



Tamilnadu Petroproducts Limited

E-mail: secy-legal@tnpetro.com

Ref: SECY/189/2015

15th October 2015

The Listing Department
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No.C/1, G Block,
Bandra-Kurla Complex,
Bandra (East)
Mumbai - 400 051

Stock Code: TNPETRO

Dear Sir,

Sub: Copy of Minutes of 30th Annual General Meeting & Chairman's Speech - reg

In terms of Clause 31 of the Listing Agreement, please find enclosed the following:

- Copy of the Minutes of 30th Annual General Meeting of our Company held on 22nd September 2015.
- Copy of Chairman's Speech delivered at the above AGM.

We request you to kindly take the above on record.

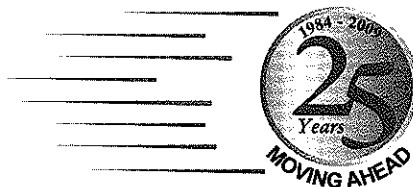
Thanking you,

Yours faithfully,

For Tamilnadu Petroproducts Limited

R Deepti
Company Secretary

Encl.: as above



Regd. Office & Factory:
Post Box No.9, Manali Express Highway, Manali, Chennai - 600 068. India.
Tel : (0091) - 44 - 25941350, 60 / 70 / 80, 25941501 to 10, Telefax : 044-25941139
Grams : 'PETROPRODUCTS', Website : www.tnpetro.com
CIN : L23200TN1984PLC010931



Minutes of 30th Annual General Meeting of Tamilnadu Petroproducts Limited

The Thirtieth Annual General Meeting of the Company was held on Tuesday, the 22nd September 2015 at Tamil Isai Sangam, Rajah Annamalai Mandram, No .5, Esplanade Road (Near High Court), Chennai – 600 108 between 10:35 a.m. and 12.:40 p.m.

Present:

Name	DIN	Designation
Mr. C.V. Sankar, IAS	00703204	Chairman
Mr. Ashwin C Muthiah	00255679	Vice Chairman
Mr. C. Ramachandran, IAS (Retd.)	00050893	Director
Mr. N.R. Krishnan, IAS (Retd.)	00047799	Director
Mr. Dhananjay N. Mungale	00007563	Director
Mr. Kulbir Singh	00204829	Director
Ms. Sashikala Srikanth	01678374	Director
Mr. T K Arun	02163427	Director
Mr. R. Karthikeyan	00824621	Director
Mr. Muthukrishnan Ravi	03605222	Managing Director
Mr. M. Pazhaniandy Pillai	06874820	WTD(Operations)/ Member

Ms. R. Deepti, Company Secretary was also present.

The Meeting was chaired by Mr. C.V. Sankar, IAS, Chairman of the Company.

Attendance of 6,115 members including representatives of Promoters, Corporate Members and 20 proxies representing 2906 shares was recorded at the venue.

All the Directors except Dr. K U Mada (DIN 00011395), but including Mr. C Ramachandran (DIN: 00050893), Chairman of Audit Committee, Nomination & Remuneration Committee and Stakeholders' Relationship Committee attended the meeting. The Auditors & Secretarial Auditors of the Company were present.

At the outset, the Chairman welcomed the members and others present to the Thirtieth Annual General Meeting (AGM) of the Company. With the requisite quorum being present, the Chairman called the meeting to order. He informed the Members that the Proxy Register, Register of Contracts or Arrangements in which Directors are interested, Register of Directors and Key Managerial Personnel and their Shareholding, Register of Members and other records required to be kept open for inspection by the Members under the Companies Act 2013/Listing Agreement were available for inspection by Members. The Chairman introduced



the Directors and the Company Secretary seated on the dais. He said that Dr. Mada could not attend the meeting due to preoccupation.

With the consent of the members, the Notice convening the 30th AGM of the Company as already circulated to the Members was taken as read. The Chairman then delivered his speech. The Chairman shared his thoughts on the economic scenario and its impact on the operations of the Company. He explained the Company' s performance during the year 2014-15. The Chairman also apprised the Members of the business outlook, challenges faced and actions taken by the Company to overcome the same. The Chairman thanked the Board of Directors and all the other stakeholders such as the Governments, customers, suppliers, financial institutions, banks, employees and the shareholders.

