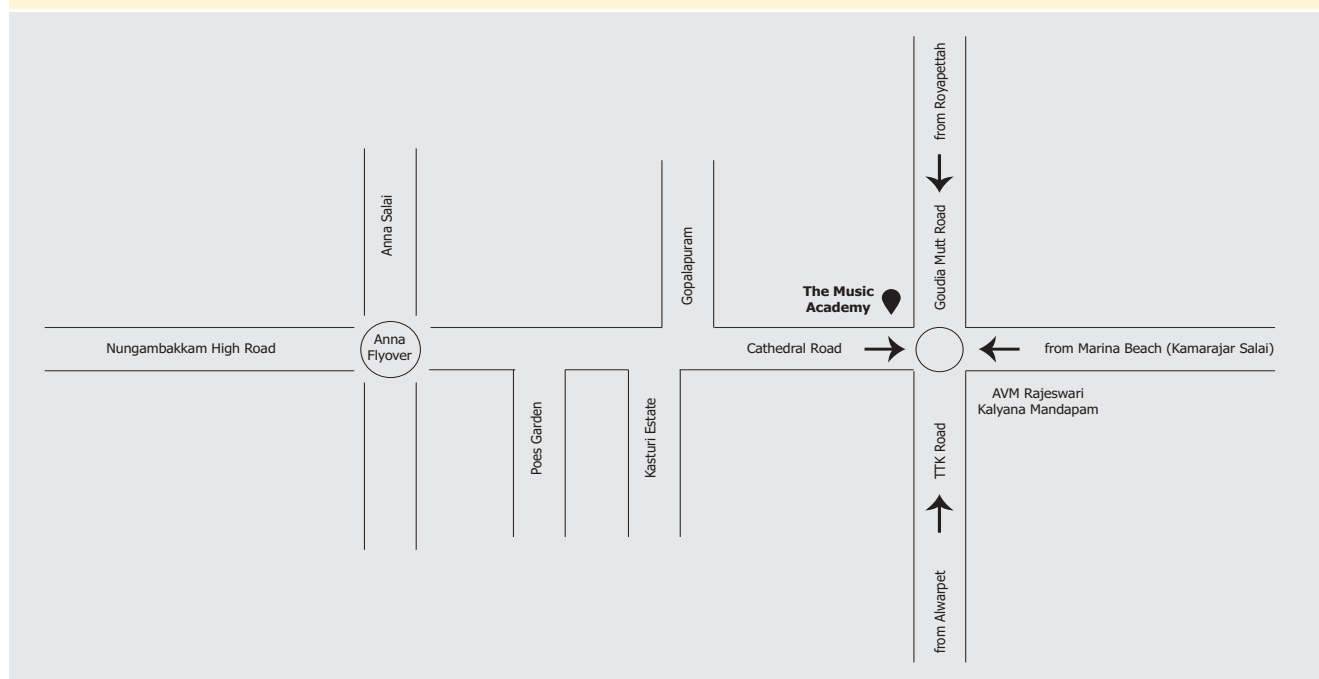
Please follow all steps from Sl.No.(i) to (xviii) in Point A above to cast vote

- xix. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
- 16) The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the company as on the cut-off date of 21st September, 2016.
- 17) Any person who acquires shares of the company and becomes member of the company after dispatch of the Notice of AGM and holding shares as of the cutoff date i.e. 21st September 2016, may obtain the login Id and password by sending a request at helpdesk.evoting@cdslindia.com. However, if you are already registered with CDSL for remote e-voting, then you can use your existing user Id and password for casting your vote. If you have forgotten your password, you can reset your password by using 'Forgot User Details/ Password option available on www.evotingindia.com
- 18) A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper
- 19) Thiru R Sridharan, Practicing Company Secretary (Membership No.F4775) of M/s R. Sridharan and Associates has been appointed as the Scrutiniser to scrutinize the voting and remote e-voting process in a fair and transparent manner. Their email id is rsaevoting@gmail.com.
- 20) The Chairman and Managing Director (CMD), shall at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- 21) The Scrutiniser shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and shall make not later than 48 hours of the conclusion of the AGM, a consolidated scrutiniser's report of the total votes cast in favour or against, if any, to the CMD or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- 22) The results declared alongwith the report of the Scrutiniser shall be placed on the website of the company www.tnpl.com and on the website of CDSL immediately after the declaration of result by the CMD or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE, and National Stock Exchange.
- 23) Additional information pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 in respect of the Directors seeking appointment / re-appointment at the AGM are furnished and forms a part of the Notice. The Directors have furnished the requisite consents / declarations for their appointment / re-appointment.
- 24) In case of any change of particulars including address, bank mandate & nomination of shares held in demat form, it should be notified only to the respective Depository Participants (DPs) where the member has opened his demat account. The company or its share transfer agent will not be able to act on any direct request from these Members for change of such details.
- 25) Members are informed that the Company is extending the Electronic Clearing Service (ECS) facility to enable them receive their dividend through electronic mode in their bank account. In order to avail the ECS facility, the Members are requested to fill, sign and send the ECS mandate form, which forms part of this Annual Report, along with a photocopy of the cheque issued by the bank for verifying the accuracy of the MICR code number to Cameo Corporate Services, whose address is given in Point No.11 (in case of members holding shares in physical mode) or to the Depository Participants concerned (in case of members holding shares in electronic mode/ dematerialized form). Members holding shares in demat form may please note that the bank account details given by them to their DPs and passed on to the company by such DPs would be printed on the dividend warrants of

the concerned members. However, if any member(s) wants to receive dividend in any other bank account, he/she should change/correct the bank account details with their concerned DPs and also intimate about ECS payment requirement.

- 26) Members/Proxies/Authorised Representatives are requested to bring the attendance slip sent with Annual Report duly filled in for attending the meeting.
- 27) Members are requested to bring their copies of Annual Report for the meeting. Copies of the Annual Report will not be distributed at the Annual General Meeting.
- 28) Members desiring any information as regards accounts are requested to write to the Company at least 7 days before the meeting so as to enable the Management to keep the information ready.
- 29) Equity shares of the company have been placed under Compulsory Demat Trading w.e.f. 08.05.2000. Members who have not dematerialised their physical holding in the company are advised to avail the facility of dematerialisation of equity shares of the company.
- 30) Members holding shares under different folios in the same names are requested to apply for consolidation of folios and send relevant share certificates to the Company's Registrar and Share Transfer Agents.
- 31) Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the company, a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
- 32) SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore requested to submit their PAN to their DPs with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Share Transfer Agents M/s. Cameo Corporate Services Ltd.
- 33) The Ministry of Corporate Affairs, New Delhi ("MCA") has undertaken a "Green Initiative" in the field of Corporate Governance by permitting paperless compliances by companies (vide its Circular No.17/2011 dated April 21, 2011 and Circular No.18/2011 dated April 29, 2011). Further, the Ministry has also clarified that the service of documents by a company can be made through electronic mode instead of sending the physical copy of the document(s). Members are requested to support this green initiative by registering/updating their e-mail addresses, in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with Cameo Corporate Services Ltd.
- 34) The documents referred to in the notice and the explanatory statement will be available for inspection at the Registered Office of the company on any working day during business hours of the company upto the date of the AGM.

Route map for the venue of AGM



ANNEXURE TO THE NOTICE

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

Profile of Directors being appointed/ reappointed

ITEM NO.3

Name	Thiru Mahesan Kasirajan IAS
Age	54 years
Qualification	Post Graduate in Commerce, Cost Accountant and a Graduate in Law
Experience	Thiru Mahesan Kasirajan, IAS belongs to 2000 batch of Indian Administrative Service. Thiru Mahesan Kasirajan IAS has served as Collector of Erode, Sivaganga and Trichy districts. Currently, Thiru Mahesan Kasirajan, IAS holds the position of Commissioner of Sugar.
Inter-se Director Relationship	Thiru Mahesan Kasirajan, IAS is not having any inter se relation with other Directors of the Company.
Shareholding	Thiru Mahesan Kasirajan, IAS does not hold any shares in TNPL.
Directorships and Committee Memberships of other companies	Thiru Mahesan Kasirajan, IAS is having Directorships and Committee Memberships in the following Companies:

Sl. No.	Company	Position	Committee Membership
1.	Tamil Nadu Sugar Corporation Ltd.	Managing Director	-
2.	Perambalur Sugar Mills Ltd.	Chairman & Managing Director	-

ITEM NO.6

Name	Thiru A Velliangiri
Age	66 years
Qualification	B.Com., FCA, FCS, FICWA, MBA, DMA(ICA)
Experience	Thiru A Velliangiri has 43 years of experience in Finance, Accounts, Costing, Projects, Secretarial & Legal. He served as Director (Finance) and Secretary of the company since 25.5.1995 till 18.12.2007 and since 19.12.2007 as Deputy Managing Director on contractual basis till 18.12.2015. Now, the Board of Directors have extended his services from 19.12.2015 to 31.03.2017 with the same remuneration as per the details given in the resolution. He is the winner of CFO Award 2006 – Excellence in Finance in a PSU

instituted by IMA India, New Delhi and a rank holder in Chartered Accountancy Examinations.

The Institute of Cost Accountants of India (ICAI) has conferred on Shri A Velliangiri, CMA Awards - Certificate of Merit 2014 under the category of "Private – Manufacturing (Male)".

Inter-se Director Relationship Thiru A Velliangiri is not having any inter se relation with other Directors of the Company.

Shareholding Thiru A Velliangiri does not hold any shares in TNPL.

Directorships and Committee Memberships of other companies His Directorships and Committee memberships of other Companies are NIL.

ITEM NO.7

Name	Thiru K Shanmugam, IAS
Age	56 Years
Qualification	MSc (Agriculture)
Experience	Thiru K. Shanmugam, IAS belongs to 1985 batch of Indian Administrative Service. Thiru K. Shanmugam, IAS has 31 years of service in various departments of Government of Tamil Nadu. Currently, Thiru K. Shanmugam, IAS, holds the position of Additional Chief Secretary to Government, Finance Department.
Inter-se Director Relationship	Thiru K. Shanmugam, IAS is not having any inter se relation with other Directors of the Company.
Shareholding	Thiru K. Shanmugam, IAS does not hold any shares in TNPL.
Directorships and Committee Memberships of other companies	Thiru K. Shanmugam, IAS is having Directorships and Committee Memberships in the following Companies:

Sl. No.	Company	Position	Committee* Membership
1.	Tamilnadu Industrial Development Corporation Limited	Director	-
2.	State Industries Promotion Corporation of Tamilnadu Limited	Director	Audit Committee
3.	Tamil Nadu State Marketing Corporation Limited	Director	-
4.	Tamilnadu Transmission Corporation Limited	Director	Audit Committee

5.	Tamilnadu Generation and Distribution Corporation Limited	Director	Audit Committee
6.	TNEB Limited	Director	Audit Committee
7.	Chennai Metro Rail Limited	Director	Audit Committee
8.	Tamil Nadu Infrastructure Fund Management Corporation Limited	Director	-
9.	Tamil Nadu Skill Development Corporation Limited	Director	-
10.	Tamil Nadu Small Industries Development Corporation Ltd.	Director	-

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

ITEM NO.8

Name Thiru N. Narayanan, IAS (Retd.)
Age 68 years
Qualification Electrical Engineer
Experience 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. Thiru N. Narayanan IAS (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. As he was on Board of TNPL for more than 13 years, he has vast experience in paper industry.

Inter-se Director Relationship Thiru N. Narayanan IAS (Retd.) is not having any inter se relation with other Directors of the Company.

Shareholding Thiru N. Narayanan IAS (Retd) does not hold any shares in TNPL.

Directorships and Committee Memberships of other companies Thiru N. Narayanan IAS (Retd) is having Directorships and Committee Memberships in the following Companies:

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

ITEM NO.9

Name Dr. Rajeev Ranjan, IAS
Age 55 years
Qualification B.Sc. (Hons.) (Physics), M.Sc. (LSE), MBA (IIM, Ahmedabad)

Experience

Dr. Rajeev Ranjan, IAS belongs to 1985 batch of Indian Administrative Service. He served on TNPL Board as nominee Director of GOTN, holding the position as Chairman of the Company from December 2009 to May 2011. He was again a nominee Director from May 2011 to November 2011. Currently, Dr. Rajeev Ranjan, IAS, holds the positions of Additional Chief Secretary to Government, Highways & Minor Ports Department, Additional Chief Secretary to Government (i/c), Energy Department and Additional Chief Secretary to Government, Industries Department.

Inter-se Director Relationship

Dr. Rajeev Ranjan, IAS is not having any inter se relation with other Directors of the Company.

Shareholding

Dr. Rajeev Ranjan, IAS holds 200 shares in TNPL.

Directorships and Committee Memberships of other companies

Dr. Rajeev Ranjan, IAS is having Directorships and Committee Memberships in the following Companies:

Sl. No.	Company	Position	Committee Membership
1.	Poompuhar Shipping Corporation Limited	Director	-
2.	Tamil Nadu Road Infrastructure Development Corporation	Managing Director	-
3.	Adyar Poonga	Director	-
4.	Chennai Metro Rail Limited	Nominee Director	-
5.	Tamilnadu Industrial Development Corporation Limited	Nominee Director	-
6.	Tamilnadu Road Development Company Limited	Managing Director	-
7.	Tamilnadu Generation And Distribution Corporation Limited	Director	-
8.	Tamil Nadu Industrial Investment Corporation Limited	Chairman and Managing Director	-
9.	State Industries Promotion Corporation of Tamil Nadu Limited	Chairman and Managing Director	-

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

ITEM NO.5

The Board of Directors at their meeting held on 27.05.2016 have approved the appointment of M/s. Raman & Associates (Firm Registration No.0050), 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 2016-17 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

The Board of Directors of your Company have extended the contractual engagement of Thiru A Velliangiri as Deputy Managing Director from 19.12.2015 to 31.03.2017 as per terms set out in the Resolution in the notice.

The company has received from Thiru A Velliangiri (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.

The resolution seeks the approval of the members in terms of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder for the appointment of Thiru A Velliangiri as Deputy Managing Director from 19.12.2015 to 31.03.2017 and the payment of remuneration to him during the said period.

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 A Velliangiri is interested or concerned in the resolution.

ITEM NO.7

Government of Tamil Nadu vide G.O.(Rt). No. 143 dated 24.06.2016 nominated Thiru K. Shanmugam, I.A.S., Additional Chief Secretary to Government, Finance Department as Director on the Board of the Company.

Accordingly, Thiru K. Shanmugam, IAS (DIN 00794191) was appointed as an Additional Director of the Company with effect from 11th July, 2016, by the Board of Directors in terms of Section 161(1) of the Companies Act, 2013. Thiru K. Shanmugam, IAS holds office upto the date of this Annual General Meeting. The Company has received a notice in writing from a member proposing his candidature for the office of Director along with requisite deposit under Section 160 of the Act.

Thiru K. Shanmugam, IAS belongs to 1985 batch of Indian Administrative Service. Thiru K. Shanmugam, IAS has 31 years of service in various departments of Government of Tamil Nadu. Currently, Thiru K. Shanmugam, IAS, holds the position of Additional Chief Secretary to Government, Finance Department.

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 K. Shanmugam, IAS is interested or concerned in the resolution

ITEM NO.8

Thiru N Narayanan, IAS (Retd.) (DIN 03076340) was appointed as an Additional Director of the Company with effect from 14th July, 2016, by the Board of Directors in terms of Section 161(1) of the Companies Act, 2013, Thiru N Narayanan, IAS (Retd.) holds office upto the date of this Annual General Meeting. The Company has received a notice in writing from a member proposing his candidature for the office of Director along with requisite deposit under Section 160 of the Act.

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. Thiru N. Narayanan IAS (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. As he was on Board of TNPL for more than 13 years, he has vast experience in paper industry.

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, IAS (Retd.) is interested or concerned in the resolution.

ITEM NO.9

Government of Tamil Nadu vide G.O.(D). No. 111 Industries (MIA.2) Department dated 04.08.2016 nominated Dr. Rajeev Ranjan, I.A.S., Additional Chief Secretary to Government, Industries Department as Chairman and Managing Director of the Company in place of Thiru C.V. Sankar, IAS.

Accordingly, Dr. Rajeev Ranjan, IAS (DIN 01806973) was appointed as an Additional Director of the Company with effect from 8th August, 2016, by the Board of Directors. In terms of Section 161(1) of the Companies Act, 2013. Dr. Rajeev Ranjan, IAS holds office upto the date of this Annual General Meeting. The Company has received a notice in writing from a member proposing his candidature for the office of Director along with requisite deposit under Section 160 of the Act.

Dr. Rajeev Ranjan, IAS belongs to 1985 batch of Indian Administrative Service. He served on TNPL Board as nominee Director of GOTN, holding the position as Chairman of the Company from December 2009 to May 2011. He was again a nominee Director from May 2011 to November 2011. Currently, Dr. Rajeev Ranjan, IAS, holds the positions of Additional Chief Secretary to Government, Highways & Minor Ports Department, Additional Chief Secretary to Government (i/c), Energy Department and Additional Chief Secretary to Government, Industries Department.

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. Rajeev Ranjan, IAS is interested or concerned in the resolution.

Registered Office :
67 Mount Road Guindy
Chennai-600032

Place: Chennai
Date: 17.08.2016

BY ORDER OF THE BOARD
V SIVAKUMAR
Company Secretary

DIRECTORS' REPORT

TO THE MEMBERS

Your Company's Directors are pleased to present the 36th Annual Report of the Company along with Audited Accounts for the financial year ended 31st March, 2016.

1. FINANCIAL RESULTS

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

(Rs. in crore)

Particulars	2015-16	2014-15
Revenue from operation	2417.54	2135.73
Other income	16.77	16.64
Operating Profit (PBITD)	596.00	522.36
Finance cost	139.30	154.93
Gross Profit (PBDT)	456.70	367.43
Depreciation	139.47	137.30
Profit before tax	317.23	230.13
Provision for tax	63.31	63.40
Profit after tax	253.92	166.73
Balance brought forward	31.31	27.12
Less : Adjustment	-	7.14
Profit Available for appropriation	285.23	186.71
APPROPRIATIONS		
Transfer to General Reserve	190.00	100.00
Debenture Redemption Reserve	-	5.42
Proposed Dividend	51.91	41.53
Tax on Dividend	10.56	8.45
Balance carried forward	32.76	31.31
	285.23	186.71

During the entire year, Indian Paper Industry was under severe stress due to poor market conditions and drop in prices. Despite this your company has achieved good results. The Management deserves commendation for their performance.

2. DIVIDEND

Your Directors recommend a dividend of 75% (i.e. Rs. 7.50 per share) for the year ended 31st March, 2016. The Dividend, if approved by the shareholders at the AGM, will be paid to the equity shareholders whose names appear in the Register of Members as on 28th September, 2016. Expenditure on the proposed dividend, will be Rs. 62.47 crore inclusive of taxes.

3. TRANSFER TO RESERVES

The Company has transferred Rs. 190 crore to General Reserves out of the amount available for appropriation.

Rs. 32.76 crore is proposed to be retained in the Profit & Loss Account.

4. PERFORMANCE HIGHLIGHTS OF THE YEAR

a) Operations

- Sales and Profit, reached record levels and are the highest in the Company's history.
- Sales and other income crossed Rs. 2400 crore mark for the First time.
- Profit before tax of Rs. 317.23 crore is higher by Rs. 87.11 crore (37.85%) compared to the previous year.
- Profit after tax of Rs. 253.92 crore exceeded the PAT achieved in 2014-15 by Rs.87.19 crore (52.29%).
- Production of paper 403430 MT is the highest ever achieved.
- Paper sales also is the highest at 407353 MT with the mix of Domestic sales 82% and Export 18%.
- Generated 6284.30 lakh units of power of which 5956.25 lakh units were consumed and 328.05 lakh units were exported to the state grid. Power drawn from State Grid constitutes only 1.70% of total power consumed.
- Received 106147 number of Renewable Energy Certificates (REC) for power generated from the steam produced in the recovery boiler. 68496 RECs were sold during the year generating revenue of Rs.10.27 crore. 234029 RECs remaining unsold on cumulative basis have been carried forward for sales during 2016-17.
- The bio-methanation plants have generated cumulatively 75.66 lakh m3 of methane gas during 2015-2016. The methane gas was consumed in lime kiln and power boilers in replacement of 4438.86 KL furnace oil and 238.23 MT of imported coal.
- The wind farms with an installed capacity of 35.5 MW have generated 319.83 lakh Kwh Units of 'Green Power'.
- The Company has implemented farm forestry and captive plantation in 1,12,865 acres of land benefiting 22,215 farmers in 29 districts of Tamil Nadu.
- The mill has implemented various water conservation projects and reduced overall water consumption to about 40 KL Per ton of paper during 2015 -2016 which is one of the lowest in paper industry.

13. Manufactured 196573 tonnes of cement during the year. TNPL is the First and only company in the Paper Industry to convert mill wastes into high grade cement.
14. The company has repaid Term Loans amounting to Rs. 215.88 crore on scheduled dates.

b) New Projects Implemented:

- 1) TNPL Unit II - Multilayer Double Coated Paper Board project

The company has set up a state-of-the-art Multilayer Double Coated Board Plant with an annual capacity of 200,000 MT per annum as a green field project in Mondipatti village, Manaparai taluk, Trichy District.

The project features a Board machine complex to produce 200,000 MT per annum multilayer coated board, a 30 MW Power plant other support infrastructures like Power intake sub-station, Water treatment, Waste water treatment, air compressors, Mill wide air conditioning system, etc.

The Greenfield project with the above features has been executed in 22 months – a record for any project in Indian Paper Industry. Test run was started in February, 2016.

- 2) Upgradation of Lime sludge and Fly Ash Management (LSFM) System – Enhancing of cement production capacity from 600 tpd to 900 tpd

The capacity of LSFM plant was increased from 600 tpd to 900 tpd. The Project was completed in a record time of 9 months from the date of commencement of the Project.

- 3) Conversion Centre of Paper and Packaging Board (CCPPB)

The Company has setup a "Conversion Centre of Paper and Packaging Board (CCPPB) Unit" in the 38.40 acres of land in Mayanur in Karur District. An industrial shed measuring 1,20,000 square feet has been made ready for occupation. A Core manufacturing unit and a Poly Coating unit will be set up in the premises before 31.07.2016.

c) Contribution to Environment

- 1) During January, 2016, M/s TuV India Limited, a subsidiary of TuV NORD, Germany carried out the second Surveillance Audit of TNPL's Environmental Management System and recommended to maintain the certificate till Feb' 2017 as TNPL is conforming to the requirements of ISO 14001:2004 standards.

- 2) The Company has received the "Green-Co Gold Rating" from Confederation of Indian Industry - Godrej Green Business Centre (CII - Godrej GBC), Hyderabad. TNPL is the 2nd Paper manufacturing unit and 1st Agro based Paper Manufacturing Company in India to have undergone Green Co Rating System and received the prestigious "Green-Co Gold rating".
- 3) Production of 1.67 Lakh MT of bagasse pulp and 42,705 MT of Deinked pulp during the year has facilitated conservation of 9.03 Lakh MT of pulpwood.
- 4) TNPL celebrated the "World Environment Day" on 05/06/15 in both the Units involving school children planting trees.
- 5) Flue gas generated in the cement mill is consumed in the PCC plant.
- 6) Treated effluent water of Unit I is used for irrigation of around 1700 acres of land under TNPL Treated Effluent Water Lift Irrigation Scheme (TEWLIS) and 306 acres of land under Captive Plantation scheme.
- 7) About 6,80,000 tree saplings of various species have been planted in 570 acres of land in Unit II and the surrounding areas of the factory. The treated effluent of Unit II is used for irrigation of these saplings through drip irrigation system.
- 8) The Company has generated about 319.83 Lakh KWH Wind energy during 2015-16.
- 9) 75.66 Lakh m³ methane generated in the Bio-methanation plant was consumed in lime kiln and Power Boilers saving 4438.86 KL of Furnace oil and 238.23 Mt of imported coal.

d. Corporate Social Responsibility (CSR)

The company has constituted "Corporate Social Responsibility Committee" comprising of Five Independent Directors. The Committee monitors CSR activities.

The Company aims to spend 2% of the average net profit of the company before tax in the last three financial years. The company has spent Rs. 3.69 crore on CSR activities during the year under review.

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. The CSR activities are mainly focused on Education, Health care, Socio-economic development, Environmental sustainability and Culture & Heritage promotion.

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 outsourced 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 spent Rs. 7.89 Crore on R & D activities during the year.

f. Awards

- Dun & Bradstreet Mumbai has selected TNPL as the Top Indian Company under the sector Paper and Board products for "Dun & Bradstreet Award 2016". TNPL has received this award for the Fifth time in a row.
- Indian Chamber of Commerce (ICC) has bestowed on TNPL the "Water Stewardship Award 2016" as part of its Corporate Governance and Sustainability Vision Awards.

5. MARKET TRENDS

a) General

The installed capacity of the Indian Paper Industry is approximately 13.50 Million tonnes. The average capacity utilization is 90%. The overall consumption inclusive of imports and net of exports is 13.88 million tonnes.

The average per capita consumption in India is around 11 Kgs against the global average consumption of 56 Kgs. The growth rate for paper across the globe is around 1.5%. With the consistent economic growth and greater emphasis on education, the growth rate for paper in India is around 6%, consisting of 4% in Printing & Writing Paper, 12% in Industrial and Packaging Boards, 3-4% in newsprint and specialty papers. Excise duty on paper remains at 6%. Customs duty is levied at 10% for printing and writing paper. However, printing and writing paper imported from countries covered under Free Trade Agreements (FTA), are levied custom duty at zero percent.

b) Printing & Writing Paper

Between 2010 and 2011, many mills in the country had added capacity. Supplies exceeded demand and prices dropped. Paper Industry faced scarcity in pulpwood supplies during 2013. Few mills imported pulp wood at higher prices. With the steep increase in input costs, paper prices increased during 2013. However, with the paper prices softening in the international market and import of paper in large volume under Free Trade Agreements (FTA), paper prices fell sharply during 2014 and 2015. The Indian paper industry faced unprecedented challenges both on cost front and market front for two consecutive years (2014 and 2015).

With seasonal demand from the Educational Sector and positive sign in the economic growth, the market has started showing signs of improvement since February 2016.

c) Packaging Boards

The market for Packaging Board is estimated at 2.68 Million tonnes. Grey-back Boards account for 1.21 Million tonnes (45%), White-back and other high-end varieties (FBB, SBS, Cup Stock, etc.) account for the remaining 1.47 Million tonnes (55%). The demand for packaging boards is estimated at 12% per annum.

d) Outlook

With the demand growth anticipated at 6% per annum, the domestic consumption is expected to reach 25.30 Million Mt per annum by 2024-25. There is good potential for adding capacity in Paper and Boards.

e) TNPL response to Market Trends

TNPL has always been in the forefront matching its capability, capacity and performance in line with the overall trends in the industry. TNPL has increased its production capacity consistently. With the recently commissioned board plant, the total production capacity of the company has increased to 6 lakh MT.

6. DIRECTORS & KEY MANAGERIAL PERSONNEL

The Board of Directors have extended the service of Thiru A Velliangiri as Deputy Managing Director on contract basis from 19th December, 2015 to 31st March, 2017 and his appointment is subject to approval of shareholders in the forthcoming Annual General Meeting.

Thiru R. Mani, Director (Operations) has ceased to be Director of the Company on 26.02.2016 on completion of his contractual period.

Pursuant to the order of Government of Tamil Nadu dated 24.06.2016, Thiru K. Shanmugam, IAS was appointed as Director on the Board in place of Thiru T. Udhayachandran, IAS. The Government vide order dated 04.08.2016, nominated Dr. Rajeev Ranjan, IAS as Chairman and Managing Director, TNPL in place of Thiru C.V. Sankar, IAS. The Board appointed Thiru N. Narayanan, IAS (Retd.) as Additional (Independent) Director w.e.f. 14.07.2016. These Directors were co-opted as Additional Directors on the Board of the Company who hold office upto the date of the ensuing Annual General Meeting and their appointment is subject to the approval of the Shareholders in the Annual General Meeting.

In accordance with the provisions of the Companies Act, 2013 and in terms of the Memorandum and Articles of Association of the Company, Thiru Mahesan Kasirajan IAS, Director retires by rotation at the forthcoming Annual General Meeting. He is eligible for reappointment as Director.

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 Corporate Governance Report forming part of this report.

6.3 Meetings

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year, six meetings of each Board and Audit Committee were convened and held, the details are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and Clause 49 of the Listing Agreement/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 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.

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. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors in their meeting held on 28.03.2016. The Directors expressed their satisfaction with the evaluation process.

