



PRESS RELEASE DATED 27th JANUARY 2010

- For the Quarter ended 31.12.2009, Tamil Nadu Newsprint and Papers Limited (TNPL) has earned an operating profit of Rs.82.27 Crore. Net Profit after interest, depreciation and taxes was Rs.31.02 Crore. The Turnover was Rs.239.62 Crore.
- For the nine months ended 31.12.2009, TNPL has earned an operating profit of Rs.217.07 Crore. The Turnover was Rs.679.55 Crore.
- The Company has produced 59106 Mts of paper during the quarter ended 31.12.2009.
- TNPL is implementing the Mill Expansion Plan (MEP) for increasing the capacity to 4,00,000 Mts per annum by adding a new Paper Machine (PM 3). The additional capacity will be available from August 2010.
- TNPL will set up a new 300 tpd environmental friendly De-Inked pulp Plant to produce pulp from waste paper at a capital outlay of Rs.174 Crore to meet additional pulp requirements post MEP. The project will be taken up for execution during the current year and completed by September 2011.
- TNPL will revamp the Steam and Power System in the Plant at a capital outlay of Rs.135 Crore. As part of revamping the Steam & Power system, TNPL will replace 3 Nos of low pressure boilers of a capacity of 180 tph with a single high pressure boiler of a capacity of 125 tph and 2 Nos of Turbo Generators (TG) of capacity of 18.5 MW with a new TG of capacity of 40 MW. The project will be taken up for execution during the current year and completed by December 2011.
- TNPL received the Award for “Energy Efficient Unit” for the year 2009 from the Confederation of Indian Industry (CII)



TAMIL NADU NEWSPRINT AND PAPERS LIMITED

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UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31st DECEMBER 2009

(Rs. in Crore)

Particulars	Quarter Ended 31-12-2009	Quarter Ended 31-12-2008	Nine Months Ended 31-12-2009	Nine Months Ended 31-12-2008	Year Ended 31-03-2009	SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE QUARTER ENDED 31st DECEMBER 2009					
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Rs. in Crore)					
						Particulars	Quarter Ended 31-12-2009	Quarter Ended 31-12-2008	Nine Months Ended 31-12-2009	Nine Months Ended 31-12-2008	Year Ended 31-03-2009
1. a) NET SALES / INCOME FROM OPERATIONS	239.62	242.93	679.55	780.17	1066.46						
b) OTHER OPERATING INCOME	19.11	4.95	33.47	18.09	30.35						
TOTAL INCOME [(a) + (b)]	258.73	247.88	713.02	798.26	1096.81						
2. EXPENDITURE						A) Primary Segments					
a) (Inc.) / Dec. in Stock-in-trade	(6.48)	(19.81)	(58.52)	(22.99)	(1.58)	1. Segment Revenue					
b) (Inc.) / Dec. in Stock of Raw materials and in Work in Progress	3.58	(3.17)	(9.93)	(16.26)	(35.24)	a) Paper	237.61	241.04	663.61	764.24	1048.82
c) Raw materials & Chemicals	55.77	66.22	170.48	210.00	276.93	b) Energy	32.98	44.98	117.78	141.40	185.19
d) Power, Fuel & Water Charges	47.84	64.93	180.61	211.29	296.33	Sub-Total	270.59	286.02	781.39	905.64	1234.01
e) Employees cost	21.83	20.59	64.74	58.16	81.41	Less: Inter Segment Revenue	30.97	43.09	101.84	125.47	167.55
f) Depreciation	28.07	25.77	83.44	72.28	100.80	Net Sales / Income from Operations	239.62	242.93	679.55	780.17	1066.46
g) Repairs and Maintenance	17.97	15.98	52.62	45.38	62.43						
h) Other expenditure	35.95	28.43	95.95	85.98	116.66	2. Segment Results [Profit (+) / Loss (-) before Tax and Interest]					
i) Total	204.53	198.94	579.39	643.84	897.74	a) Paper	58.67	55.77	136.21	158.90	208.95
3. Profit from Operations before Other Income, Interest & Exceptional Items (1 - 2)	54.20	48.94	133.63	154.42	199.07	b) Energy	(0.38)	(1.21)	8.88	5.49	5.11
4. Other Income	0.26	1.14	1.65	1.91	3.49	Sub-Total	58.29	54.56	145.09	164.39	214.06
5. Profit before Interest & Exceptional Items (3 + 4)	54.46	50.08	135.28	156.33	202.56	Less: i) Interest	12.93	18.54	41.37	39.16	63.25
6. INTEREST AND FINANCE CHARGES	12.93	18.54	41.37	39.16	63.25	ii) Other unallocable expenditure net of unallocable income	3.83	4.48	9.81	8.06	11.50
7. PROFIT AFTER INTEREST BUT BEFORE EXCEPTIONAL ITEMS (5 - 6)	41.53	31.54	93.91	117.17	139.31	Add: Prior period / Exceptional Items	1.90	(0.18)	1.90	(1.32)	17.00
8. Prior Period / Exceptional Items	1.90	(0.18)	1.90	(1.32)	17.00	Profit from Ordinary Activities before Tax	43.43	31.36	95.81	115.85	156.31
9. PROFIT FROM ORDINARY ACTIVITIES BEFORE TAX (7 + 8)	43.43	31.36	95.81	115.85	156.31	Extraordinary Item (net of tax expenses)	1.70	(0.02)	3.18	(0.02)	1.02
10. Tax Expense	14.11	10.11	31.17	29.67	49.95	Total Profit Before Tax	45.13	31.34	98.99	115.83	157.33
11. NET PROFIT FROM ORDINARY ACTIVITIES AFTER TAX (9 - 10)	29.32	21.25	64.64	86.18	106.36						
12. Extraordinary items (net of tax expenses)	1.70	(0.02)	3.18	(0.02)	1.02	3. Capital Employed (Segment Assets - Segment Liabilities)					
13. NET PROFIT FOR THE PERIOD (11 - 12)	31.02	21.23	67.82	86.16	107.38	a) Paper	1325.40	1270.66	1325.40	1270.66	1359.73
14. Paid-up Share Capital (Face value of share of Rs.10/-each)					69.21	b) Energy	153.31	145.46	153.31	145.46	152.93
15. Reserve excluding Revaluation Reserve					594.94	c) Other Unallocable Liabilities (Net)	31.47	17.18	31.47	17.18	37.33
16. EARNINGS PER SHARE (EPS in RS)						Total Capital Employed	1510.18	1433.30	1510.18	1433.30	1549.99
- Basic and Diluted EPS before Extraordinary Items (not annualised)	4.24	3.06	9.34	12.45	15.37	(Excluding Mill Expansion Plan under construction)					
- Basic and Diluted EPS after Extraordinary Items (not annualised)	4.48	3.07	9.80	12.45	15.52	B) Secondary Segments					
17. PUBLIC SHAREHOLDING						1. Segment Revenue					
a) NUMBER OF SHARES	41957120	41957120	41957120	41957120	41957120	a) Paper					
b) PERCENTAGE OF SHAREHOLDING	60.62	60.62	60.62	60.62	60.62	India	187.41	209.03	545.58	635.23	912.70
18. Promoters and Promoter Group Shareholding						Rest of the World	50.20	32.01	118.03	129.01	136.12
a) Pledged/Encumbered						Sub-Total	237.61	241.04	663.61	764.24	1048.82
- Number of Shares	-	-	-	-	-	b) Energy sold within India	32.98	44.98	117.78	141.40	185.19
- Percentage of share (as % of the total shareholding of promoter and promoter group)	-	-	-	-	-	Total (a) + (b)	270.59	286.02	781.39	905.64	1234.01
- Percentage of share (as % of the total share capital of the company)	-	-	-	-	-	Less: Inter-Segment Revenue	30.97	43.09	101.84	125.47	167.55
b) Non-Encumbered						Net Sales / Income from Operations	239.62	242.93	679.55	780.17	1066.46
- Number of Shares	27253480	27253480	27253480	27253480	27253480						
- Percentage of share (as % of the total shareholding of promoter and promoter group)	100	100	100	100	100						
- Percentage of share (as % of the total share capital of the company)	39.38	39.38	39.38	39.38	39.38						