With the consent of the Members present, the Audited Accounts and the Report of the Directors for the year 2014-15 were taken as read.

Pursuant to Section 145 of the Companies Act, 2013 and Secretarial Standard – 2 on General Meetings, Company Secretary read out the modified opinion of the Auditors on Consolidated Financial Statement for the year 2014-15 and the observation of the Secretarial Auditor made in her report. Attention of the members was also drawn to the explanations / comments given by the Board of Directors in their report for the observations of the Auditors.

Before taking up the items listed in the Notice of the meeting, the Chairman recalled that since last year there has been a change in the voting procedure on the resolutions. He said that the Company had facilitated e-voting on the resolutions and that the voting will also be held through polling at the venue for approval of the resolutions by the Members, who could not cast their e-votes, to participate in the process.

As advised by the Chairman, the Company Secretary explained the polling process. It was informed that pursuant to the provisions of Companies Act, 2013 and revised Clause 35B of the Listing Agreement, the Company had provided e-Voting facility to its members for the businesses proposed in the AGM Notice through CDSL platform. The E- Voting commenced on 18th September 2015 at 9.00 AM and ended on 21st September 2015 at 5.00 PM. It was explained that since the Company had provided e-Voting facility, as per the extant regulations, voting by show of hands and demand for poll by the Members at the meeting were not relevant. However, as per the requirements of Rule 20 of the Companies (Management & Administration) Rules, 2014 as amended, Members, who had not



availed the e-voting facility, were provided an opportunity to cast their votes by polling paper. The process of polling at the venue was explained in detail to the Members.

It was informed that CS (Mrs.) B Chandra, Practicing Company Secretary was appointed as the Scrutinizer for both the e-voting and the poll at the venue. Members noted that after completion of the poll, the votes polled will be consolidated and the result announced in the Company's website within 2 days. It was also informed that as per the relevant rules, the resolutions shall be deemed to have been passed as on the date of the AGM.

Thereafter, the Chairman proceeded to transact the items set out in the notice of the meeting. He listed out the items to be considered at the meeting and explained in brief the purpose of the resolutions. It was noted that the text of all the resolutions had been given in the Notice convening the meeting and also in the website of CDSL.

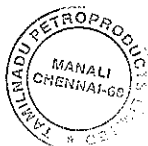
Since the e-voting on the resolutions had already been completed and the text of all the resolutions provided in advance in the notice, proposing and seconding the resolutions by the Members at the meeting was not deemed relevant and hence was dispensed with, with the consent of all the Members present at the meeting.

Chairman then invited queries from the Members on the various resolutions proposed in the Notice of the AGM. It was informed that only the Members present in person are entitled to speak at the meeting and hence the Proxies were requested to participate only in the voting, to be taken after conclusion of the discussions.

Mr. S. Padmanabhan (IN30131320794645), Mr. D. Suryanarayanan (0063944), Mr. P. Subramaniam (00042464), Mr. M. Srinivasan, (00273519), Mr. Promod Kumar Agarwal (361550), Mr. T.R. Sridharan (IN30214810109728), Mr. L. V. Rajarathinam (IN30135640001920) and Mr. P. Srinivasalu (14710889) Members present in person participated in the discussions.

The members raised queries relating to performance of the Company in the recent past such as continuous losses for the past 3 years and reduction in reserves, action plan for improving the operations, increase in contingent liability, increase in employee benefit expenses, early retirement scheme, performance of subsidiaries, difference in the figures disclosed in the Annual Report, reason for having a common MD for TPL and MPL and the impact on pricing of the products sold by TPL to MPL, impact of inter group loans and advances on the finances of the

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Company, media reports on sale of LAB to IOCL, forex outflow, sale of property, investment in equity shares of OPG, reason for reduction in net fixed assets, details of sale of property, CSR activities undertaken by the Company and the like.

