

ANNEXURE - IV

REPORT ON CORPORATE GOVERNANCE

As required under Clause 49 of the Listing Agreement with the Stock Exchanges, a Report on Corporate Governance in conformance with the SEBI format is provided below:

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 31.3.2014, the Board consisted of nine directors - a Chairman and Managing Director and a non-executive Director nominated by GOTN, two Executive Directors and five independent, non-executive Directors

As per Clause 49 of the Listing Agreement, where the Chairman of the Board is an Executive Director, at least half of the Board should comprise of independent directors. The composition of the Board of Directors of TNPL complied with the provisions of Clause 49 of the Listing Agreement

As per Section 149 of the Companies Act 2013, independent director in relation to a company, means a director other than a managing director or a whole-time director or a nominee director:-

- a) who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- b) (i) who is or was not a promoter of the company or its holding, subsidiary or associate company;
(ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
- c) who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- d) none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- e) who, neither himself nor any of his relatives—
 - (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
 - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—
 - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent. or more of the gross turnover of such firm;
 - (iii) holds together with his relatives two per cent. or more of the total voting power of the company; or
 - (iv) is a Chief Executive or director, by whatever name called, of any nonprofit organisation that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or
- f) who possesses such other qualifications as may be prescribed.

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

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.

Board's functioning and Procedure

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.

b. Attendance of each Director at the Board of Directors' Meetings held during 2013-2014, 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
Tvl.								
C V Sankar IAS Chairman and Managing Director (Full Additional charge w.e.f. 25.10.2013)	Executive	4	4	-	11	6	-	-
N S Palaniappan IAS Chairman and Managing Director (Between 13.12.2012 and 25.10.2013)	Executive	4	3	Not Attended	10	5	-	-
A Velliangiri Deputy Managing Director	Executive	8	8	Attended	-	-	-	-
R Mani Director(Operations)	Executive	8	8	Attended	-	-	-	-
S Krishnan IAS (Between 15.9.2011 and 8.8.2013)	Non- Executive	2	2	-	10	-	-	-
T Udhayachandran IAS	Non-Executive	6	5	Not Attended	7	-	3	-
Mahesan Kasirajan IAS (Between 6.11.2012 and 28.3.2014)	Non- Executive	7	4	Attended	1	1	-	-
V Narayanan	Independent Non- Executive	8	8	Attended	1	-	1	-
N Kumaravelu	Independent Non- Executive	8	7	Attended	2	-	-	-
M R Kumar	Independent Non- Executive	8	5	Attended	-	-	-	-
V Nagappan	Independent Non- Executive	7	7	Attended	1	-	-	1
Tmt Sarada Jagan	Independent Non- Executive	6	5	Attended	-	-	-	-

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

Eight Board Meetings were held during the year 2013-2014 as against the minimum requirement of four meetings. The meetings were held on the following dates:

9.4.2013, 27.5.2013, 8.8.2013, 19.9.2013, 12.11.2013, 10.1.2014, 7.2.2014, 28.3.2014

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, the Audit Committee and Investors' Grievances Committee
2. Quarterly, half yearly and annual financial results of the company and its business segments
3. Perspective Plan for the future of the company
4. Annual operating plans and updates
5. Capital budgets and any updates
6. Cost Audit report / Secretarial audit report
7. Appointment of statutory auditor, secretarial auditor, cost auditor and internal auditor
8. Materially important show cause, demand, prosecution and penalty notices
9. Legal compliance report and certificate
10. Review of foreign exchange exposures and exchange rate movement, if material
11. Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems, if any
12. Any material default in financial obligations to and by the company or substantial non-recoveries against sale, if any
13. 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
14. 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.
15. Non-compliance of any regulatory, statutory nature or listing requirements and shareholders' service such as non-payment of dividend, delay in share transfer etc.
16. Issues relating to shareholders such as ratification of transfers, demat status, pending grievances, issue of duplicate share certificates etc.
17. Contracts in which Director(s) are deemed to be interested
18. Details of investment of surplus funds available with the company
19. General disclosure of interest

e. Board material distributed in advance

Agenda papers are circulated to the directors, in advance, in the prescribed agenda format. All material information is incorporated in the agenda papers for facilitating meaningful, informed and focused discussions at the meeting. 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.

The meetings are usually held at the company's Registered Office at 67 Mount Road, Guindy, Chennai 600 032

f. 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.

g. 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.

h. 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 thereunder 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 34th Annual General Meeting along with the Explanatory Statement.