7. INTERNAL COMPLAINTS COMMITTEE

As per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 & Rules made thereunder, the Company has constituted an Internal Complaints Committee (ICC) and following are the members :-

- (i) Tmt.R.S.Tamilarasy, Manager (Lab) – Presiding Officer

- (ii) Thiru.P.Sundaram, Manager – HR (Member)
- (iii) Tmt.M.Pemila Beham, Assistant Officer – HR (Member)
- (iv) Thiru.M.Velliangiri, President, Kanmani Trust, Karur – Member representing NGO

The above members are committed to the cause of women and they possess experience in social work and 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. Raman Associate, Chartered Accountants, Chennai, as the Statutory Auditors of the Company for the financial year 2015-16

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 Raman & Associates, to audit the cost accounts of the company for the year 2015-16. The cost audit report for the year 2015-16 will be submitted to the Central Government before the due date. Cost Audit report for the financial year 2014-15 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".

d) Comment of Comptroller & Auditor General of India (C&AG) The Comptroller & Auditor General of India has given his comment under Section 143(6) (b) of the Companies Act, 2013. The comment of C&AG along with Management's reply thereon is placed in this Annual Report.

9. NON- CONVERTIBLE DEBENTURES

During the year, the Company has redeemed fully the 11% Non-Convertible Debentures Series- I aggregating Rs. 5.56 Crore (including interest). No Non-Convertible Debentures is outstanding as on 31.03.2016.

10. FIXED DEPOSITS

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

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

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

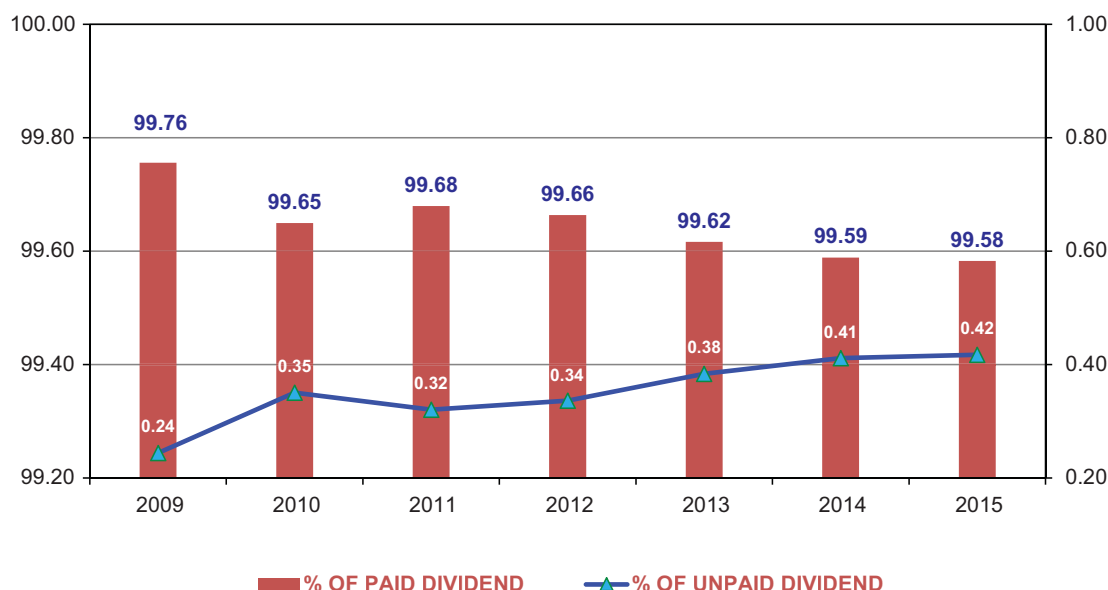
During the year, the company has transferred Rs.5,36,052/- being the Dividend amount which was due and payable and remained unclaimed and unpaid for a period of seven years, to the Investor Education and Protection Fund, as required under Section 205A (5) of the Companies Act, 1956.

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 below 0.5% of the total dividend. As and when the

DIVIDEND STATUS FOR THE LAST 7 YEARS**(Rs. In lakhs)**

SL No.	YEAR	SHARE CAPITAL	DIVIDEND %	DIVIDEND AMOUNT	DIVIDEND PAID	DIVIDEND UNPAID AS ON 31.3.2016	% OF PAID DIVIDEND	% OF UNPAID DIVIDEND
1	2008-09	6921.06	45	3114.48	3106.87	7.61	99.76	0.24
2	2009-10	6921.06	45	3114.48	3103.56	10.92	99.65	0.35
3	2010-11	6921.06	50	3460.53	3449.45	11.08	99.68	0.32
4	2011-12	6921.06	50	3460.53	3448.89	11.64	99.66	0.34
5	2012-13	6921.06	50	3460.53	3447.26	13.27	99.62	0.38
6	2013-14	6921.06	60	4152.63	4135.55	17.08	99.59	0.41
7	2014-15	6921.06	60	4152.63	4135.30	17.33	99.58	0.42



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 & Protection Fund. The table and graph given summarize the status of Unpaid Dividend.

17. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE 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 round-the-clock in housing colony with Five Medical Officers, Three Nurses and Nine Attenders to render Medical Assistance for the employees and their dependents. In addition, on every Sunday, Specialist Doctors in Cardiology, General Medicines, Ortho, Skin, Gynecology, Eye, Dental, ENT, Psychiatry, etc., visit the Occupational Health Centre.

TNPL has identified Heart Ailment, Cancer, Kidney Transplantation, Paralysis, Leprosy, Tuberculosis and Brain Surgery as serious ailments. The company bears the entire medical expenses of the employees for all the seven serious ailments.

In all other cases 50% of the hospitalization expenses incurred for the employees and their dependents are borne by the company.

Comprehensive Master Health Check-up is being carried out for employees thrice in their service period i.e at age of 40 years, 50 years and above 56 years. Audiometry test is conducted every year 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 Equipments (PPE) are provided to all employees. Periodical Training Programs are conducted on handling of hazardous chemicals, Material handling, Usage of PPEs, 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. Periodical medical checkups are organized for the employees to identify occupational health hazards. 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. Material Safety Data Sheet (MSDS) for hazardous

chemicals used in the mill are displayed at storage areas. Testing of Pressure Vessels, Lifting tackles, Safety belts, Conveyor Systems, Building Stability, Chemical stored FRP tanks etc., are carried out as per statutory requirements through competent person. 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. Toxic gas leak sensors with alarms installed at toxic gases storage and handling areas like chlorine, sulphur di oxide etc. Smoke detectors with warning alarms are installed at paper storage godowns, Motor Control Centres (MCC), control rooms etc. 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 for use in the event of fire. In addition, two mobile fire tenders and one portable fire pump are available to tackle fire emergency. 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 thereunder. 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 Accounting Standard (AS-3) issued by the Institute of Chartered Accountants of India is attached to the Balance Sheet.

22. EXPORT HOUSE STATUS

The Company, in recognition of its export performance, got the "Three Star Export House" status awarded by the Government of India in accordance with the Foreign Trade Policy. The status is valid for a period of 5 years till 11th Oct., 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.

Your Company continued to receive co-operation and unstinted support from the distributors, retailers, stockists, suppliers and others associated with the Company as its trading partners. The Directors wish

to place on record their appreciation for the same and your Company will continue in its endeavor to build and nurture strong links with trade, based on mutuality, respect 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, 2016, 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, 2016 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. CORPORATE GOVERNANCE

The Report on Management Discussion and Analysis and the Report on Corporate Governance forming part of Directors' Report are enclosed 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. 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.

None of the Directors nor Key Managerial Personnel have any pecuniary relationships or transactions vis-à-vis the Company.

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

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

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

30. MATERIAL CHANGES OCCURRED AFTER END OF FINANCIAL YEAR

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

31. CEO/CFO CERTIFICATION

As required by Regulation 17(8) of the SEBI Regulation, a Certificate on the Financial Statements and Cash Flow statement of the company for the year ended March 31, 2016 duly signed by the Chairman & Managing Director and Deputy Managing Director was submitted to the Board of Directors at their meeting held on May 27, 2016.

32. INVESTORS' FACTORY VISIT

The Company arranged a factory visit for investors on 28.11.2015. 20 shareholders visited the factory under the above arrangement.

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 thanks 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.

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

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

Dr. RAJEEV RANJAN
CHAIRMAN AND MANAGING DIRECTOR

Date: 17th August, 2016
Place: Chennai 600 032.

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.**

CSR policy is stated herein below:

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

2. **Composition of the CSR Committee**

S. No.	NAME OF THE MEMBER	DESIGNATION
1	Thiru V. Narayanan	Chairman of the Committee
2	Thiru N. Kumaravelu	Member
3	Thiru M. R. Kumar	Member
4	Thiru V. Nagappan	Member
5	Tmt Sarada Jagan	Member

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

Average net profit (before tax) Rs. 186.30 crores.

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

The Company is required to spend Rs. 373.00 lakhs.

5. **Details of CSR spent for the financial year:**

- a. Total amount budgeted to be spent during the financial year : Rs. 3,73,00,000.00
- b. Total actual amount spent during the year : Rs. 3,69,36,163.41
- c. Amount unspent relating to the current year if any : Rs. 3,63,836.59
- d. Manner in which the amount spent during the financial year is detailed below:

CSR BUDGET AND ITS UTILISATION 2015-16

Sl. 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	CULTURAL COMPETITIONS, REWARDS, FREE EDUCATION, INFRASTRUCTURE DEVELOPMENT IN GOVT. SCHOOLS, SPORTS PROMOTIONS.	EDUCATION	TAMIL NADU, KARUR DISTRICT	1,04,00,000.00	1,19,64,785.82	1,19,64,785.82	SPENT DIRECTLY AND THROUGH 1) TNPL ARAKKODAI TRUST, KARUR 2) DISTRICT RURAL DEVELOPMENT AGENCY(DRDA), KARUR
2	SPECIAL MEDICAL CAMPS, CATTLE CARE CAMPS, SANITATION,WELFARE TO THE DIFFERENTLY ABLED PERSONS	HEALTH CARE	TAMIL NADU, KARUR DISTRICT	51,50,000.00	66,95,136.66	1,86,59,922.48	
3	CONTRIBUTION TO CONSTRUCT MULTI UTILITY HALL, ELECTRICITY, ROADS, DRINKING WATER, RATION SHOP BUILDING,RETAINING WALLS, SETTING UP OF PUBLIC LIBRARIES.	SOCIO-ECONOMIC DEVELOPMENT AND SECURITY	TAMIL NADU	1,65,50,000.00	1,01,11,146.03	2,87,71,068.51	
4	CONTRIBUTION FOR CONSTRUCTION OF GREEN PARK AND TRAINING HALL, DEVELOPMENT OF PARK, CONSERVATION OF ANIMALS	ENVIRONMENT	TAMIL NADU, KARUR DISTRICT, TRICHY DISTRICT	34,00,000.00	65,78,094.90	3,53,49,163.41	
5	PRESERVATION OF HERITAGE BUILDINGS, PROMOTION OF TAMIL LITERATURE,FOLK, TRADITIONAL DANCE ETC.,	CULTURE & HERITAGE	TAMIL NADU, KARUR DISTRICT, CHENNAI	18,00,000.00	15,87,000.00	3,69,36,163.41	
Total				3,73,00,000.00	3,69,36,163.41		
LESS: AMOUNT CONTRIBUTED DURING 2014-15 FOR TWO PROJECTS TO GOVERNMENT AGENCIES BUT RETURNED DURING 2015-16 (FEBRUARY 2016) AS THEY COULD NOT MOBILIZE REMAINING FUNDS FROM OTHER SOURCES.					86,22,090.00		
NET AMOUNT ACCOUNTED IN THE BOOKS OF ACCOUNTS					2,83,14,073.41		

6. In case the Company has failed to spend the two percent 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.

The Company conducted various CSR activities in a responsible and accountable manner. The Company could not spend Rs. 3.64 lakhs in the CSR Budget of Rs. 373 lakhs. The Company will ensure that in future, it shall spend the total approved Budget for CSR activities.

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.

C V SANKAR IAS

Chairman & Managing Director

V. NARAYANAN

Chairman CSR Committee

ANNEXURE – II
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,

TAMILNADU NEWSPRINT & PAPERS LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **TAMILNADU NEWSPRINT & PAPERS LIMITED** [Corporate Identification Number: L22121TN1979PLC007799] having its Registered Office at 67, Mount Road, Guindy Chennai – 600032 (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 the 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, 2016 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, 2016 and on the basis of our review, we hereby report that during the year under review, the Company has complied with the applicable provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under and the Companies Act, 1956 (to the extent applicable);
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) During the year, under review the Company has not dealt with the matters relating to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings under Foreign Exchange Management Act, 1999 (FEMA) and hence, the question of complying with the provisions of FEMA and the rules and regulations made there under does not arise;

(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, 1992; and the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c) The Company has not issued any securities during the year under review and hence the question of compliance of the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 does not arise;
- d) The Company has not formulated any Scheme of ESOP/ESPS and hence the requirement of compliance of the provisions of The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 does not arise;
- e) The Company has not issued any debentures during the period under review, and hence the requirement of compliance of the provisions of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 does not arise;
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Company has not delisted its Securities from any of the Stock Exchanges in which it is listed during the period under review and hence the question of complying with the provisions of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 does not arise ; and

- h) The Company has not bought back any Securities during the period under review and hence the question of complying with the provisions of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 does not arise;
- (vi) Based on the information furnished to us and taken on record by the Board of Directors at their meeting, we have examined the adequacy of systems and processes in place to monitor and ensure compliance under the other applicable Laws, Rules, Regulations and Guidelines prescribed under various Acts which are specifically applicable and as identified by the Company and categorized under the following major heads/groups:
1. Atomic Energy Act, 1962 & Atomic Energy (Radiation Protection) Rules 2004
 2. The Industries (Development & Regulation) Act, 1951;
 3. Acts relating to consumer protection including The Competition Act, 2002;
 4. Acts and Rules prescribed under prevention and control of pollution;
 5. Acts and Rules relating to Environmental protection and energy conservation;
 6. Acts and Rules relating to hazardous substances and chemicals;
 7. Acts and Rules relating to electricity, motor vehicles, explosives, fire service, boilers, gas cylinders, etc.;
 8. The Petroleum Information Technology Act, 1934 & the Rules 2000;
 9. Land Revenue Laws and
 10. Other local laws as applicable to the plant and office.
 11. Labour laws and other incidental laws related to labour and employees appointed by the Company including those on contractual basis as relating to industrial disputes, wages, bonus, gratuity, provident fund, insurance, etc.;

With respect to Fiscal laws such as Income Tax, Wealth Tax, Professional Tax, Central Sales Tax & Local Sales Tax, Value Added Tax, Central Excise Act and Service Tax Rules, we have reviewed the systems and mechanisms established by the Company for ensuring compliances under various Acts and, based on the information and explanations provided to us by the management and officers of the Company and also on verification of compliance reports taken on record by the Board of Directors of the Company, we report that adequate systems are in place to monitor and ensure compliance of fiscal laws as mentioned above.

We have also examined compliance with the applicable clauses of the following:

- (i) The 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 (ICSI) applicable with effect from 1st July, 2015;
- (ii) The Listing Agreements entered into by the Company with BSE Limited and the National Stock Exchange of India Limited and the Uniform Listing Agreement entered with the said stock exchanges pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (applicable with effect from 1st December, 2015).

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

We further report that

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

Adequate notice is given to all directors before 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.

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 Meeting. Further, in the minutes of the General Meeting, the number of votes cast against the resolutions have been properly recorded.

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

Place : Chennai **For R. SRIDHARAN & ASSOCIATES**
Date : 27th May, 2016 COMPANY SECRETARIES

CS R. SRIDHARAN
CP No. 3239
FCS No. 4775

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

‘ANNEXURE A’

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

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 on test basis 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 Account of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place : Chennai
Date : 27th May, 2016

For R. SRIDHARAN & ASSOCIATES
COMPANY SECRETARIES

CS R. SRIDHARAN
CP No. 3239
FCS No. 4775

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 2015-16****I (A) ENERGY CONSERVATION MEASURES TAKEN**

- a) 1. Power savings by arresting the air ingress in Power Boiler # 5 ESP resulted in saving of 1,65,336 units of power and there by cost savings achieved is Rs. 4.55 Lakhs.
2. Power savings by replacing 402 nos. of 40W tube lights by 135 nos. of 40W LED Lights resulted in saving of 39,735 units of power and the cost savings is Rs. 1.09 Lakhs.
3. Installation of VFD for PM 2 production crane, saved 82,500 units of power and the cost saving is Rs. 2.27 Lakhs.
4. Installation of VFD for knock off shower pump in PM 3 resulted in savings of 1,38,600 units of power and the cost saving is Rs. 3.81 Lakhs.
5. Installation of VFD for pump 3 stage HW cleaner in De-inking plant resulted in savings of 2,90,400 units of power and the cost saving is Rs. 7.99 Lakhs.
6. Installation of Heat Exchanger for heating the DM water for the Recovery Boiler # 3, thereby reducing the Deaerator LP steam consumption by 3,829 MT. Equivalent imported coal saving is 641.62 MT and the cost savings is Rs. 27.91 Lakhs.
7. Down sizing of HBL recirculation pump motor from 45 KW to 37 KW there by saving of 2,372 units of power resulting in cost saving of Rs. 6,523/-.
8. Installation of MP Steam indirect heater for heating the heavy black liquor in Recovery Boiler# 3 resulted in additional HP steam generation of 302.6 MT. Equivalent imported coal saving is 48.92 MT and the cost savings is Rs 2.13 Lakhs.
9. Power savings by introducing VFD for the Paper Machine -1 Chest pump of 75KW resulted in 97,920 units of power savings and the cost savings is Rs. 2.69 Lakhs.
10. Furnace oil savings in Recovery Boiler #3 by on line isolation of calendria -4 for tube cleaning resulted in saving of 132 KL of Furnace oil and the cost savings is Rs 22.86 Lakhs.
11. Thermal energy savings by utilizing the continuous blow down water of Boiler #5,6 & 7 in caustisizer plant resulting in savings of 2,938 MT of LP steam. Equivalent imported coal saving is 492.32 MT and the cost savings is Rs 21.42 Lakhs.
12. Stopping of one Tri-disc Refiner in PM#1 & PM#2 saved 6,42,600 units of power & the cost savings Rs 17.67 Lakhs
13. Scorpio filler feeding & Bucket elevator filler feeding system were stopped by procuring GCC & PCC in slurry form (from OMYA plant) thereby 2,82,887 units of power saved and cost savings of Rs. 7.78 Lakhs.
14. Stopping of cationic starch preparation at CAP & getting the same from CCK saved 1,00,514 Units of power and the cost savings Rs 2.76 Lakhs.
15. By firing 9,649 MT of Wood dust / Bark in Power Boilers, 2,816.48 MT of Imported coal was saved and the cost savings is Rs. 122.52 Lakhs.
16. MP Steam of 7,785 MT was saved by installation of Perferated sheet in distribution screw conveyor of Continuous Digester -6. Equivalent Imported coal saved 1,369.56 MT and the cost savings is Rs. 59.58 Lakhs.
17. Stopping of Hot water circulation pump by Diverting LP Steam condensate from DHT filtrate heat Exchanger from Hot water circulation pump suction to hot water supply pump suction resulted in savings of 70,765 Units of power and the cost saving is Rs. 1.95 Lakhs.
18. LP steam of 14,190 MT was saved by Recycling of EOP & D1 bleach filtrate in CB-ECF plant. Equivalent Imported coal savings is 2,377.8 MT and the cost saving is Rs. 103.43 Lakhs
19. LP steam of 6,270 MT was saved by installing Plate type titanium heat exchanger in bagasse ECF bleach plant for HOT water production by using of acidic bleach filtrate of chlorine dioxide. Equivalent Imported coal savings is 1,050.66 MT and the cost saving is Rs. 45.70 Lakhs.
20. Bio gas consumption of 73,98,093 M3 in Lime Kiln resulted in saving of 4,438.86 KL Furnace oil and the net cost savings is Rs. 768.81 Lakhs.
21. Bio gas consumption of 1,68,087 M3 in Power Boilers resulted in saving of 238.23 MT of Imported coal and the net cost savings is Rs. 10.36 Lakhs.

(b) Additional investment incurred in implementing of the above proposals -	Rs. 260.87 Lakhs
(c) 1. Impact of measures at a,b in reduction of energy consumption	Rs. 976.47 Lakhs
2. Impact on the cost of production per ton of paper	Rs. 242.04

I (B) RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION

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

India's Pulp and Paper industry is one of the core industrial manufacturing sector which contributed much to socio-economic development of the country. The industry has undergone a significant change during the last three decades. The dynamic policies of the government propelled this sector to integrate with international market. This has warranted the industry to improve its efficiency by reducing energy, water, raw material, other natural resource consumption and waste minimization/generation. To meet the above requirement, TNPL's R & D focused on the concept of 5R's Recycle, Reduce, Reuse, Recreate and Rethink .

Raw Material development

Plant tissue culture is widely used method to produce elite pulpwood clones by micro propagation. In the current year, tissue culture protocol was standardized for four Eucalyptus hybrids clones viz. EC4, IFGTB7, 2045 & FCRI48. Seedlings were produced from these clones and supplied to Plantation Department for further multiplication by mini clonal garden technique. For the current year, totally 51,720 tissue culture seedlings were produced and distributed to Plantation Department.

As an ongoing study, many new pulpwood clones were screened for pulp property and bleaching response. The pulpwood clone K7 found to have good yield and pulp properties when compared to regular Eucalyptus pulpwood clones. Similarly, studies were carried out for Eucalyptus tertiornics MT Garnet seed lot received from Common wealth Industrial Research organization (CISRO), Australia.

Pulping and Bleaching

Laboratory studies were carried out for replacement of Oxidized White Liquor with Sodium hydroxide in the extraction stage bleaching process at both Hardwood and Chemical Bagasse pulps. With encouraging laboratory results, it is implemented in both Hardwood and Chemical Bagasse fibreline.

R & D studies were also carried to eliminate caustic addition in Oxygen delignification (ODL) stage and it was implemented in Chemical Bagasse ODL stage and caustic addition has been stopped in ODL stage. Similarly studies on reduction of Sulphuric acid addition in D0 and D1 stage and reduction of caustic in extraction stage was carried out in lab scale. The optimized chemical additions have been implemented in Chemical bagasse street to reduce the chemical consumption.

Studies on elimination of Sulphur dioxide addition in D0 stage and oxygen in extraction stage were also carried out in laboratory scale. The pulp properties are similar for the pulp with and without addition of these chemicals. These studies were implemented in Chemical bagasse street and Sulphur dioxide addition was stopped in D0 stage and addition of oxygen was stopped in extraction stage of Chemical bagasse street.

Deinking Plant:

R & D studies were conducted with peroxide stabilizer to decrease the reverse stability of Hydrogen Peroxide and to eliminate the addition of Silicate in disperser in Deinking plant. Addition of peroxide stabilizer in the plant scale contributed to brightness gain and reduction of Effective Residual Ink Concentration (ERIC) values. Plant trails were taken with the two suppliers and the results are encouraging.

Soda recovery Plant

Studies on Chloride removal from Electro Static precipitate ash with addition of Sulphuric acid followed by Caustic addition treatment to recover the Sodium Sulphate during leaching process is underway. This will reduce the TDS inorganic going to wastewater and improve the chemical recovery efficiency by recovering Sodium Sulphate.

Paper Making and Wet end Chemistry

Continual R&D efforts were made in First Pass retention and First Pass Ash Retention and to increase maintaining ash content of paper. The increased ash content reduces specific fiber requirement per tonne of product. Increase in First Pass Ash Retention reduced specific consumption of filler per tonne of product.

Sodium per Borate (oxidative chemical) is introduced in the size press starch. Introduction of Sodium per Borate in the plant scale trails reduced ink drying problem to a great extent. Also, the addition of Sodium per Borate during Copier 70 GSM paper run improved the stiffness of the Paper

Cess funded Project:

TNPL is carrying out the cess fund project study entitled "Achievement of highest brightness and whiteness in paper in a cost effective manner through selective addition of OWA at wet-end and size press" through Avantha Centre for Industrial Research & Development (ACIRD), Yamuna Nagar in association with Central Pulp & Paper Research Institute (CPPRI), Saharanpur.

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

- Tissue culture protocol was standardized for four number of Eucalyptus hybrids clones viz. EC4, IFGTB7, 2045 and FCRI48. 9120 number of seedlings were produced and supplied to plantation for further multiplication.
- Replacement of Oxidized white liquor with Sodium hydroxide resulted in cost savings.
- Specific consumption of Sulphuric acid addition was reduced from 6 to 2.5 kg per ton of pulp in D0 stage and from 4 to 1.5 kg per ton of pulp D1 stage.
- Specific consumption of Caustic addition was reduced from 16.5 to 13.5 kg per ton of pulp in extraction stage.
- Elimination of Sulphur dioxide addition in Do stage and oxygen addition in extraction stage.
- Elimination and reduction of the above chemicals reduced chemical and minimized pollution load to the environment.
- Peroxide stabilizer addition increased Brightness and reduced ERIC value by 30%.
- Sludge dewatering performance has been improved and load to effluent was minimized.
- Reduction of specific consumption of fibre and filler content in paper machine

III. FUTURE PROJECTS

Value addition to waste

- To utilize waste Bagasse Pith for ethanol production.
- Identification high COD waste water from mill to carry out pilot plant study for biogas generation.

Raw material development

- Screening and development of new pulp wood clones for improved pulp and fibre quality and yield.

Process improvement and optimization

- Optimization of SRP ESP ash washing process to reduce chloride built-up in recovery cycle and TDS discharge to wastewater.
- Modification of biogas reactor to reduce the sludge washout.

Environmental improvement

Segregation of Process condensate and reduce Chemical Oxygen Demand (COD), Colour and Total Dissolved Solids (TDS) and use as feed to reverse osmosis plant and reuse to reduce water consumption.

IV Expenditure on R&D

(Rs. In lakhs)

a) Capital	74.34
b) Recurring	714.66
c) Total	789.00
d) Total R&D expenditure as a percentage on turnover	0.33%

I (C) FOREIGN EXCHANGE EARNINGS

a. Activities relating to Exports

During the year , the company exported 72719 Mts. of Printing and Writing Paper valued at Rs.373.09 crores to 44 countries including Armenia, Argentina, Benin, Bahrain, Bulgaria, Egypt, Ethiopia, Germany, Ghana, Iran, Iraq, Jordan, Kenya, Kuwait, Malaysia, Mauritius, Netherlands, Nigeria, Senegal, South Africa, Sri Lanka, Sudan, Thailand, Turkey, Uganda, United Arab Emirates, United States, Yemen, etc.

b. Foreign Exchange Earnings Rs. In lakh

Export of PWP (C&F value)	37309
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I (D) FOREIGN EXCHANGE OUTGO

a. Imports (on CIF basis) (Rs. In lakh)

Raw materials	11421.61
Components, Spare parts & chemicals	2308.56
Imported coal	25475.57
Capital goods:	
Unit 1	82.70
Unit 2	35196.87
Total	74485.31

b. Other than imports (Rs. In lakh)

Engineering & Supervision charges	
Unit 1	82.70
Unit 2	1195.19
Interest	213.17
Repayment of foreign currency loan (Long Term)	7578.27
Others	165.95
Total	9235.28

Form A
(See Rule 2)

A. POWER AND FUEL CONSUMPTION

1. Power

S.NO	PARTICULARS	UOM	2015-2016 Current year	2014-2015 Previous year
(a)	Purchased			
	Unit	Lakh KWH	101.11	89.91
	Energy Charges	Rs.in lakhs	674.13	525.91
	MD & Other Charges	"	576.60	420.20
	Total Charges	"	1250.73	946.10
	Rate/Unit (Excluding MD&Other Charges)	Rupees	6.67	5.85
(b)	Own Generation			
	(i) Through Steam Turbine/ Generator			
	Units generated	Lakh KWH	6284.30	6208.84
	Cost / Unit (Variable Cost)	Rupees	2.58	2.74
	Units Consumed	Lakh KWH	5956.25	5841.57
	Cost / Unit (Variable Cost)	Rupees	2.53	2.67
	Units sold	Lakh KWH	328.05	367.27
	Cost / Unit (Variable Cost)	Rupees	3.57	3.81
	(ii) Through Wind Turbine Generator	Lakh KWH	319.83	469.19
	Cost / Unit (Total Cost)	Rupees	2.97	2.14

2. Fuel Consumed #

		2015-2016			2014-2015		
SL. NO.	PARTICULARS	Qty (MT)	Total cost Rs.lakhs	Avg rate Rs.	Qty (MT)	Total cost Rs. lakhs	Avg rate Rs.
	Fuel Purchased						
A	Indigenous Coal	12791	541.00	4230	12041	481.83	4002
B	Imported Coal	416142	17933.08	4309	452024	20926.52	4630
C	Furnace Oil (Kilo Litre)	11896	2597.06	21832	12983	4562.92	35144
D	Agro Fuel	568	28.45	5011	1062	51.21	4824
	Fuel – Internal Generation						
E	Pith	171183			160648		
F	MLSS Pith	—			—		
G	Wood Bark / Dust	9649			7990		
H	Black Liquor Solids	471134			450952		
I	Bio Methane Gas - 000 M3	7566			9145		

Includes Fuel consumed for the Inhouse Power sold.

