



Tamil Nadu Newsprint and Papers Limited



*Meeting global challenges....*

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# Company information

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<b>Board of Directors</b>	Thiru Shaktikanta Das, I.A.S.	Chairman
	Thiru S Ramasundaram, I.A.S. (Held additional charge as Chairman and Managing Director from 8.8.05 to 17.5.06)	
	Thiru V Murthy, I.A.S.	Managing Director
	Thiru K Gnanadesikan, I.A.S.	Director
	Thiru Sandeep Saxena, I.A.S.	Director
	Thiru R S Agarwal	Director
	Thiru R R Bhandari	Director
	Thiru N Kumaravelu	Director
	Thiru V R Mehta	Director
	Thiru V Narayanan	Director
	Thiru G Prabhakara	Director
	Thiru A Velliangiri	Director (Finance)

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<b>Registered Office</b>	67, Mount Road Guindy Chennai - 600 032
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<b>Factory</b>	Kagithapuram - 639 136 Karur District, Tamil Nadu
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<b>Auditors</b>	Maharaj N.R. Suresh & Co. Chartered Accountants New No.9, Old No.5, II Lane II Main Road Trustpuram, Kodambakkam Chennai -600 024
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<b>Bankers</b>	Canara Bank Indian Bank
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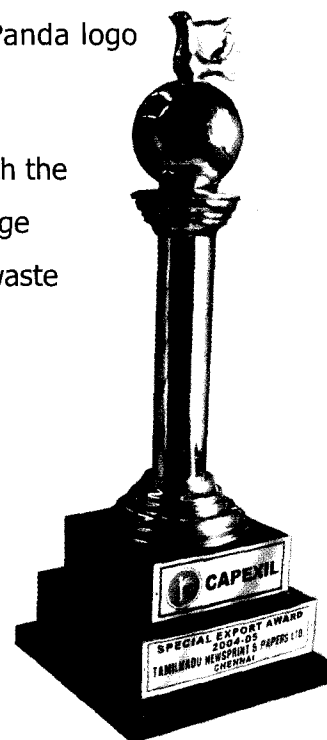
## Achievements during 2005-06

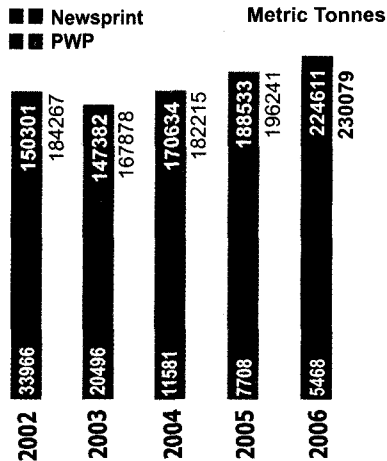
### recognition of hard work

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- ◆ Achieved highest production and sale of 2,30,079 MT of paper. Production was higher by 33,838 MT over the previous year.
- ◆ Copier paper production highest at 37,645 MT registering a growth of 34%.
- ◆ Exported 38,645 MT wood-free uncoated paper.
- ◆ Received the Special Export Award from CAPEXIL in recognition of outstanding export performance, for the seventh consecutive time.
- ◆ Achieved 'zero stock' of finished goods (NP & PWP) at the end of financial year for the fifteenth time.
- ◆ Received certification under the ISO 14001:2004 program for environmental management systems.
- ◆ BIS has awarded Eco-Mark licence for 75 gsm copier paper.
- ◆ WWF has renewed the permission for using the Panda logo on TNPL branded products for 2 more years.
- ◆ TNPL has registered the Bio-methanation project with the United Nations Framework Convention Climate Change (UNFCCC) as the country's first CDM project in the waste management sector.

*Special Export Award  
received from CAPEXIL*



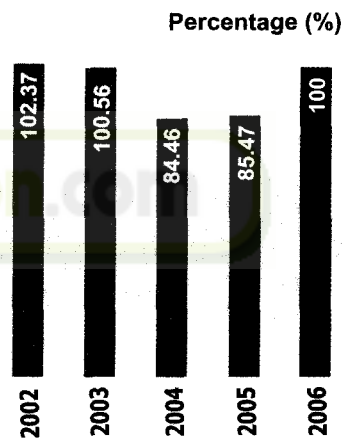


## Production

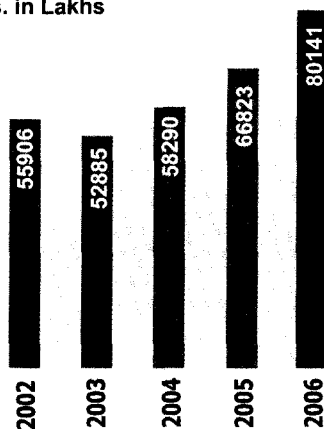
The Printing and Writing paper production was at an all time high at 224611 MTs. The Newsprint production was 5468 MTs.

