



Tamilnadu Petroproducts Limited

E-mail: secy-legal@tnpetro.com

SECY/35th AGM/2020

10th September 2020

**The Manager,
Listing Department,
BSE Limited**
Corporate Relationship Department
1st Floor, New Trading Ring,
Rotunda Building, P J Tower,
Dalal Street, Fort,
Mumbai – 400 001.
Scrip Code: 500777

**The Listing Department
National Stock Exchange
of India Ltd**
Exchange Plaza, 5th Floor,
Plot No.C/1, G Block,
Bandra-Kurla Complex,
Bandra (East)
Mumbai – 400 051
Scrip ID: TNPETRO

Dear Sirs:

Sub: Proceedings of the 35th Annual General Meeting of the Company

The 35th Annual General Meeting (AGM) of Tamilnadu Petroproducts Limited was held on Wednesday, 9th September 2020 at 2:00 PM (IST) through Video Conference (“VC”) / Other Audio-Visual Means (“OAVM”). The meeting was held through the WebEx Platform facilitated by M/s Central Depository Services (India) Limited. The meeting was held in due compliance with the stipulations of the relevant Circulars of the MCA and SEBI.

The meeting commenced at 2:00 PM and the necessary quorum was present throughout the meeting.

Ms. Kakarla Usha, IAS, (DIN: 07283218) Chairperson, could not be present due to other Government engagements and Mr. Ashwin C Muthiah, Vice Chairman was elected by the Members present as Chairman of the meeting. All the other Directors, including the Independent Directors attended the Meeting. Chairpersons of the Audit Committee, Nomination & Remuneration Committee and Stakeholder’s Relationship Committee as also the Statutory Auditors and Secretarial Auditors were present at the meeting.

The Vice Chairman called the meeting to order and welcomed the shareholders. The Notice of the Meeting and the Financial Statements were taken as read. The Vice Chairman then delivered his speech (copy enclosed).

The Vice Chairman thereafter proceeded to transact the business set out in the Agenda of the meeting. The Members were informed about the e-Voting facility made available prior to the meeting to vote on the resolutions and the facility available for e-voting during the meeting which was open from the scheduled time of the meeting.



Regd. Office & Factory :

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Website : www.tnpetro.com CIN : L23200TN1984PLC010931

TPL GSTIN : 33AAACT1295M1Z6

The following items were transacted at the meeting as ordinary resolutions:

- a. Adoption of Audited Standalone and Consolidated Financial Statements and other related Reports for the year 2019-20.
- b. Declaration of dividend for the year 2019-20.
- c. Reappointment of Mr Ashwin C Muthiah, (DIN: 00255679) as a Director retiring by rotation.
- d. Appointment of Ms Kakarla Usha, IAS (DIN: 07283218) as a Director of the Company under Section 160 of the Companies Act, 2013, not liable to retire by rotation.
- e. Appointment of Dr K P Karthikeyan, IAS (DIN: 08218878) as a Director of the Company under Section 160 of the Companies Act, 2013, liable to retire by rotation.
- f. Ratification of the remuneration to the Cost Auditors for the year 2019-20.
- g. Approval under Regulation 23 (4) of the SEBI (LODR) Regulations, 2015, for transactions with Manali Petrochemicals Limited, a related party, during the year 2020-21

The shareholders who had registered were invited to speak and six Members participated. Vice Chairman and the Executive Directors provided clarifications on the queries of the Members.

After completing the above, Vice Chairman thanked the Members and other participants for their presence and declared the meeting as closed. The e-voting was kept open for a further five minutes to facilitate the Members to vote.

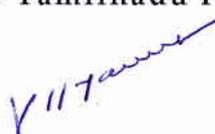
The Report of M/s B Chandra & Associates, Practicing Company Secretaries, the Scrutinizers for both remote e-voting and e-voting during the Meeting is awaited. The results will be announced to the Stock Exchanges, uploaded on the website of the Company and CDSL on receipt of the same.

We request you to kindly take the above on record.

Thanking you,

Yours faithfully,

For **Tamilnadu Petroproducts Limited**


K T Vijayagopal
Wholetime Director (Finance)
DIN: 02341353
Encl.: As stated





TAMILNADU PETROPRODUCTS LIMITED
35th Annual General Meeting
09th September 2020 at 2 PM

Speech by
Mr. Ashwin C Muthiah
Vice- Chairman

Ladies and Gentlemen:

It gives me a great pleasure to welcome you all to the 35th Annual General Meeting of your Company, on my behalf and on behalf of my colleagues on the Board.