3. Audit Committee (Statutory)

a. Terms of reference

The terms of reference of this Committee are wide enough to cover the matters specified for Audit Committee under Clause 49 II(D) of the Listing Agreements as well as in Sec.292A of Companies Act 1956 and are as follows:

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 (2AA) of section 217 of the Companies Act, 1956
 - 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. 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.
18. Considering such other matters as may be required by the Board.
19. To review periodically statutory compliances of various laws, regulatory changes, if any.
20. 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

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, shall be binding on the Board.

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 (II A)). 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 CMD, Dy. Managing Director, Director (Operations), Senior Management Executives, Statutory Auditors, External Internal Auditors and Cost Auditors are invited to attend the Audit Committee meetings.

c. Meetings and attendance during the year (Cl. 49(II B))

Director	No. of Meetings Held	Attended
Tvl.		
V Narayanan	8	8
N Kumaravelu	8	7
M R Kumar	8	5
V Nagappan	5	5
Tmt Sarada Jagan	5	4

The Audit Committee met 8 times during 2013-14 as against the minimum requirement of 4 meetings. The dates on which the meetings were held are given below:

9.4.2013, 27.5.2013, 8.8.2013, 19.9.2013, 12.11.2013, 10.1.2014, 7.2.2014, 28.3.2014

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 company has to constitute a Stakeholders Relationship Committee. 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 has been renamed as STAKEHOLDERS` RELATIONSHIP COMMITTEE.

The following three non-executive directors are the members in the Stakeholders` Relationship Committee as on 31.3.2014

1. Thiru V Narayanan Chairman of the Committee
2. Thiru N Kumaravelu Member
3. Thiru M R Kumar Member

The Stakeholders Relationship Committee met on 27th May 2013 and 12th November 2013 and reviewed the grievances / complaints received and the action taken on the grievances / complaints.

Terms of reference:

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

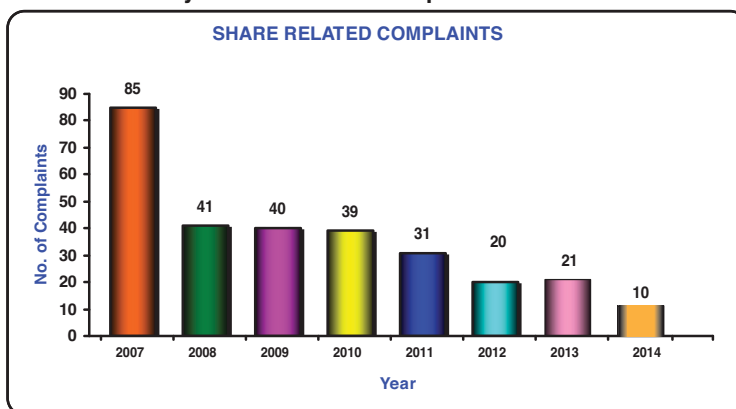
The number of complaints received and resolved to the satisfaction of investors during the year under review and their break-up are as under:

Type of Complaints	Number of complaints
Non-receipt of Annual Reports	2
Non-receipt of Dividend Warrants	8
Non-receipt of Share Certificates	-
Total	10

Complaints Status: 1.4.2013 to 31.3.2014

Nature of complaints (Received and Resolved)	Q1	Q2	Q3	Q4	Total
Securities and Exchange Board of India	3	2	2	-	7
Stock Exchanges	-	-	-	-	-
Shareholders	1	-	1	1	3
Total	4	2	3	1	10

Given below is the trend of share related complaints during last eight years. There is a steady decline in the number indicating an improvement in efficiency within the Share Department



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 31.3.14 have been acted upon. No share transfer was pending as on 31.3.14.

5. Corporate Social Responsibility Committee (Statutory)

Section 135(1) of the Companies Act 2013 mandates every company having net worth of Rs.500 cr. or more or turnover of Rs.1000 cr. or more or a net profit of Rs.5 cr. or more during any financial year to constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director.

The company had formulated CSR Policy guidelines in 2011. While formulating the CSR Policy Guidelines, it was decided to spend approximately 3% of the profit after tax in the previous year for CSR activities. Currently, the amount is allocated broadly as follows:

1. Education	-	20%
2. Health	-	10%
3. Infrastructure	-	25%
4. Economic development	-	20%
5. Environment	-	20%
6. Culture & Heritage	-	5%

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

The CSR Committee shall recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII, recommend the amount of expenditure to be incurred on the activities referred to in Schedule VII and monitor the CSR Policy of the company from time to time

The following activities are considered as CSR activities under Schedule VII of the Act :

- I. Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
- II. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
- III. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- IV. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;
- V. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
- VI. Measures for the benefit of armed forces veterans, war widows and their dependents;
- VII. Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;
- VIII. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled tribes, other backward classes, minorities and women;
- IX. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- X. Rural development projects;

The Board, after taking into account the recommendations made by the CSR Committee, shall approve the CSR Policy for the company and disclose contents of such policy in its report and also place it on the company's website.