B. CONSUMPTION PER UNIT OF PRODUCTION OF CEMENT / PAPER

S.No.	PARTICULARS	UOM	Current year (1)		Previous year (2)	
			CEMENT	P&WP	CEMENT	P&WP
(a)	Electricity	KWH	117	1397	180	1457
(b)	Ind.Coal	Kg		32		32
(c)	Imp.Coal	Kg	133	905	254	962
(d)	Raw Lignite	Kg		0		0
(e)	Furnace Oil	Ltr		28		34
(f)	Agro Fuel	Kg		25		24
(g)	Pith	Kg		422		426
(h)	MLSS Pith	Kg		0		0
(i)	Black Liquor Solids	Kg		1180		1206
(j)	Bio-Methane Gas	M ³		17		24

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

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

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

Sr. No.	Name of Director	Designation	Ratio to median remuneration
1.	Thiru C. V. Sankar, IAS	Chairman and Managing Director	-
2.	A Velliangiri	Deputy Managing Director & Chief Financial Officer	7.10
3.	R Mani	Director (Operations)	5.29

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 *:

Sr. No.	Name	Designation	% increase in remuneration in the financial year
1.	Thiru C. V. Sankar, IAS	Chairman and Managing Director, (i.e. Chief Executive Officer)	N.A.
2.	A Velliangiri	Deputy Managing Director & Chief Financial Officer	NIL
3.	R Mani	Director (Operations)	14.41
4.	V. Sivakumar	Company Secretary	3.66

*Note: The Non-Executive Directors of the Company are entitled for sitting fee as per the statutory provisions and within the limits prescribed under 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: -18.5%**d. The number of permanent employees on the rolls of company: 2557****e. The explanation on the relationship between average increase in remuneration and company performance:**

The average median remuneration of employee is decreased by 18.5 % whereas the PBT has been increased by 37.85% in comparison to last year. Due to joining of new employees especially as trainees on consolidated salary during 2015-16 the median remuneration has been decreased.

f. Comparison of the remuneration of the Key Managerial Personnel against the performance of the company:

Aggregate remuneration of key managerial personnel (KMP) in FY16 (Rs. in Lacs)	75.28
Revenue (Rs. in Lacs)	243431.03
Remuneration of KMPs (as% of revenue)	0.0309%
Profit before Tax (PBT) (Rs. in Lacs)	31723.38
Remuneration of KMP (as % of PBT)	0.2373%

g. Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year:

Particulars	March 31, 2016	March 31, 2015	% Change
Market Capitalisation (in Rs.)	1513,63,58,220	855,78,90,690	76.87%
Price Earnings Ratio	5.96	5.13	16.18%

h. Percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer:

Particulars	March 31, 2016	November 27, 1995	% Change
Market Price (BSE)	218.70	110.00	98.82%
Market Price (NSE)	218.50	110.00	98.64%

i. 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:

The average increase in salaries of employees excluding KMPs is 10.29% whereas the KMPs remuneration is increased by only 5.20%. The increase in remuneration of KMPs is much less than the average increase in salaries of employees excluding KMPs.

j. Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company:

	Thiru C.V. Sankar, IAS, Chairman & Managing Director and Chief Executive Officer	Thiru A. Velliangiri, Deputy Managing Director and Chief Financial Officer	Thiru R. Mani, Director (Operations)	Thiru V. Sivakumar, Company Secretary
Remuneration in FY15 (Rs. In Lacs)	NIL	33.00	24.60	17.68
Revenue (Rs. In Lacs)	243431.03			
Remuneration as % of revenue	NIL	0.0136%	0.0101%	0.0073%
Profit before Tax (PBT) (Rs. In Lacs)	31723.38			
Remuneration (as % of PBT)	NIL	0.1040%	0.0775%	0.0557%

k. The key parameters for any variable component of remuneration availed by the directors:

There is no variable component of remuneration paid to the directors.

l. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:

None.

m. 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.

n. 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, 2016**

[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	16th April 1979
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 – 600 032. Phone: 044-22301094-97, 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 – 600 002 Tel.No.044-28460390-28460395 Fax No. 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.	Printing and Writing Paper	1701	95.04

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 of Shareholders	No. of Shares held at the beginning of the year As on 1st April, 2015				No. of Shares held at the end of the year As on 31st March, 2016				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	0	0	0	0.0000	0	0	0	0.0000	0.00
b) Central Govt	0	0	0	0.0000	0	0	0	0.0000	0.00
c) State Govt (s)	24444900	0	24444900	35.3196	24444900	0	24444900	35.3196	0.00
d) Bodies Corp.	0	0	0	0.0000	0	0	0	0.0000	0.00
e) Banks / FI	0	0	0	0.0000	0	0	0	0.0000	0.00
f) Any Other	0	0	0	0.0000	0	0	0	0.0000	0.00
Sub-total (A)(1):-	24444900	0	24444900	35.3196	24444900	0	24444900	35.3196	0.00
(2) Foreign									
a) NRIs-Individuals	0	0	0	0.0000	0	0	0	0.0000	0.0000
b) Other-Individuals	0	0	0	0.0000	0	0	0	0.0000	0.0000
c) Bodies Corp.	0	0	0	0.0000	0	0	0	0.0000	0.0000
d) Banks / FI	0	0	0	0.0000	0	0	0	0.0000	0.0000
e) Any Other	0	0	0	0.0000	0	0	0	0.0000	0.0000
Sub-total (A)(2):-	0	0	0	0.0000	0	0	0	0.0000	0.0000
Total shareholding of Promoter (A)= (A)(1)+(A)(2)	24444900	0	24444900	35.3196	24444900	0	24444900	35.3196	0.0000
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	6250917	12800	6263717	9.0502	3832690	12800	3845490	5.5562	-3.4940
b) Banks / FI	513842	1400	515242	0.7445	541726	1400	543126	0.7847	0.0403
c) Central Govt	0	0	0	0.0001	0	0	0	0.0000	0.0000
d) State Govt(s)	942820	1865760	2808580	4.0580	1342820	1465760	2808580	4.0580	0.0000
e) Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
f) Insurance Companies	10191504	400	10191904	14.7259	9593109	400	9593509	13.8613	-0.8646
g) FIIs	7231743	0	7231743	10.4489	2999024	0	2999024	4.3332	-6.1157
h) Foreign Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
i) Others (specify)									
i) a. Foreign Portfolio Investor	51320	0	51320	0.0742	4450702	0	4450702	6.4307	6.3565
Sub-total (B)(1):-	25182146	1880360	27062506	39.1017	22760071	1480360	24240431	35.0242	-4.0775

Category of Shareholders	No. of Shares held at the beginning of the year As on 1st April, 2015				No. of Shares held at the end of the year As on 31st March, 2016				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non Institutions									
a) Bodies Corporate	3296637	179980	3476617	5.0232	4050657	179980	4230637	6.1127	1.0895
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	6054881	460892	6515773	9.4144	7072924	447006	7519930	10.8653	1.4509
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	6723219	0	6723219	9.7141	6861637	0	6861637	9.9141	0.2000
c) Others (specify)									
(c1) Clearing Members	74522	0	74522	0.1077	261647	0	261647	0.3780	0.2704
(c2) Hindu Undivided Families	479384	0	479384	0.6926	726206	0	726206	1.0493	0.3566
(c3) Non Resident Indians	400078	32100	432178	0.6244	891081	31200	922281	1.3326	0.7081
(c4) Trusts	1501	0	1501	0.0022	2931	0	2931	0.0042	0.0021
Sub-total (B)(2):-	17030222	672972	17703194	25.5787	19867083	658186	20525269	29.6563	4.0775
Total Public Shareholding (B)= (B)(1)+(B)(2)	42212368	2553332	44765700	64.6804	42627154	2138546	44765700	64.6804	0.0000
TOTAL (A)+(B)	66657268	2553332	69210600	100.0000	67072054	2138546	69210600	100.0000	0.0000
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0.00
Grand Total (A+B+C)	66657268	2553332	69210600	100.0000	67072054	2138546	69210600	100.0000	0.0000

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year As on 1st April, 2015			Shareholding at the end of the year As on 31st March, 2016			
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% change in shareholding during the year
1.	Governor of Tamil Nadu	24444900	35.3196	0.00	24444900	35.3196	0.00	0.00

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

Sl. No.		Shareholding at the beginning of the year As on 1st April, 2015		Shareholding at the end of the year As on 31st March, 2016	
		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 Share holding during the year specifying the reasons 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):

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	LIFE INSURANCE CORPORATION OF INDIA				
	At the beginning of the year 01-Apr-2015	6891158	9.9568	6891158	9.9568
	Sale 31-Jul-2015	-139356	0.2014	6751802	9.7554
	Sale 07-Aug-2015	-227392	0.3286	6524410	9.4268
	Sale 14-Aug-2015	-114940	0.1660	6409470	9.2608
	Sale 21-Aug-2015	-18312	0.0264	6391158	9.2344
	Sale 12-Feb-2016	-54662	0.0790	6336496	9.1554
	Sale 19-Feb-2016	-22408	0.0324	6314088	9.1230
	Sale 26-Feb-2016	-8139	0.0118	6305949	9.1112
	At the end of the Year 31-Mar-2016	6305949	9.1112	6305949	9.1112

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2.	HDFC TRUSTEE COMPANY LIMITED - HDFC PRUDENCE FUND*				
	At the beginning of the year 01-Apr-2015	3981634	5.7529	3981634	5.7529
	Sale 31-Jul-2015	-225900	0.3263	3755734	5.4265
	Sale 07-Aug-2015	-340850	0.4924	3414884	4.9340
	Sale 14-Aug-2015	-500000	0.7224	2914884	4.2116
	Sale 21-Aug-2015	-532000	0.7686	2382884	3.4429
	Sale 04-Sep-2015	-29800	0.0430	2353084	3.3998
	Sale 18-Sep-2015	-38900	0.0562	2314184	3.3436
	Sale 25-Sep-2015	-154500	0.2232	2159684	3.1204
	Sale 30-Sep-2015	-76400	0.1103	2083284	3.0100
	Sale 09-Oct-2015	-216500	0.3128	1866784	2.6972
	Sale 16-Oct-2015	-1123000	1.6225	743784	1.0746
	Sale 30-Oct-2015	-177600	0.2566	566184	0.8180
	Sale 06-Nov-2015	-133888	0.1934	432296	0.6246
	Sale 27-Nov-2015	-19000	0.0274	413296	0.5971
	Sale 04-Dec-2015	-65300	0.0943	347996	0.5028
	Sale 11-Dec-2015	-347996	0.5028	0	0.0000
	At the end of the Year 31-Mar-2016	0	0.0000	0	0.0000
	HAVING SAME PAN				
2.	HDFC TRUSTEE COMPANY LTD HDFC MF MONTHLY INCOME PLAN LONG TERM PLAN*				
	At the beginning of the year 01-Apr-2015	2238648	3.2345	2238648	3.2345
	Sale 24-Jul-2015	-257850	0.3725	1980798	2.8619
	Sale 31-Jul-2015	-302300	0.4367	1678498	2.4252
	Sale 07-Aug-2015	-249036	0.3598	1429462	2.0653
	Sale 14-Aug-2015	-747000	1.0793	682462	0.9860
	Sale 21-Aug-2015	-81067	0.1171	601395	0.8689
	Sale 16-Oct-2015	-504000	0.7282	97395	0.1407
	Sale 11-Dec-2015	-97395	0.1407	0	0.0000
	At the end of the Year 31-Mar-2016	0	0.0000	0	0.0000
3.	WARBURG VALUE FUND				
	At the beginning of the year 01-Apr-2015	3500000	5.0570	3500000	5.0570
	Sale 24-Jul-2015	-165000	0.2384	3335000	4.8186
	Sale 31-Jul-2015	-85000	0.1228	3250000	4.6958
	Sale 07-Aug-2015	-330000	0.4768	2920000	4.2190
	Sale 14-Aug-2015	-170000	0.2456	2750000	3.9733
	Sale 28-Aug-2015	-100000	0.1444	2650000	3.8288

Sl. No.	Name of the Shareholder	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 09-Oct-2015	-142297	0.2056	2507703	3.6232
	Sale 16-Oct-2015	-107703	0.1556	2400000	3.4676
	Sale 06-Nov-2015	-100000	0.1444	2300000	3.3231
	Sale 20-Nov-2015	-158766	0.2293	2141234	3.0937
	Sale 27-Nov-2015	-179232	0.2589	1962002	2.8348
	Sale 04-Dec-2015	-62002	0.0895	1900000	2.7452
	Sale 25-Dec-2015	-100000	0.1444	1800000	2.6007
	Sale 31-Dec-2015	-50000	0.0722	1750000	2.5285
	At the end of the Year 31-Mar-2016	1750000	2.5285	1750000	2.5285
4.	GENERAL INSURANCE CORPORATION OF INDIA				
	At the beginning of the year 01-Apr-2015	2110074	3.0487	2110074	3.0487
	At the end of the Year 31-Mar-2016	2110074	3.0487	2110074	3.0487
5.	GOVERNMENT PENSION FUND GLOBAL				
	At the beginning of the year 01-Apr-2015	2070000	2.9908	2070000	2.9908
	At the end of the Year 31-Mar-2016	2070000	2.9908	2070000	2.9908
6.	ANIL KUMAR GOEL				
	At the beginning of the year 01-Apr-2015	700000	1.0114	700000	1.0114
	Purchase 01-May-2015	2000	0.0028	702000	1.0142
	Purchase 15-May-2015	10436	0.0150	712436	1.0293
	Purchase 22-May-2015	17564	0.0253	730000	1.0547
	Purchase 29-May-2015	8039	0.0116	738039	1.0663
	Purchase 05-Jun-2015	8961	0.0129	747000	1.0793
	Purchase 28-Aug-2015	13000	0.0187	760000	1.0980
	Purchase 12-Feb-2016	13674	0.0197	773674	1.1178
	Purchase 19-Feb-2016	7355	0.0106	781029	1.1284
	Purchase 26-Feb-2016	4971	0.0071	786000	1.1356
	Purchase 04-Mar-2016	4000	0.0057	790000	1.1414
	Purchase 11-Mar-2016	1000	0.0014	791000	1.1428
	Purchase 18-Mar-2016	3000	0.0043	794000	1.1472
	At the end of the Year 31-Mar-2016	794000	1.1472	794000	1.1472
7.	UNITED INDIA INSURANCE COMPANY LIMITED				
	At the beginning of the year 01-Apr-2015	683213	0.9871	683213	0.9871
	At the end of the Year 31-Mar-2016	683213	0.9871	683213	0.9871
8.	ELARA CAPITAL PLC A/C ELARA GLOBAL FUNDS - ELARA EMERGING MARKETS FUND				
	At the beginning of the year 01-Apr-2015	653401	0.9440	653401	0.9440
	Purchase 10-Apr-2015	17000	0.0245	670401	0.9686
	Purchase 08-May-2015	17512	0.0253	687913	0.9939
	Purchase 03-Jul-2015	11082	0.0160	698995	1.0099

Sl. No.	Name of the Shareholder	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 21-Aug-2015	-22427	0.0324	676568	0.9775
	Sale 04-Sep-2015	-25000	0.0361	651568	0.9414
	Sale 30-Sep-2015	-19000	0.0274	632568	0.9139
	Sale 09-Oct-2015	-118324	0.1709	514244	0.7430
	Sale 16-Oct-2015	-120000	0.1733	394244	0.5696
	Sale 30-Oct-2015	-60000	0.0866	334244	0.4829
	Sale 06-Nov-2015	-188000	0.2716	146244	0.2113
	Sale 20-Nov-2015	-65000	0.0939	81244	0.1173
	Sale 27-Nov-2015	-18900	0.0273	62344	0.0900
	Sale 04-Dec-2015	-7000	0.0101	55344	0.0799
	Sale 18-Dec-2015	-45000	0.0650	10344	0.0149
	At the end of the Year 31-Mar-2016	10344	0.0149	10344	0.0149
9.	PANKAJ JAYANTILAL PATEL *				
	At the beginning of the year 01-Apr-2015	613231	0.8860	613231	0.8860
	Sale 03-Apr-2015	-196185	0.2834	417046	0.6025
	Sale 21-Aug-2015	-317046	0.4580	100000	0.1444
	Sale 11-Sep-2015	-100000	0.1444	0	0.0000
	Purchase 11-Mar-2016	1684	0.0024	1684	0.0024
	Sale 18-Mar-2016	-434	0.0006	1250	0.0018
	Sale 25-Mar-2016	-1250	0.0018	0	0.0000
	At the end of the Year 31-Mar-2016	0	0.0000	0	0.0000
	HAVING SAME PAN				
9.	PANKAJ JAYANTILAL PATEL				
	At the beginning of the year 01-Apr-2015	357	0.0005	357	0.0005
	Purchase 26-Jun-2015	455	0.0006	812	0.0011
	Sale 11-Sep-2015	-812	0.0011	0	0.0000
	Purchase 30-Sep-2015	812	0.0011	812	0.0011
	Sale 09-Oct-2015	-812	0.0011	0	0.0000
	Purchase 11-Mar-2016	812	0.0011	812	0.0011
	At the end of the Year 31-Mar-2016	812	0.0011	812	0.0011
10.	RUCHIT BHARAT PATEL JT1 : HARDIK BHARAT PATEL *				
	At the beginning of the year 01-Apr-2015	611189	0.8830	611189	0.8830
	Sale 17-Jul-2015	-610884	0.8826	305	0.0004
	Sale 24-Jul-2015	-305	0.0004	0	0.0000
	Purchase 07-Aug-2015	26900	0.0388	26900	0.0388
	Sale 14-Aug-2015	-20000	0.0288	6900	0.0099
	Sale 21-Aug-2015	-6900	0.0099	0	0.0000
	Purchase 11-Sep-2015	10	0.0000	10	0.0000

Sl. No.	Name of the Shareholder	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 18-Sep-2015	-10	0.0000	0	0.0000
	Purchase 16-Oct-2015	2424	0.0035	2424	0.0035
	Sale 31-Mar-2016	-2424	0.0035	0	0.0000
	At the end of the Year 31-Mar-2016	0	0.0000	0	0.0000
11.	SUNDARAM MUTUAL FUND A/C SUNDARAM SELECTMIDCAP**				
	At the beginning of the year 01-Apr-2015	0	0.0000	0	0.0000
	Purchase 21-Aug-2015	1499530	2.1666	1499530	2.1666
	Purchase 28-Aug-2015	25000	0.0361	1524530	2.2027
	Purchase 25-Sep-2015	106309	0.1536	1630839	2.3563
	Purchase 09-Oct-2015	200000	0.2889	1830839	2.6453
	Purchase 16-Oct-2015	1483865	2.1439	3314704	4.7893
	Purchase 18-Dec-2015	141165	0.2039	3455869	4.9932
	At the end of the Year 31-Mar-2016	3455869	4.9932	3455869	4.9932
	HAVING SAME PAN				
11.	SUNDARAM MUTUAL FUND A/C SUNDARAM VALUE FUND SERIES - I**				
	At the beginning of the year 01-Apr-2015	0	0.0000	0	0.0000
	Purchase 18-Dec-2015	100755	0.1455	100755	0.1455
	At the end of the Year 31-Mar-2016	100755	0.1455	100755	0.1455
	HAVING SAME PAN				
11.	SUNDARAM MUTUAL FUND A/C SUNDARAM SELECT MICROCAP SERIES VIII**				
	At the beginning of the year 01-Apr-2015	0	0.0000	0	0.0000
	Purchase 11-Dec-2015	18513	0.0267	18513	0.0267
	Purchase 18-Dec-2015	59381	0.0857	77894	0.1125
	Purchase 05-Feb-2016	2825	0.0040	80719	0.1166
	At the end of the Year 31-Mar-2016	80719	0.1166	80719	0.1166
	HAVING SAME PAN				
11.	SUNDARAM MUTUAL FUND A/C SUNDARAM MONTHLY INCOME PLAN - AGGRESSIVE PLAN**				
	At the beginning of the year 01-Apr-2015	0	0.0000	0	0.0000
	Purchase 30-Oct-2015	50000	0.0722	50000	0.0722
	At the end of the Year 31-Mar-2016	50000	0.0722	50000	0.0722
	HAVING SAME PAN				
11.	SUNDARAM MUTUAL FUND A/C SUNDARAM SELECT MICROCAP SERIES IX**				
	At the beginning of the year 01-Apr-2015	0	0.0000	0	0.0000
	Purchase 11-Dec-2015	10971	0.0158	10971	0.0158

Sl. No.	Name of the Shareholder	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 18-Dec-2015	35185	0.0508	46156	0.0666
	Purchase 05-Feb-2016	1677	0.0024	47833	0.0691
	At the end of the Year 31-Mar-2016	47833	0.0691	47833	0.0691
	HAVING SAME PAN				
11.	SUNDARAM MUTUAL FUND A/C SUNDARAM SELECT MICROCAP SERIES X**				
	At the beginning of the year 01-Apr-2015	0	0.0000	0	0.0000
	Purchase 11-Dec-2015	6293	0.0090	6293	0.0090
	Purchase 18-Dec-2015	17944	0.0259	24237	0.0350
	Purchase 05-Feb-2016	6634	0.0095	30871	0.0446
	At the end of the Year 31-Mar-2016	30871	0.0446	30871	0.0446
	HAVING SAME PAN				
11.	SUNDARAM MUTUAL FUND A/C SUNDARAM SELECT THEMATIC FUNDS PSU OPPORTUNITIES**				
	At the beginning of the year 01-Apr-2015	0	0.0000	0	0.0000
	Purchase 16-Oct-2015	30000	0.0433	30000	0.0433
	At the end of the Year 31-Mar-2016	30000	0.0433	30000	0.0433
	HAVING SAME PAN				
11.	SUNDARAM MUTUAL FUND A/C SUNDARAM VALUE FUND SERIES - II**				
	At the beginning of the year 01-Apr-2015	0	0.0000	0	0.0000
	Purchase 21-Aug-2015	25000	0.0361	25000	0.0361
	Purchase 28-Aug-2015	2000	0.0028	27000	0.0390
	At the end of the Year 31-Mar-2016	27000	0.0390	27000	0.0390
12.	TAMILNADU INDUSTRIAL DEVELOPMENT CORPORATION LTD				
	At the beginning of the year 01-Apr-2015	600000	0.8669	600000	0.8669
	At the end of the Year 31-Mar-2016	600000	0.8669	600000	0.8669
13.	TAMILNADU SUGAR CORPORATION LTD				
	At the beginning of the year 01-Apr-2015	560200	0.8094	560200	0.8094
	At the end of the Year 31-Mar-2016	560200	0.8094	560200	0.8094
14.	TAMIL NADU MINERALS LIMITED				
	At the beginning of the year 01-Apr-2015	500000	0.7224	500000	0.7224
	At the end of the Year 31-Mar-2016	500000	0.7224	500000	0.7224

* Ceased to be in the list of Top 10 shareholders as on 31/3/2016. However, since the name of the shareholder falling in the list of top 10 shareholders as on 1/4/2015, the same is appearing in the above table.

** Not in the list of Top 10 shareholders as on 1/4/2015. However, since the name of the shareholder falling in the list of top 10 shareholders as on 31/3/2016, the same is appearing in the above table.

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name of the Directors and KMP	Shareholding at the beginning of the year (As on 1st April, 2015)		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 C V Sankar IAS Chairman & Managing Director At the beginning of the year Date wise Increase/Decrease At the end of the year	- -	- -	-	-
2.	Thiru T Udhayachandran IAS Director At the beginning of the year Date wise Increase/Decrease At the end of the year	- -	- -	-	-
3.	Thiru Mahesan Kasirajan IAS Director At the beginning of the year Date wise Increase/Decrease At the end of the year	- -	- -	-	-
4.	Thiru A Velliangiri Deputy Managing Director At the beginning of the year Date wise Increase/Decrease At the end of the year	- -	- -	-	-
5.	Thiru R Mani Director (Operations) (upto 26.02.2016) At the beginning of the year Date wise Increase/Decrease At the end of the year	200 -	0.00 -	200	0.00
6.	Thiru V Narayanan Director At the beginning of the year Date wise Increase/Decrease At the end of the year	- -	- -	-	-
7.	Thiru N Kumaravelu Director At the beginning of the year Date wise Increase/Decrease At the end of the year	- -	- -	-	-
8.	Thiru M R Kumar Director At the beginning of the year Date wise Increase/Decrease At the end of the year	- -	- -	-	-
9.	Thiru V Nagappan Director At the beginning of the year Date wise Increase/Decrease At the end of the year	- -	- -	-	-
10.	Tmt Sarada Jagan Director At the beginning of the year Date wise Increase/Decrease At the end of the year	- -	- -	-	-
11.	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

V. INDEBTEDNESS

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

(Rs. in Lakh)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount				
- Other than Debentures	154449	4033	-	158482
- Debentures	556	-	-	556
ii) Interest due but not paid				
- Other than Debentures	-	-	-	-
- Debentures	-	-	-	-
iii) Interest accrued but not due				
- Other than Debentures	843	38	-	881
- Debentures	-	-	-	-
Total (i+ii+iii)	155848	4071	-	159919
Change in Indebtedness during the financial year				
i) • Addition				
- Other than Debentures	71846	-	-	71846
- Debentures	-	-	-	-
ii) • Reduction*				
- Other than Debentures	17580	3100	-	20680
- Debentures	556	-	-	556
iii) Interest Accrued but not paid				
- Other than Debentures	-	-	-	-
- Debentures	-	-	-	-
iv) Interest accrued but not due				
- Other than Debentures	377	(29)	-	348
- Debentures				
Net Change	54087	(3129)	-	50958
Indebtedness at the end of the financial year				
i) Principal Amount				
- Other than Debentures	208715	933	-	209648
- Debentures	-	-	-	-
ii) Interest Accrued but not paid				
- Other than Debentures	-	-	-	-
- Debentures	-	-	-	-
iii) Interest accrued but not due				
- Other than Debentures	1220	9	-	1229
- Debentures	-	-	-	-
Total (i+ii+iii)	209935	942	-	210877

* Includes exchange fluctuation on Long Term Foreign Currency Loan.

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

(Rs. in Lakh)

S. No	Particulars of Remuneration	Thiru. C.V.Sankar IAS Chairman and Managing Director	Thiru. A. Velliangiri Deputy Managing Director	Thiru. R.Mani Director (Operations)	Total Amount
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	30.45	22.88	53.33
	(b) Value of perquisites under section 17(2) Income-tax Act, 1961	-	2.55	1.72	4.27
	(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	-	-	-	-
	Total (A)	-	33.00	24.60	57.60
	Ceiling as per the Act (10% of Net Profit)				3180.55

B. REMUNERATION TO OTHER DIRECTORS

(Rs. in Lakh)

Sl. no	Particulars of Remuneration	Name of Directors					Total Amount
1.	Independent Directors	Thiru V Narayanan	Thiru N Kumaravelu	Thiru M R Kumar	Thiru V Nagappan	Tmt Sarada Jagan	
	• Fee for attending board/committee meetings	5.00	5.00	3.25	4.50	2.50	20.25
	• Commission	-	-	-	-	-	-
	• Others, please specify	-	-	-	-	-	-
Total (1)							20. 25

Sl. no	Particulars of Remuneration	Name of Directors		Total Amount
2.	Other Non-Executive Directors	Thiru Mahesan Kasirajan IAS	Thiru T Udhayachandran IAS	
	• Fee for attending board committee meetings	0.75	0.75	1.50
	• Commission	-	-	-
	• Others, please specify	-	-	-
Total (2)				1.50
Total (B)=(1+2)				21.75
Total Managerial Remuneration (A)+(B)				79.35
Overall Ceiling as per the Act (11% of Net Profit)				3498.61

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

(Rs. in Lakh)

Sl. no	Particulars of Remuneration	Key Managerial Personnel	
		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	14.02	14.02
	(b) Value of perquisites under section 17(2) Income-tax Act, 1961	3.66	3.66
	(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	-	-
	Total	17.68	17.68

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

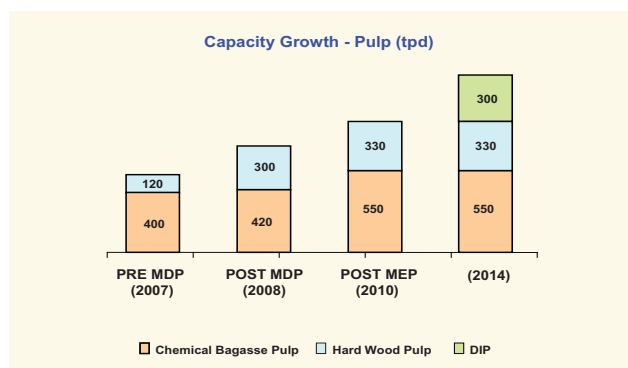
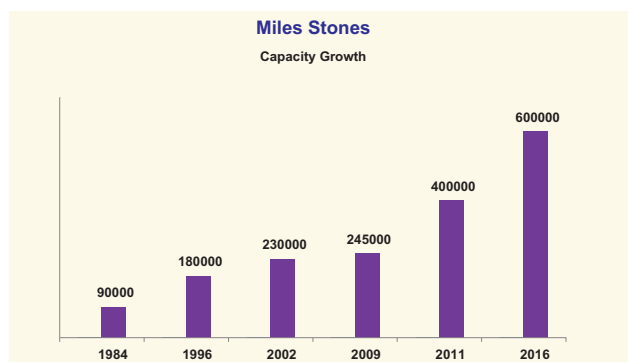
Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY Penalty Punishment Compounding			NONE		
B. DIRECTORS Penalty Punishment Compounding			NONE		
C. OTHER OFFICERS IN DEFAULT 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 in 1984 with an initial capacity of 90,000 tonnes per annum. Since then, the company has enhanced the capacity to 4,00,000 tonnes per annum in four phases. Now in 2016 the company has set up a state-of-the-art Multilayer Double Coated Board Plant with an annual capacity of 200,000 MT per annum as a green field project in Mondipatti village, Manaparai taluk, Trichy District. With the establishment of the Board Plant, TNPL has enhanced the capacity to 6,00,000 tonnes and 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.



