



Tamilnadu Petroproducts Limited

Secy / 32nd AGM / 2017-18

Email: secy-legal@tnpetro.com
26th July, 2017

The General Manager
Listing Department
BSE Limited
Corporate Relationship Department
1st Floor, New Trading Ring
Rotunda Building, PJ Towers
Dalal Street, Fort, Mumbai – 400 001

The Listing Department
National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor
Plot No: C/1 'G' Block
Bandra – Kurla Complex
Bandra (E)
Mumbai – 400 051

Scrip code: 500777

Scrip Id: TNPETRO

Dear Sir,

Sub: Proceedings of the 32nd Annual General Meeting of the Company
Ref: Regulations 30 of SEBI (LODR), 2015

The 32nd Annual General Meeting (AGM) of Tamilnadu Petroproducts Limited was held on Monday, 24th July 2017 at 10:30 a.m. at Tamil Isai Sangam, Rajah Annamalai Mandram, Esplanade Road (Opp. to High Court), Chennai – 600108.

The meeting was chaired by Mr. Atulya Misra, IAS, Chairman and all the other Directors attended the meeting except Mr. Dhananjay N Mungale, Director who had intimated his inability to attend the meeting due to pre-occupation. The Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholder's Relationship Committee were present at the meeting. The Auditors and Secretarial Auditors were also present at the meeting.

The meeting commenced at 10:30 AM and the necessary quorum was present throughout the meeting.

The Chairman welcomed the shareholders and as requested by a Member the Notice of the meeting was read by the Company Secretary. With the consent of the Members present the Financial Statements and other Reports were taken as read. The Chairman then delivered his speech (copy enclosed).

The 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 and the voting by ballot papers at the meeting.

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Regd. Office & Factory :
Post Box No. 9, Manali Express Highway, Manali, Chennai - 600 068. India.
Tel. : (0091) - 44 - 25945500 to 09 Telefax : 044-25945588
Grams " 'PETROPRODUCTS', Website : www.tnpetro.com
CIN : L23200TN1984PLC010931



Tamilnadu Petroproducts Limited

Two Ballot boxes duly locked by the Scrutinizer were kept at the venue and Ballot papers were distributed to the Members.

Chairman then invited queries from the Members and some of the Members present participated in the discussion. The Chairman took leave from the meeting as he had to proceed on some urgent Government work and so requested the Vice Chairman to conduct the further proceedings.

The Vice Chairman, took the Chair and conducted the meeting. The queries of the Members were answered by Vice Chairman and Whole-time Directors.

The following items of business were transacted at the meeting as Ordinary Resolutions

ORDINARY BUSINESS:

S.No	Details of Agenda
1	Adoption of Audited Standalone and Consolidated Financial Statements and other related Reports for the year 2016-17.
2	Re-election of Mr R Karthikeyan (DIN: 00824621) as a Director of the Company.
3	Appointment of M/s RGN Price & Co., Chartered Accountants, Chennai as Auditors of the Company to hold office from the conclusion of 32 nd AGM till the conclusion of 37 th AGM and subject to ratification at the subsequent AGMs, on a remuneration of Rs. 20 lakh for the year 2017-18.

SPECIAL BUSINESS:

S.No	Details of Agenda
4	Approval for appointment of Mr Atulya Misra, IAS (DIN: 02210369) as a Director of the Company.
5	Ratification of the remuneration of Rs. 2 lakh to the Cost Auditors M/s. Krishnaswamy & Co, Cost Accountants, Chennai for the year 2016-17.

After completion of the casting of votes by Members, the meeting concluded at 12:20 PM with a vote of thanks to the Chair.

The Ballot boxes were opened by Mrs. CS B Chandra, Practising Company Secretary, the Scrutinizer for both e-voting and polling at the venue in the presence of witnesses as required under the relevant Rules.



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The Scrutinizer submitted her consolidated Report on 25th July 2017 informing that all the above resolutions have been duly passed with the requisite majority. The results have been announced to the Stock Exchanges, uploaded in the Website of the Company and CDSL.

This is for your information please.

Thanking you,

Yours faithfully,
For Tamilnadu Petroproducts Limited

D Hem Senthil Raj
Company Secretary

Encl: As stated above



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Your Company continues to be affected by the unabated imports of LAB and Caustic Soda into the country for the past few years. The imposition of Anti Dumping Duty for LAB arrivals into India originating from China, Qatar and Iran is expected to improve the margins of the Company in the near term through reasonable pricing.

The Caustic Soda imports went up sharply during the current year further affecting the margins. Chlorine price which touched the rock-bottom during the year, showed signs of improvement towards the end of the year under review and it is expected to be sustained due to forward integration by some major caustic manufacturers.