Queries were also raised on furnishing break-up for shares held in demat and physical forms in the annual report, advancing the AGM date, furnishing comparative performance data for 10 years instead of 5 years and unpaid dividend data.

To the queries and concerns of the Members on the performance of the Company and the continuous losses leading to erosion of the reserves, Chairman explained that the year 2014-15 had been challenging due to unprecedented fall in the international crude oil prices, which was beyond the control of the Company. He pointed out the Company made marginal profits during the first quarters, but the trend reversed in the 2nd half of the year. He said that the Company had to sell the high cost inventory at the lower market price and hence incurred huge losses.

Chairman assured that the Company is taking all the required steps to cut down the losses and pointed out that so far the performance during the year 2015-16 has been good and that it is hoped the trend will continue in the coming months.

As regards the investment in the equity of OPG Power Generation Private Limited, Chairman explained that the Company has entered into Group Captive Power consumption arrangement with OPG to purchase power at lower cost.

On the early retirement scheme, Chairman informed that 39 employees have opted for the same and hence the overall employee cost for the year has been higher. He further said that the exercise will be continued as part of cost cutting measures.

Chairman assured the Members that the suggestion to advance the AGM date would be looked into and also action taken to provide the comparative data for 10 years instead of five years.

The Vice Chairman (VC) explained the steps taken by the Company for improving the operations of the Company. He pointed out the Company is on recovery path during the current year (FY 15-16).

VC informed that LAB business is stand alone and the Company sourced materials from refineries and sold the product to customers for further processing. He recalled that when the business was started there was no other major competitor in India and imports were also not very large. Over the years, the trend has changed with many facilities in India and abroad coming up and offering cheaper materials.



Since the new projects are from refineries and/or end users, TPL is unable to compete with them. The overseas manufacturers also dump the product into India, where the demand is growing. These have resulted in lower margins and the Company is taking various steps to sustain the profitability. It was informed that the actions focused on maintaining the optimum productivity and increasing the plant efficiency to bring down the cost of production.

VC said that the Company is working on strategic partnerships with suppliers and customers for revival of the operations. VC said that at present the Company is maintaining inventory at lower levels to avoid unexpected loss due to change in crude prices. Also it has tied up with major customers to have long term selling arrangements. These coupled with efficient running of the Plant are expected to improve the margins. He however cautioned that the Company may not be able to reach the past levels of profitability due to competition.

VC said that the ECH facility is being converted to produce Propylene Oxide so that the Company moves away from dependency on LAB alone for better margins. This will also ensure that the volatility in crude prices do not unduly impact the overall performance of the Company.

As regards the subsidiaries, VC said that these were formed to take up LAB and related projects outside India. Due to change in the economic and regulatory issues, the viability of the proposals was not attractive and hence had to be stopped to avoid further exposures. VC further said that it is being explored how best the resources of the subsidiaries could be used in India or abroad and a decision will be taken soon.

On the transactions between TPL and MPL, VC said that the transactions are done strictly at arms' length and all the relevant regulatory requirements are being complied with. Hence no conflict of interest arises due to having a common MD for both the companies. VC further said that TPL is benefitted by having an assured customer for chlorine which faces storage and disposal issues. VC also clarified that TPL had no inter corporate loans or advance transactions with any other company in the Group.

As regards the contingent liabilities, VC said that these are being contested at the appropriate forum and no provisioning is deemed necessary based on legal opinion.

On corporate governance and compliance by the Company, VC said that the Company follows the best practices and there are no shortcomings. He added that



the problems faced by the Company are of commercial nature which are being addressed.

To the query on CSR activities, VC said that due to losses the Company is not obligated to undertake CSR activities and the CSR Committee has been formed as required under the relevant law.

On the reasons for reduction in net fixed assets, VC said that due to annual depreciation, these are bound to be reduced, unless any major additions are made.

As regards the relationship with IOCL, VC said that presently the party is a supplier and also some LAB is sold/ tolling done.

On the differences in the figures reported, MD explained that the figures in the stand alone and consolidated statements are different. He further said that the net revenue has been reported in the stand alone statement and break-up given in the consolidated statement.