6. Remuneration Committee

The company will be forming a Nomination and Remuneration Committee as mandated under Sec.178(1) of the Companies Act 2013.

a. Remuneration Policy

Thiru C V Sankar IAS was appointed as Chairman and Managing Director (full additional charge) by the Government on 25.10.2013. He is being paid remuneration in accordance with the Govt. rules as applicable to his cadre.

Thiru N S Palaniappan IAS was appointed as Chairman and Managing Director by the Government on 13.12.2012 and was relieved on 25.10.2013 He was paid remuneration in accordance with the Govt. rules as applicable to his cadre.

Thiru A Velliangiri, Dy.Managing Director's service has been extended for two years from 19.12.2013. Thiru A Velliangiri, as Dy.Managing Director is drawing remuneration as per the Contractual Appointment order dt.4.12.2013, details of which were circulated to all the shareholders vide Notice dt.29.11.2013 under Sec.302 of the Companies Act, 1956.

Thiru R Mani, Director (Operations) service has been extended for a further period of one year from 27.2.2014 and is drawing remuneration as per the Contractual Appointment order dt.19.3.2014, details of which were circulated to all the shareholders vide Notice dt.17.3.2014 under Sec.302 of the Companies Act, 1956.

No remuneration except sitting fees for attending the Board/Committee Meetings is paid to other Directors.

b. Details of remuneration for the year ended 31.3.2014

Executive Directors

(Rs. in lakh)

Name & Position	Pay & Allowances	Reimbursement of medical expenses	Perquisites	Total	Retirement Benefits
Tvl N S Palaniappan IAS, CMD(fac) (ceased to be director w.e.f. 25.10.2013)	2.82	0.73	-	3.55	As per Govt. rules applicable to his cadre
A Velliangiri Dy.Managing Director	24.65	0.91	3.57	29.13	-
R Mani Director(Operations)	16.26	1.15	3.27	20.68	-
Total	43.73	2.79	6.84	53.36	-

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	Investors' Grievances
Tvl.			
S Krishnan IAS	30000*	-	-
Mahesan Kasirajan IAS	60000*	-	-
T Udhayachandran IAS	75000*	-	-
V Narayanan	120000	120000	30000
N Kumaravelu	105000	105000	30000
M R Kumar	75000	75000	30000
V Nagappan	105000	75000	-
Tmt Sarada Jagan	75000	60000	-
Total	645000	435000	90000

* remitted to Govt. of Tamil Nadu

Independent Directors were paid sitting fees of Rs.15000/- 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.

Shareholdings of Directors

No Director is holding any shares in the company except Thiru R Mani, Director(Operations) (200 shares), Thiru. V Nagappan (1 share).

7. General Body Meetings

a. Last three Annual General Meetings were held as below:

Year	Location	Date	Time	Special Resolution passed In the AGM by shareholders
2010-11	Music Academy Chennai 14	15.9.2011	10.30 AM	No
2011-12	-do-	21.9.2012	10.25 AM	No
2012-13	-do-	19.9.2013	10.30 AM	No

Postal Ballot

Two special resolutions were put through postal ballot last year . One was for incorporating Sub-clauses 13 & 14 in Clause III of the Objects clause of Memorandum of Association in September 2013 and the other was for increasing the borrowing powers of the Board during November 2013.

Details of voting pattern of the postal ballots are as follows:

Special Resolution 1: (for incorporating Sub-clauses 13 & 14 in Clause III of the Objects clause)

Particulars	No. of Postal Ballot Forms	No. of Votes	%
Total Postal Ballot Forms received	1572	44394996	-
Less:- Rejected Postal Ballot Forms	31	119874	-
Net Valid Postal Ballot Forms	1541	44275122	100%
Postal Ballot Forms with Assent for the Resolution	**1525	44273672	99.99%
Postal Ballot Forms with Dissent for the Resolution	18	1450	0.01%

** Two shareholders have cast their votes for both assent & dissent and therefore not considered for counting

The special resolution was carried with requisite majority

Special Resolution 2: (for increasing the borrowing powers of the Board)

Particulars	No. of Postal Ballot Forms	No. of Votes	%
Total Postal Ballot Forms received	1174	46614020	-
Less:- Rejected Postal Ballot Forms	16	23935	-
Net Valid Postal Ballot Forms	1158	46590085	-
Postal Ballot Forms with Assent for the Resolution	1112	46577219	99.97%
Postal Ballot Forms with Dissent for the Resolution	46	12866	0.03%

The special resolution was carried with requisite majority.