II. INDUSTRY SCENARIO

India holds 15th rank among paper producing countries in the world. Total installed capacity in India is approximately 13.50 million tonnes. The per capita consumption of paper is around 11 Kgs against the global average of 56 Kgs and Asian average of 40 Kgs. Indian Paper Industry is fragmented with over 750 paper mills of varying sizes of which only 50 mills are of a capacity of 50,000 tpa or more. The industry is working at 90% capacity utilization. The

current demand is estimated at 13.88 million tonnes with domestic production of 12.15 million tons, export of 0.60 million tonnes and import of 2.33 million tonnes. India is the fastest growing market for paper in the world with an overall growth rate of about 6% per year.

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:

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

1. 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 plant with a capacity of 2,00,000 tpa. The growth is supported by the latest technology and state-of-the-art equipment to have the competitive edge in production and quality.

2. Efficient Cost Management

TNPL has implemented many cost saving measures to keep the cost of production low. TNPL has benchmarked the entire operations and has become self-sufficient in pulp, power and filler materials. The concerted actions on process improvement, productivity and cost control measures have facilitated the company to be the least – cost producer of paper in the country.

3. 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 taking into account the anticipated cash generation from the existing assets and the new expansion schemes. High cost loans are replaced with lost cost loans on regular basis. Continuous monitoring and readjusting of loan portfolio have facilitated the company to keep the cost of borrowing at the minimum level. The average cost of loan outstanding as on 31.3.2016 is 9.56% (31.3.2015: 10.09%). The decrease in the average cost of loan is due to reduction in base rate.

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 is the largest exporter of printing and writing paper in the country. TNPL has exported 72719 mts of PWP to 44 countries during the year 2015-16.

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. 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 600 tpd. Cement plant for producing high grade cement from mill wastes viz Lime Sludge and Fly ash. Now, the capacity has been increased to 900 tpd. TNPL is the First Paper Mill in the country to have set up a cement plant within the factory premises to produce cement from mill wastes.

Two bio-methanation plants consisting of four numbers of UASB reactors set up within the factory premises have generated cumulatively 75.66 lakh m³ of methane gas during 2015 - 2016. 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 4438.86 kl of high cost furnace oil and 238.23 MT of imported coal during the year.

To improve the biogas plant efficiency and reduce organic load on forward system, TNPL has taken steps to install one additional bio-reactor before March 2017.

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

A Tertiary treatment of effluent by 'ozonation', a First of its kind in the Indian Paper Industry was introduced during 2010 to improve dissolved oxygen in the effluent and further reduce colour.

6. Management of Human Resources

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

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

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 40 KL per ton of paper during 2015-16 which is one of the lowest in paper industry.

Raw material Management: Bagasse

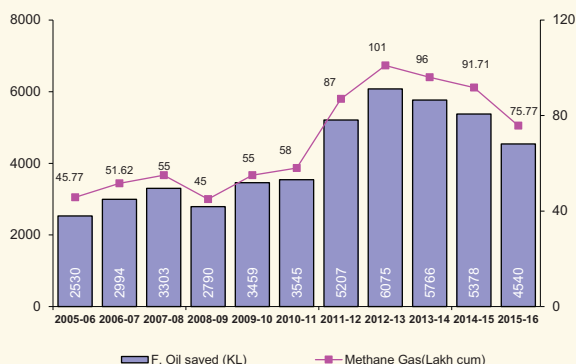
TNPL is the largest producer of paper from bagasse (a waste product in the sugar industry). TNPL uses about 1 million tonnes of depithed bagasse for producing 4,00,000 MT of Printing & Writing Paper. TNPL sources bagasse from sugar mills on barter basis in exchange of steam. Long term agreements have been entered into with eight sugar mills in the State for sourcing bagasse in exchange of steam. Shortfall, is met through open market purchases and temporary tie-up arrangements with sugar mills.

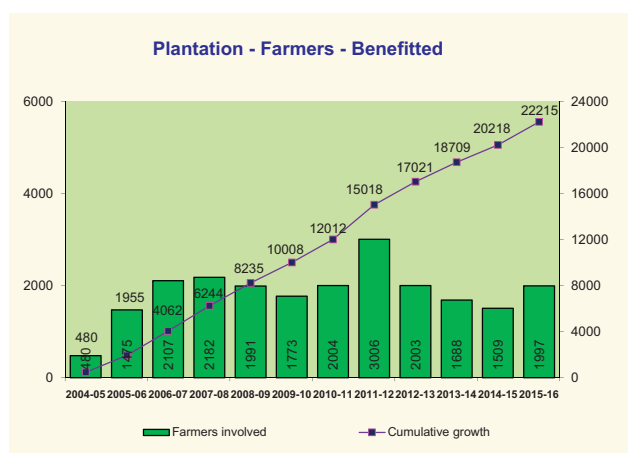
Raw material management: Pulpwood

TNPL implemented two plantation models i.e. Farm Forestry and Captive Plantation scheme during 2004-05 to improve the availability of pulpwood.

TNPL has raised plantation in 6,897 acres during the year. Since the introduction of the scheme in 2004-05, TNPL has raised tree plantation in 1,12,865 acres of land involving 22,215 farmers.

Bio-methanation plant graph





TNPL plantation programmes started yielding benefits from 2009-10. TNPL has procured 95,061 MT of pulpwood from the plantation sources during 2015-16. About 9.10 lakh of MT of pulpwood have been procured from the plantation sources in last 6 years.

TNPL has established a Clonal Propagation & Research Centre (CPRC) within the factory area for producing and supplying high yield seedlings and clones to farmers at subsidized rate. During the current year, TNPL has produced 123.28 lakh plants and supplied 107.57 lakh plants to the farmers at subsidized rate.

Forest Stewardship Council (FSC) certificate

TNPL obtained certificate from Forest Stewardship Council Chain of Custody and Controlled wood by Rainforest Alliance, New York, USA for complying FSC-STD-40-004 V2-1, FSC-STD-40-005 V2-1 and FSC-STD-40-007 V2-0. The certificate is valid from July 21, 2015 to July 20, 2020.

ISO 9001 Certification

TUV NORD CERT GmbH, recertified TNPL's Quality Management system for Design, Manufacture and Supply of Printing and Writing Paper. The certificate is valid from August 18, 2015 to August 17, 2018.

Fuel Management

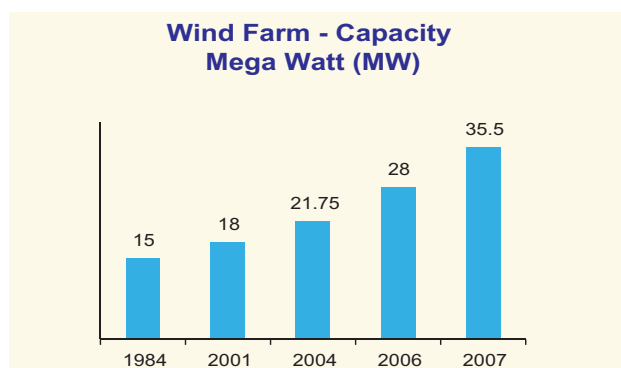
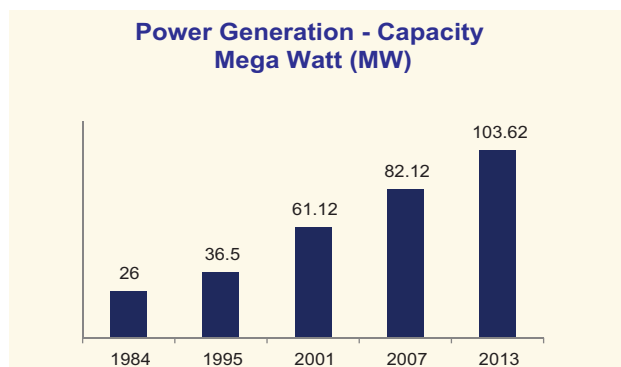
TNPL uses solid fuel in the power boilers and black liquor in the recovery boiler for generation of steam. Black liquor solid has been recognized as bio-mass. Power generated from the steam produced in the recovery boiler is eligible for Renewable Energy Certificates (RECs). During the year, TNPL has received 106147 RECs. TNPL is the First Company in the Paper Industry to have availed this benefit. Since 16.1.2012 till 31.3.2016, TNPL has generated revenue of Rs.48.54 crore through sale of RECs.

Water Management

TNPL sources water from the river Cauvery. 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 40 KI per ton of paper- the lowest in the Industry.

Energy Management

TNPL has four power boilers and four turbo generators with a total power generation capacity of 103.62 MW. TNPL is 100% self-sufficient in power. Surplus power about 7 MW 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 to 35.5 MW.

Wind Power is exported to the grid. A small percentage is wheeled for self-consumption.

Marketing Management

TNPL has stopped producing newsprint as it is uneconomical to produce newsprint from virgin fibre. The Company is utilizing its resources exclusively for production of Printing & Writing Papers. TNPL sells its products across the country. The domestic market is served through a wide network of dealers. The Company has strengthened the network by appointing more dealers. TNPL exports its products to 44 countries around the world.

During the year, the company has exported 72719 MT of printing and writing paper against 72815 MT in the previous year.

Research and Development

TNPL produces and consumes three kinds of pulp: bagasse pulp, wood pulp and deinking. TNPL has perfected the usage of all three kinds of pulp in producing high quality

papers. TNPL R&D efforts are focused on producing high quality materials with least cost. TNPL has achieved a good progress in this endeavor.

Quality Control

Quality Management in TNPL is a holistic effort involving Marketing, Production and Quality Control departments. Quality control personnel are continuously trained in modern concepts to put them into practice. Customer feedback is given utmost importance.

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. KEY PROJECTS IMPLEMENTED

During the Financial year 2015-16, the company completed implementation of the following projects:

TNPL Unit II - Multilayer Double Coated Paper Board project

TNPL has successfully implemented the state-of-the-art Multilayer double coated board plant of capacity 200,000 MT per annum as per schedule. With issuance of Environment Clearance for the project in February 2014, TNPL commenced civil works during April, 2014 and completed the implementation of the project in January, 2016. The plant was built in 22 months with an outstanding record of the fastest executed project in the Indian Paper Industry. Test run commenced in February 2016 is in progress. During test run the equipments and sub-assemblies are adjusted to produce boards in a commercially feasible quantity.

Upgradation of Lime sludge and Fly Ash Management (LSFM) System – Enhancing cement production capacity from 600 tpd to 900 tpd

As part of managing the Solid wastes viz., Lime Sludge and Fly ash, TNPL set up a mini cement plant to produce 600 tpd of high grade cement in January 2013. TNPL has augmented the production capacity from 600 tpd to 900 tpd by taking advantage of the inherent potential in the existing facilities. The project featured installation of a pre-calciner, additional dust collection equipment and additional facilities in the raw material handling system, to meet the increased throughput. TNPL has implemented the expansion scheme within 9 months from the date of commencement of the Project activities at site.

Establishment of Conversion Unit

TNPL has set up a "Conversion Centre of Paper and Packaging Board (CCPPB) Unit" in the 38.40 acres of land in Mayanur in Karur District to provide more employment opportunities in the area. An industrial shed measuring 1,20,000 square feet has been made ready for occupation.

A Core manufacturing and a Poly coating unit will be set up in the new building before 31.07.2016. TNPL will facilitate setting up of few more industrial units in this campus.

VI. RESOURCES & LIQUIDITY

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

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

Term loans outstanding as on 31.3.2016 is Rs. 2096.48 crore. The working capital loans outstanding as on 31.3.2016 is Rs. 520.40 crore. The weighted average cost of term loan outstanding as on 31.3.2016 is 9.56%.

VII. OUTLOOK, OPPORTUNITIES AND CHALLENGES

Newsprint

As manufacture of newsprint is not economical, TNPL stopped manufacturing newsprint from 2009 onwards.

Printing & Writing Paper

The market size of Indian Paper Industry is estimated at 13.38 million tons consisting of Printing & Writing Paper 5.00 million tons, Newsprint 2.62 million tons, Industrial Paper and Packaging Boards 5.76 million tons. In the Printing & Writing Paper segment, uncoated varieties constitute 4.20 million tons and coated varieties 0.80 million tons. Within uncoated varieties, Creamwove grades account for 50% and Surface Sized Grades for the balance 50%.

Packaging Boards

The Packaging Board market size is estimated at 2.68 million tons. Grey-back Boards constitute 45% and White-back Coated Boards, Folding Box Board, Solid Bleached Sulphate Board and other Speciality Boards account for the balance 50%.

Opportunities and Challenges

The demand for uncoated Printing & Writing Paper is expected to grow at 4% per annum and high end Packaging Board at 12% per annum. Per capita consumption of paper in India is low at 11 kgs. Increase in per capita consumption by 1 kg will require additional capacity of 1.30 million tons of paper. India is considered as the fastest growing market in the paper sector in the world. With the consistent growth in demand, there is a good potential for capacity addition and fresh investments in the industry.

Scarcity of pulpwood, rising pulpwood prices in the domestic market, poor wastepaper collection and recovery mechanism in the country, rising imports under Free Trade Agreements (FTAs) are some of the major areas of concern for the paper industry.

Indian paper industry has to manage the above challenges through rising pulpwood plantation, increasing wastepaper collection mechanism and implementing effective and efficient cost control measures.

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 taken 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 by functions wise and classified further as High Risk, Medium Risk and Low risk.

VIII. ENVIRONMENT

TNPL is committed to follow Environment friendly process and also to focus on Safety and Health. TNPL has declared policies on Environment, Health & Safety. The main excerpts of the above policies are as follows:

- Compliance with all relevant legislative requirements.
- Reducing Pollution Load in terms of Liquid Discharge, Air Emission and Land Contamination.
- Stimulate rational use of resources through behavioral and technological improvements.
- Minimising waste and maximizing recycling/ reuse.
- Creating Human Awareness in Environment, Safety and Health.
- Promoting comprehensive programs for continual improvement of Environmental performance.
- Reduce specific energy consumption and associated green house gas emission.

Environmental Monitoring:

The continuous data collected from the respective Online effluent and emission monitoring systems installed in the Pulp and Paper unit, Cement plant and Captive Power plant have successfully uplinked to TNPCB and CPCB servers. The details are being continuously displayed in the electronic board installed at the entrance of Main plant and Cement Plant.

IX. HUMAN RESOURCES DEVELOPMENT

a) KNOWLEDGE MANAGEMENT

A Knowledge Management portal has been introduced in TNPL. The portal enables the employees to share their experience and knowledge with other employees on trouble shooting, current change in technology, ongoing issues etc.

b) INDUSTRIAL RELATIONS

TNPL has an excellent track record in maintaining cordial and healthy industrial relations. Wage negotiation with the representatives of the Recognized Trade Unions is in advanced stage and the same will be amicably resolved shortly. Due to harmonious industrial relations, positive work culture is prevalent in TNPL.

c) TRAINING

Development of Human Resources is a continuous activity in TNPL. 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. 57 In house training programmes and 56 External training programmes were conducted during the year 2015-16 covering 2494 man days. On the job training is given 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. The participants have given positive feedback. As part of developing skill and improving employability of the youth, TNPL has engaged 230 Graduate Apprentices, 108 Diploma Apprentices and 100 ITI Apprentices under the Apprentices Act, 1961 under the guidance of Board of Apprenticeship Training, Chennai and Regional Director of Training, Trichy.

X. CORPORATE SOCIAL RESPONSIBILITY

TNPL spends approximately 2% of the average profit before tax of the previous three years for various CSR activities covering Education, Health, Infrastructure, Drinking Water Supply, Sports, Training, etc. During 2015 - 2016 TNPL has spent Rs. 3.69 crore for CSR activities.

In line with the provisions of the Companies Act, 2013, TNPL has constituted Corporate Social Responsibility Committee consisting of five Independent Directors.

XI. AWARDS AND ACCOLADES RECEIVED DURING THE YEAR

- Dun & Bradstreet Mumbai has selected TNPL as the Top Indian Company under the sector Paper and Board products for "Dun & Bradstreet Award 2016". TNPL has received this award for the Fifth time in a row.
- Indian Chamber of Commerce (ICC) has bestowed on TNPL the "Water Stewardship Award 2016" as part of its Corporate Governance and Sustainability Vision Awards.

ANNEXURE – VII

REPORT ON CORPORATE GOVERNANCE

This Corporate Governance Report relating to the year ended on 31st March, 2016 has been issued in compliance with the requirements of Regulation 34(3) read with Clause C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and forms a 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, 2016, the Board consisted of nine directors - a Chairman and Managing Director and two non-executive Directors nominated by GOTN, one Executive Director and five 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.

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

Tvl. V. Narayanan, N. Kumaravelu, M. R. Kumar, V. Nagappan and Tmt. Sarada Jagan are categorized as independent directors.

During the year 2015-16, following changes took place in the composition of the Board:

Thiru R. Mani ceased to be the Director of the Company w.e.f. 26th February, 2016. 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 Listing Agreement / 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. All Non-Executive Directors, excluding the nominee director are liable to retire by rotation.

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 28th March 2016 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.

Familiarisation Programme

The Company has framed familiarisation 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. Periodic presentations are made at the Board and Committee Meetings, on business and performance updates of the Company, business strategy and risks involved.

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 details of familiarisation 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 behaviour 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.

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.

- b. Attendance of each Director at the Board of Directors' Meetings held during 2015-16, the last AGM and number of other company boards or board/committees 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 C V Sankar IAS Chairman and Managing Director (Full Additional charge)	Executive	6	6	Yes	12	6	-	-
Thiru A Velliangiri Deputy Managing Director	Executive	6	6	Yes	-	-	-	-
Thiru R Mani Director(Operations) (up to 26.02.2016)	Executive	6	5	Yes	-	-	-	-
Thiru T Udhayachandran IAS	Non- Executive	6	2	Yes	11	-	2	-
Thiru Mahesan Kasirajan IAS	Non- Executive	6	3	Yes	2	1	-	-
Thiru V Narayanan	Independent Non- Executive	6	6	Yes	1	-	1	-
Thiru N Kumaravelu	Independent Non- Executive	6	6	Yes	3	-	-	-
Thiru M R Kumar	Independent Non- Executive	6	4	Yes	-	-	-	-
Thiru V Nagappan	Independent Non- Executive	6	6	Yes	3	-	2	-
Tmt Sarada Jagan	Independent Non- Executive	6	4	Yes	-	-	-	-

*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.

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.

c. Number of Board Meetings held and the dates on which held:

Six Board Meetings were held during the year 2015-16 as against the minimum requirement of four meetings. The meetings were held on the following dates:

28.05.2015, 03.08.2015, 18.09.2015, 03.11.2015, 02.02.2016, 28.03.2016

d. Information placed before the Board of Directors

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

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

e. Recording minutes of proceedings at Board Meeting

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

f. Post Meeting Follow-up Mechanism

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

g. Compliance

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

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

Particulars of Directors being appointed at the Annual General Meeting and Directors retiring by rotation and seeking reappointment have been given in the Notice convening the 36th 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 should 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

a. Terms of reference

The terms of reference of this Committee are wide enough to cover the matters specified for Audit Committee under Sec.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 Board has also included in the terms of reference of the Audit Committee the monitoring, implementing and review of risk management plan as required under Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (previously Clause 49(VI) of the revised Listing Agreement with Stock Exchanges) 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 this section 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.
 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 :

- 1) Management discussion and analysis of financial condition and results of operations;
- 2) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- 3) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- 4) Internal audit reports relating to internal control weaknesses; and
- 5) 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). Currently, the following five non-executive Directors are the members in the Audit Committee:

Thiru V Narayanan	Chairman of the Committee
Thiru N Kumaravelu	Member
Thiru M R Kumar	Member
Thiru V Nagappan	Member
Tmt Sarada Jagan	Member

The Company Secretary acts as the Secretary to the Committee.

The Chairman and Managing Director (CMD), Dy. Managing Director, Director (Operations), 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
Tvl.		
V Narayanan	6	6
N Kumaravelu	6	6
M R Kumar	6	4
V Nagappan	6	6
Tmt. Sarada Jagan	6	4

The Audit Committee met 6 times during 2015-16 as against the minimum requirement of 4 meetings. The dates on which the meetings were held are given below:

28.05.2015, 03.08.2015, 18.09.2015, 03.11.2015, 02.02.2016, 28.03.2016

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 four non-executive directors are the members in the Stakeholders' Relationship Committee as on 31st March, 2016

- | | |
|-----------------------|---------------------------|
| 1. Thiru V Narayanan | Chairman of the Committee |
| 2. Thiru N Kumaravelu | Member |
| 3. Thiru M R Kumar | Member |
| 4. Thiru V. Nagappan* | Member |

* Inducted as member of the Stakeholders' Relationship Committee w.e.f. 18.09.2015

The Stakeholders Relationship Committee met on 28th May, 2015, 3rd August, 2015 and 2nd February 2016 and reviewed the grievances / complaints received and the action taken on the grievances / complaints.

Meetings and attendance during the year

Director	No. of Meetings Held	Attended
Tvl.		
V Narayanan	3	3
N Kumaravelu	3	3
M R Kumar	3	2
V. Nagappan*	3	1

* Inducted as member of the Stakeholders' Relationship Committee w.e.f. 18.09.2015

Terms of reference:

The functioning and broad terms of reference of the Investors' Grievances Committee (now 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.

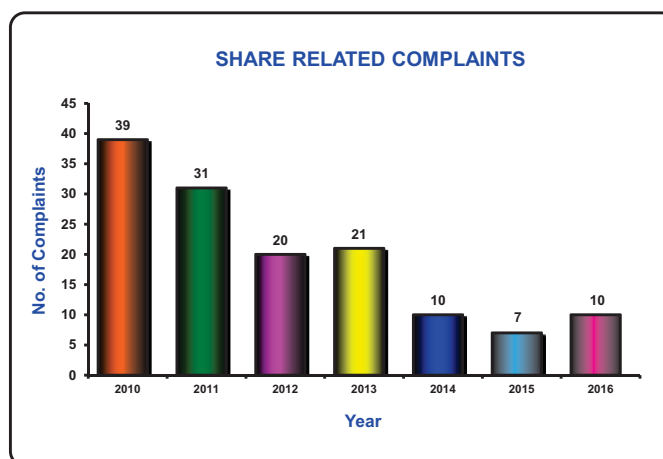
The Company Secretary, being the Compliance Officer, is entrusted with the responsibility, to specifically, look into the redressal of the shareholders and investors complaints and report the same to the Investors' Grievances Committee.

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	-
Non-receipt of Dividend Warrants	6
Non-receipt of Share Certificates	2
Miscellaneous/ Others	2
Total	10

Complaints Status: 1.4.2015 to 31.3.2016

Nature of complaints (Received and Resolved)	Q1	Q2	Q3	Q4	Total
Securities and Exchange Board of India	1	2	1	-	4
Stock Exchanges	-	1	-	1	2
Shareholders	-	3	1	-	4
Total	1	6	2	1	10



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 comprising of CMD/MD, DMD and General Manager (Corporate Finance). The Share Transfer Committee attends to the share transfer formalities 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, 2016 have been acted upon. No share transfer was pending as on 31st March, 2016.

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 with the following Independent Directors as members of the Committee with effect from 1.4.2014:

- | | |
|-----------------------|---------------------------|
| 1. Thiru V Narayanan | Chairman of the Committee |
| 2. Thiru N Kumaravelu | Member |
| 3. Thiru M R Kumar | Member |
| 4. Thiru V Nagappan | Member |
| 5. Tmt. Sarada Jagan | Member |

Meetings and attendance during the year

The Corporate Social Responsibility Committee met on 28th May 2015 and 2nd February, 2016.

Director	No. of Meetings Held	Attended
Tvl.		
V Narayanan	2	2
N Kumaravelu	2	2
M R Kumar	2	1
V Nagappan	2	2
Tmt. Sarada Jagan	2	1

The company had formulated CSR Policy guidelines in 2011 and last updation was done in September 2014. 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
3. Socio Economic development
4. Environment
5. Culture & Heritage

6. Nomination and Remuneration Committee

To comply with Section 178 of the Companies Act 2013 and the earlier Clause 49(IV) of the revised Listing Agreement now Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company has formed a Nomination and Remuneration Committee with the following Directors as members:

- | | |
|-------------------------------|---------------------------|
| 1. Thiru V Narayanan | Chairman of the Committee |
| 2. Thiru T Udhayachandran IAS | Member |
| 3. Thiru N Kumaravelu | Member |
| 4. Thiru M R Kumar | Member |
| 5. Thiru V Nagappan | Member |
| 6. Tmt. Sarada Jagan | Member |

The Nomination and Remuneration Committee met on 28th May 2015 and 2nd February, 2016.

Meetings and attendance during the year

Director	No. of Meetings Held	Attended
Tvl.		
V Narayanan	2	2
N Kumaravelu	2	2
V Nagappan	2	2
T Udhayachandran IAS	2	1
M R Kumar	2	1
Tmt. Sarada Jagan	2	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 tem 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

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 the 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 2012 covering the period from 16th May 2010 to 15th May 2014. 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 C V Sankar IAS was appointed as Chairman and Managing Director (full additional charge) by the Government on 25th October, 2013. 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 other Directors.

Details of remuneration for the year ended 31st March, 2016**Executive Directors****(Rs. in lakh)**

Name & Position	Pay & Allowances	Reimbursement of medical expenses	Perquisites	Total
Tvl C V Sankar IAS CMD	-	-	-	-
A Velliangiri Dy. Managing Director	30.45	-	2.55	33.00
R Mani Director (Operations)	22.88	-	1.72	24.60
Total	53.33	-	4.27	57.60

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 (Rs.)					
	Board	Audit Committee	Stakeholders' Relationship Committee	Corporate Social Responsibility Committee	Nomination and Remuneration Committee	Independent Directors' Meeting
Tvl.						
Mahesan Kasirajan IAS	75,000*	-	-	-	-	-
T Udhayachandran IAS	50,000*	-	-	-	25000*	-
V Narayanan	1,50,000	1,50,000	75,000	50,000	50,000	25,000
N Kumaravelu	1,50,000	1,50,000	75,000	50,000	50,000	25,000
M R Kumar	1,00,000**	1,00,000**	50,000**	25,000**	25,000**	25,000**
V Nagappan	1,50,000	1,50,000	25,000	50,000	50,000	25,000
Tmt. Sarada Jagan	1,00,000	1,00,000	-	25,000	25,000	-
Total	7,75,000	6,50,000	2,25,000	2,00,000	2,25,000	1,00,000

* remitted to Govt. of Tamil Nadu

**remitted to LIC of India Ltd.

Independent Directors were paid sitting fees of Rs.25000/- per meeting.

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.

Shareholding 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
2012-13	The Music Academy, 168, T.T.K.Road, Chennai-600 014.	19.9.2013	10.30 AM	No
2013-14	-do-	15.9.2014	10.15 AM	No
2014-15	-do-	18.9.2015	10.15 AM	No

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 Scrutiniser to conduct, supervise and control the exercise of e-voting for passing of resolutions of the company at the last AGM held on 18th September, 2015.

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, one circular resolution each was passed by the Board/ Nomination & Remuneration Committee (NRC) which was recorded at the subsequent Board/ NRC meeting.

Secretarial Compliance 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 2015-16. The Secretarial Audit Report in Form MR-3 is attached as an annexure to the Board's Report.

- Secretarial Audit Reports

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, 2015	11th July, 2015
30th September, 2015	13th October, 2015
31st December, 2015	7th January, 2016
31st March, 2016	12th April, 2016

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 2015-16 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. Sec.188 of the companies Act 2013 deals with Related Party Transactions. It defines related parties, related party transactions and several financial limits to identify a transaction as related party transaction. It further provides that with the consent of the Board the company shall enter into any contract or arrangement with a related party. Accordingly, 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 Accounting Standards (AS 18) 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 i.e. Chairman and Managing Director and the Chief Financial Officer i.e. Deputy Managing Director certified to the Board on their review of financial statements and cash flow statements for the financial year ended 31st March 2016 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 36th Annual General Meeting.

- g. The Company has complied with all mandatory items of the Listing Agreement as applicable till 30th November, 2015 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from 1st December, 2015 onwards. The Company has executed the fresh agreement with the BSE and NSE as required under the newly enacted Listing Regulations.