As regards the forex outflow, MD said that it was for import of Normal Paraffin for the LAB plant.

On the details of property sale, MD said that the Company has entered into agreement for sale of the building in Cenotaph Road which will be completed and accounted in the FY 2015-16. He said that the current liability as at end of the year 2014-15 included the advance of Rs. 60 crore received towards this and hence higher.

As regards the unpaid dividend pending transfer to IEPF, MD said that the break-up details are furnished in the website of the Company,

After conclusion of the discussions on the resolutions, the Chairman ordered that voting by poll at the venue be commenced.

The Scrutinizer examined the two ballot boxes kept at convenient places for the Members to cast their votes. Members noted that the boxes were empty and thereafter the boxes were locked by the Scrutinizer and the Keys kept with her.

The representatives of the Scrutinizer issued the ballot papers in Form MGT-12 in which all the six items proposed in the notice of the AGM had been listed with provision to the Members for making their choice on each of the item.

Sufficient time was allowed to the Members to vote and after all those present had exercised their franchise, the Chairman informed that the result of the votes cast through e- Voting and polling held at the venue will be consolidated by the Scrutinizer and the Report will be submitted within 2 days of the meeting that is,

(Signature)



before 5.00 PM on 24th September 2015. It was also informed that the final results will be disseminated through the Notice Board at the Registered Office, websites of the Company and CDSL and also by intimation to the Stock Exchanges.

After completion of voting by the Members and Proxies, the chairman declared the meeting as closed. The meeting which commenced at 10.35 A.M concluded at 12.40 PM with a vote of thanks to the Chair.

RESOLUTIONS AND VOTING RESULTS

The process of verifying the votes polled at the venue and consolidation of the votes cast electronically was taken up by the Scrutinizer. The employees of the Company and the Registrar and Share Transfer Agent extended necessary technical and other support to the Scrutinizer and her team for smooth conduct of the polling and also verification of the votes cast and related matters.

Both the ballot boxes were opened by the Scrutinizer in the presence of two witnesses after completion of the polling. The polling papers were initialed by the Scrutinizer and the validity was verified with reference to the signature and other particulars given therein. The votes cast were duly counted by the Scrutinizer and aggregated with the result of the e-voting.

The Scrutinizer submitted her Report in Form MGT-13 to the Chairman on 24th September 2015 which was received and duly counter signed by Mr. Pazhaniandy Pillai, (DIN: 06874820) Whole-time Director (Operations), on behalf of the Chairman.

As per the Report of the Scrutinizer, a total of 67 votes were cast by the Members holding 3,65,65,424 shares on all the resolutions, including by 36 members by polling at the venue. The report concluded that all the resolutions proposed in the Notice of the AGM have been duly passed with the requisite majority.

The results were announced on 24th September 2015 by display in the notice board at the Registered Office, through the website of the Company and of CDSL. Results were also submitted to the Stock Exchanges on the same day.

The details of the resolutions passed and the votes cast for and against the same are as follows:

ORDINARY BUSINESS:

1. Adoption of Audited Financial Statements for the year 2014-15

RESOLVED THAT pursuant to Section 129 and other applicable provisions, if any of the Companies Act, 2013, the Financial Statements of the Company



including the Consolidated Financial Statements for the year ended 31st March 2015 and the Reports of the Board of Directors and the Auditors thereon and the Report of the Secretarial Auditor be and are hereby received, considered and adopted.

The Resolution was passed as an Ordinary Resolution with 87.75% assent as detailed below:

Votes cast for the resolution	32084973	87.75%
Votes cast against the resolution	4480451	12.25%
Total valid Votes	36565424	100%

2. Appointment of Director retiring by rotation

RESOLVED THAT pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013, the Rules made thereunder and the Articles of Association of the company, Mr. Ashwin C Muthiah [DIN 00255679], a Director retiring by rotation being eligible and offering for re-election, be and is hereby re-appointed as a Director of the Company.