The procedure for postal ballot is set out below:

- The Board of directors shall appoint a designated person (Scrutiniser) to conduct, supervise and control the exercise of postal ballot. The person may be the Company Secretary, a retired judge or any person of repute who, in the opinion of the Board, can conduct the voting process in a fair and transparent manner.
- All communications in this regard shall be made by and addressed directly to the said designated person.
- A notice containing a draft of the resolution and the necessary explanatory statement shall be sent to all members entitled to vote requesting them to send their assent or dissent within a period of thirty days from the date of posting of the letter.
- The notice shall include a pre-paid postage envelope for facilitating the communication of the assent or the dissent of the shareholders to the resolutions within the said period.
- The envelope by post will be received directly by the post office through Post Box No., which will be obtained by the designated person in advance and will be indicated on each pre-paid envelope to be used by the members for sending the resolution.
- The designated person shall ascertain the will of the shareholders based on the response received and the resolution shall be deemed to have been duly passed, if approved by members not less in number, as prescribed by law.
- The designated person shall thereafter give a report to the Chairman/MD and on the basis of such report, the Chairman/MD shall declare the results of the poll.

E-voting System

SEBI, vide its circular dated 13.7.2012, has amended the equity listing agreement with regard to e-voting by shareholders of listed companies. As per the circular, e-voting has been made mandatory for all listed companies beginning with the top 500 companies at BSE and NSE based on the market capitalization computed as on the date of the circular. Accordingly the company followed the system of e-voting for both the postal ballots as above

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, three circular resolutions were passed which were recorded at the subsequent Board meetings.

Secretarial Compliance Report

- As a measure of good corporate governance practice, though not legally required, a Secretarial Audit on the compliance of corporate laws and SEBI regulations was conducted by M/s.R Sridharan & Associates, Practicing Company Secretaries for the financial year ended 31st March 2014.
- 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 2013	5th July 2013
30th September 2013	4th October 2013
31st December 2013	6th January 2014
31st March 2014	3rd April 2014

Secretarial Standards

The Institute of Company Secretaries of India (ICSI) is one of the premier professional bodies in India. ICSI has issued Secretarial Standards on important aspects like Board meetings, General Meetings, payment of Dividend, Maintenance of Registers and Records, minutes of meetings and transmission of shares and debentures, passing of resolutions by circulation, affixing of Common Seal, Forfeiture of shares and Board's Report.

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 2013-14 the Compliance Report on Corporate Governance to stock exchanges in the prescribed format within 15 days from the close of the quarter.

8. Disclosures –Cl.49(iv)

- a. There are no significant Related Party Transactions during the year of material nature, with its promoters, the directors or the management or their subsidiaries or relatives etc. potentially conflicting with company's interest at large. Related Party transactions are disclosed in the notes to Accounts forming part of this Annual Report.
- b. As per Clause 49(V) of the Listing Agreement, 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 2014 in the form prescribed by Clause 49 of the Listing Agreement which is annexed.
- c. There were no instances of non-compliance on any matter relating to the capital market during the last three years.
- d. The company has complied with all Mandatory requirements of the Clause 49 of the Listing Agreement. As regards the non-Mandatory requirements, the extent of compliance has been stated in Part B of this report.
- e. 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 34th Annual General Meeting.
- f. Presently, the company does not have whistle blower policy.

Code of Conduct-CL.49(ID)

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 and a Code of Conduct for prevention of Insider Trading adopted pursuant to Cl.49(D) of the listing Agreement and SEBI(Prohibition of Insider Trading)Regulations, 1992(as amended) respectively 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 endeavour 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 code has been posted on the website of the company www.tnpl.com

Affirmation of compliance of Code of Conduct for the financial year 2013-14 has been received from the Directors and Senior Management personnel 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
Dhinathanthi
Website where displayed : www.tnpl.co.in
- c. Whether the website also displays official news releases and presentations to the media, analysts, institutional investors etc. ? : Yes
- d. Audited financial results (Newspapers published in) : Financial Express
Business Standard
Dhinathanthi
- 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 shareholders individually.
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 Bombay Stock Exchange Limited and National Stock Exchange of India Limited. The presentations broadly cover operations, financials and industry outlook.
- 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. NSE Electronic Application Processing System(NEAPS): The company also files information through NEAPS – a web based application provided by NSE which facilitates online filing of Corporate Governance Report and the shareholding pattern by companies.
- j. 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 via this mode. The company has filed its Annual Accounts on MCA through XBRL.
- k. Ministry of Corporate Affairs: The company has periodically filed all the necessary documents with the MCA.
- l. SEBI Complaints Redressal System(SCORES): A centralized web based complaints redressal 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.