- Note:**
- The above unaudited financial results were reviewed by the Audit Committee and approved by the Board of Directors on 27-01-2010 and a limited review of the same has been carried out by the Statutory Auditors of the Company.
 - The Company has entered into Forward Contracts to hedge the future payables (imports) and future sales (exports). The mark to market notional gain on such contracts outstanding as on 31-12-2009 aggregating to Rs.3.36 Crore is recognised in the Hedge Reserve account in accordance with AS 30 to be dealt with in the financial statements in accordance with Generally Accepted Accounting Principles on the date on which the underlying transactions materialise.
 - Till 31-03-2009, the impact of changes in exchange rates pertaining to unhedged foreign currency assets and liabilities were dealt with in the Profit & Loss account at the year end and disclosed by way of notes in the quarterly reporting of financial results. From the current year onwards, the impact of such changes in exchange rates is recognised in the Profit & Loss account. Accordingly, the impact for the nine month ended 31-12-2009 is Rs.0.22 Crore (Loss) as against Rs.2.26 Crore (Loss) in the previous year nine month ended 31-12-2008.
 - Other operating income includes an amount of Rs.11.98 Crore being the concessional power tariff allowed during the current quarter for the expansion project implemented in 1995.
 - During the quarter, the company received 12 complaints from the shareholders which were all duly resolved. There are no complaints remaining unresolved as at the beginning and end of the quarter.
 - Promoters and promoters group shareholding includes 4.06 percentage of shares held by Government of Tamil Nadu Companies. 35.32 percentage of shares are directly held by Government of Tamil Nadu.
 - Wherever necessary, previous year's figures have been regrouped / restated to conform to current year's classification.

Place : Chennai - 32
Date : 27-01-2010

DIPR/059/Display/2010

For and on behalf of the Board

Ms. NASIMUDDIN, I.A.S.
Managing Director