## Capacity Utilisation

The overall Capacity Utilization was 100% against 85.47% in the previous year.



Rs. in Lakhs



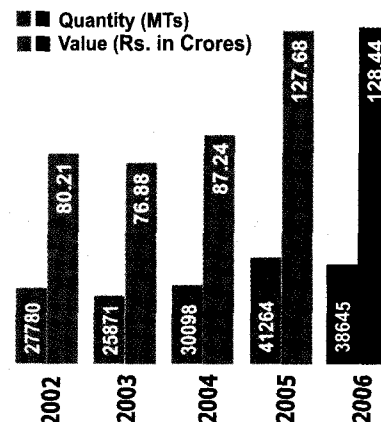
## Sales and other Income

Sales and other income climbed to an all-time high of Rs. 801.41 Crores against Rs. 668.23 Crores in the previous year. The sales also includes export of power to the state grid valuing at Rs. 31.05 Crores. TNPL has achieved zero stock of Newsprint and Printing & Writing paper at the end of the year.

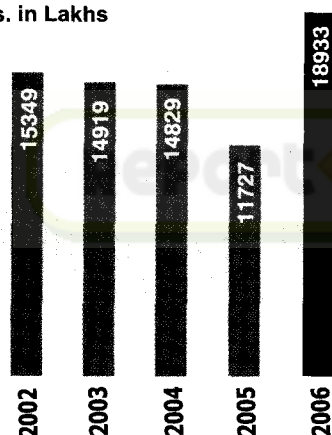


## Exports

TNPL exported 38,645 MT of woodfree uncoated printing & writing paper valuing Rs. 128.44 Crores.



Rs. in Lakhs



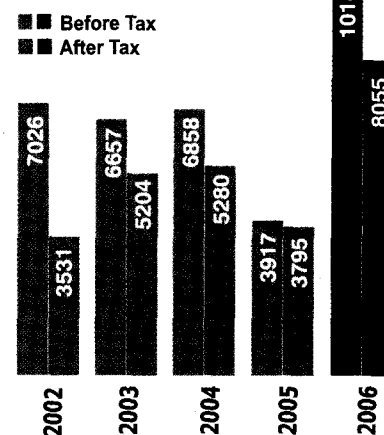
## Gross Profit

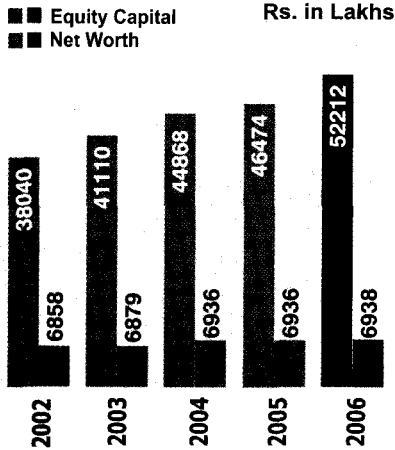
The Gross Profit (PBIDT) was Rs. 189.33 Crores against Rs. 117.27 Crores in the previous year.

## Net Profit

The Profit Before Tax peaked at Rs. 101.47 Crores against Rs. 39.17 Crores in the previous year. The Profit After Tax was Rs. 80.55 Crores against Rs. 37.95 Crores in the previous year.

Rs. in Lakhs



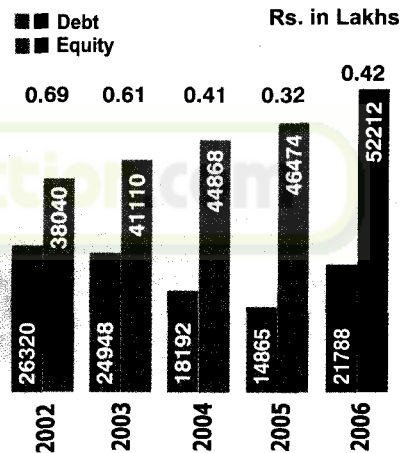


## Equity Capital and Net Worth

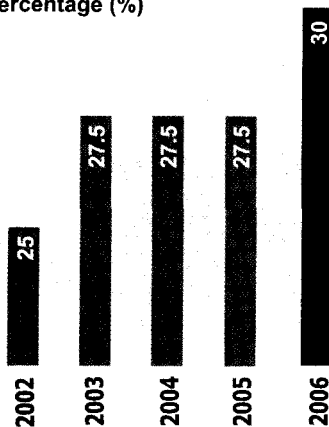
The Net worth has increased to Rs. 522.12 Crores. The book value per share works out to Rs. 75.44.

