



Tamilnadu Petroproducts Limited

Email: secy-legal@tnpetro.com

Phone No. 044-69185588

Secy / 189 / 2023-24

26th September 2023

The General Manager
Listing Department
BSE Limited
Corporate Relations Department
1st Floor, New Trading Ring
Rotunda Building, PJ Towers
Dalal Street, Fort, Mumbai – 400 001
Scrip Code: 500777

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

Dear Sir / Madam,

Sub: Intimation under Regulation 30 - Proceedings of 38th Annual General Meeting of the Company held on 26th September 2023

The 38th Annual General Meeting of the Company held today, 26th September 2023 through the WebEx Platform facilitated by Central Depository Services (India) Limited, in due compliance with the stipulations of the relevant Circulars of MCA and SEBI.

Mr. Ashwin C Muthiah, (DIN:00255679) was elected by the Members as the Chairman of the Meeting. Mr. Ashwin C Muthiah, Vice-Chairman chaired the Meeting. All Directors including the Chairperson of the Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee attended the meeting except Mr. S Krishnan (DIN:03439632) and Ms. Jayashree Muralidharan (DIN: 03048710). The Statutory Auditors and Secretarial Auditor were also present.

The meeting commenced at 4:30 PM (IST) and the necessary quorum was present throughout the meeting. Vice-Chairman welcomed the shareholders and then addressed the Members. (Copy of the speech is enclosed).

Vice-Chairman thereafter proceeded to transact the businesses set out in the agenda of the meeting. With the consent of the Members present, the Notice of the Meeting and the Financial Statements were taken as read.

The Members were informed about the e-Voting facility made available prior to the meeting, to vote on the resolutions and the facility available for those who have not availed the remote e-Voting to cast their votes during the meeting, through electronic means.



Regd. Office & Factory :
Post Box No. 9, Manali Express Highway, Manali,
Chennai - 600 068, India.
Tel. : (0091) - 44 - 25945500 to 09 Telefax : 044-2594 5588
Website : www.tnpetro.com CIN : L23200TN1984PLC010931
TPL GSTIN : 33AAACT1295M126



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- a) The following items were transacted as Ordinary Resolutions at the meeting:
- Adoption of the Audited Financial Statements of the Company and other related Reports for the year ended 2022-23.
 - Declaration of Dividend for the year 2022-23.
 - Re-appointment of Ms. R Bhuvaneshwari (DIN: 06360681), as a Director of the Company liable to retire by rotation.
 - Ratification of the remuneration to the Cost Auditors for the year 2022-23.
 - Ratification of the remuneration to the Cost Auditors for the year 2023-24.
 - Prior approval under Regulation 23 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, for transactions with Manali Petrochemicals Limited, a Related Party.
- b) The following items were transacted as Special Resolutions at the meeting:
- Approval for payment of remuneration to the Non-Executive Directors of the Company for the year 2022-23.
 - Approval for re-appointment of Dr. N Sundaradevan, IAS (Retd.) (DIN: 00223399) as an Independent Director of the Company.

The shareholder who had registered to speak at the meeting was invited to share his queries and he participated in the discussions. The queries were clarified by the Vice-Chairman and the Whole-time Director (Finance) & CFO.

The meeting was declared as closed around 05.05 PM and the facility to vote was made available for a further five minutes.

M/s. B Chandra & Associates, Practicing Company Secretaries, have been appointed as the Scrutinizers for both remote e-Voting and e-Voting during the meeting. Their report is awaited, and the results will be announced to the Stock Exchanges, uploaded on the Website of the Company and CDSL platform on receipt of the report.

The above will also be available on the website of the Company www.tnpetro.com.

We request you to kindly take the above on record.

Thanking you,

Yours faithfully,

For **Tamilnadu Petroproducts Limited**

Sangeetha Sekar
Company Secretary

Encl: As above



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Ladies and Gentlemen,

A very warm welcome to you, and it gives me great pleasure to welcome you all to the 38th Annual General Meeting of your Company on my behalf and behalf of my colleagues on the Board. Similar to the past couple of years, this AGM is being hosted on a digital platform to facilitate larger participation by enabling Members from far-off places to participate in the meeting conveniently.

The Annual Audited Financial Statements and other Reports for the year 2022-23 have already been circulated, and I hope you had an opportunity to look at the performance of the Company during the financial year. With your permission, I shall consider the same as read.

Economic Scenario

The global growth is projected to fall from an estimated 3.5% in 2022 to 3% in both 2023 and 2024. The growth projections of some of the advanced economies are below 2.0%. However, India is the only country standing tall, with a growth projection of 6.1%, followed by China at 5.1%. The Purchase Manufacturing Index (PMI) signals continued robust expansion in the manufacturing sector. Business conditions have now strengthened in each of the past two years. The transformation of our country as a prosperous, strong, and self-confident nation stands out as a beacon of hope for the world & the historic success of Chandrayan 3 has demonstrated this.