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 Clause 49 (II E) of the listing Agreement (now 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 Listing Agreements with Stock Exchanges, 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 2015-16 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 a new Code for Prevention of Insider Trading. The new 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) allows 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.

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

VIGIL MECHANISM / WHISTLE BLOWER POLICY

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

9. Means of Communication

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

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

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

- f. Presentation to analysts: The company's shares are listed on both BSE Limited and National Stock Exchange of India Limited. The presentations broadly cover operations, financials and industry outlook. The company also displays official news at our company's website. The Company also uploads on the BSE Listing Centre and on NSE NEAPS portals, details of analysts and institutional investor meetings whenever the Company's representatives attend any meeting of the investors.
- g. Annual Report: Annual Report containing, inter alia, audited Annual Accounts, Directors' Report, Auditors' Report and other important information is sent to Members and others entitled thereto. The Management Discussion and Analysis (MD&A) Report forms part of the Annual Report. The Annual Report is also available on the Company's website.
- h. Chairman's communiqué: Printed copy of the Chairman's speech is distributed to all the shareholders at the Annual General Meeting.

- i. The Company discloses to the Stock Exchanges, all information required to be disclosed under Regulation 30 read with Part A of Schedule III of the SEBI Regulations including material information having a bearing on the performance / operations of the listed entity or other electronically on BSE's online Portal – BSE Corporate Compliance & Listing Centre (Listing Centre) and on NSE Electronic Application Processing System (NEAPS), the on-line portal of National Stock Exchange of India Limited.
- j. The Board of Directors has approved a policy for determining materiality of events for the purpose of making disclosure to the Stock Exchanges. The Chairman & Managing Director and Deputy Managing Director & CFO of the Company are severally / jointly authorized to determine Materiality of any event or information while Deputy Managing Director & CFO / Company Secretary & AGM Internal Audit are severally authorised to make disclosures of the same to stock exchange(s), subject to the provisions of this Policy.
- k. All disclosures made to the stock exchanges are also available on the Company's website www.tnpl.com
- l. Extensive Business Reporting Language(XBRL): XBRL is a language for electronic communication of business and financial data. It offers major benefits to all those who have to create, transmit, use or analyse such information which aids better analysis and decision making. Ministry of Corporate Affairs(MCA) vide its circular No. 37/2011 dated 7th June 2011 had mandated certain companies to file their Annual Accounts vide this mode. The company has filed its Annual Accounts on MCA through XBRL.
- m. Ministry of Corporate Affairs: The company has periodically filed all the necessary documents with the MCA.
- n. SEBI Complaints Redress System(SCORES): A centralized web based complaints redress system which serves as a centralized database of all complaints received, enables uploading of Action Taken Reports(ATRs) by the concerned companies and online viewing by the investors of action taken on the complaint and its current status.
- o. The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- p. Shareholders are encouraged to correspond with the Registrars & Share Transfer Agents and the Company via email to speed up response, reduce paperwork and also to help us redress complaints faster. Shareholders are requested to mention their Folio nos. (DP-ID and Client ID in case of demat shares), phone or mobile number and their Email ID so that we can contact them and redress their complaints immediately. However, for instructions like change of bank mandate, change of address, transfers & transmission of shares etc. letters duly signed by the Shareholders concerned should be sent otherwise such requests cannot be processed by the Registrars. Email ID of Shareholders will have to be registered with the Depositories to enable the Registrars to communicate electronically. Registration of Email ID can be done by sending them a letter duly signed by the Shareholders.
- q. The Corporate Governance Report of the Company for the year 2015-16 are in compliance with the requirements of Corporate Governance under Clause 49 of the Listing Agreement with BSE Limited and National Stock Exchange of India Limited or 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.

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 being 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. 36th Annual General Meeting

Day, Date and Time	Wednesday, 28th September 2016 at 10.15 AM
Venue	The Music Academy, 168, T.T.K.Road, Chennai-600 014

2. Financial Year Calendar (2016-17) (Tentative): The Company follows the period of 1st April to 31st March, as the Financial Year. For the Financial year 2016-17, Financial Results will be announced as per the following tentative schedule.

1st quarter ending June 30, 2016	First/Second week of August 2016
2nd quarter ending September 30, 2016	First/Second week of November 2016
3rd quarter ending December 31, 2016	First/Second week of February 2017
4th quarter ending March 31, 2017	Third/Fourth week of May 2017

3. Book closure date: 22.9.2016 to 28.9.2016 (both days inclusive) on account of AGM and Dividend.
4. Record Date in respect of shares held in dematerialised form, is September 21, 2016 for determining those who will be entitled to receive dividend to be declared at the ensuing Annual General Meeting.
5. Cut Off Date is September 21, 2016 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 36th Annual General Meeting will be made through electronic voting. The electronic voting period will be from 9.00 a.m. IST on September 24, 2016 to 5.00 p.m. IST on September 27, 2016, both days inclusive.

7. Scrutiniser for electronic voting : Mr. R. Sridharan & Associates, Practicing Company Secretaries (Membership No. FCS 4775) has been appointed as the Scrutiniser to scrutinise the electronic voting process in a fair and transparent manner and to give his report to the Chairman.
8. (a) Dividend payment date : 1.10.2016 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.

9. Debt Instruments:

ISIN No.

During the year under review, Series I - INE107A07012 – 100 crores was redeemed on 30th June 2015.

10. 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
 PhirozeJeejeebhoyTowers
 25th Floor
 Dalal Street
 Mumbai 400 001

(b) Depositories at :

National Securities Depository Ltd.
 Trade World, 4thFloor, 'A' Wing Kamala Mills Compound
 Senapati Bapat Marg
 Lower Parel, Mumbai – 400 013.

Central Depository Services (India) Limited
 16-17th Floor Phiroze Jeejeebhoy Towers
 Dalal Street
 Mumbai – 400 001.

- Listing fee for Equity shares for the year 2015 -2016 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 2015-16 have been paid to National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL)

11. 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

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

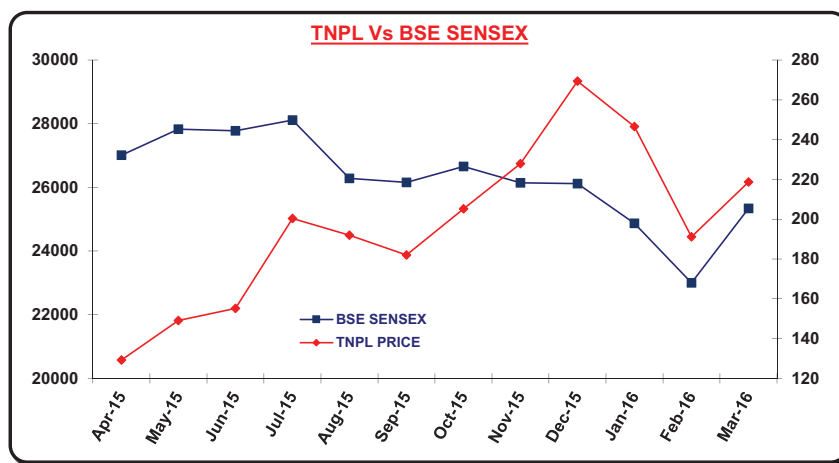
Month/Year	Bombay Stock Exchange (BSE)			National Stock Exchange (NSE)		
	High Price	Low Price	Volume	High Price	Low Price	Volume
April 2015	137.50	121.00	1,30,756	137.90	121.10	4,98,419
May 2015	156.45	127.00	2,38,777	156.30	126.90	8,85,163
June 2015	163.20	145.00	3,33,152	163.00	144.65	11,72,700
July 2015	209.00	155.00	24,71,954	209.00	155.00	84,82,134
August 2015	221.50	174.40	34,92,123	221.40	174.00	1,19,90,381
September 2015	194.30	174.20	7,19,360	194.35	174.30	32,98,213
October 2015	219.80	181.50	17,64,684	220.00	181.20	80,89,770
November 2015	254.50	200.50	23,64,435	254.30	203.70	78,77,414
December 2015	275.00	220.00	15,49,259	275.00	220.45	57,55,375
January 2016	272.50	211.00	5,95,852	271.95	210.75	23,54,738
February 2016	259.90	186.00	5,83,280	259.45	185.15	26,13,951
March 2016	226.20	191.00	7,42,300	226.00	190.40	33,75,137

12 (b). Market Capitalization (Rs.)

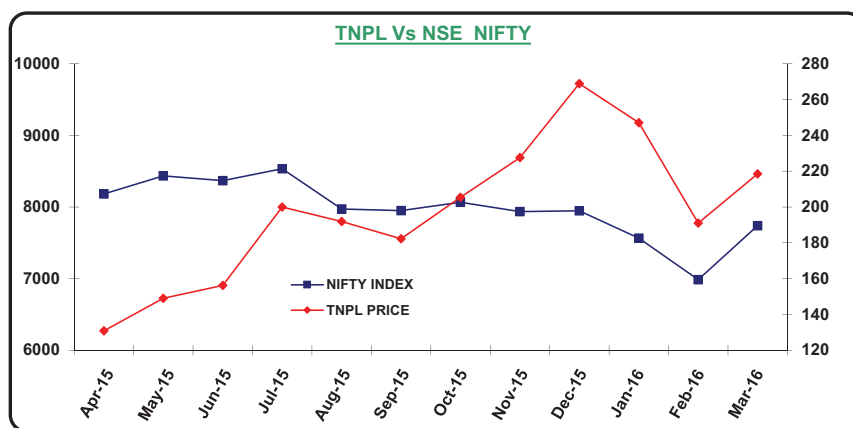
Market Capitalization	BSE	NSE
As on March 31, 2015	855,78,90,690	873,09,17,190
As on March 31, 2016	1513,63,58,220	1512,25,16,100

13. Share price performance in comparison to broad based indices – BSE Sensex and NSE Nifty : For the years 2014-15 to 2015-16:

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
2014-2015	(-) 3.59	(+) 24.89	(-) 28.48	(-) 1.68	(+) 26.65	(-) 28.33
2015-2016	(+) 76.87	(-) 9.36	(+) 86.23	(+) 73.21	(-) 8.86	(+) 82.07
2014-2016	(+) 70.53	(+) 13.20	(+) 57.33	(+) 70.30	(+) 15.43	(+) 54.87



SENSEX and TNPL share prices are based on month end closing rates



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

14. 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

15. Share Transfer System:

- i) 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.
- ii) Nomination facility for shareholding : As per the provisions of the amended Companies Act 2013, facility for making nomination is available for shareholders in respect of shares held by them. Nomination forms can be obtained from the share transfer agent.
- iii) Payment of dividend through National Electronic Clearing Services (NECS) : As per RBI notification, with effect from 1st October 2009, the remittance of National Electronic Clearing Services (NECS) 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.
- iv) 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 established by the Government. The Company will accordingly be required to transfer the dividend in the year 2016 for the year ended 31st March, 2009 which has remained unclaimed /unpaid.
- v) Details of dividend pending to the Unpaid/Unclaimed Dividend Account as on 31st March, 2016:

Sl. No.	Year	Amount (Rs.)	% to the total dividend
1.	For the year 2008-09	760954.50	0.24%
2.	For the year 2009-10	1091632.50	0.35%
3.	For the year 2010-11	1108240.00	0.32%
4.	For the year 2011-12	1163795.00	0.34%
5.	For the year 2012-13	1327165.00	0.38%
6.	For the year 2013-14	1707792.00	0.41%
7.	For the year 2014-15	1733346.00	0.42%

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

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

Particulars	Date of Warrant	Due Date for Transfer	Date of Transfer	Amount transferred Rs.
1. Dividend :- 2007-08 (Final)	31.01.2008	03.11.2015	29.10.2015	5,36,052
TOTAL				5,36,052

vi) Correspondence regarding change of address:

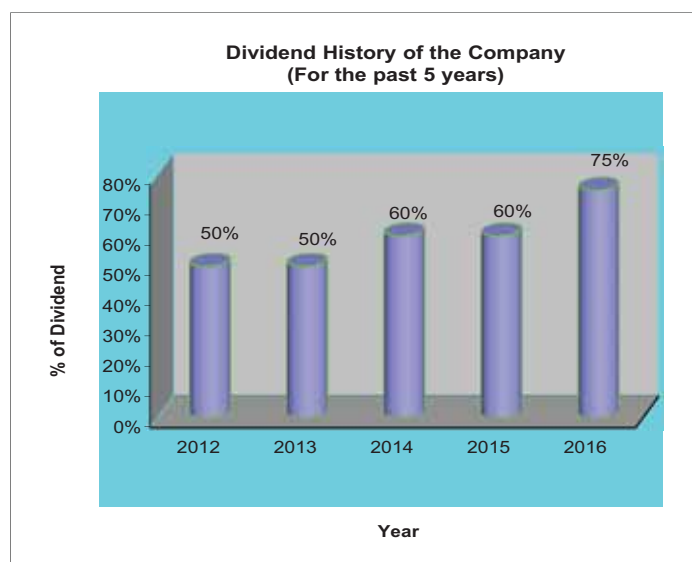
Shareholders are requested to ensure that any correspondence for Change of Address, change in Bank Mandates etc. should be signed by the first named shareholder. Shareholders who hold shares in dematerialized form should correspond with the Depository participant with whom they have opened Demat Account/s.

vii) 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.

16. Dividend Details

Financial Year	Dividend %	Total Dividend (Rs. in Lakhs)
2011-12	50%	3460.53
2012-13	50%	3460.53
2013-14	60%	4152.64
2014-15	60%	4152.64
2015-16	75%	5190.80



17. Distribution of Shareholding as on 31st March, 2016

DISTRIBUTION SCHEDULE AS ON 31ST MARCH 2016

Category (Amount)	No. of. Cases	% of Cases	Total Shares	Amount	% of Amount
1 - 5000	26413	87.80	2816538	28165380	4.07
5001 - 10000	1537	5.11	1282725	12827250	1.85
10001 - 20000	935	3.11	1459365	14593650	2.11
20001 - 30000	343	1.14	882777	8827770	1.28
30001 - 40000	134	0.45	486098	4860980	0.70
40001 - 50000	158	0.53	746262	7462620	1.08
50001 - 100000	245	0.81	1851100	18511000	2.67
100001 - And Above	318	1.05	59685735	596857350	86.24
Total :	30083	100.00	69210600	692106000	100.00

DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2016

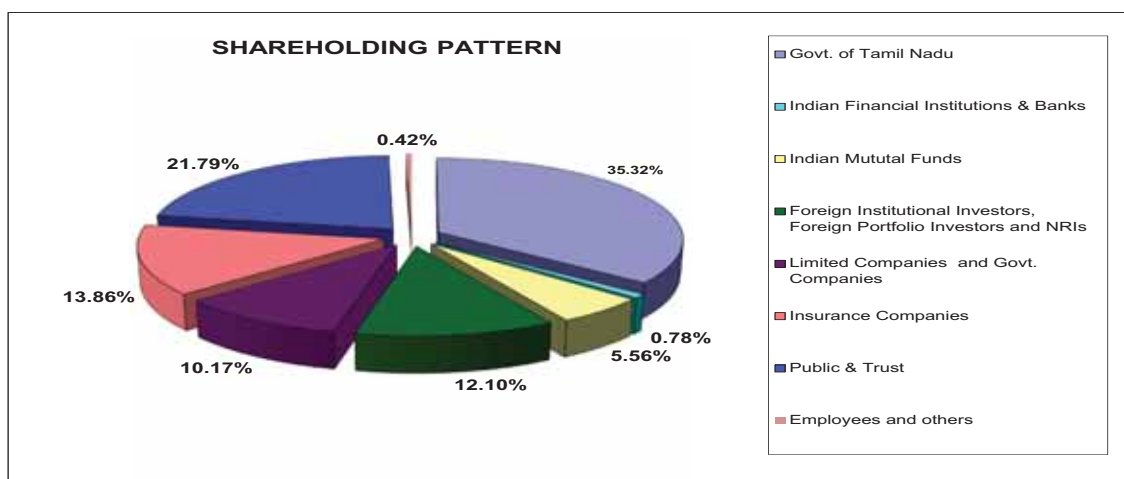
	CATEGORY	NO. OF HOLDERS	NO. OF SHARES	PERCENTAGE
A	PROMOTERS' HOLDING			
1	Promoters			
	- Indian Promoters	1	24444900	35.32
	- Foreign Promoters		NIL	NIL
2	Persons acting in Concert		--	--
	SUB-TOTAL	1	24444900	35.32
B.	NON-PROMOTERS' HOLDING			
1.	Indian Financial Institutions	1	495168	0.72
2.	Mutual Funds and UTI	27	3845490	5.56
3.	Banks, Financial Institutions, Insurance Companies, (Central/State Govt. Institutions/Non-Government Institutions)	20	12450047	17.99
4	Foreign Institutional Investors	25	2999024	4.33
5	FPI	32	4450702	6.43
	SUB-TOTAL	105	24240431	35.03
C	OTHERS			
1	Private Corporate Bodies	627	4230637	6.11
2	Indian Public	28480	15082604	21.79
3	NRIs/OCBs	593	922281	1.33
4	Others	277	289747	0.42
	SUB-TOTAL	29977	20525269	29.65
	GRAND TOTAL (A+B+C)	30083	69210600	100.00

LIST OF TOP TEN SHAREHOLDERS AS ON 31ST MARCH, 2016

Sl. no.	Name of the shareholder(s)	No. of shares	% to equity
1.	Governor of Tamil Nadu	24444900	35.32
2.	Life Insurance Corporation Of India	6305949	9.11
3.	Sundaram Mutual Fund A/C Sundaram Select Mid Cap	3823047	5.52
4.	General Insurance Corporation Of India	2110074	3.05
5.	Government Pension Fund Global	2070000	2.99
6.	Warburg Value Fund	1750000	2.53
7.	Anil Kumar Goel	794000	1.15
8.	United India Insurance Company Limited	683213	0.99
9.	Tamilnadu Industrial Development Corporation	600000	0.87
10.	Tamilnadu Sugar Corporation Ltd	560200	0.81

SHAREHOLDING PATTERN

SL. No.	Category	Shareholding Pattern As on 31st March, 2016			Shareholding Pattern As on 31st March, 2015		
		Number of Shareholders	Number of Shares	%	Number of Shareholders	Number of Shares	%
1	Governor of Tamil Nadu	1	24444900	35.32	1	24444900	35.32
2	Foreign Institutional Investors and Foreign Portfolio Investors	57	7449726	10.76	40	7283063	10.52
3	Indian Mutual Funds	27	3845490	5.56	23	6263717	9.05
4	Banks	6	47958	0.07	5	20074	0.03
5	Financial Institutions	1	495168	0.72	1	495168	0.72
6	Insurance Companies	5	9593509	13.86	5	10191904	14.73
7	Govt. Companies	9	2808580	4.06	10	2808580	4.06
8	Employees	154	28100	0.04	160	29300	0.04
9	Limited Companies	627	4230637	6.11	555	3476617	5.02
10	NRIs	593	922281	1.33	462	432178	0.62
11	Public & Trust	28480	15082604	21.79	27693	13690577	19.78
12	Shares Dematerialised/ Shares in Transit	123	261647	0.38	59	74522	0.11
	Total	30083	69210600	100	29014	69210600	100

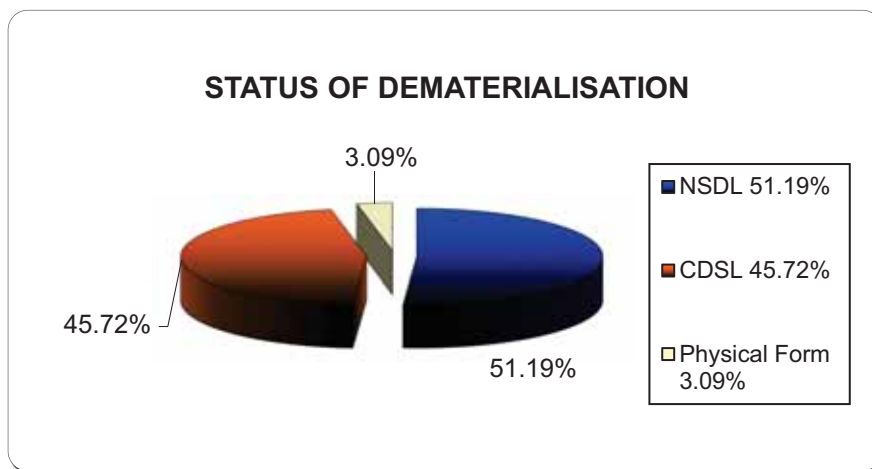


18. Dematerialisation of Shares and liquidity : For Dematerialisation of Equity shares, the Company has entered into a tripartite agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Company's Equity shares have been included in the list in which trading is compulsory for all investors in dematerialised form.

Details of Physical & Demat shares as at 31st March, 2016:

Category	No. of Shareholders	No. of Shares	% to Capital
PHYSICAL	3648	2138546	3.09
NSDL	18077	35427916	51.19
CDSL	8358	31644138	45.72
TOTAL	30083	69210600	100.00

From the above table, as on 31st March 2016, there are 6,70,72,054 shares in demat form aggregating to 96.91% of the total Equity Share capital while 21,38,546 shares are in Physical form aggregating to 3.09% of the total Equity Share capital.



19. Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity

: Nil

20. Credit Rating:

- a. ICRA has assigned the following credit rating for the Company as below:

- (i) Long term rating of (ICRA) A (Pronounced ICRA A).
- (ii) Short term rating of (ICRA) A1 (Pronounced ICRA A one).

The outlook on long term rating is 'stable'. 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, it carries 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 plus)
- II. Short term facilities - CARE A1 (Pronounced A one)

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.

21. Plant locations:

UNIT I :

Kagithapuram
Karur District Tamil Nadu
Pin : 639 136
Tel.No.04324-277001 to 277017
Fax : 04324-277025/277026/277027

UNIT II :

Mondipatti Village,
K. Periyapatti Post
Mannaparai Taluk,
Thiruchirapalli District,
Tamil Nadu – 621 306

22. Address for correspondence :

- (a) Investor correspondence for transfer/dematerialisation of shares, payment of dividend on shares, and any other query relating to the shares of the company

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

- (b) Any query on Annual Report : Shares Department
Tamil Nadu Newsprint and Papers Ltd.
67, Mount Road, Guindy, Chennai – 600 032.
Tel.No.22354417 Fax No. 22350834 & 22354614
e-mail address : sivakumar.vs @tnpl.co.in,
invest_grievances@tnpl.co.in
Contact Person : Thiru V Sivakumar, Company Secretary
- (c) E-mail ID of Investor Grievances Section : invest_grievances@tnpl.co.in
- (d) Name of the Compliance Officer : Thiru V Sivakumar, Company Secretary

12. 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:
 - i) Name of Sole/First Joint holder and Folio number
 - ii) Particulars of bank account viz.
 - Name of bank
 - Name of branch
 - Complete address of bank with PINCODE
 - Account type, whether Savings Bank(SB) or Current Account(CA)
 - Bank account number
- The shareholders are requested to dematerialize their physical share certificates, through a depository participant. Shareholders requiring any further clarification/ assistance on the subject may contact the company's share transfer agent.
- The mandate, if given by the Members in respect of shares held in physical form will not be applicable to the dividend payable on shares held by them in demat mode and vice versa. Members holding shares in demat mode must, therefore give instructions regarding the bank account in which they wish to receive dividend to their DPs.
- Members holding shares in demat form are requested to incorporate the DP Id number and Client Id Number in the Attendance Slip/ Proxy form for easy identification of attendance at the meeting.
- There are chances of fraudulent transactions taking place in relation to dormant folios, where the shareholder has either expired or has changed his residence. Hence investors are requested to exercise due diligence and notify us of any change in address or demise of any shareholder as soon as possible. Investors are requested not to leave their demat account dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified. Investors are also requested not to disclose your Folio No. /DP.Id. to an unknown person and not to hand over signed blank transfer deeds/delivery instruction slips to any unknown person.
- Investors must ensure that they deal with only SEBI registered intermediaries and must obtain a valid contract note/ confirmation memo from the broker/sub-broker, within 24 hours of execution of the trade and it should be ensured that the contract note/confirmation memo contains order no., trade no., trade time, quantity, price and brokerage.
- Investors should register their mobile numbers with DPs for SMS alert facility. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) proactively inform investor of transaction in the demat account by sending SMS. Investors will be informed about debits and credits to their demat account without having to call up their DPs and investors need not wait for receiving Transaction Statements from DPs to know about the debits and credits.
- There is likelihood of fraudulent transfers in case of folios with no movement or where the shareholder has either expired or is not residing at the address registered with the Company. Company/DP should be updated on any change of address or contact details. Similarly information of death of shareholders should also be communicated.
- 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 205C of the Companies Act, 1956.

- Members who have not encashed their dividend warrants in respect of dividends declared for the year ended 31st March 2009 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 Investor Education and Protection Fund (IEPF) in terms of Section 205 C of the Companies Act, 1956.

Yearwise details of the amount to be transferred to IEPF are given below:

Year	Dividend type	Dividend (%)	Date of declaration	Due for transfer to IEPF
2008-09	Final	45	09.09.2009	14.11.2016
2009-10	Final	45	08.09.2010	13.11.2017
2010-11	Final	50	15.09.2011	20.11.2018
2011-12	Final	50	21.09.2012	26.11.2019
2012-13	Final	50	19.09.2013	24.11.2020
2013-14	Final	60	15.09.2014	20.11.2021
2014-15	Final	60	18.09.2015	23.11.2022

B. NON-MANDATORY REQUIREMENTS

1. The Board

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 CMD is an executive director in the company

2. Shareholders' Rights

A half-yearly declaration of financial performance including summary of the significant events in last six months may be sent to each household of shareholders.

The quarterly financial results are announced within 45 days from the close of the respective quarter. However, in case of the last quarter, the quarterly results and the annual results are announced within 60 days from the close of the quarter. The results are published in leading newspapers. The financial results, press releases and other major events/ developments concerning the company are also posted on the company's website www.tnpl.com

The half-yearly results of the company are published in more than one English newspaper having a wide circulation and in one Tamil Newspaper. 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

The Internal Auditor may report directly to the Audit Committee. This is the practice being followed.