## Debt-Equity Ratio

The Debt-Equity ratio during the year was at 0.42:1 against previous year's 0.32:1.



Percentage (%)



## Dividend

The Dividend for the year has been enhanced to 30% against 27.5% in the previous year.

## Upgrading technologies meeting global demands

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The era of globalisation has brought with it new demands on the paper industry in terms of quality, price and volume.

TNPL has been constantly upgrading its bagasse-to-paper technology to match international standards. The economies of scale and constant upgradation of technology have enabled the company to emerge as a globally competitive player, exporting about 20% of its production to 22 countries across the world. TNPL has expanded its capacity to 2,30,000 tpa.

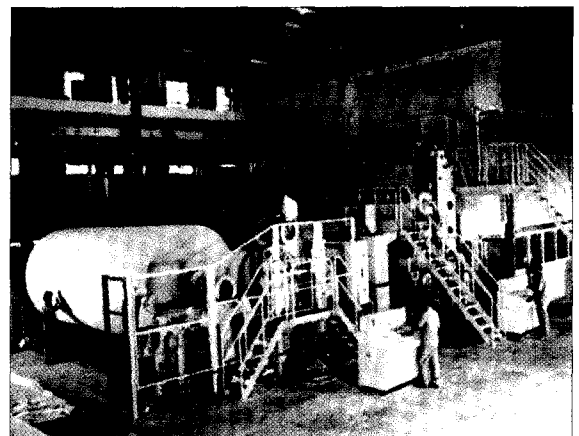
Under the Mill Development Plan, TNPL would be switching over from conventional bleaching to elemental chlorine free (ECF) bleaching, while increasing the in-house pulping capacity from 530 tpd to 800 tpd with state-of-the-art facilities. The paper production capacity will be increased to 2,45,000 tpa.

TNPL will soon add one more world-class 200 tpd automatic cut pack line from Bielomatik, taking the total capacity of branded products to 350 tpd, which is the largest in the Indian Paper Industry.

In the energy front, a Turbo Generator of 20 MW capacity will be installed, adding to the existing capacity of 61.12 MW.



Mill view



PM2



## Farm forestry & Captive plantation sustained raw material availability

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Farm Forestry is the practice of growing trees on privately owned agricultural lands and wastelands. TNPL has been implementing Farm Forestry and Captive Plantation schemes since 2004-05. In the first two years of operation, TNPL has raised pulpwood plantation in 7945 acres involving 1955 farmers in nine districts under Farm Forestry scheme and 1373 acres under Captive Plantation scheme.

Wherever uncultivated lands are available in large areas, TNPL undertakes the responsibility of raising pulpwood plantation in those lands on revenue sharing basis. TNPL plans to raise pulpwood plantation in 7000 acres under farm forestry scheme and 3000 acres under captive plantation scheme during 2006-07. The target has been increased to cope up with the additional requirement.

Farm Forestry would enable the dry land farmers to convert their hitherto uncultivated dry land to cultivable lands and raise their livelihood. This will also enlarge the green cover in the State and facilitate the industry to meet its pulpwood requirement from small farmers.



Farm forestry



Captive plantation at Bharathidasan University



## Commitment to environment a crucial role in development

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Implementation of sound environmental practices alongside technological advances is crucial for accomplishing strategic goals.

TNPL has taken several initiatives in this regard on a continuous basis.

- Usage of bagasse as primary raw material saves deforestation in over 30,000 acres of land every year, and also reduces the consumption of chemicals .
- The treated effluent water which conforms to the Pollution Control Board norms is used for irrigating 1600 acres of once barren lands abutting the factory.
- *Green power is generated through Wind Farm of 28 MW capacity. Policy is in place to increase the wind farm capacity on a continuous basis.*
- Bio-methanation plant is in continuous service and generates methane gas from bagasse effluent stream which replaces furnace oil in the lime kiln.
- Water consumption is one of the lowest in Indian paper industry with 80% of water re-utilized for irrigation.
- The Mill Development Plan under implementation would replace the existing conventional bleaching lines in the pulp mills with Elemental Chlorine Free (ECF) bleaching.
- Value addition in solid waste management by way of recycling lime sludge, disposal of fly ash to cement plants, effluent sludge for board manufacture.
- Certification under ISO 14001:2004 for continual improvement in environmental performance.



TEWLIS irrigated land - sugarcane



TEWLIS irrigated land - coconut trees