The Resolution was passed as an Ordinary Resolution with 87.74% assent as detailed below:

Votes cast for the resolution	32082348	87.74%
Votes cast against the resolution	4482826	12.26%
Total valid Votes	36565174	100%

3. Ratification of Reappointment of Auditors and fixing their remuneration for the year 2015-16

RESOLVED THAT

- Pursuant to Section 139 of the Companies Act, 2013, and the Rules made thereunder, the reappointment of M/s Deloitte Haskins and Sells, Chartered Accountants, Chennai, with ICAI Registration Number 008072S as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the 31st Annual General Meeting of the Company to be held during the year 2016 be and is hereby ratified.
- The Auditors be paid a remuneration of Rs. 26,00,000 (Rupees Twenty Six lakh only) plus reimbursement of out of pocket expenses and applicable taxes for the year 2015-16.



The Resolution was passed as an Ordinary Resolution with 87.74% assent as detailed below:

Votes cast for the resolution	32083348	87.74%
Votes cast against the resolution	4482076	12.26%
Total valid Votes	36565424	100%

SPECIAL BUSINESS

4. Appointment of Mr. Kulbir Singh, (DIN 00204829) as a Director of the Company and approval for his appointment as an Independent Director of the Company

RESOLVED THAT pursuant to the provisions of Section 160 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, Mr. Kulbir Singh, (DIN 00204829) be and is hereby appointed as a Director of the Company, not liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to provisions of Sections 149, 150, 152,160,Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, the appointment of Mr. Kulbir Singh, (DIN 00204829) as an Independent Director of the Company for a period of 5 years from 12th August 2014 be and is hereby approved.

The Resolution was passed as an Ordinary Resolution with 87.74% assent as detailed below:

Votes cast for the resolution	32083048	87.74%
Votes cast against the resolution	4482126	12.26%
Total valid Votes	36565174	100%

5. Appointment of Ms. Sashikala Srikanth (DIN: 01678374) as a Director of the Company and approval for her appointment as an Independent Director of the Company

RESOLVED THAT pursuant to the provisions of Section 160 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, Ms. Sashikala Srikanth,



(DIN: 01678374) be and is hereby appointed as a Director of the Company, not liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to the provisions of Section 149, 150, 152, 160, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, the appointment of Ms. Sashikala Srikanth (DIN: 01678374) as an Independent Director of the Company for a period of five years from 12th August 2014 be and is hereby approved.

The Resolution was passed as an Ordinary Resolution with 87.74% assent as detailed below:

Votes cast for the resolution	32082148	87.74%
Votes cast against the resolution	4483026	12.26%
Total valid Votes	36565174	100%

6. Ratification of remuneration to the Cost Auditor for the year 2014-15

RESOLVED THAT pursuant to Section 148 of the Companies Act, 2013 and the rules made thereunder, the remuneration of Rs. 1,25,000 (Rupees one lakh twenty five thousand only) to Mr. P.R. Tantri, Cost Accountant, Bengaluru for the year 2014-15 be and is hereby ratified.

The Resolution was passed as an Ordinary Resolution with 87.75% assent as detailed below:

Votes cast for the resolution	32084748	87.75%
Votes cast against the resolution	4480676	12.25%
Total valid Votes	36565424	100%

// Certified to be true copy //

for Tamilnadu Petroproducts Limited

R. Deepti
R. Deepti
Company Secretary

Sd/-

C.V. Sankar, IAS

DIN: 00703204

Chairman



imports of LAB and Caustic Soda into the country in the past few years. To understand the issue better it may be noted that the import of LAB during the first four months almost doubled at 1.22 lakh tonnes compared to 63,000 tonnes during the same period of FY 2014-15. Similarly the Caustic Soda imports went up sharply during the current year further affecting the margins.

Your Company has taken several steps to mitigate the risks of fluctuating LAB prices by lower dependency on the spot market through higher contracted volumes to major customers. This has helped in stabilizing the plant to operate at a higher level thereby providing better economies of scale. The additional Normal Paraffin requirements due to increased run rates will be met through the NP augmentation plan which is underway. This will help in bringing down the cost of production further.