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: 27.05.2016

C V SANKAR IAS
CHAIRMAN & MANAGING DIRECTOR

**CERTIFICATE BY CEO AND CFO PURSUANT TO REGULATION 17(8) OF SEBI
(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

We have reviewed financial statements and the cash flow statement for the year ended 31.03.2016 and that to the best of our knowledge and belief:

- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
 - a. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year ended 31.03.2016 which are fraudulent, illegal or violative of the listed entity's code of conduct.
 - b. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity 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.
 - c. We have indicated to the auditors and the Audit committee:
 - i. That there are no significant changes in internal control over financial reporting during the year ended 31.03.2016;
 - ii. That there are no significant changes in accounting policies during the year ended 31.03.2016; and
 - iii. That there are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For **TAMIL NADU NEWSPRINT AND PAPERS LIMITED**

Place: Chennai
Date : 27.05.2016

C V SANKAR IAS
CHAIRMAN & MANAGING DIRECTOR

A. VELLIANGIRI
DY. 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 2016.

For **TAMIL NADU NEWSPRINT AND PAPERS LIMITED**

Place: Chennai

Date : 27.05.2016

C V SANKAR IAS

CHAIRMAN & MANAGING DIRECTOR

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, for the year ended 31st March 2016 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges for the period from 1st April 2015 to 30th November 2015 and as per the relevant provisions of Securities and Exchange Board of India [Listing Obligations and Disclosure Requirements] Regulations, 2015 as referred to in Regulation 15 [2] of the Listing Regulations for the period from 1st December 2015 to 31st March 2016.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement / relevant provision of SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015.
4. As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we state that as per the records maintained and certified by the Registrars of Company, there were no investors' grievances remaining unattended / pending for more than 30 days as at 31st March 2016.
5. We further state that such compliance is neither an assurance to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Raman Associate

Chartered Accountants

FRN: 002910S

N. Raguraman

Partner

M. No. 202578

Place : Chennai

Date : 27th May 2016

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

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **M/s. Tamil Nadu Newsprint and Papers Limited** [‘the Company’] which comprise the Balance Sheet as at **31st March 2016** and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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 standalone financial statements that give a true and fair view of the financial position, financial performance 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, read with Rule 7 of the Companies [Accounts] Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the State of Affairs of the Company as at 31st March 2016, and its Profit and its Cash Flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

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.
2. As required by the Companies [Auditor's Report] Order, 2015 [‘the Order’], issued by the Central Government of India in terms of Sub-section [11] of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 purpose of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies [Accounts] Rules, 2014;
- e) On the basis of written representations received from the directors as on 31st March 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2016, from being appointed as a director in terms of Section 164 [2] of the Act and
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls as required under Clause [i] of Sub-section 3 of Section 143 of the Companies Act, 2013, we give in the "Annexure B" our report on Internal Financial Controls of the Company for the year ended 31st March 2016.
- g) With respect to the other matters to be included in the Auditors' 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 standalone financial statements as referred to in Note No. 27 [A] to the standalone 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. 28 [k] & [l] to the standalone 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 Raman Associate

Chartered Accountants

FRN: 002910S

N. Raguraman

Partner

M. No. 202578

Place : Chennai

Date : 27th May 2016

“Annexure A” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of M/s. Tamil Nadu Newsprint and Papers Limited

No.	Compliance	Comments
01	If the Company has been selected for disinvestment, a complete status report in terms of valuation of Assets [including intangible assets and land] and Liabilities [including Committed & General Reserves] may be examined including the mode and present stage of disinvestment process	Not Applicable
02	Please report whether there are any cases of waiver / write-off of debts / loans / interest, etc. If yes, the reasons therefore and the amount involved	Sundry Debtors amounting to Rs. 87.31 lakhs outstanding more than one year has been written off in the books as bad debts in line with the policy of the Company
03	Whether proper records are maintained for inventories lying with third parties and assets received as gift from Government or other authorities	There were no inventories lying with third parties during the year under review. During the year, the Company did not receive anything as gift from Government or other authorities
04	A report on age-wise analysis of pending legal / arbitration cases including the reasons of pendency and existence / effectiveness of a monitoring mechanism for expenditure on all legal cases [foreign and local] may be given	Mostly cases are pending due to the obligations of the counter party or due to further appeals / revision petitions filed. Approval from Senior Executives is obtained for legal expenses in accordance with the delegation of powers as approved by the Board. The Company has a Legal Department which is monitoring the legal cases and reported to the Board periodically. Age-wise analysis of pending legal / arbitration cases is as given below:
	Sl. No.	Period
	01	Less than 1 year
	02	1 year to 3 years
	03	3 years to 5 years
	04	5 years to 10 years
	05	More than 10 years
		Total
		227
05	Whether the Company’s pricing policy absorbs all fixed and variable costs of production as well as the allocation of overheads?	Yes
06	Whether the Company has fixed norms for normal losses and a system for evaluation of abnormal losses for remedial action is in existence?	Yes
07	What is the system of valuation of by-products and finished products? List out the cases of deviation from its declared policy	Finished Goods are valued at cost which includes cost of inputs [net of taxes and duties eligible for credits]
08	State the extent of utilization of plant and machinery during the year vis-à-vis installed capacity	100.86%
09	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

For Raman Associate
Chartered Accountants
FRN – 002910S

N. Raguraman
Partner
M. No. 202578

Place : Chennai
Date : 27th May 2016

“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statement of M/s. Tamil Nadu Newsprint and Papers Limited

Report on the Internal Financial Controls 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, 2016** in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria that are established by the Company in their separate internal control manuals considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting [“the Guidance Note”] and the Standards on Auditing, issued by the Institute of Chartered Accountants of India and deemed to be prescribed under Section 143 [10] of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Controls over Financial Reporting

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control over financial reporting includes those policies and procedures that [1] pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; [2] provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company and [3] provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operative effectively as at **March 31, 2016**, 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 Raman Associate

Chartered Accountants

FRN: 002910S

N. Raguraman

Partner

M. No. 202578

Place : Chennai

Date : 27th May 2016

**The Annexure referred to in paragraph 2 of our report of even date to the members of
M/s. Tamil Nadu Newsprint and Papers Limited on the accounts of the Company
for the year ended 31st March 2016**

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:

Fixed Assets

- 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.
- c) All title deeds of the immovable properties are held by the Company except 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.
- d) Fixed assets disposed off during the year were not substantial, and therefore, do not affect the going concern assumption.

Inventory and its physical verification

- a) The inventory has been physically verified during the year by the Management. In our opinion, the frequency of verification is reasonable.
- b) The procedures of physical verification of inventories followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) The Company has maintained proper records of inventory and no material discrepancies were noticed on physical verifications.

Loans granted / taken from related Companies

- a) The Company has not granted any loans and advances, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act.
- b) The Company has not taken any loans and advances, secured or unsecured from companies, firms or other parties covered in the register maintained under section 189 of the Act.

Guarantees given / acquired by the Company

- a) In our opinion and according to the information and explanation given to us and based on the records produced before us during the course of our audit, the Company has not given any guarantee or to provide security in connection with a loan or acquire by way of subscription, purchase or otherwise, the guarantees or securities during the year under review.

Public Deposits

- a) According to the information and explanations given to us, the Company has not accepted any deposits from the public during the year.

Cost Records

- a) The Central Government has prescribed the maintenance of cost records by the Company under Section 148 [1] of the Companies Act, 2013 and we are of the opinion that prima facie, the books of accounts have been maintained by the Company and the proforma specified therein for the year are under preparation. We have however not carried out a detailed verification of such records.

Statutory Dues

- a) The Company has generally been regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Income Tax, Sales Tax, Value Added Tax, Wealth Tax, Service Tax, Excise Duty, Customs Duty and Cess and any other statutory dues applicable to it with appropriate authorities.
- b) According to the information and explanations given to us, no undisputed amounts payable were in arrears for a period of more than six months from the date they became payable.
- c) According to the information and explanations given to us, there are no material dues of Sales Tax / Value Added Tax / Income Tax / Customs Duty / Wealth Tax / Service Tax / Excise Duty / Cess which have not been deposited on account of any dispute. However, according to information and explanations given to us, the following dues of statutory dues have not been deposited by the Company on account of disputes:

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	Excise Duty Exemption	1997-1998 1998-1999	4.25	CESTAT Chennai
Cenvat Credit Rules, 2004	Capital Goods Credit	1997-1998 1998-1999 1999-2000 2000-2001 2001-2002	59.93	Hon'ble High Court of Madras
Cenvat Credit Rules, 2004	Capital Goods Credit	2003-2004 2004-2005 2005-2006 2006-2007	1462.23	CESTAT Chennai
Cenvat Credit Rules, 2004	Capital Goods Credit	2006-2007 2007-2008	11108.05	CESTAT Chennai
Cenvat Credit Rules, 2004	Input credit reversal on effluent sludge waste	2006-2007 2007-2008 2008-2009 2009-2010	5765.56	CESTAT Chennai
Cenvat Credit Rules, 2004	Input Service Credit	2007-2008 2008-2009	1028.01	CESTAT Chennai

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	Capital Goods Credit	2008-2009	11.21	Hon'ble High Court of Madras
Cenvat Credit Rules, 2004	Capital Goods Credit	2008-2009	34.85	Hon'ble High Court of Madras
Cenvat Credit Rules, 2004	Capital Goods Credit	2009-2010	427.51	CESTAT Chennai
Cenvat Credit Rules, 2004	Capital Goods Credit	2009-2010 2010-2011	15561.96	CESTAT Chennai
Cenvat Credit Rules, 2004	Capital Goods Credit	2010-2011	4.60	Hon'ble High Court of Madras
Cenvat Credit Rules, 2004	Capital Goods Credit	2010-2011	5.50	Hon'ble High Court of Madras
Cenvat Credit Rules, 2004	Input credit reversal on effluent sludge waste	2010-2011	995.51	CESTAT Chennai
Cenvat Credit Rules, 2004	Capital Goods Credit	2010-2011	1020.61	CESTAT Chennai
Cenvat Credit Rules, 2004	Input credit reversal on coal	2013-2014 2014-2015	1435.22	CESTAT Chennai
Customs Act, 1962	Custom Duty	1999-2000	106.29	Commissioner Chennai
Customs Act, 1962	Custom Duty	1999-2000	20.44	Commissioner, Cochin
Customs Act, 1962	Custom Duty	1991-1992	1.30	Commissioner Appeals, Chennai
Customs Act, 1962	Custom Duty	1991-1992	1.03	Commissioner Appeals, Trichy
Customs Act, 1962	Custom Duty	1991-1992	33.33	Commissioner Chennai and Hon'ble High Court of Madras
Customs Act, 1962	Custom Duty	1991-1992	8.68	Commissioner Chennai
Customs Act, 1962	Custom Duty	1997-1998	9.49	Commissioner Chennai
Customs Act, 1962	Custom Duty	2012-2013	2180.99	Commissioner Trichy
Customs Act, 1962	Custom Duty	2014-2015	75.70	Commissioner Chennai
Customs Act, 1962	Custom Duty	2014-2015	45.32	Commissioner Chennai
Income Tax Act, 1961	Income Tax	2002-2003	16.48	Assessing Officer Chennai
Income Tax Act, 1961	Income Tax	2003-2004	612.81	Hon'ble High Court of Madras and Commissioner of Appeals, Chennai
Income Tax Act, 1961	Income Tax	2004-2005	40.87	ITAT, Chennai
Income Tax Act, 1961	Income Tax	2006-2007	41.18	ITAT, Chennai

Name of the Statute	Nature of Dues	Period to which the amount pertains	Amount [Rs. Lakhs]	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	2007-2008	138.53	ITAT, Chennai
Income Tax Act, 1961	Income Tax	2009-2010	2688.37	Commissioner of Appeals, Chennai
Income Tax Act, 1961	Income Tax	2012-2013	2465.43	Commissioner of Appeals, Chennai
Income Tax Act, 1961	Income Tax	2013-2014	385.42	Commissioner of Appeals, Chennai
Wealth Tax Act, 1957	Wealth Tax	1997-1998	1.37	Commissioner of Appeals, Chennai
Wealth Tax Act, 1957	Wealth Tax	1998-1999	6.50	Commissioner of Appeals, Chennai
Wealth Tax Act, 1957	Wealth Tax	1999-2000	5.81	Commissioner of Appeals, Chennai
Wealth Tax Act, 1957	Wealth Tax	2001-2002	5.63	Commissioner of Appeals, Chennai
Wealth Tax Act, 1957	Wealth Tax	2002-2003	0.15	Commissioner of Appeals, Chennai
TNVAT Act, 2006	Value Added Tax	2007-2008	65.69	Appellate Deputy Commissioner [CT] Trichy
TNVAT Act, 2006	Value Added Tax	2008-2009	53.66	Appellate Deputy Commissioner [CT] Trichy
TNVAT Act, 2006	Value Added Tax	2009-2010	31.72	Appellate Deputy Commissioner [CT] Trichy
TNVAT Act, 2006	Value Added Tax	2010-2011	5.03	Appellate Deputy Commissioner [CT] Trichy
TNVAT Act, 2006	Value Added Tax	2012-2013	19.99	Appellate Deputy Commissioner [CT] Trichy
Central Sales Tax Act, 1956	Central Sale Tax	1997-1998	11.47	Appellate Deputy Commissioner [CT] Trichy
Central Sales Tax Act, 1956	Central Sale Tax	1998-1999	12.90	Appellate Deputy Commissioner [CT] Trichy
Central Sales Tax Act, 1956	Central Sale Tax	1999-2000	8.30	Appellate Deputy Commissioner [CT] Trichy
Central Sales Tax Act, 1956	Central Sale Tax	2000-2001	10.04	Appellate Deputy Commissioner [CT] Trichy
		Total	48034.92	

- d) According to the information and explanation given to us, the amount required to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 2013 and rules made thereunder have been transferred by the Company to the fund within time.

Term Loans

- a) The Company has obtained term loans during the year which were prima facie, applied for the purpose which they were obtained.
- b) On the basis of verification of records and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, banks and debenture holders during the year under review.
- c) The Company did not raise any monies by way of issue of debentures or further public offer including debt instruments during the year.

Frauds noticed

- a) During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India and to the best of our knowledge and according to the information and explanations given to us, no fraud of material nature on the Company by its officers or employees has been noticed or reported during the year nor have we been informed of any such case by the management.

Managerial Remuneration

- a) On the basis of verification of records and according to the information and explanations given to us and based on our examination of 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 Companies Act, 2013 during the year under review.

Nidhi Company

- a) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and the provisions of the Nidhi Rules, 2014 are not applicable to the Company.

Related Party Transactions

- a) On the basis of verification of records and according to the information and explanations given to us, all transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable and the details have been properly disclosed in the financial statements for the year under review.

Shares and Debentures

- a) On the basis of verification of records and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

Non-cash Transactions

- a) According to information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him / her during the year under review.

Registration under RBI Act, 1934

- a) In our opinion and according to the information and explanations given to us and in accordance with the nature of activity of the Company, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

As per our report of even date
For Raman Associate
Chartered Accountants
FRN – 002910S

N. Raguraman
Partner
M. No. 202578

Place : Chennai

Date : 27th May 2016

COMMENT OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143 (6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF TAMILNADU NEWSPRINT AND PAPERS LIMITED CHENNAI FOR THE YEAR ENDED 31st MARCH 2016.

The preparation of financial statements of Tamil Nadu Newsprint and Papers Limited, Chennai for the year ended 31st March, 2016 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act are responsible for expressing opinion on these financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 27-05-2016.

I, on the behalf of the Comptroller and Auditor General of India have conducted a supplementary audit under section 143(6) (a) of the Act of the financial statements of Tamilnadu Newsprint and Papers Limited, Chennai for the year ended 31st March, 2016. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related Audit Report:

COMMENT OF THE COMPTROLLER & AUDITOR GENERAL OF INDIA	MANAGEMENT REPLY TO CAG COMMENT
<p>PROFIT AND LOSS ACCOUNT</p> <p>Revenue from operations Rs. 241754.46 Lakhs.</p> <p>The Company decided that Unit II of Multilayer Double Coated Board (MDCB) (which had been commissioned on 21-01-2016) be in test run upto 14th March 2016 and declared that plant was ready to commence commercial production on 15th March 2016. In accordance with the provision of AS 16, capitalization of interest cost was ceased from that date. However, income from sales continued to be adjusted against Capital Work in Progress instead of showing the same as sales in profit and loss account. This has also resulted in understatement of profit by Rs. 2.53 crore.</p> <p>Further, as Unit II of MDCB was ready to commence the commercial production on 15th March 2016, continuation of the same under Capital Work in Progress as on 31st March 2016 is incorrect.</p>	<p>A. INTRODUCTION</p> <p>The CAG's comment is based on the premise that the company completed its test run in the Multi Layer Double Coated Board Plant (MDCB) on 14.03.2016 and the plant was ready to commence commercial production on 15.03.2016 and not on 01.05.2016 as considered by the Company. The conclusion reached by CAG is that the company has therefore understated its profit for financial year 2015-16 by Rs.2.53 Crore. Factually, the premise and the conclusion of CAG are both incorrect.</p> <p>B. CESSATION OF CAPITALISATION OF BORROWING COST effective 15.03.2016 – Accounting Standard (AS) 16</p> <p>The factual position is that the company only ceased capitalization of interest on borrowings effective 15.03.2016. According to AS 16, the capitalization of borrowing cost should cease on the date when all activities (including physical construction) of the Plant for its intended use are substantially completed. On the basis, the company ceased capitalization of borrowing cost on 14.03.2016. Ceasing capitalization of interest effective 15.03.2016 was therefore in conformity with AS16.</p> <p>However, capitalization of MDCB Assets did not begin till 30.04.2016.</p> <p>C. CAPITALISATION OF ASSETS effective 01.05.2016 – Accounting Standard (AS) - 10</p> <p>Capitalization of Assets under AS10 can start only after the plant is ready for "COMMERCIAL PRODUCTION". TNPL declared that the MDCB plant was ready for commercial production only on 01.05.2016 and not on 15.03.2016.</p> <p>Manufacturing Multi Layer Double Coated Board (MDCB) is a complex process. The Board making machine is highly sophisticated with DCS controls inbuilt into every section. The machine requires many technical adjustments of its electrical and electronic parts for producing MDCB of consistent quality and to meet its capacity standards in terms of quantity. These technical adjustments have to be carried out while the machine is on a test run with pulp on wire. These adjustments take considerable time and other companies who have installed Board Machines in their plants have had the same experience.</p> <p>TNPL started the test run of its Board Machine without the Coating section on 21.01.2016. The test run of the Coating section began on 17.02.2016. Consequently, production during the last week of the January 2016 and most of February 2016 were largely uncoated and were rejected and re-pulped because it did not meet the required quality standards.</p> <p>Production in March between 01.03.2016 and 14.03.2016 was 2,548 MT equivalent to 32.77% of the machine capacity. Of this, 1,175 MT - 46.10% of production – was rejected and re-pulped as the product did not meet the quality standards. With 46.10% of production being rejected because of quality considerations and only 32.77% of capacity being achieved, there was no way the plant could be declared as ready for commercial production by TNPL. The company therefore did not declare that the plant was ready for commercial production on 15.03.2016.</p>

COMMENT OF THE COMPTROLLER & AUDITOR GENERAL OF INDIA	MANAGEMENT REPLY TO CAG COMMENT
	<p>On the contrary, the plant continued the test run beyond 14.03.2016 for making further technical adjustments to the machine to improve quality and achieve commercially feasible quantities. Between 15.03.2016 and 30.04.2016, the company produced 12,122 MT equivalent to 46.42% of the machine capacity. Of this, 2,336 MT - 19.27% of production was rejected and re-pulped. The rejection in the last week of April 2016 was reduced to 6.59% of production. Thus, based on factors such as technological evaluation of the readiness of the plant & machinery and other facilities, the quality and quantity of the output produced etc., the company decided that the plant was ready for commercial production on 01.05.2016 and thereafter capitalized the assets. The Accounting procedure adopted by the company is therefore in accordance with AS 10.</p> <p>D. SUPPORT TO TNPL'S POSITION</p> <p>The "Expert Advisory Committee" of ICAI in an opinion dated 05.07.2001 has clearly stated that:</p> <p>Duration of trial run and experimental production and when a plant is ready for commercial production is based on factors such as technological evaluation of the readiness of the plant & machinery and other facilities, the quality and quantity of output produced etc.,. Commercial production means production in commercially feasible quantities and in a commercially practicable manner. Thus, when the plant is ready for commercial production is a question of fact which should be determined on the basis of the factors stated above.</p> <p>AS 16 specifically deals with 'Borrowing Costs' as per which capitalization of borrowing cost should cease on the date when all activities (including physical construction) of the Plant for its intended use are substantially completed.</p> <p>Under AS 10, all expenditure incurred (excluding borrowing cost which is dealt with under AS16) during the test run period and the sales revenues during that period can be treated / adjusted against capital work-in-progress, till the plant is ready to commence commercial production.</p> <p>AS 10 and AS 16 are independent Accounting Standards. Cessation of capitalization of borrowing cost under AS 16 can therefore precede the date of capitalization of assets under AS 10.</p> <p>It is worth mentioning that the company followed the same accounting principles for its LSFM plant commissioned during the financial year 2012-13 which was accepted by CAG.</p> <p>E. SUMMARY OF ACCOUNTING PROCESS FOLLOWED BY TNPL</p> <p>The company's view is that for the reasons already stated, the plant was ready for commercial production only on 01.05.2016 and therefore capitalization of assets began only on that date. Cessation of capitalization of borrowing cost can precede the capitalization of assets and in the case of the MDCB Plant became effective on 15.03.2016. The Accounting principles followed by the company are in conformity with AS 10 and AS 16. The company's position is supported by its Auditors.</p> <p>TNPL has followed the correct Accounting principles and has not understated its profit.</p> <p>F. CONCLUSION</p> <p>As CAG's view is different from that of the company, TNPL will seek an opinion from the Expert Advisory Committee of ICAI and make necessary changes, if required, in the current financial year 2016-17.</p>
<p>For and on the behalf of the Comptroller & Auditor General of India</p> <p>(ALKA REHANI BHARDWAJ) ACCOUNTANT GENERAL</p> <p>Place: Chennai Date: 2-8-2016</p>	<p>For and on behalf of Tamil Nadu Newsprint and Papers Limited</p> <p>(Dr. RAJEEV RANJAN, IAS) CHAIRMAN AND MANAGING DIRECTOR</p> <p>Place: Chennai Date : 17.8.2016</p>

BALANCE SHEET AS AT 31ST MARCH, 2016**(Rs. in Lakh)**

Particulars		Note No.	As at 31-03-2016		As at 31-03-2015	
I.	EQUITY AND LIABILITIES					
1)	Share Holders' Funds					
	(a) Share Capital	1	6937.78		6937.78	
	(b) Reserves and Surplus	2	137616.53		113226.40	
				144554.31		120164.18
2)	Non-Current Liabilities					
	(a) Long Term Borrowings	3	193871.88		136916.63	
	(b) Deferred tax Liabilities (Net)	4	37561.00		35959.00	
	(c) Long term Provisions	5	9976.44		10133.27	
				241409.32		183008.90
3)	Current Liabilities					
	(a) Short Term Borrowings	6	52040.05		47527.95	
	(b) Trade payables	7				
	i) Micro and Small Enterprises		19.19		1223.79	
	ii) Other than Micro and Small Enterprises		58540.87		53777.11	
	(c) Other Current liabilities	8	42400.59		56598.62	
	(d) Short-term Provisions	9	9854.06		7449.02	
				162854.76		166576.49
				548818.39		469749.57
II.	ASSETS					
1)	Non-Current Assets					
	a) Fixed Assets					
	i) Tangible assets	10	241187.98		240429.01	
	ii) Intangible assets		376.33		530.93	
	iii) Capital work-in-progress		180645.48		63123.39	
			422209.79		304083.33	
	b) Non-Current Investment	11	114.05		114.05	
	c) Captive Plantation	12	797.00		1631.91	
	d) Long-Term loans and advances	13	11999.12		40574.51	
				435119.96		346403.80
2)	Current Assets					
	a) Inventories	14	38743.05		43337.07	
	b) Trade Receivables	15	41577.61		50136.26	
	c) Cash and cash equivalents	16	1621.28		2033.17	
	d) Short term Loans and Advances	17	30596.64		26255.64	
	e) Other Current Assets	18	1159.85		1583.63	
				113698.43		123345.77
				548818.39		469749.57

Notes 1 to 18, 27 & 28 form an integral part of this Balance Sheet.

C V SANKAR, IAS
CHAIRMAN & MANAGING DIRECTOR
(DIN-00703204)

A. VELLIANGIRI
DY. MANAGING DIRECTOR
(DIN-00153169)

vide our report of even date
For RAMAN ASSOCIATE
CHARTERED ACCOUNTANTS
Firm Reg. No.002910S

Place : Chennai
Date : 27th May 2016

V. SIVAKUMAR
COMPANY SECRETARY

N. RAGURAMAN
Partner
Membership No.202578

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016**(Rs. in Lakh)**

Particulars		Note No.	For the Year ended 31-03-2016	For the Year ended 31-03-2015
I	REVENUE FROM OPERATIONS			
	Revenue (Sales & Income from Operations)	19	253151.35	223532.32
	Less: Excise Duty & Cess		11396.89	9959.52
	Total Revenue (Net)		241754.46	213572.80
II	OTHER INCOME	20	1676.57	1664.24
III	TOTAL REVENUE (I + II)		243431.03	215237.04
IV	EXPENSES			
	Purchases/Materials Consumed	21	75904.57	70539.87
	Purchase of Stock-in-Trade	22	10096.39	13147.16
	Changes in inventories of finished goods, work-in-progress & Stock-in-Trade	23	4507.64	(13158.95)
	Employee Benefit Expense	24	18389.76	17894.99
	Finance Costs	25	13930.45	15492.57
	Depreciation/amortization Expense	10	13946.92	13730.47
	Other Expenses	26	74932.14	74578.40
	TOTAL EXPENSES		211707.87	192224.51
V	PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX (III - IV)		31723.16	23012.53
VI	Exceptional Items		-	-
VII	PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX (V + VI)		31723.16	23012.53
VIII	Extra-ordinary Items		-	-
IX	PROFIT BEFORE TAX (VII + VIII)		31723.16	23012.53
X	TAX EXPENSE			
	- Current Tax		6770.00	4823.00
	- MAT Credit		(1904.00)	(2688.00)
	- Current Tax net of MAT Credit		4866.00	2135.00
	- Deferred Tax		1602.00	4662.00
	- Income-tax relating to previous year		(137.36)	(457.31)
			6330.64	6339.69
XI	PROFIT / (LOSS) FOR THE PERIOD (IX - X)		25392.52	16672.84
XII	BASIC & DILUTED EARNINGS PER SHARE	Rs	36.69	24.09
	(Face Value Rs.10/- per Share)			

Notes 19 to 28 form an integral part of this statement of profit and loss.

C V SANKAR, IASCHAIRMAN & MANAGING DIRECTOR
(DIN-00703204)**A. VELLIANGIRI**DY. MANAGING DIRECTOR
(DIN-00153169)

vide our report of even date

For RAMAN ASSOCIATE
CHARTERED ACCOUNTANTS
Firm Reg. No.002910S**N. RAGURAMAN**Partner
Membership No.202578Place : Chennai
Date : 27th May 2016**V. SIVAKUMAR**
COMPANY SECRETARY

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016**(Rs. in Lakh)**

Sl. No.	Particulars	2015-16	2014-15
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before Tax and Exceptional Items	31723.16	23012.53
	Adjustments for :		
	Depreciation	13946.92	13730.47
	Interest Income	(759.17)	(933.74)
	Dividend Income	(1.07)	(0.39)
	Rental Income	(96.55)	(95.84)
	(Profit)/Loss on write off/ sale of Fixed Assets	(105.16)	(47.93)
	Exchange Fluctuations	42.88	8.54
	Finance Cost	13930.45	15492.57
	Operating Profit before working capital changes	58681.46	51166.21
	Decrease(Increase) in Inventories	5428.93	(14311.13)
	Decrease(Increase) in Sundry Debtors	8597.34	(12480.45)
	Decrease(Increase) in Loans and Advances	(1526.37)	(2696.50)
	Increase(Decrease) in Current Liabilities	394.53	23750.49
	Cash from Operations	71575.89	45428.62
	Income Tax paid	(5662.72)	(5026.02)
	Cash from Operating before exceptional Items	65913.17	40402.60
	Exceptional Items	-	-
	Cash from Operating Activities	65913.17	40402.60
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Proceeds on Sale of Fixed Assets	106.41	84.50
	Additions to Fixed Assets,Capital Work-In-Progress & Capital Advance	(90303.60)	(75184.17)
	Interest Income	759.17	933.74
	Dividend Income	1.07	0.39
	Rental Income	96.55	95.84
	Net Cash from Investing Activities	(89340.40)	(74069.70)
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from Borrowings	76517.56	94331.34
	Repayment of Borrowings	(21588.31)	(35988.83)
	Interest paid	(26923.44)	(19011.18)
	Dividend paid	(4152.64)	(4152.64)
	Dividend tax paid	(845.38)	(705.74)
	Net Cash from Financing Activities	23007.79	34472.95
D	TOTAL INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS DURING THE YEAR (A+B+C)	(419.44)	805.85
	Cash and cash equivalents at the beginning of the year	1951.80	1145.95
	Cash and cash equivalents at the end of the year	1532.36	1951.80

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

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

C V SANKAR, IASCHAIRMAN & MANAGING DIRECTOR
(DIN-00703204)**A. VELLIANGIRI**DY. MANAGING DIRECTOR
(DIN-00153169)

vide our report of even date

For RAMAN ASSOCIATE
CHARTERED ACCOUNTANTS
Firm Reg. No.002910S**N. RAGURAMAN**Partner
Membership No.202578

Place : Chennai

Date : 27th May 2016**V. SIVAKUMAR**
COMPANY SECRETARY

NOTES TO ACCOUNTS

(Rs. in Lakh)

Note No.	Particulars	As at 31-03-2016	As at 31-03-2015
1)	SHARE CAPITAL		
a)	Authorised, Issued, Subscribed and paid-up share capital		
	Authorized:		
	13,50,00,000 Equity Shares of Rs.10/- each	<u>13500.00</u>	<u>13500.00</u>
	Issued:		
	7,00,00,000 Equity Shares of Rs.10/- each	<u>7000.00</u>	<u>7000.00</u>
	Subscribed and Fully Paid up:		
	6,92,10,600 Equity Shares of Rs.10/- each fully paid up	<u>6921.06</u>	<u>6921.06</u>
	Add: Shares Forfeited	<u>16.72</u>	<u>16.72</u>
		<u>6937.78</u>	<u>6937.78</u>

b) Shareholder Holding more than 5% of Equity Shares:

S.No.	Name of the share holder	As at 31-03-2016		As at 31-03-2015	
		No. of Shares in lakh	% of holding	No. of Shares in lakh	% of holding
1	Governor of Tamil Nadu	244.45	35.32	244.45	35.32
2	Life Insurance Corporation of India	63.06	9.11	68.91	9.96
3	Sundaram Mutual Fund	38.23	5.52	-	-
4	HDFC Trustee Company Limited - HDFC Prudence Fund	-	-	39.82	5.75
5	Warburg Value Fund	-	-	35.00	5.06

(Rs. in Lakh)