In these trying times, I wish you and your family good health and a safe passage through the current crisis. This year, in keeping with the statutory protocols, this meeting is being conducted virtually to ensure maximum convenience and minimum risk for all those who are a part of the proceedings.

The Annual Audited Financial Statements and other Reports for the year 2019-20 have been sent in advance and with your permission, I shall consider the same as read.

Economic Scenario

The global economic outlook for the year 2019-20 was projected to be stagnant with an expectation that it will not have a major impact on India. Contrary to this, India too faced difficulties and industrial activities deteriorated, attributable to the general economic slowdown.

After recording an unexpected rise of 14 months' high in February 2019, the manufacturing PMI nose-dived to a six months' low in the following month. The trend continued in FY 2019-20 and in October 2019, a two-year low was recorded. This reversed from November 2019 and in January 2020 an 8-year high was reached. Another highlight was 90 months' high in employment growth during this period. The service sector also performed on similar lines, but with the onslaught of COVID-19 pandemic, all the activities almost came to a halt.

The GDP growth was only 4.2% during the year, much lower than the projected 7.2% and the last quarter clocking only about 3.1% expansion.

Performance Highlights during the year

The Company had a lower turnover during the year, due to the lockdown in the last week of the year during which sales could not take place. Linear Alkyl Benzene (LAB) continued to be the major contributor for the revenues. The Normal Paraffin revamp project was completed in March 2020 and also the switch over to LNG from fuel oil for utilities.



Impact of the Pandemic Situation

Starting as a localised health challenge towards the end of 2019, COVID-19 has become a global pandemic in 2020, bringing the global economy to almost a standstill. While some smaller countries have managed to eradicate the menace, thickly populated nations such as India are still in the process of bringing the pandemic under control.

As regards your Company, all the production facilities had to be shut down from the last week of March 2020 till the 2nd week of April 2020 and restarted in phases, thereafter, starting with LAB. Though sales of LAB was not affected, Chlor Alkali and Propylene Oxide divisions faced difficulties due to most of their end use industries remaining locked or underutilized.

Some improvement has been seen since June 2020 in LAB turnover. Sales of the other products continue to be under stress as the end users are still in the process of ramping up capacities.

In response to the extraordinary circumstances your Company has been proactive in meeting the challenges in the operation of the business, customer expectations and demand-supply disruptions.

Economic Outlook

In January 2020, prior to the onset of the pandemic situation, the International Monetary Fund (IMF) had projected that the global GDP growth would be about 3.3%, better than the 2.9% recorded in 2019. However, IMF now has revised it as contraction of 4.5%. This is on the premise that the pandemic would ease during the second half of 2020, which at present appears unlikely.

As regards India, the Asian Development Bank, which had anticipated an expansion of 4% for FY 2020, has in its supplementary report in June 2020 revised it as a reduction of 4%. For the next year the GDP growth has been projected at 5% against the earlier 6.2%. It may also be pertinent to note that except for China and Vietnam, all the other major Asian economies are predicted to contract during 2020.

The Indian Government has announced various steps to ease the situation and enable restart of economic activities. The tax collections, which fell in April 2020 started showing improvements from May 2020 but some decline has been reported in July and August 2020. So, it may be early days to provide any definitive forecast on the economic scenario.

Business Prospects

Your Company continues to be a significant player in the Indian LAB market, though competition from overseas suppliers persists. We continue to have a healthy market share in South India while also growing in other parts of the country.



India being an attractive market, is targeted by the overseas players, which has resulted in increased imports of LAB and Caustic Soda. Addition of new plants in the Middle East is a big threat to the LAB market in India as a major percentage of production is likely to flow into India. This could continue to be a factor in pricing and margins in the medium and long terms. To overcome this, your Company is focusing on higher production and productivity so that per unit cost is under control.

Dividend

The Board of Directors is happy to recommend a dividend of 15% for the year 2019-20.

Acknowledgement

I would like to place on record my deepest appreciation for the contributions of all my colleagues on the Board, past and present, and for their able guidance and unwavering support over the years. I would also like to thank the Central and State governments, Financial Institutions, Banks and other statutory authorities for their continued support over the years.

I extend my gratitude to our vendors, esteemed customers and all other stakeholders for their continued support over the years. I also acknowledge the efforts, hard work and dedication of the employees of your Company to sustain and improve its operations. And finally, a special word of thanks to you, our valued shareholders for your unstinted support and encouragement to us at all times.

Before I conclude, I wish to place on record that your Company would strive to sustain and improve its performance in the petrochemical sector meeting all stakeholders' expectations and following best practices.

Thank you