The HCD Plant too has been incurring losses on account of increased cost of production attributable to lower volumes and high power cost. This Unit is unable to increase the volumes due to issues relating to chlorine disposal. As a step forward, the Company has obtained environment clearance for utilizing the ECH facilities to make an alternate product which will ensure usage of the chlorine from the HCD facilities. Efforts

are also on to reduce the power cost through purchase of third party power at rates lower than the current costs. With this the operations of HCD are likely to improve in the coming years.

While the Company is facing headwinds in terms of steep increase in imports, several steps as outlined above are being taken to turnaround the operations at the earliest. Your Company will take all possible actions to sustain the recovery process that has been going on for the past couple of years.

Acknowledgement

Before I conclude, I would like to thank my colleagues on the Board for their able guidance and support. I would also like to thank the Central and State governments, Financial Institutions and Banks for their unstinted support. I also extend my gratitude to our customers and all other stakeholders for their continuous support. I also acknowledge the efforts of the employees of the Company in our efforts to revive the operations. Last but not the least we continue to remain committed to the shareholders value creation and thank you for your understanding and support.

Thank you.

This does not purport to be the proceedings of the Annual General Meeting.

Chairman's Speech

30th Annual General Meeting

At
Tamil Isai Sangam,
Rajah Annamalai Mandram

On
22nd September 2015



Tamilnadu Petroproducts Limited

Regd. Office : Manali Express Highway,

Manali, Chennai - 600 068.

CIN : L23200TN1984PLC010931

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Ladies and Gentlemen,

I welcome you all to the 30th Annual General Meeting of your Company on my own behalf and on behalf of my colleagues on the Board.

The Annual Report for the year 2014-15 has been with you for some time now and with your permission I shall take 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

After registering sub-five per cent growth in 2011-12 and 2012-13, signs of revival were witnessed in 2013-14. The GDP growth in the year under review was 7.3% compared to 6.9% in the preceding year. The base year for reporting GDP growth was revised to 2011-12 from 2004-05 in January 2015. Also the reporting methodology for GDP was changed and the GDP at factor cost would henceforth be reported as Gross Value Added at basic prices for industry-wise estimates.

The controlled inflation, better domestic demand, increase in investments and lower oil prices, *inter alia*, made the Indian Economy a promising one. The

year also witnessed growth of private final consumption, which augurs well for the manufacturing sector. However the fall in crude prices had some adverse impact on the operations of your Company.

Performance of the Company

The total revenue for the year was around Rs. 961 crore against Rs. 1064 crore in the previous year. The Company continued to be affected by the cheaper imports of LAB and Causitic Soda into the country which have been going up at a steady pace.

After incurring losses in 2012-13 and 2013-14, the Company was in the revival path during the first half of the year under review and recorded marginal profits. As a general trend, the LAB prices both in the global and domestic markets are linked to the crude oil prices and both move in tandem. However during the 2nd half the operations were impacted due to the unprecedented and disproportionate month on month fall in the LAB prices triggered by fall in crude oil prices. This resulted in panic selling by the importers who had high inventory, depressing the market further.

Thus, the reason for the huge loss in 2014-15 is attributable to the accumulated stock held at the end of the second quarter to meet customer commitments during a planned shutdown

in the 3rd quarter of the year. The Company had to dispose off the high cost inventory at the lower market prices, which led to huge cash losses during the 2nd half of the year. In sum the Company incurred a loss of Rs. 53 crore, 42% more than the previous year loss of Rs. 37 crore.

Business Outlook

As per the recent report of the World Bank, India is set to emerge as the world's fastest growing economy in 2015, surpassing China. According to this report India is the seventh largest economy in terms of GDP at current prices and expected to grow at 7.5% in 2016. It is anticipated that the Make in India and Digital India programmes would improve the overall performance of the economy. It has been stated that the Government is taking steps to increase the contribution of the manufacturing sector from 15% to 25% of the GDP. Also according to reports, India's consumer confidence has been rated as globally the highest for the fourth quarter in a row. The Foreign Direct Investments have also registered substantial increase during the year. These augur well for the manufacturing sector in the coming years.

Though the general trend looks to be positive, your Company has been severely affected by the unabated