TAMILNADU NEWSPRINT AND PAPERS LIMITED

Regd. Office: 67, Mount Road, Guindy, Chennai 600 032.

NOTICE OF POSTAL BALLOT
PURSUANT TO SECTION 192A OF THE COMPANIES ACT, 1956

To
The Members of
Tamil Nadu Newsprint and Papers Limited

Notice is hereby given pursuant to Section 192A of the Companies Act, 1956 read with the Companies (Passing of Resolution by Postal Ballot) Rules, 2011 for the consent of the Members to be obtained by means of Postal Ballot/e-voting under Section 293 (1) (d) of the Companies Act, 1956 for enhancing the borrowing powers of the Company.

The draft Special Resolution for enhancing the borrowing powers of the Company is appended below and an Explanatory Statement pertaining to the said resolution setting out material facts and the reasons for the resolution is annexed thereto.

In accordance with Clause 35B of the Equity Listing Agreement entered into by the Company with the Stock Exchanges on which its Equity Shares are listed and provisions of Section 192A of the Companies Act, 1956, the company has appointed Central Depository Services (India) Ltd. (CDSL) as the agency for electronic voting in this regard and such of the shareholders who wish to vote electronically may follow the detailed instructions given for e-voting as appended to this notice.

The Members are requested to carefully read the instructions printed in the postal ballot form sent herewith and return the form duly completed and signed in the attached self-attested business reply envelope, so as to reach the Scrutinizer not later than Monday, the 18th November, 2013. Please note that the consent received after thirty days from the date of issue of this notice shall be treated as if reply from the member has not been received. Hence, members are requested to mail the Postal Ballot Form so as to reach on or before 18th November, 2013. No other form or photocopy thereof is permitted.

The Board of Directors has appointed Mr.R Sridharan of M/s.R Sridharan & Associates, Company Secretaries, having office at New No.5, Old No.12, Sivasailam Street, T Nagar, Chennai 600 017 as the Scrutiniser for conducting the Postal Ballot process in a fair and transparent manner.

The Scrutiniser will submit his Report to the Chairman and Managing Director of the Company after completion of the scrutiny of postal ballots. The Chairman and Managing Director of the Company or any other Director of the Company will announce the results at the Registered Office of the company on Thursday, the 21st November, 2013 at 3.00 p.m. and shall arrange to display the results of the Postal Ballot on the Notice Board on the said date and post on the company's website –www.tnpl.co.in. The resolution shall become effective on and from the date of declaration of results of the Postal Ballot Process. The results will also be communicated to the Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

The date of declaration of the results will be treated as the date of passing of the said resolution. The resolution being a Special Resolution, will be declared as passed if votes cast in favour of the resolution are three times more in number than the votes, if any, cast against the resolution.

In compliance with provisions of Section 192A of the Act read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011 and Listing Agreement (Clause 35B), members may cast their votes either through Postal ballot form or through electronic form (e-voting). Those members opting for e-voting may follow the procedure, as recommended by CDSL, the e-voting agency appointed by us, under "E-Voting instructions" of this notice.

By Order of the Board

Place: Chennai
Date : 19.09.2013

A VELLIANGIRI
Dy.Managing Director & Company Secretary

RESOLUTION FOR POSTAL BALLOT

(Pursuant to Section 192A of the Companies Act, 1956)

To consider and if deemed fit, to pass with or without modification, the following as a Special Resolution:

"RESOLVED THAT in supersession of the Resolution passed by the Shareholders in the 28th Annual General Meeting of the Company held on 29th August, 2008 and pursuant to the provisions of Section 293(1)(d) of the Companies Act , 1956, consent of the Company, be and is hereby accorded to the Board of Directors to borrow any sum or sums of money from time to time, notwithstanding that the money or monies to be borrowed together with the monies already borrowed by the Company in any financial year (apart from temporary loans obtained from the company's bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the company and its free reserves, that is to say, reserves not set apart for any specific purposes, provided however, the total amount so borrowed shall not exceed the aggregate sum total of Rs.2500 Crores (Rupees two thousand five hundred crores only) comprising of both rupee loan and foreign currency loan."

"RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of Directors of the company be and are hereby severally authorised to take all necessary steps and do all necessary things in order to comply with all the legal and procedural formalities and to do all such acts, deeds or things as it may in its absolute discretion deem fit."

By Order of the Board

Place: Chennai
Date : 19.09.2013

A VELLIANGIRI
Dy.Managing Director & Company Secretary

ANNEXURE TO NOTICE

Explanatory Statement pursuant to Sections 173(2) and 192A of the Companies Act, 1956.

The shareholders of the Company at the 28th Annual General Meeting held on 29th August, 2008, by a Special Resolution had authorised the Board of Directors to borrow money upto a ceiling of Rs.1500 Crores as this aggregate borrowing limit was in excess of the paid-up capital and free reserves of the Company. The company has implemented Mill Development Plan, Mill Expansion Plan, a 300 tonnes per day capacity Deinking Plant, a 600 tonnes per day cement plant under Limesludge and Fly ash Management System, Revamping of Steam and Power systems. The paper production capacity has been increased to 4 lakh MT with requisite infrastructure in pulp and power fronts.

To achieve the next phase of growth, the company has initiated action to set up a Multilayer Double Coated Board Plant of a capacity of 200000 MT per annum in a new site in Trichy District, Tamilnadu, as a Green Field project.

For funding the new project and other long term requirements, it is necessary to enhance the borrowing powers of the Company. The Board of Directors of the Company have therefore, decided to seek the approval from the shareholders for enhancement of the borrowing powers from the present Rs.1500 crores to Rs. 2500 crores as this aggregate borrowing limit (to be borrowed together with already borrowed) will be in excess of the aggregate of the Paid Up Capital and Free Reserves of the Company.

As the proposed Resolution for increase in borrowing powers of the Company requires the approval of the shareholders under Section 293(1)(d) of the Companies Act, 1956 through a Special Resolution, it is proposed to seek the approval of the shareholders through Postal Ballot Process.

The Board of Directors of your Company recommends the Special Resolution as set out in the Notice for approval of the Members through Postal Ballot.

Interest of Directors

None of the Directors is in any way concerned or interested in the resolution.

By Order of the Board

A VELLIANGIRI
Dy.Managing Director & Company Secretary

Place : Chennai
Date : 19.09.2013