Note No.	Particulars	As at 31-03-2016	As at 31-03-2015
2)	RESERVES AND SURPLUS		
	(a) Capital Reserve		
	Project Investment subsidy	<u>125.00</u>	<u>125.00</u>
	(b) Securities Premium	<u>17973.11</u>	<u>17973.11</u>
	(c) Debenture Redemption Reserve		
	Opening Balance	138.89	3208.00
	Add: Additions during the year	<u>0.00</u>	<u>542.00</u>
		138.89	3750.00
	Less: Transfer to General Reserve	<u>138.89</u>	<u>3611.11</u>
		<u>0.00</u>	<u>138.89</u>
	(d) General Reserve		
	Opening Balance	96834.14	83223.03
	Add : Addition during the year	<u>19000.00</u>	<u>10000.00</u>
	Add : Transfer from Debenture Redemption Reserve	<u>138.89</u>	<u>3611.11</u>
		<u>115973.03</u>	<u>96834.14</u>
	(e) Hedging Reserve	<u>269.47</u>	<u>(4975.66)</u>
	(f) Surplus - Opening Balance	<u>3130.92</u>	<u>2712.07</u>
	Less: Adjustment of Depreciation as per Note 7(b) of Schedule II to Companies Act, 2013 (Net of Deferred tax liability)	<u>(0.00)</u>	<u>713.97</u>
		3130.92	1998.10
	Add: Profit / (Loss) for the period	<u>25392.52</u>	<u>16672.84</u>
	Amount available for appropriation	<u>28523.44</u>	<u>18670.94</u>
	Appropriations:		
	Transfer to General Reserve	19000.00	10000.00
	Debenture Redemption Reserve	0.00	542.00
	Proposed Dividend	5190.80	4152.64
	Tax on Dividend	<u>1056.72</u>	<u>845.38</u>
	Surplus - Closing Balance	<u>3275.92</u>	<u>3130.92</u>
	TOTAL (a)+(b)+(c)+(d)+(e)+(f)	<u>137616.53</u>	<u>113226.40</u>

NOTES TO ACCOUNTS

(Rs. in Lakh)

Note No.	Particulars	As at 31-03-2016	As at 31-03-2015
3)	LONG TERM BORROWINGS		
	A) Secured		
	Term Loans from Banks		
	De-Inking Pulp Plant (DIP) #		
	- Foreign Currency Loan	1710.00	2689.64
	- Rupee Term Loans	1770.00	4130.00
	Lime Sludge & Fly Ash Management System(LSFM) #		
	- Rupee Term Loans	3798.13	3144.38
	Revamping of Steam and Power System (RSPS) #		
	- Rupee Term Loans	0.00	2300.00
	# Secured by a first pari passu charge on fixed assets created out of respective loans.		
	Term Loans-General Corporate Loan		
	- Rupee Term Loans	2980.00	4300.00
	Secured by a first charge on Wind Mill movable assets and subservient charge on the fixed assets of the Company (excluding the machinery which has been specifically charged to the respective lenders) situated at Kagithapuram, Karur Dist.,		
	- Rupee Term Loans	6875.00	8750.00
	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.		
	- Rupee Term Loans	6153.85	8254.77
	Secured by an exclusive charge on movable & immovable properties of Mayanur Unit-equitable mortgage of 38.40 acres of Land & Buildings and charge on Plant & Machinery and subservient charge on movable plant & machinery at Kagithapuram, Karur Dt.,		
	- Rupee Term Loans	25000.00	25000.00
	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.,		
	- Rupee Term Loans	5000.00	0.00
	Secured by residual charge on current assets of the company		
	- Rupee Term Loans	10000.00	0.00
	Secured by subservient hypothication charge on moveable fixed assets of the company		
	Multilayer Coated Board Plant		
	- Rupee Term Loans	130584.90	77414.51
	Secured by a first pari passu charge on fixed assets to be created at Mondipatti 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, Tamilnadu.		
	B) Unsecured		
	Term Loans-General Corporate Loan		
	Rupee Term Loans	0.00	933.33
	Total	193871.88	136916.63

NOTES TO ACCOUNTS
TERMS OF REPAYMENT OF TERM LOANS FROM BANKS AS AT 31.03.2016

(Rs. in Lakh)

S.No.	Particulars of Repayment	Non Current	Current Maturities	Total
1	De-Inking Pulp Plant (DIP)			
	- Foreign Currency Loan			
	EXIM-20 quarterly instalments starting from 20.09.2013 to 01.08.2018	1710.00	1140.00	2850.00
	- Rupee Term Loans			
	CB-20 quarterly instalments starting from 31.03.2013 to 31.12.2017	1320.00	1760.00	3080.00
	IB-20 quarterly instalments starting from 31.03.2013 to 31.12.2017	450.00	600.00	1050.00
		1770.00	2360.00	4130.00
2	Lime Sludge & Fly Ash Management System(LSFM)			
	- Rupee Term Loans			
	CB-20 quarterly instalments starting from 31.03.2013 to 31.12.2017	1248.13	1896.25	3144.38
	CB-18 quarterly instalments starting from 31.03.2017 to 30.06.2021	2550.00	150.00	2700.00
		3798.13	2046.25	5844.38
3	Revamping of Steam and Power System (RSPS)			
	- Rupee Term Loans			
	IB-20 quarterly instalments starting from 30.06.2012 to 31.03.2017	0.00	1500.00	1500.00
	AXIS-20 quarterly instalments starting from 30.06.2012 to 31.03.2017	0.00	800.00	800.00
		0.00	2300.00	2300.00
4	Rupee Term Loans-General Corporate Loan			
	SBI-47 monthly instalments starting from 30.04.2015 to 28.02.2019	2980.00	1420.00	4400.00
	EXIM-16 quarterly instalments starting from 20.01.2016 to 20.09.2019	6875.00	2500.00	9375.00
	KMBL-30 Monthly instalments starting from 24.05.2014 to 24.10.2016	0.00	933.33	933.33
	HDFC-13 quarterly instalments starting from 19.03.2016 to 19.03.2019	6153.85	3076.93	9230.78
	SYB-8 half-yearly instalments starting from 31.08.2017 to 28.02.2021	10000.00	0.00	10000.00
	SBT-8 half-yearly instalments starting from 31.08.2017 to 28.02.2021	4000.00	0.00	4000.00
	CB-8 half-yearly instalments starting from 31.08.2017 to 28.02.2021	11000.00	0.00	11000.00
	ICICI Payable in December, 2018	5000.00	0.00	5000.00
	KMBL-6 Monthly instalments starting from 30.04.2017 to 30.09.2017	10000.00	0.00	10000.00
		56008.85	7930.26	63939.11
5	Multilayer Coated Board Plant			
	- Rupee Term Loans			
	SYB-18 quarterly instalments starting from 30.06.2017 to 30.09.2021	37000.00	0.00	37000.00
	SBT-18 quarterly instalments starting from 30.06.2017 to 30.09.2021	9999.46	0.00	9999.46
	IB-20 quarterly instalments starting from 30.06.2017 to 31.03.2022	20000.00	0.00	20000.00
	CB-18 quarterly instalments starting from 30.06.2017 to 30.09.2021	25000.00	0.00	25000.00
	UBI-18 quarterly instalments starting from 30.06.2017 to 30.09.2021	18585.44	0.00	18585.44
	P&S-22 quarterly instalments starting from 30.06.2017 to 30.09.2022	20000.00	0.00	20000.00
		130584.90	0.00	130584.90
	Total	193871.88	15776.51	209648.39

NOTES TO ACCOUNTS

(Rs. in Lakh)

Note No.	Particulars	As at 31-03-2016	As at 31-03-2015
4)	DEFERRED TAX LIABILITIES		
	a) Deferred Tax Liabilities		
	Depreciation	42782.00	41083.00
	Sub Total (a)	42782.00	41083.00
	b) Deferred Tax Assets		
	Employees' Benefits	3778.00	3816.00
	Others	1443.00	1308.00
	Sub Total (b)	5221.00	5124.00
	Deferred Tax Liabilities (a) - (b)	37561.00	35959.00
5)	LONG TERM PROVISIONS		
	Provision for Employee Benefits	9976.44	10133.27
		9976.44	10133.27
6)	SHORT TERM BORROWINGS		
	Loans Repayable on Demand		
	a) Secured		
	Working Capital Loans - Banks		
	Cash Credit	11539.34	16849.88
	Buyer's Credit - Foreign Currency	4971.07	383.90
	Short Term Loan	1750.00	2950.00
	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.		
	Sub-Total (a)	18260.41	20183.78
	b) Unsecured		
	Short Term Loans from Banks		
	Export Packing Credit(EPC)-INR	12300.00	0.00
	Buyer's Credit - Foreign Currency	12979.64	2744.17
	Rupee Loan	8500.00	24600.00
	Sub-Total (b)	33779.64	27344.17
	Total (a) +(b)	52040.05	47527.95

NOTES TO ACCOUNTS**(Rs. in Lakh)**

Note No.	Particulars	As at 31-03-2016	As at 31-03-2015
7)	TRADE PAYABLES		
	Acceptances	10445.70	16961.65
	Sundry Creditors		
	a) Micro and Small Enterprises	19.19	1223.79
	b) Other than Micro and Small Enterprises	48095.17	36815.46
		58560.06	55000.90
8)	OTHER CURRENT LIABILITIES		
	Current maturities of Long Term Debt	15776.51	22121.12
	Interest accrued but not due on borrowings	1568.63	1210.55
	Security Deposits from customers/contractors	4499.40	4006.16
	Unpaid Dividends	88.92	81.37
	Forward Contract Comittments to Banks (Net)	347.28	5038.77
	Tax Payables	831.78	823.20
	Tax Deducted at Source (TDS)	368.44	362.24
	Payroll Liabilities	3772.11	2336.86
	Other payables [Refer Note No.28 (I) (g)]	15147.52	20618.35
		42400.59	56598.62
9)	SHORT TERM PROVISIONS		
	Current Tax	2518.85	1411.00
	Proposed Dividend	5190.80	4152.64
	Tax on Dividend	1056.72	845.38
	Provision for Employee Benefits	1087.69	1040.00
		9854.06	7449.02

NOTES TO ACCOUNTS

NOTE NO.10

(Rs. in Lakh)

DESCRIPTION	GROSS BLOCK			DEPRECIATION /AMORTISATION				NET BLOCK	
	As at 01-04-2015	Additions/ (Deletions)	As at 31-03-2016	Upto 31-03-2015	For the period Additions/ (Deletions)	Transferred to Unit-2 CWIP	Upto 31-03-2016	As at 31-03-2016	As at 31-03-2015
A. TANGIBLE ASSETS									
LAND	5524.09	0.00	5524.09	0.00	0.00	0.00	0.00	5524.09	5524.09
BUILDINGS	38359.20	2110.51	40469.71	10341.46	1497.74	0.00	11839.20	28630.51	28017.74
RAILWAY SIDINGS PLANT & MACHINERY	201.32 378280.45	0.00 12097.52	201.32 389850.70	201.32 171944.93	0.00 11915.65	0.00 108.50	201.32 183442.52	0.00 206408.18	0.00 206335.52
FURNITURE, FIXTURES & OTHER EQUIPMENTS	1602.23	122.28	1723.86	1235.53	103.51	0.00	1338.93	384.93	366.70
VEHICLES	399.86	102.68	502.54	214.90	47.37	0.00	262.27	240.27	184.96
Sub-Total	424367.15	14432.99	438272.22	183938.14	13564.27	108.50	197084.24	241187.98	240429.01
B. INTANGIBLE ASSETS									
COMPUTER SOFTWARE	1480.44	228.05	1708.49	949.51	382.65	0.00	1332.16	376.33	530.93
TOTAL	425847.59	14661.04	439980.71	184887.65	13946.92	108.50	198416.40	241564.31	240959.94
CAPITAL WORK-IN-PROGRESS - TANGIBLE ASSETS									
									180645.48
									63123.39
									422209.79
									304083.33

Notes:

- a) The Land includes Rs.149.69 Lakhs towards the value of 10 grounds and 425 sq.ft for the construction of Corporate Office building. The transfer of title of the said Land by the Government of Tamilnadu in favour of the company is yet to be done pending completion of necessary formalities.
- b) The company has acquired 832.57 acres of Private Patta land and 41.89 acres of Government Poramboke Land for setting up the Multilayer Coated Paper Board Plant and paid interim compensation of Rs.2501.70 lakh for Private Patta Land. Pending issue of guidelines for fixation of compensation for the land acquired after enactment of "The Right to Fair Compensation and Transparency in Land Acquisition and Rehabilitation & Resettlement Act, 2013" (Central Act 30 of 2013), as exact compensation is not determinable at this stage, no provision has been made in the books towards additional compensation. The difference, if any, will be accounted on determination of final award.
- c) The Company availed of lease finance for 4 Nos of 750KW capacity each Wind Electric Generators in 2001 with lease rentals payable upto 31.03.2007. The Company has not opted for a secondary lease and hence no provision is made for secondary lease rent in the books. The formal transfer of assets by the lessor to TNPL is yet to be done pending completion of certain formalities.
- d) The company has entered into an agreement with the M/s. Sakthi Sugars Limited (SSL), Appakudal for procurement of bagasse on fuel substitution. As per the terms of the agreement, TNPL would bear initially entire capital cost of Rs.34.38 Crore. The sugar mill has to reimburse 50% of the capital cost and pay the same in 35 quarterly instalments bearing interest @ 9%. On completion of the payment, TNPL and the sugar mill will have joint ownership and equal rights on the assets installed at Appakudal.
- e) Additions to assets include a sum of Rs 352.55 lakhs (Previous Year Rs.325.28 lakhs) towards adjustment of effects of changes in Foreign Exchange rates during the year relating to Foreign Currency Long-term loans availed of for acquisition of depreciable fixed assets in line with para 10 (g) of II a) of Note No.28- Significant Accounting Policies
- f) The Company has ceased capitalising the interest for the Multilayer Coated Paper Board Plant effective from 15.03.2016 in accordance with AS-16.
- g) The Company has capitalised the cost of Cement Capacity Expansion effective from 01.02.2016.

CAPITAL WORK-IN-PROGRESS INCLUDES:**(Rs. in Lakh)**

Sl. No.	Particulars		As at 31-03-2016	As at 31-03-2015
	Tangible Assets			
A)	Regular Projects		1771.60	6988.42
B)	Lime Sludge Fly Ash Management (LSFM)- (Cement Plant Capacity Expansion)			
	Opening Balance	(a)	0.00	0.00
	Additions:			
	Buildings		818.41	0.00
	Plant and Machinery		5362.29	0.00
	Finance Costs		129.01	0.00
	Sub-Total	(b)	6309.71	0.00
	Less: Transferred to Fixed Assets on capitalisation			
	Buildings		836.19	0.00
	Plant and Machinery		5305.46	0.00
	Sub-Total	(c)	6141.65	0.00
	Closing Balance (a)+(b)-(c)		168.06	0.00
C)	Unit - 2 - Multilayer Coated Board Project			
	Opening Balance	(a)	56134.97	3448.74
	Additions:			
	Land		0.00	3292.01
	Buildings		9433.12	13730.36
	Plant and Machinery		90175.15	28398.95
	Finance Costs		13222.06	4009.35
	Pre-Operative Expenses		3081.10	3986.57
	Materials in hand		6721.83	2530.69
		(b)	122633.26	55947.93
	Less: Transferred to Fixed Assets on capitalisation			
	Land		2.65	3138.98
	Plant and Machinery		59.76	122.72
		(c)	62.41	3261.70
	Closing Balance (a)+(b)-(c)		178705.82	56134.97
	Grand Total (A + B + C)		180645.48	63123.39

NOTES TO ACCOUNTS

(Rs. in Lakh)

Note No.	Particulars	As at 31-03-2016	As at 31-03-2015
11)	NON-CURRENT INVESTMENTS		
	Other Investments at cost (Quoted)		
	Investment in Equity Investments		
	IDBI Bank Limited		
	(142720 equity shares of Rs.10 each, fully paid)	114.05	114.05
	(Held by IL&FS Securities Services Ltd as collateral Security for taking hedging positions in Currency Futures)		
		<u>114.05</u>	<u>114.05</u>
	Note:		
	Aggregate Amount of quoted Investment	114.05	114.05
	Market Value there of	99.19	101.40
12)	CAPTIVE PLANTATIONS		
	Standing crops	<u>797.00</u>	<u>1631.91</u>
		<u>797.00</u>	<u>1631.91</u>
	The break-up of Expenditure on Captive plantation is as under		
	Own Lands	35.78	33.08
	Leased Lands	138.41	717.40
	Revenue sharing Lands	622.81	881.43
		<u>797.00</u>	<u>1631.91</u>
13)	LONG-TERM LOANS AND ADVANCES		
	a) Capital Advances		
	Unsecured, considered good	2356.95	30583.42
	b) Other Loans and Advances		
	Advance to Sugar Mills		
	Secured, considered good	<u>9642.17</u>	<u>9991.09</u>
		<u>11999.12</u>	<u>40574.51</u>
14)	INVENTORIES		
	a) Raw materials		
	In Stock	9690.11	10016.45
	In Transit	353.52	201.55
	b) Work in process	2813.87	3579.05
	c) Stock of Finished Goods	12576.75	15375.32
	d) Stock of Traded goods	430.91	446.89
	e) Stores, Consumables and spare parts		
	In Stock	9820.13	10665.67
	In Transit	<u>3057.76</u>	<u>3052.14</u>
		<u>38743.05</u>	<u>43337.07</u>

NOTES TO ACCOUNTS

(Rs. in Lakh)

Note No.	Particulars	As at 31-03-2016	As at 31-03-2015
15)	TRADE RECEIVABLES		
	a) Trade receivables (outstanding for more than six months from the due date for payment)		
	Unsecured, considered good	3294.65	5396.42
	Sub-Total (a)	3294.65	5396.42
	b) Trade receivables (others)		
	Unsecured, considered good	38282.96	44739.84
	Sub-Total (b)	38282.96	44739.84
	Total (a) + (b)	41577.61	50136.26
16)	CASH AND CASH EQUIVALENTS		
	a) Balances with Banks		
	Unpaid Dividend accounts	88.92	81.37
	Current accounts	1506.50	1920.02
	Savings account	3.77	2.88
	Deposit accounts	0.00	1.16
	b) Cheques, drafts on hand	17.71	22.45
	c) Cash on hand	4.38	5.29
		1621.28	2033.17
17)	SHORT TERM LOANS AND ADVANCES		
	Unsecured - Considered good:		
	Advances recoverable in cash or in kind or for value to be received	4400.27	6458.14
	Advances & Deposits with Government and public bodies	3188.65	2830.28
	Balance with Central Excise / TN VAT	8173.83	4297.73
	Prepaid Expenses	693.66	571.19
	MAT Credit Entitlement	14140.23	12098.30
		30596.64	26255.64
	Unsecured - considered doubtful	21.46	21.46
	Less: Allowance for bad and doubtful advances	(21.46)	(21.46)
		30596.64	26255.64
18)	OTHER CURRENT ASSETS		
	Other Loans and Advances		
	Advances to Sugar Mills		
	Secured, considered good - current maturities of Long Term Loans & Advances	967.47	768.91
	Interest accrued on Advances/Deposits etc.,	192.38	814.72
		1159.85	1583.63

NOTES TO ACCOUNTS

(Rs. in Lakh)

Note No.	Particulars	For the Year ended 31-03-2016	For the Year ended 31-03-2015
19)	SALES (Net of Sales Tax & Sales Returns)		
	<u>Printing & Writing Paper:</u>		
	- Domestic Sales	213496.18	173739.24
	- Export Sales	37309.47	38878.01
		250805.65	212617.25
	Less: Discounts	28725.52	18311.84
		222080.13	194305.41
	Cement	10232.71	7042.26
	Pulp	2506.26	1462.07
	Energy	2557.11	3255.12
	<u>Sale of Traded Goods</u>		
	Note Books	11324.81	13402.44
	Paper	12.04	91.79
	Burnt Lime	0.00	262.38
	<u>Other Operating Income</u>		
	Export Incentive	796.22	846.57
	Incentive under Renewable Energy Certificate(REC)	1027.33	723.00
	Sale of scrap, wastes etc.	2614.74	2141.28
		253151.35	223532.32
20)	OTHER INCOME		
	Interest - Deposits/Advances/Over Due bills	759.17	933.74
	Dividend - Non-trade		
	- Long Term Investments	1.07	0.39
	Rental - Building	99.54	95.84
	Profit on Sale of Fixed Assets (Net)	105.16	47.93
	Other receipts	711.63	586.34
		1676.57	1664.24
21)	COST OF PURCHASES / MATERIALS CONSUMED		
	Raw materials consumed #	42765.77	35222.62
	Chemicals consumed	19706.48	20606.87
	Freight & Handling charges	4759.03	4459.10
	Packing Expenses	5547.33	4854.83
	Purchase of Bagasse	3125.96	5396.45
		75904.57	70539.87
22)	PURCHASE OF STOCK IN TRADE		
	Note Books	10096.39	12763.56
	Paper	0.00	121.92
	Burnt lime	0.00	261.68
		10096.39	13147.16

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 ACCOUNTS

(Rs. in Lakh)

Note No.	Particulars	For the Year ended 31-03-2016	For the Year ended 31-03-2015
23)	CHANGES IN INVENTORIES OF		
	Bagasse	926.39	2439.40
	Work in Progress	765.18	137.68
	Finished Goods	2816.07	(15736.03)
		<u>4507.64</u>	<u>(13158.95)</u>
24)	EMPLOYEE BENEFIT EXPENSES		
	Salaries, Wages and Bonus	13590.16	12788.46
	Contribution to Provident and Other funds	1957.90	1789.24
	Gratuity and Leave Encashment	945.20	1692.88
	Staff Welfare Expenses	1896.50	1624.41
		<u>18389.76</u>	<u>17894.99</u>
25)	FINANCE COSTS		
	Term Loans	7700.06	6680.44
	Working Capital	4310.15	6807.92
	Others	1920.24	2004.21
		<u>13930.45</u>	<u>15492.57</u>
26)	OTHER EXPENSES		
	Stores consumed	1938.86	2244.37
	Power, Fuel & Water charges	43109.10	44173.41
	Repairs and maintenance:		
	- Building	968.41	900.37
	- Plant and machinery	13872.08	12690.50
	- Others	373.07	272.08
	Rent	319.81	332.74
	Rates and Taxes	233.11	1205.32
	Insurance	283.24	292.04
	Transportation Charges	4531.38	4579.31
	Commission & Discount on Sales	4758.36	4016.69
	Travelling & Conveyance	423.93	331.91
	Auditors' Remuneration	16.85	12.58
	Printing and Stationery	88.92	85.76
	Communication	122.90	119.21
	Advertisement	722.38	364.75
	Farm Forestry	526.00	481.01
	Bad Debts/Advances Write off (Net)	87.31	0.00
	Loss on Foreign Exchange Fluctuations (Net)	118.67	397.79
	Security Personnel Expenses	542.56	434.70
	Vehicle Hire Charges	292.57	308.42
	Corporate Social Responsibility(CSR) Expenditure	283.14	372.57
	Miscellaneous	1319.49	962.87
		<u>74932.14</u>	<u>74578.40</u>

NOTES TO ACCOUNTS

(Rs. in Lakh)

Note No.	Particulars	As at 31-03-2016	As at 31-03-2015
27)	CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR) A) CONTINGENT LIABILITIES		
	a) Claims against the company not acknowledged as debts - Statutory Dues		
	i) Income-tax	6389.09	9825.28
	ii) Wealth Tax	19.46	19.46
	iii) Custom Duty	2536.31	355.32
	iv) Excise Duty	38990.11	35067.36
	v) CST/VAT	690.97	690.97
	b) Claims against the company not acknowledged as debts - Others		
	i) Corporate Office - Land	22.8	22.80
	ii) Land Acquisition Claims	139.18	137.65
	iii) Cess on Land Lease at Perungudi - Wind farm	92.74	92.74
	iv) Interest on Water Royalty paid belatedly	82.48	82.48
	v) Lease - Wind Mill	8.12	8.12
	vi) Interest - ABFSL	138.24	138.24
	vii) Generation Tax & Its Interest	3594.96	1429.63
	viii) Others	649.83	660.73
	c) Concession in customs duty availed for imports cleared under EPCG Scheme	18314.25	13286.10
	d) Revenue sharing agreement under captive plantation	Non-Quantifiable	
	e) Guarantees issued by the banks on behalf of the Company	2475.45	3463.51
	f) Letter of Credit issued by banks on behalf of the Company		
	Unit - 1 - Paper	12080.82	7772.40
	Unit - 2 - Multilayer Coated Board Plant	298.83	28081.95
	Sub-Total (A)	86523.64	101134.74
	B) COMMITMENTS		
	a) Estimated amount of contracts remaining to be executed on capital account not provided for		
	Regular Capital Project	567.36	862.13
	Unit - 2 - Multilayer Coated Board Plant	841.61	56674.86
	Sub-Total (B)	1408.97	57536.99
	Total (A) + (B)	87932.61	158671.73

NOTES TO ACCOUNTS

(Rs. in Lakh)

Note No.	Particulars	2015-2016	2014-2015
28)	I) Additional Information:-		
	a) Value of Raw Materials, Chemicals, Stores & Spare Parts consumed		
	i) Major Raw Materials consumed		
	a) Indigenous		
	Wood	22763.32	20592.26
	Bagasse @	25876.69	27805.08
	Waste Paper	4123.27	1930.69
	LSFM - Raw materials	2973.77	976.73
	Total (a)	55737.05	51304.76
	b) Imported		
	Imported Pulp	6018.88	4843.77
	Waste Paper	6782.07	6879.17
	Total (b)	12800.95	11722.94
	Total - (a) + (b)	68538.00	63027.70
	Indigenous - Percentage on Total Consumption	81.32%	81.40%
	Imported - Percentage on Total Consumption	18.68%	18.60%
		100.00%	100.00%
	@ Bagasse is procured both from open market and under barter arrangement with various sugar mills by exchange of fuel/steam. The consumption value of bagasse represents the cost of procurement of bagasse from open market and cost of production of steam/fuel supplied to Sugar Mills in exchange for bagasse, freight, handling charges etc. The cost of bagasse procured on barter is accounted on depithed basis and the same is included in the respective heads of accounts		
	ii) Chemical consumed		
	Indigenous	19588.79	18438.28
	Imported	116.29	2168.59
	Total	19705.08	20606.87
	Indigenous - Percentage on Total Consumption	99.41%	89.48%
	Imported - Percentage on Total Consumption	0.59%	10.52%
		100.00%	100.00%
	iii) Stores and Spares consumed		
	Indigenous	9216.57	7164.58
	Imported	2551.39	3934.27
	Total	11767.96	11098.85
	Indigenous - Percentage on Total Consumption	78.32%	64.55%
	Imported - Percentage on Total Consumption	21.68%	35.45%
		100.00%	100.00%

NOTES TO ACCOUNTS

(Rs. in Lakh)

Note No.	Particulars	2015-2016	2014-2015
	iv) Fuel		
	Factory		
	Indigenous	3183.87	5047.33
	Imported	20108.13	20902.57
	Sub-Total (a)	23292.00	25949.90
	Offsites		
	Indigenous	145.46	334.80
	Imported	15613.71	14647.30
	Sub-Total (b)	15759.17	14982.10
	Total (a) + (b)	39051.17	40932.00
	Indigenous - Percentage on Total Consumption	8.53%	13.15%
	Imported - Percentage on Total Consumption	91.47%	86.85%
		100.00%	100.00%
	b) Foreign Currency Transactions		
	i) Earnings in Foreign Currency		
	FOB Value of Exports	35901.94	36567.29
	ii) Value of imports calculated on CIF values		
	Wood pulp	5894.89	4706.36
	Chemicals	156.97	1198.53
	Waste Paper	5526.72	6070.36
	Stores & Spares	2151.59	3735.14
	Coal	25475.57	29954.49
	Capital Goods - Unit 1	82.70	826.03
	Capital Goods - Unit 2	35196.87	24332.86
	iii) Other expenditure in Foreign Currency		
	Engineering and Supervisory Charges - Unit 1	84.43	141.76
	Engineering and Supervisory Charges - Unit 2	1110.76	0.00
	Interest	213.17	699.20
	Others	165.95	264.33
	iv) Dividend remitted in Foreign Currency	2014-15	2013-14
	No. of Non-Resident Shareholders	6	6
	No. of Shares held by Non-Resident Shareholders	1900	1900
	Dividend	0.11	0.11
	c) Details of Auditors Remuneration	2015-2016	2014-2015
	a) Statutory audit	10.00	7.50
	b) Limited Review	3.00	1.88
	c) Tax audit	2.00	1.25
	d) Certification fees	1.85	1.95
	Total	16.85	12.58

NOTES TO ACCOUNTS

(Rs. in Lakh)

Note No.	Particulars	2015-2016	2014-2015
	d) Earning Per Share (EPS)		
	Weighted Average Number of Shares	69210600	69210600
	Number of Shares outstanding at year end	69210600	69210600
	EPS (Rs.)	36.69	24.09
	e) Intangible Assets - Expenditure on Research & Development		
	Salaries & Wages	144.84	121.21
	Repairs and Maintenance	36.93	13.23
	Depreciation	15.37	58.86
	Chemicals	443.05	413.26
	Plantation Research	74.47	0.00
	Total	714.66	606.56
	Note: The above items have been included under the respective natural heads of expenditure in Statement of Profit and Loss.		
	f) 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	19.19	1223.79
	b) Interest paid during the year	Nil	Nil
	c) Interest payable at the end of accounting year	Nil	6.39
	d) Interest accrued and unpaid at the end of accounting year	Nil	Nil
	g) Other current liabilities:		
	Other payables include:		
	a) Rs.2410.35 lakh (Previous Year Rs.2410.35 lakh) being the guarantee commission in respect of IBRD Loan guaranteed by Govt. of India lying since 2002		
	b) Rs. 3380.53 lakh (Previous Year Rs.3124.24 lakh) being Electricity Generation Tax for the generation of energy from captive generation plant for own use.		
	c) Rs.6439.31 lakh (Previous Year Rs.Nil) being Advance received from Customers		
	d) Rs.2913.78 lakh (Previous Year Rs.15080.21 lakhs) being Amount payable for Fixed Assets		
	h) Confirmation of balances from Debtors, Creditors and for Loans and Advances have been received and the same is being reconciled		
	i) Farm Forestry Expenditure is charged-off to the Statement of Profit and Loss, in the year in which it is incurred, since it could not be matched with wood procured from farmers.		
	j) Non Moving Stores & Spares		
	Stores and spares not drawn for use for more than three years as at the end of the year are charged to revenue. Such stores and spares are carried at nil value in the books and in the year of issue, charged to revenue at nil value.		

