

TAMIL NADU NEWSPRINT AND PAPERS LIMITED

PRESS RELEASE

TNPL Profit grew by 31%. Final dividend 25%

Tamil Nadu Newsprint and Papers Limited (TNPL) has posted a strong financial result for the year ended 31st March 2008. The total income increased to Rs.969.65 Crore from Rs.880.40 Crore in the previous year.

The Profit before tax increased to Rs.163.06 Crore after providing for Rs.75.54 Crore towards depreciation and Rs.24.25 Crore towards finance charges, against Rs.125.03 Crore in the previous year.

The profit after tax grew by 31.11% to Rs.112.84 Crore. Earnings Per Share (EPS) is Rs.16.30

Considering the improved financial results, the Board of Directors has recommended final dividend of 25% for the year ended 31.3.2008. The Company has already paid an interim dividend of 20% during November 2007

The Company has produced 2,45,471 Mts of paper equivalent to 107% of the capacity. The production was higher by 14,310 Mts over the previous year.

The Company has achieved the zero stock of finished goods at the end of the year. This is the 17th year in which the Company has achieved zero stock at the end of the financial year.

TNPL has completed the Mill Development Plan (MDP). The pulp production capacity has been increased from 520 tpd to 720 tpd with ECF bleaching. The benefits of MDP is available to the Company from May 2008 in the form of additional pulp and additional paper production. The combination of usage of

bagasse with ECF bleaching would make TNPL products more eco-friendly in the coming months.

TNPL has initiated action for implementing the Mill Expansion Plan 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 June 2010.

TNPL has also raised pulpwood plantation in 29,962 acres under Farm Forestry and Captive Plantation Schemes including 10,616 acres added during the current year.