The continued rise in interest rates by the Central banks worldwide to fight inflation has impacted economic activity. In most economies, the priority remains on achieving sustained disinflation while ensuring financial stability. Global headline inflation is expected to fall from 8.7% in 2022 to 6.8% in 2023 and 5.2% in 2024.



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During the year, Indian Rupee depreciated by 10% against US Dollar & this was mainly on account of US currency being considered a safe option amid fears of recession and inflation across many parts of the world and the continuing Russia-Ukraine war.

With demand slowing down, Brent crude prices declined during the last three quarters from its peak of USD 127 per barrel to USD 80/barrel by the end of March 2023.

Performance during the year

Your Company has recorded the highest revenue in the financial year 2023. The operating performance reflects contribution due to your Company's good product mix amidst intense competition from cheaper imports and higher input costs. However, like other Petrochemical manufacturers, your Company also witnessed margin erosions, unable to pass on the input costs due to subdued demand due to higher inflation.

Import of LAB at cheaper cost was higher during the year due to the absence of Anti-dumping duty on imports from China, Iran & Qatar, contributing to pricing pressure and consequent reduced margins.

LAB suppliers in the market are experiencing price competition, mainly due to high concentration and the presence of unorganized players offering lower-priced products. It creates pricing challenges for major FMCG companies, as the detergent market is highly price elastic. Even small price changes offer significant challenges impacting product demand.

Your Company is the first in the country to receive BIS Certification for its LAB product.

During the year, the Caustic Lye market & price were reasonably good, contributing to stable realizations. However, in FY 23-24, the caustic (Soda) business is witnessing a price drop due to new capacities. In the case of Propylene Oxide, with good demand, the plant capacity utilization was 100%. The crude volatility is highly impacting the cost of



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production. Your Company is making every effort to contain the cost by employing optimization techniques.

Your Company is committed to ESG-driven environmental sustainability and ecological balance, given which your Company has installed 2 Gas Engines to replace the Furnace oil DG sets to demonstrate its commitment.

Regarding Corporate Social Responsibility, your Company considers it more than a regulatory obligation and working towards improving the lives of the communities they touch. Your Company has initiated and implemented several CSR programs focusing on the Health and Education of communities around our manufacturing plants.

Recently, your Company commemorated its 40th Foundation Day, a milestone reminding us of our incredible journey to emerge as a dominant LAB producer in India. To improve gender diversity & enhance the talent pool, during the year, your Company commenced inducting women in technical positions as well.

Economic Outlook

The global economic outlook remains challenging in the face of soaring interest rates and tighter bank credit, squeezing businesses that are already having to cope with sluggish manufacturing and trade.

As per the International Energy Agency, the recent spike in Crude prices by 20% over the lows of Q1-2023, triggered by supply cuts by OPEC, is expected to erode oil inventories in the rest of this year, potentially driving prices even higher before economic headwinds limit global demand growth in 2024.

The probability of recession this year has been trimmed, as there is a rebound seen in consumer confidence and spending. Amidst continuing global uncertainties, economic activity in India is gaining momentum. India is set to grow between 6% and 6.3% in FY2023-



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24 and have a more robust outlook thereafter. In fact, if global uncertainties recede, growth is expected to surpass 7% over the next two years.

Prospects and Plans for TPL

Global LAB demand is set to grow at 3.8% CAGR through 2030. Asia Pacific is expected to dominate the global LAB market during the forecast period, owing to the increasing demand for cleaning and personal care products in emerging countries like China and India. The need for personal care products is being boosted by an increase in the working population, which is, in turn, propelling the Indian market for LAB.

Your Company continues to be a dominant player in the Indian LAB market. Withdrawal of Anti-dumping duty on LAB since April 2022 has added pressure on the Company, especially on the pricing front. With subdued demand due to higher inflation, margin erosion is a real challenge in the short term.

Notwithstanding the short-term adverse factors, considering the projected growth for the LAB market in India, your Company is working on augmenting the capacity of the LAB plant to target 145 KT Per annum. Action is also in progress to revamp the HCD Unit capacity & modernize it with energy-efficient bipolar electrolyzers.

Dividend

After a gap of five years, dividend payments restarted from FY 2017-18, and the dividend rate was recommended with due alignment with your Company's performance. In line with the same, your Directors have recommended a dividend of 15% for the year 2022-23.

Acknowledgment

I want to place on record my sincere appreciation for the contributions of all my colleagues on the Board, past and present, and for their able guidance and steadfast support over the years. I would also like to thank the Central and State governments, Financial Institutions, Banks, our vendors, esteemed customers, and other stakeholders.



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Let me acknowledge the hard work and dedication of your Company's employees to sustain and improve its operations. Their commitment and support to make the most of the opportunities have been instrumental in achieving exemplary performance, and it needs a special mention.

Thank you, our valued shareholders, for your unstinted support and for always encouraging us. I, on behalf of the Board, wish to assure you that through this support, our efforts to enhance value for all stakeholders will continue with due momentum.

I hope you stay safe and healthy and wish you a great year ahead.

Thank you, Ladies and Gentlemen.

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



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