The prudent sales policy adopted by the Company makes it possible to operate the LAB plant at optimum level paying way for better economies of scale. Completion of the Phase I and II of NP revamp is expected to further improve the feed-rate.

The performance of the HCD Plant would improve upon implementation of the project for the erstwhile ECH plant to manufacture Propylene Oxide, as disposal of chlorine post stoppage of the ECH production has been one of the impediments to increase the Caustic Soda production.

Though the Company has turned around, the earnings have been retained for expansion proposals. The Company is keen to utilize the

internal accruals for all its ongoing projects and future expansions, mainly to have optimum utilisation of available resources and to avoid higher finance cost.

Acknowledgement

Before I conclude, I would like to place on record my deepest appreciation of the tireless effort of all my colleagues past and present and the members on the Board for their able guidance and unwavering support over the years in lending their shoulder to build this organisation. 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 also extend my gratitude to our vendors, esteemed customers and all other stakeholders for their continued support over the years. I also acknowledge the efforts, commitments, hard work and dedication of the employees of your Company to revive the business operations. And finally, a special word of thanks to you, our valued shareholders for your unstinted support and encouragement to us at all times. And we continue to remain committed to our shareholders value creation and thank you for your understanding and support.

Thank you Ladies and Gentlemen

This does not purport to be the proceedings of the 32nd Annual General Meeting of the Company

Chairman's Speech

32nd Annual General Meeting

at
Tamil Isai Sangam,
Rajah Annamalai Mandram

on
24th July 2017



Tamilnadu Petroproducts Limited

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Ladies and Gentlemen,

It gives me great pleasure to welcome you all to the 32nd Annual General Meeting of your Company on my own behalf and on behalf of my colleagues on the Board.

The Annual Audited Financial Statements and other Reports of the Company for the year 2016-17 has been with you for some time now and with your permission, I shall consider the same as read.

Before looking into the Company's performance during the year under review, I would like to share my thoughts on the economic conditions which had some impact on the performance of your Company.

Economic Outlook

The Indian economy advanced 6.1 percent year-on-year in the first quarter of 2017, slowing sharply from a 7 percent expansion in the previous period and well below market expectations of 7.1 percent. It is the lowest growth rate since the last quarter of 2014, due to a slowdown in consumer spending and a drop in investment, following the demonetization program started in November of 2016 that removed 86 percent of India's currency in circulation. In addition, the government changed the GDP base year for 2011-2012 from 2004-2005. The same change was made earlier for industrial production and wholesale prices indexes, with adjustments in the weights of the different industries. During April 2016-March 2017, the GDP growth was below 7.2 percent

of previous year. Some of the States has been reeling under severe drought which has affected the agricultural output especially in the Southern India. More than half of our people are dependent on agriculture and this has further affected the economy.

Performance of the Company

The total revenue from operations for the year was Rs.1010.54 crores against Rs.793.55 crore in the previous year. This is attributable to better production, higher sales realization and reduced cost of production through revamp of NP capacity.

Your Company posted an operating profit of Rs. 67.06 crores during the year under review against Rs. 12.76 crores during the previous financial year. There has been a marked improvement in the performance of Linear Alkyl Benzene (LAB) business. The Heavy Chemicals Division (HCD) also put in a better performance compared to previous year through optimisation of costs and the losses have significantly come down.

Business Outlook

India being one of the world's fastest growing economies has retained the position of seventh largest economy in the world in terms of GDP at current prices and third in terms of purchasing power parity.

As per the latest report of Asian Development Bank (ADB), it is expected that the Indian economy will rebound in the coming years at

7.4 percent during 2017-18 and 7.6 percent in 2018-19 continuing to remain ahead of China. The seventh pay commission recommendations is expected to boost the growth in terms of expanded individual consumption.

The Report has observed that the impact of the demonetisation of high-value banknotes has been dissipating as the replacement banknotes have entered circulation. Further stronger consumption and fiscal reforms are also expected to improve business confidence and investment prospects in the country."

The industry expects that better monsoon and further reforms would expand the economy at a faster pace. Looking beyond 2017-18 and assuming a normal monsoon, a congenial global environment, no policy induced structural change and no supply shocks, RBI estimates a real GVA growth of 8.1 per cent in 2018-19. It has also been stated that sizable increases in the public sector wages and pensions supporting private consumption and the structural tax reforms and improving ease of doing business are factored to revive the private investment in the near term. The implementation of Goods and Services Tax (GST) with effect from July 2017 is expected to improve business and promote growth in the medium and long term.

However, the Petrochemical manufacturing sector in India is witnessing a slower growth due to various factors mainly the rising threat from Middle East and Asian competitive capacities.