NOTES TO ACCOUNTS

(Figures in Million)

Note No.	Nature of Exposure and Currency	31-03-2016	31-03-2015	Underlying Risk Coverage
	k) a) Outstanding Forward Contracts & Financial Instruments which are in substance Forward Contracts			
	i) Firm Future Commitments / Probable forecast Transactions			
	Exports - USD	16.082	13.536	USD / INR
	Imports - Revenue - USD	2.151	2.345	USD / INR
	Imports - Revenue - EURO	0.167	-	EURO/INR
	Imports - Revenue - SEK	0.713	-	SEK/INR
	Imports - Capex - EURO	2.568	-	(EURO/USD)
	Imports - Capex - JPY	3.317	-	USD/JPY
	ii) Balance Sheet Items			
	Buyers' Credit - USD	27.144	5.012	USD / INR
	Suppliers' Credit - USD	0.836	-	USD / INR
	b) Unhedged Foreign Currency Exposure - Assets & Liabilities			
	Term Loan - ECB Loan - USD	0.000	2.000	USD/INR
	Term Loan - FCNR (B) Loan - USD	0.000	8.111	USD/INR
	Term Loan - FCNR (B) Loan - USD	4.310	6.033	USD/INR
	Outstanding Export Bills - USD	4.276	5.671	USD/INR

- i) The movement in hedging reserve during the year ended 31st March, 2016 for derivatives designated as Cash Flow Hedge is as follows:

(Rs. in Lakh)

Sl. No.	Particulars	Hedge relating to Firm future Commitment	Hedge relating to forecast transactions	Total
1	Balance at the beginning of the year 1.04.2015	(5142.76)	167.10	(4975.66)
2	Changes in the fair value of hedges at the exchange rate on the date of settlement of the underlying transactions	587.52	(76.05)	511.47
3	Gains/(Losses) transferred to the Statement of Profit & Loss / carrying cost of Non Monetary assets/liabilities	(4555.24)	91.05	(4464.19)
4	Changes in the fair value of the effective portion of the outstanding cash flow hedges.	(61.23)	330.70	269.47
5	Gains/(losses) Relating to discontinued cash flow hedge transferred to the Statement of Profit & Loss.	0.00	0.00	0.00
6	Balance at the year end - 31.03.2016	(61.23)	330.70	269.47

II a) SIGNIFICANT ACCOUNTING POLICIES**Disclosure of Accounting Policies****1) Basis of Preparation of Financial Statements**

The financial statements have been prepared using historical cost convention and on the basis of going concern, with revenues recognised, expenses accounted on accrual basis, unless otherwise stated and in accordance with generally accepted accounting principles in India [Indian GAAP] and Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies [Accounts] Rules, 2014.

Use of Estimates:

The preparation of financial statements requires management to make judgments, estimates and assumptions of some of the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities on the date of the financial statements and amounts of revenues and expenses during the period reported. However any revision to accounting estimates or difference between the actual results and estimates are recognized prospectively in the period in which the results are known / materialised

2) Valuation of Inventories

a) Inventories excluding wood from captive plantation are valued at cost or net realisable value, whichever is lower. 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, except note books where stocks are valued at lower of cost and net realisable value on FIFO Basis.

b) Wood from captive plantation is valued at cost (incurred till the date of felling) or market price whichever is less. Standing Crops are valued at the total amount of expenditure incurred (including land development expenditure), adjusted for failed plantation costs and incidental revenue realized.

c) Bagasse consumption value and stock is valued at weighted average cost, net of taxes and duties eligible for credit.

d) Work-in-Process

Work in process of paper, Cement and Coated Board are valued at cost which includes cost of inputs, net of taxes and duties eligible for credit and overheads upto the stage of completion.

e) Finished Goods

Finished stock of paper, cement and coated board at factory are valued at cost which includes cost of inputs (net of taxes and duties eligible for credits).

Finished stocks at branches are valued on the above basis and also include transportation cost to branches and insurances cost.

Traded Goods

Traded goods stocks are valued at purchase cost net of taxes and duties if any.

f) Non Moving Stores & Spares

Stores and spares not drawn for use for more than three years as at the end of the year are charged to revenue. Such stores and spares are carried at nil value in the books and charged to revenue at nil value in the year of issue.

3) Cash Flow Statements

Cash Flow Statement has been prepared under Indirect Method. Cash and Cash Equivalents comprise Cash in Hand, Current and Other Accounts (including Fixed Deposits) held with Banks.

4) Events occurring after the Balance Sheet Date

a) Assets and Liabilities are adjusted for events occurring after the balance sheet date that provide additional evidence to assist the estimation of amounts relating to conditions existing at the balance sheet date.

b) Dividends, which are proposed / declared by the Company after the Balance Sheet date but before the approval of the Financial Statements, are adjusted.

5) Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies

Extra-ordinary Items, Prior Period Incomes and Expenditures and impact of changes in Accounting Policies are accounted in accordance with Accounting Standard 5.

6) Depreciation Accounting

- a) Depreciation on tangible and intangible assets is uniformly charged over the estimated useful life of the assets as assessed by the management.
- b) Depreciation on additions / deductions in respect of fixed assets are charged pro-rata from / upto the date in which the asset is put to use / available for disposal
- c) Depreciation on addition to assets (which are to supplement the usage of the parent asset) is provided as detailed below: -
 - i) In respect of additions to existing Buildings, Depreciation has been provided prospectively over the residual life of the parent asset from the beginning of the year in which such additions are made.
 - ii) In respect of additions to existing Plant and Machinery, Depreciation has been provided prospectively over the residual useful life of the parent asset from the beginning of the year in which such addition is made.
 - iii) In respect of rebuild / upgrade of machinery leading to substantial capacity expansion, depreciation is charged uniformly over the remaining useful life of the parent asset.
- d) In respect of modernisation programme leading to replacement of existing assets, depreciation is provided over the remaining useful life of the assets getting replaced.
- e) Pending renewal of agreements with some of the sugar mills, depreciation on fixed assets at such Offsite is charged uniformly over the useful life of the assets, considering the continued arrangement for procurement of bagasse from sugar mills.

7) Revenue Recognition

- a) Sales are accounted net of excise duty, sales tax and sales returns.
- b) Other items of revenue are recognised in accordance with the Accounting Standard (AS-9). Accordingly, where there are uncertainties in the ascertainment / realisation of income such as interest from customers (upon factors such as financial condition of the person from whom the same is to be realised) / Liquidated damages recovered from suppliers / contractors, the same is not accounted for.
- c) Liquidated damages and penalties recovered from suppliers/contractors, in relation to fixed assets 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.
- d) Clean Development Mechanism [CDM] benefits are recognized in the Statement of profit and loss upon issue of Certified Emission Reduction [CER] by the Executive Board of CDM and Execution of Emission Reduction Purchase Agreement with the Buyer.
- e) Renewable Energy Certificate (REC) benefits are recognized in the statement of Profit and Loss on sale of REC's.
- f) Dividend from investments is recognized when the right to receive the payment is established.

8) Accounting for Fixed Assets**Fixed Assets**

- a) Fixed Assets are capitalized when the relevant assets are ready for intended use i.e. ready for commencement of commercial production. The assets are stated at cost net of accumulated depreciation. The cost comprises of purchase price net of taxes and duties eligible for credit and all other directly attributable cost incurred on bringing the asset to its working condition for its intended use.
- b) Additional compensation for lands acquired from farmers under Land Acquisition Act, 1894 is capitalised with the cost of the land in the year of payment based on final award of compensation by appropriate authority.
- c) Operating software is capitalised with the related fixed assets.
- d) Machinery spares specific to an item of fixed asset are treated as addition to fixed asset.

Capital Work-in-Progress

Capital Work-in-Progress comprises of purchase price of capital assets net of taxes and duties eligible for credit and all other directly attributable cost of fixed assets / projects that are not ready for their intended use (not ready for commencement of commercial production), as at the Balance Sheet date. Expenditure incurred during the test run of the project net of income is capitalized.

9) Accounting for Effects in Foreign Exchange Rates

- a) Foreign currency monetary items such as current assets and current liabilities are initially recognized at the exchange rate on the date of the transaction. These items are reported at the closing rate on the balance sheet date.
- b) Forward exchange contracts or other financial instruments, that are in substance, a forward exchange contracts entered into for hedging the monetary items are initially recognized at the exchange rate on the date of inception of the Forward Contract. The company does not enter into any forward contracts for trading or speculative purposes.
- c) The Premium or Discount arising at the inception of such a Forward Contract is amortized as expense or income over the life of the contract.
- d) Forward contracts are reported at the closing rate on the date of the balance sheet.
- e) Exchange differences other than those covered under para(g) arising on reporting the above items at rates different from which they were initially recorded during the period or reported in the previous financial statements are recognized as income / expenditure in the Statement of Profit and Loss.
- f) Contingent liabilities denominated in foreign currency at the balance sheet date are disclosed using the closing rate.
- g) Pursuant to insertion of paragraph 46A in Accounting Standard – 11 (AS-11) by the Companies (Accounting Standard) (Second Amendment) Rules, 2011 vide Notification GSR 913(E) & Notification No.GSR 914(E) dated 29-12-2011, issued by the Ministry of Corporate Affairs, Government of India, 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 with effect from 01-04-2011.

10) Accounting for Government Grants

Capital Grants relating to specific fixed assets are reduced from the gross value of the respective fixed assets and other Capital Grants are treated as Capital Reserve.

Government grants relating to revenue are recognised on accrual and are shown under other income.

11) Accounting for Investments

- a) Long-term investments are valued at cost. Provision, if any, is made to recognise a decline other than a temporary, in the value of long-term investments. Decline in the value of long-term investments is determined initially ten years from the date of its purchase and thereafter once in a period of five years.
- b) Current investments are valued at lower of cost and fair market value.

12) Employee Benefits

- a) Short term employee benefits are charged at the undiscounted amount to Statement of Profit and Loss in the year in which the related service is rendered.
- b) Defined benefit plan / long term compensated absence
 - i) 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 recognised 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.

ii) Gratuity and long term compensated absence

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.

c) Defined Contribution

Defined contributions towards retirement benefits in the form of Pension and Superannuation Fund for the year are charged to Statement of Profit and Loss.

13) Borrowing costs

Borrowing Costs that are directly attributable to the acquisition, construction or production of fixed asset / project, as the case may be, are capitalized as part of the cost of the respective asset / project, till such time the asset / project is substantially ready for its intended use. All other Borrowing Costs are expensed in the period in which they are incurred.

14) Segment Reporting

- a) The company has identified business segments viz. Paper, Energy and 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 and are not allocable to a segment on a reasonable basis have been disclosed as unallocable revenue and expenses.
- b) Segment assets and liabilities represent assets and liabilities in respective segments. Other assets and liabilities that cannot be allocated to a segment on a reasonable basis have been disclosed as unallocable assets and liabilities.
- c) Inter segment revenue / expenditure is recognized at cost.
- d) Geographical segments have been considered for Secondary Segment Reporting by treating sales in India and foreign currency as reportable geographical segments.

15) Related Party Transactions

Remuneration to Directors, other than Independent Non-executive Directors, is disclosed as 'Related Party Transactions' in the Notes to Accounts.

16) Leases

Rentals are expensed with reference to lease terms and other considerations.

17) Earnings per Share

- a) Basic Earnings per share is computed with reference to the Weighted Average number of Shares, based on monthly rests.
- b) Diluted Earnings per share is computed based on fully paid-up value of the Share issued, as if Calls-in-Arrears has been received.

18) Accounting for Taxes on Income

Income-tax expense is accounted in accordance with AS 22 - "Accounting for taxes on Income" which includes current taxes and deferred taxes. Current tax is net of Minimum Alternative Tax [MAT] credit entitlement, which is recognised when there is convincing evidence that the Company will pay normal income tax during the specified period credit set off is allowed under the Income-tax Act.

Deferred taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available.

Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

19) Intangible Assets**(i) General**

- a) Intangible assets are stated at cost less accumulated amortisation.
- b) Computer software being intangible asset is amortised over a period of four years.
- c) Expenditure incurred which provides future economic benefits to the enterprise but no intangible asset or other asset is acquired or created, has been expensed as and when it is incurred.

(ii) Research and Development

- a) Expenditure relating to capital items are treated as fixed assets and depreciated at applicable rates.
- b) Other expenditure on Research is recognised as an expense under respective natural heads, as and when incurred.

20) Impairment of Assets

The Company determines the Impairment of Assets based on Cash Generating Units. For this purpose, the Cash Generating Units have been based on segments of operations, viz., 'Paper & Pulp', 'Energy' and Cement. The impairment loss will be provided if the carrying amount exceeds recoverable amount.

21) Provisions, Contingent Liabilities and Contingent Assets

- a) A present obligation, which could be reliably estimated, is provided for in the accounts, if it is probable that an outflow of resources embodying economic benefits will be required for its settlement.
- b) Contingent Liabilities are disclosed by way of notes in the Balance Sheet.
- c) Contingent Assets are neither recognised nor disclosed.

22) Accounting of Derivative Financial Instruments

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm future commitments and probable forecast transactions. The Company designates these hedging instruments as cash flow hedges applying the recognition and measurement principles set out in the Accounting Standard 30 "Financial Instruments : Recognition and measurement" (AS – 30).

Hedging instruments are initially measured at fair value, and are remeasured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognized directly in hedge reserve account and the ineffective portion is recognized immediately in Statement of profit and loss.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognized in Statement of profit and loss as they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognized in hedge reserve account is transferred to Statement of profit and loss.

The gain / loss on the hedging instrument in respect of a probable forecast transaction / firm future commitment in respect of a non financial asset / liability is recognized in the hedge reserve account. Upon the probable forecast transaction / firm future commitment subsequently resulting in the recognition of a non financial asset / liability, the associated gain / loss recognized in the hedge reserve account is transferred to the initial cost / carrying cost of the non financial asset / liability.

b) ACCOUNTING STANDARD DISCLOSURES:

i) Employee Benefits (AS-15)

- a) The fair value of the asset of the provident fund trust including the return on the assets thereof, as on the balance sheet date is greater than the obligations under the defined contribution plan, as determined by the actuary and requires no further charge to Statement profit and loss.

b) Other Defined Benefits

(Rs in Lakh)

TYPE OF PLAN	GRATUITY		LEAVE ENCASHMENT	
	2015-16	2014-15	2015-16	2014-15
PERIOD OF DISCLOSURE	UNFUNDED		UNFUNDED	
RECONCILIATION OF OPENING AND CLOSING BALANCES				
PVO as at the beginning of the period	7535.41	7257.64	3637.86	2997.57
Interest Cost	561.75	638.11	268.64	256.25
Current service cost	324.42	341.02	245.00	190.83
Benefits paid	(666.85)	(490.80)	(387.48)	(363.32)
Actuarial loss/(gain) on obligation (balancing figure)	(284.06)	(210.56)	(170.58)	556.53
PVO as at the end of the period	7470.67	7535.41	3593.45	3637.86
EXPENSES RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS				
Current service cost	324.42	341.02	245.01	190.83
Interest Cost	561.75	638.11	268.64	256.25
Expected return on plan assets	0.00	0.00	0.00	0.00
Net actuarial (gain)/loss recognized in the year	(284.06)	(210.56)	(170.58)	556.53
Expenses recognized in the statement of profit and loss	602.12	768.57	343.07	1003.61
Net Assets(Liability) recognized in the Balance Sheet				
Present value of obligation	7470.67	7535.41	3593.45	3637.86
Fair value of plan assets	0.00	0.00	0.00	0.00
Difference	7470.67	7535.41	3593.45	3637.86
Liability recognized in the balance sheet	7470.67	7535.41	3593.45	3637.86
ASSET/LIABILITY RECOGNIZED IN THE BALANCE SHEET				
Opening net liability	7535.41	7257.64	3637.86	2997.57
Expense as above	602.12	768.57	343.07	1003.61
Contribution paid	(666.85)	(490.80)	(387.48)	(363.32)
Closing net liability recognized in Balance Sheet	7470.67	7535.41	3593.45	3637.86
PRINCIPAL ACTUARIAL ASSUMPTIONS [Expressed as weighted averages]				
Discount Rate	7.80%	7.80%	7.80%	7.80%
Salary escalation rate	7.00%	7.00%	7.00%	7.00%
Attrition rate	3.00%	3.00%	3.00%	3.00%
Expected rate of return on plan assets				
ENTERPRISE'S BEST ESTIMATE OF CONTRIBUTION DURING NEXT YEAR	600.00	500.00	400.00	370.00

ii) SEGMENT REPORTING (AS 17):

a) Primary segments

(Rs. in Lakh)

Particulars	Year Ended 31.03.16	Year Ended 31.03.15	Year Ended 31.03.16	Year Ended 31.03.15	Year Ended 31.03.16	Year Ended 31.03.15	Year Ended 31.03.16	Year Ended 31.03.15
	PAPER		ENERGY		CEMENT		TOTAL	
1 Segment Revenue								
a) External Sales	225537.28	200271.98	1788.72	3255.12	9990.17	6334.76	237316.17	209861.86
b) Inter Segment Sales	0.00	0.00	25959.21	26454.46	767.96	975.61	26727.17	27430.07
Sub-Total	225537.28	200271.98	27747.93	29709.58	10758.13	7310.37	264043.34	237291.93
Less: Inter Segment Revenue	0.00	0.00	25959.21	26454.46	767.96	975.61	26727.17	27430.07
Net Sales / Income from Operations	225537.28	200271.98	1788.72	3255.12	9990.17	6334.76	237316.17	209861.86
Total Segment Revenue	225537.28	200271.98	1788.72	3255.12	9990.17	6334.76	237316.17	209861.86
2 Segment Results	46023.66	38850.05	497.94	961.44	318.21	165.85	46839.81	39977.35
(Profit (+) / Loss (-) before tax and Interest)								
Less:								
i) Interest							13930.44	15492.57
ii) Other unallocable expenditure net of unallocable income							1186.21	1472.24
iii) Exceptional Items							0.00	0.00
Profit Before Tax							31723.16	23012.54
Provision for Taxation							6330.64	6339.69
Profit after Tax							25392.52	16672.84
3 Other Information								
Segment Assets	458271.13	356570.21	36067.73	37287.01	20862.36	14877.75	515201.22	408734.97
Unallocated Corporate Assets							21618.05	20527.32
Total Assets	458271.13	356570.21	36067.73	37287.01	20862.36	14877.75	536819.27	429262.29
Segment Liabilities	63885.71	59927.85	2627.87	2221.30	8573.41	6240.30	75086.9	68389.45
Unallocated Corporate Liabilities							87767.76	98187.05
Total Liabilities	63885.71	59927.85	2627.87	2221.30	8573.41	6240.30	162854.75	166576.50
Capital Expenditure (excludes unallocated corporate capital expenditure of Rs. 235.87 lakh. (previous year Rs.84.29 lakh)	7736.87	8287.63	545.36	530.91	6142.94	522.55	14661.04	9341.09
Depreciation (excludes other unallocated corporate depreciation of Rs.80.76 lakh. Previous year Rs. 139.05 lakh)	11173.54	11516.68	1716.59	1497.53	976.03	585.21	13866.16	13599.42

b) Geographical Segments

Particulars	India		Rest of the world		Total	
	31.03.16	31.03.15	31.03.16	31.03.15	31.03.16	31.03.15
Revenue from external customers	200006.7	170983.85	37309.47	38878.01	237316.17	209861.86

iii) RELATED PARTY DISCLOSURES (AS 18):

The Company has paid the following remuneration during the year to its Chairman & Managing Director (CMD)/Managing Director(MD), Deputy Managing Director(DMD) and Director (OPERATIONS) / Whole Time Director (WTD) and is included in Employee Benefit Expenses (Note No.24):

(Rs.in Lakh)

Particulars	2015-16			2014-15		
	DMD / WTD	DO/ WTD	Total	DMD / WTD	DO/ WTD	Total
Pay and Allowances	30.45	22.88	53.33	30.45	17.15	47.60
Reimbursement of Medical Expenses	0.00	0.00	0.00	0.00	1.06	1.06
Other Perquisite	2.55	1.72	4.27	2.55	3.29	5.84
	33.00	24.60	57.60	33.00	21.50	54.50

iv) IMPAIRMENT OF ASSETS (AS 28):

The "recoverable amount" is higher than the "carrying amount" of the cash generating units and hence there is no impairment of losses under AS – 28.

III) GENERAL

- Figures for the previous year have been regrouped/restated/reclassified wherever necessary to conform to current year's classification.
- Amounts have been rounded off to the nearest two decimal points of lakh of rupees.

C V SANKAR, IAS
CHAIRMAN & MANAGING DIRECTOR
(DIN-00703204)

A. VELLIANGIRI
DY. MANAGING DIRECTOR
(DIN-00153169)

vide our report of even date
For RAMAN ASSOCIATE
CHARTERED ACCOUNTANTS
Firm Reg. No.002910S

Place : Chennai
Date : 27th May 2016

V. SIVAKUMAR
COMPANY SECRETARY

N. RAGURAMAN
Partner
Membership No.202578

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.

Dear Sir,

To

(In Case of Electronic Holding)
 The Depository Participant

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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Tamil Nadu Newsprint and Papers Limited

No.67, Mount Road, Guindy, Chennai – 600 032, India.

Phone : 2235 4415-16, 2230 1094-98

Fax : 2235 0834, 2235 4614

web : www.tnpl.com

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



TAMIL NADU NEWSPRINT AND PAPERS LIMITED

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Website- www.tnpl.com, **E-mail ID** – invest_grievances@tnpl.co.in
CINL22121TN1979PLC007799

ADDENDUM TO NOTICE

An Addendum to the Notice of 36th Annual General Meeting (AGM) of Tamil Nadu Newsprint and Papers Limited is hereby given for appointment of Thiru Vikram Kapur, IAS, to the office of the Director of the Company in the ensuing 36th Annual General Meeting (AGM) of the Company, scheduled to be held on Wednesday, 28th September, 2016 at 10.15 A.M. at the Music Academy Main Hall, 168 T T K Road, Alwarpet, Chennai 600 014.

Special Business:

On 9th September, 2016, pursuant to Section 160 of the Companies Act, 2013 read with Rule 13 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the Company has received a notice from a member of the Company, proposing the candidature of Thiru Vikram Kapur, IAS, to the office of the Director of the Company in the ensuing 36th Annual General Meeting (AGM) of the Company.

As the notice was received from the member subsequent to the circulation of the Notice of the forthcoming Annual General Meeting slated on 28th September, 2016, an addendum to the notice is being circulated to the members in terms of Section 160 of the Companies Act, 2013.

Item No:10

Appointment of Thiru Vikram Kapur, IAS (DIN: 00463564) as a Director

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT Thiru Vikram Kapur, IAS (holding DIN: 00463564) who was appointed as an Additional Director w.e.f. 07th September, 2016 by the Board of Directors in its meeting held on 16th September, 2016 pursuant to Article 99 (c) of the Articles of Association of the company and who holds such office until the date of the 36th Annual General Meeting pursuant to Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing not less than 14 days before the Annual General Meeting from a member pursuant to Article 113 of the Articles of Association of the Company and in terms of Section 160 of the Companies Act, 2013, along with requisite deposit, proposing the candidature of Thiru Vikram Kapur, IAS for the office of Director, be and is hereby appointed as a Director of the Company.”

BY ORDER OF THE BOARD

Place: Chennai

Date: 16th September, 2016

V SIVAKUMAR
Company Secretary

NOTES:

1. The Statement pursuant to Section 102 of the Companies Act, 2013 (“the Act”), which sets out details relating to Special Business to be transacted at the AGM, is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.

3. Proxies in order to be effective must be lodged with the Company not later than 48 hours before the meeting.
4. A proxy shall not have the right to speak and shall not be entitled to vote except on a poll.
5. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person / shareholder.
6. The details as required under the Secretarial Standards on General Meetings issued by The Institute of Company Secretaries of India (ICSI), of the Director seeking appointment at this Annual General Meeting in respect of the business item set out above has been complied with.
7. The documents referred to in the addendum 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.
8. The route map of the address of the meeting has already been attached with the Original Notice of the 36th AGM dated 17th August, 2016 forming part of the Annual Report 2015-16 and is hosted on the website of the Company (www.tnpl.com).

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

As required by Section 102(1) of the Companies Act 2013, the following statement sets out all the material facts relating to the business item mentioned under the accompanying addendum notice dated 16th September, 2016.

Item No: 10

The Government of Tamil Nadu Vide G.O.(D). No. 166 Industries (MIA.2) Department dated 12.09.2016 appointed Thiru Vikram Kapur, I.A.S., Principal Secretary to Government, Industries Department as Chairman and Managing Director of the Company w.e.f. 07.09.2016 in place of Dr. Rajeev Ranjan, I.A.S.

The Board of Directors of the Company at their meeting held on 16th September, 2016, upon recommendation of the Nomination and Remuneration Committee of Directors, pursuant to Article 99(c) of the Articles of Association of the company, approved the appointment of Thiru Vikram Kapur, IAS (DIN: 00463564) as an Additional Director of the Company with effect from 7th September, 2016. In terms of Article 139 of the Articles of Association, the Board had also appointed him as Chairman & Managing Director, with effect from the same date. The terms and conditions of his appointment including remuneration to be paid, if any, shall be fixed by the Government of Tamil Nadu from time to time.

As per Section 161(1) of the Companies Act, 2013, (Act) Thiru Vikram Kapur, IAS holds office upto the date of the 36th Annual General Meeting. Subsequent to the circulation of the Notice of the forthcoming Annual General Meeting slated on 28th September, 2016, the Company, pursuant to Section 160 of the Companies Act, 2013 has received a notice in writing, from a member of the Company proposing the candidature of Thiru Vikram Kapur, IAS for the office of Director.

Accordingly, an addendum to the notice for appointment of Thiru Vikram Kapur, IAS as a Director of the Company, is being circulated to the members not less than 7 days before the meeting in terms of Section 160 of the Companies Act, 2013.

Thiru Vikram Kapur, IAS is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as Director.

Note on Thiru Vikram Kapur, IAS seeking appointment as Director as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015:

Profile of Director being appointed

Name	Thiru Vikram Kapur, IAS
Age	50 years
Qualification	B.Sc. (Hons.) (Physics), PGPPM (IIM, Bangalore)
Experience	Thiru Vikram Kapur, IAS belongs to 1988 batch of Indian Administrative Service. He has served on TNPL Board as nominee Director of GOTN, holding the position as Chairman of the Company from October 2012 to December 2012. He has 28 years of experience in various departments of GOTN.
Inter-se Director Relationship	Thiru Vikram Kapur, IAS is not having any inter se relation with other Directors of the Company.
Shareholding	Thiru Vikram Kapur, IAS does not hold any shares in TNPL.
Directorships and Committee Memberships of other companies	Thiru Vikram Kapur, IAS is having Directorships and Committee Memberships in the following other Companies:

Sr. No.	Company	Position	Committee Membership
1	Tamil Nadu Industrial Development Corporation Limited	Director	-
2	State Industries Promotion Corporation of Tamil Nadu Limited	Chairman-Director	-
3	Tamil Nadu Sugar Corporation Limited	Chairman-Director	-
4	Tamil Nadu Generation And Distribution Corporation Limited	Director	-
5	Titan Industries Limited	Director	-
6	Tidel Park Limited	Director	-
7	Tamil Nadu Petroproducts Limited	Chairman-Director	-
8	Tamil Nadu Minerals Limited	Chairman	-

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 Vikram Kapur, IAS is interested or concerned in the resolution.

Note : All other items of the Notice dated 17th August, 2016 will remain same.

Registered Office :
67 Mount Road, Guindy
Chennai- 600032
Place : Chennai
Date: 16.9.2016

BY ORDER OF THE BOARD

V SIVAKUMAR
Company Secretary

The above addendum to the Notice & Statement under Section 102 (1) of the Companies Act, 2013 along with Notice dated 17.08.2016 of the ensuing 36th AGM is available on the website of the Company www.tnpl.com

Further, as per Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 facility for remote e- voting is available to the members in respect of the aforesaid resolution also on Central Depository Services (India) Ltd. (e - voting service provider) website: www.evotingindia.com