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 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. 34th Annual General Meeting

Day, Date and Time	Monday, 15 th September 2014 at 10.15 AM
Venue	The Music Academy, 168, T.T.K.Road, Chennai-600 014.

2. Financial Year Calendar (2014-2015) (Tentative) The Company follows the period of 1st April to 31st March, as the Financial Year. For the Financial year 2014 -2015, Financial Results will be announced as per the following tentative schedule.

1st quarter ending June 30, 2014	Second week of August 2014
2nd quarter ending September 30, 2014	Second week of November 2014
3rd quarter ending December 31, 2014	Second week of February 2015
4th quarter ending March 31, 2015	Fourth week of May 2015

3. Book closure date 5.9.2014 to 15.9.2014 (both days inclusive) on account of AGM and Dividend.

4. (a) Dividend payment date : 16.9.2014 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.

5. Debt Instruments:

Non-convertible debentures issued by the company on private placement basis are listed at Bombay Stock Exchange. ISIN No.

i) Series I - INE107A07012 – 100 crores

ii) Series II - INE107A07020 – 50 crores

6. Listing of Equity Shares on

(a) Stock Exchanges at :

(1) National Stock Exchange of India Limited,
Plot No.C/1, G Block
Bandra-Kurla Complex
Bandra (E)
Mumbai - 400 051

(2) Bombay Stock Exchange Limited
Listing Department
Phiroze Jeejeebhoy Towers
25th Floor
Dalal Street
Mumbai 400 001

(b) Depositories at :

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

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

(c) Debenture Trustee :

Vijaya Bank
Merchant Banking Division
H.O. 41/2 M.G. Road
Trinity Circle
Bangalore – 560 001

- Listing fee for Equity shares and Debt Securities for the year 2014 -2015 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 2014-15 have been paid to National Securities Depository Ltd.(NSDL) and Central Depository Services (India) Ltd. (CDSL)

7. 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

8(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 2013	99.00	92.55	76638	100.00	92.65	253543
May 2013	105.75	93.15	254646	106.90	94.90	1104560
June 2013	102.50	94.65	168637	102.85	94.65	350345
July 2013	101.90	88.30	121814	101.35	88.00	1020736
August 2013	93.00	86.00	163621	93.40	85.90	1105468
September 2013	92.95	85.50	407082	92.20	85.50	1204190
October 2013	102.00	89.25	802648	101.20	89.15	731893
November 2013	115.95	102.65	305870	116.20	102.50	1264936
December 2013	123.80	110.10	385751	123.95	112.00	1362099
January 2014	143.70	119.10	735942	144.95	118.05	2589310
February 2014	127.00	118.10	176139	127.00	115.10	1580976
March 2014	130.05	120.00	167092	130.40	120.00	1112753

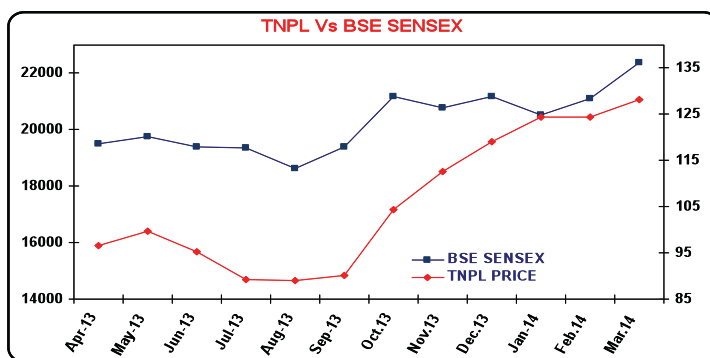
8(b).Market Capitalisation (Rs.)

Market Capitalisation	BSE	NSE
As on March 31, 2013	661,65,33,360	657,84,67,530
As on March 31, 2014	887,62,59,450	887,97,19,980

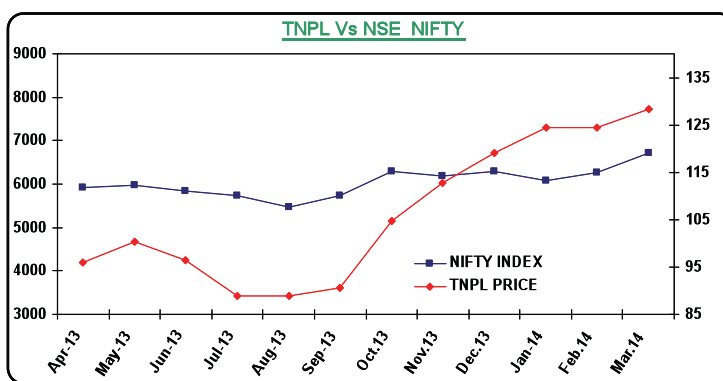
9. Share price performance in comparison to broad based indices – BSE Sensex and NSE Nifty :

For the years April 2012 to March 2014 :

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
2012-2013	(-) 0.83 %	(+) 8.23 %	(-) 9.06 %	(-) 0.99 %	(+) 7.31 %	(-) 8.30 %
2013-2014	(+) 34.15 %	(+) 18.85 %	(+) 15.3 %	(+) 34.98 %	(+) 17.98 %	(+) 17.00 %
2012-2014	(+) 33.04 %	(+) 28.63 %	(+) 4.41 %	(+) 33.65%	(+) 26.60 %	(+) 7.05%



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



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

10. Registrar and Transfer Agent

: Securities Exchange Board of India (SEBI) has mandated, vide Circular No. D&CC/FITTC/CIR-15/2002 dated December 27, 2002 that all Share Registry work relating to both physical shares and shares held in electronic mode must be maintained at a single point, either in-house or by a SEBI registered 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

11. 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/remats received are processed and approved by the Share Transfer Committee which normally meets 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 dividend through Electronic Clearing Service (ECS) is replaced by National Electronic Clearing Services (NECS).

Shareholders were requested by the company vide Circular dated 5th March, 2010, to intimate their folio No(s), Name and Branch of the Bank in which they wish to receive the dividend, the Bank Account type, Bank Account Number allotted by their banks after implementation of Core Banking Solutions (CBS) and the 9 digit MICR code Number.

Shareholders who have already intimated the above information to the Depository Participants (DPs)/Registrars of the company ("Registrars") pursuant to the above circular need not take any further action in this regard.

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 in the year 2014 the dividend for the year ended March 31, 2007 which has remained unclaimed/unpaid.

- v) Details of dividend pending to the Unpaid/Unclaimed Dividend Account as on March 31, 2014:

Year	Amount	% to the total dividend
a) For the year 2006-2007 (Final)	Rs. 602405.00	0.35%
b) For the year 2007-2008 (Interim)	Rs. 449618.00	0.33%
c) For the year 2007-2008 (Final)	Rs. 556864.99	0.33%
d) For the year 2008-2009 (Final)	Rs. 798421.50	0.26%
e) For the year 2009-2010 (Final)	Rs. 1175773.50	0.38%
f) For the year 2010-2011 (Final)	Rs. 1196405.00	0.35%
g) For the year 2011-2012 (Final)	Rs. 1292430.00	0.38%
h) For the year 2012-2013 (Final)	Rs. 1478520.00	0.43%

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.

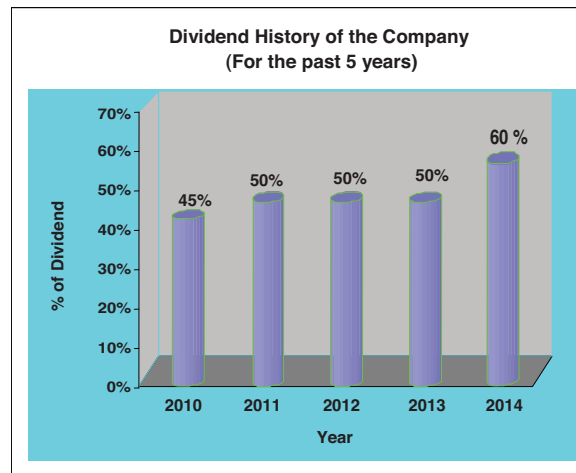
Following amounts have been transferred to IEPF account during the year:

Particulars	Date of Warrant	Due Date for Transfer	Date of Transfer	Amount transferred Rs.
1. Dividend :-				
2005-06 (Final)	26.08.2006	30.10.2013	29.10.2013	3,51,648
2006-07 (Interim)	03.11.2006	17.12.2013	17.12.2013	3,79,837
2. Fixed Deposit :				
2005-06	17.03.2006	17.04.2013	17.04.2013	30,488
	05.06.2006	05.06.2013	05.06.2013	27,790
	16.09.2006	16.10.2013	15.10.2013	12,328
	21.12.2006	21.01.2014	21.01.2014	30,000
	18.01.2007	18.02.2014	23.01.2014	12,328
Total				8,44,419

- vi) Correspondence regarding Change of Address etc. : 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.

12. Dividend History (Last 5 Years)

Financial Year	Dividend %	Total Dividend (Rs. in Lakhs)
2009-10	45%	3114.48
2010-11	50%	3460.53
2011-12	50%	3460.53
2012-13	50%	3460.53
2013-14	60%	4152.64



13. Distribution of Shareholding as on 31st March, 2014.

DISTRIBUTION SCHEDULE AS ON 31ST MARCH 2014

Category (Amount)	No. of Cases	% of Cases	Total Shares	Amount (Rs.)	% of Amount
1 - 5000	23060	89.01	2584732	25847320	3.73
5001 - 10000	1347	5.20	1105278	11052780	1.60
10001 - 20000	667	2.57	1048752	10487520	1.52
20001 - 30000	222	0.86	570902	5709020	0.82
30001 - 40000	104	0.40	372675	3726750	0.54
40001 - 50000	94	0.36	447230	4472300	0.65
50001 - 100000	192	0.74	1439305	14393050	2.08
100001 - And Above	222	0.86	61641726	616417260	89.06
Total :	25908	100.00	69210600	692106000	100.00

DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2014

	CATEGORY	NO. OF HOLDERS	NO. OF SHARES	Percentage
A	PROMOTERS' HOLDING			
1	Promoters			
	- Indian Promoters	1	24444900	35.32
	- Foreign Promoters	Nil	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	26	6634405	9.59
3	Banks, Insurance Companies, Central/State Govt. Institutions	22	13383008	19.34
4	Foreign Institutional Investors	17	6107163	8.82
	SUB-TOTAL	66	26619744	38.46
C	OTHERS			
1	Private Corporate Bodies	542	5444961	7.87
2	Indian Public	24740	12075470	17.45
3	NRI/OCBs	500	593370	0.86
4	Others	59	32155	0.05
	SUB-TOTAL	25841	18145956	26.22
	GRAND TOTAL (A+B+C)	25908	69210600	100.00

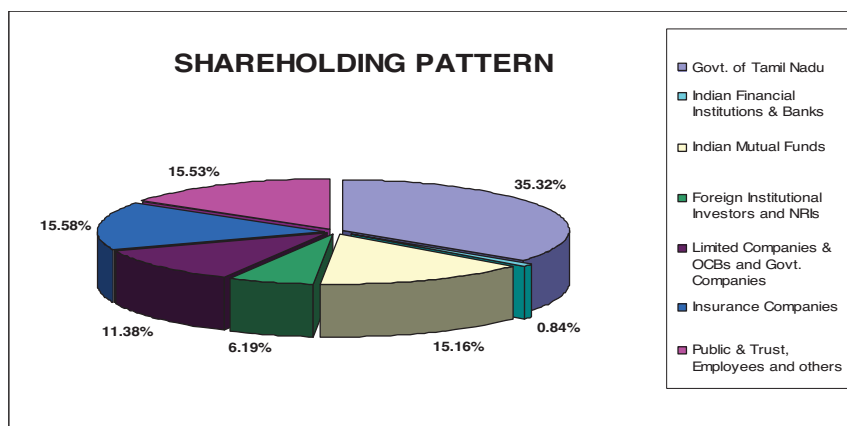
LIST OF TOP TEN SHAREHOLDERS AS ON 31.03.2014

SL. NO.	Name of the shareholder(s)	No. of shares	% to Equity
1.	Governor Of Tamilnadu	24444900	35.32
2.	Life Insurance Corpn. Of India	6891158	9.96
3.	HDFC Trustee Co. Ltd. - HDFC Prudence Fund	3981634	5.75
4.	Warburg Value Fund	3500000	5.06
5.	HDFC Trustee Co. Ltd.-HDFC Mf Monthly Income Plan Long Term Plan	2238648	3.23
6.	General Insurance Corpn. Of India	2110074	3.05
7.	Govt. Pension Fund Global	1950000	2.82
8.	Bajaj Alliance Life Insurance Co. Ltd.	814355	1.18
9.	HDFC Standard Life Insurance Co. Ltd.	813436	1.18
10.	United India Insurance Co. Ltd.	683213	0.99

SHAREHOLDING PATTERN

SL. No.	Category	Shareholding Pattern As on 31.3.2014			Shareholding Pattern As on 31.3.2013		
		Number of Shareholders	Number of Shares	%	Number of Shareholders	Number of Shares	%
1	Governor of Tamilnadu	1	24444900	35.32	1	24444900	35.32
2	Foreign Institutional Investors	17	6107163	8.82	16	3756190	5.43
3	Indian Mutual Funds	26	6634405	9.59	34	10494421	15.16
4	Banks	6	78806	0.11	4	82110	0.12
5	Financial Institutions	1	495168	0.72	2	496568	0.72

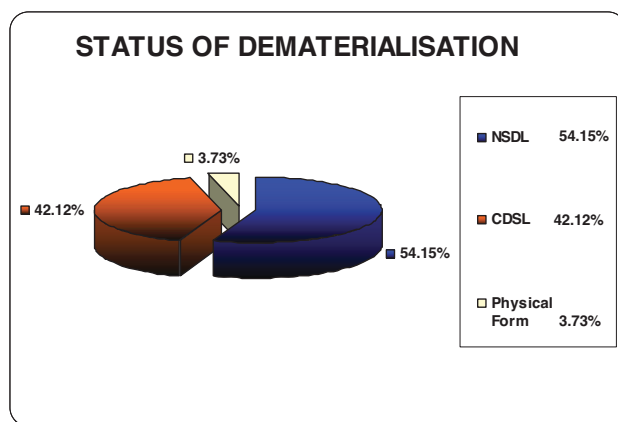
6	Insurance Companies	6	10495622	15.16	6	10785424	15.58
7	Govt. Companies	10	2808580	4.06	11	2808580	4.06
8	Employees	164	30200	0.04	169	31200	0.05
9	Limited Companies	542	5444961	7.87	583	5063953	7.32
10	NRIs	500	593370	0.86	573	525625	0.76
11	Public & Trust	24580	12046771	17.41	25667	10713449	15.48
12	Shares Dematerialised/ Shares in Transit	55	30654	0.04	34	8180	0.00
Total		25908	69210600	100.00	27100	69210600	100.00



14. 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, along with other scrips, from 8-5-2000.

Details of Demat shares as at 31st March 2014:

Category	No. of Shareholders	No. of Shares	% to Capital
PHYSICAL	3825	2576898	3.73
NSDL	16354	37481848	54.15
CDSL	5729	29151854	42.12
TOTAL	25908	69210600	100.00



As on 31st March 2014, 22083 shareholders are holding shares in demat form. 66633702 (96.27%) shares have been dematerialized, representing 54.15% in NSDL and 42.12% in CDSL of the total Equity Share capital. 2576898 shares are in Physical form representing 3.73%.

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

16. Credit Rating:

a. ICRA has assigned the following credit rating for the Company for 2013-2014 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 was also engaged to rate the bank facilities for 2013-14 and they have assigned the rating as below:

I. Long term facilities - CARE A+

II. Short term facilities - CARE A1

The long term rating of CARE A+ indicates adequate degree of safety regarding timely servicing of financial obligations, it carries low credit risk. The short term rating of CARE A1 indicates very strong degree of safety regarding timely payment of financial obligations, it carries lowest credit risk.

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

18. 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
Asst. 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 : shares@tnpl.co.in
secretarial@tnpl.co.in
sivakumar.vs@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 their 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.
- 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 2007 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
2006-07	Final	25	31.08.2007	5.11.2014
2007-08	Interim	20	27.10.2007	2.01.2015
2007-08	Final	25	29.08.2008	3.11.2015
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

B. NON-MANDATORY REQUIREMENTS**1. The Board**

- a. Whether Chairman of the Board is 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.

- b. Independent directors may have a time not exceeding in the aggregate a period of nine years on the Board of the Company

Presently the company has not adopted the above non-mandatory requirement.

2. Shareholders' Rights

- a. 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.co.in

- b. 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. Training of Board Members

Presently the company does not have a training programme for Board Members. They are all competent and well qualified.

4. Mechanism for evaluating non-executive Board Members

The company does not have any mechanism for evaluating the performance of Non-executive Board Members

5. Whistle Blower Policy

The company does not have a Whistle Blower Policy.

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: 29.05.2014

C V SANKAR IAS
CHAIRMAN & MANAGING DIRECTOR