

**TAMIL NADU NEWSPRINT AND PAPERS LIMITED**  
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**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE 2006**

Particulars		(Rs in Crore)		
		Quarter Ended 30.06.2006 (Unaudited)	Quarter Ended 30.06.2005 (Unaudited)	Year Ended 31.03.2006 (Audited)
<b>NET SALES TURNOVER</b>	(1)	<b>179.32</b>	172.79	775.67
OTHER INCOME	(2)	<b>4.38</b>	4.80	25.74
<b>NET INCOME (1+2)</b>		<b>183.70</b>	177.59	801.41
Less :				
<b>TOTAL EXPENDITURE</b>	(3)	<b>135.71</b>	138.05	612.08
a) (Inc./) Dec. in Stock-in-trade		(18.31)	(4.39)	0.13
b) (Inc./) Dec. in Stock of Rawmaterials		(10.16)	(2.55)	(3.30)
c) Raw materials & Chemicals		<b>63.03</b>	49.46	239.77
d) Power, Fuel & Water Charges		<b>44.14</b>	46.25	167.92
e) Personnel Expenses		<b>15.03</b>	12.82	51.67
f) Repairs and Maintenance		<b>15.25</b>	10.65	45.46
g) Other expenditure		<b>26.73</b>	25.80	110.43
INTEREST AND FINANCE CHARGES	(4)	<b>5.32</b>	4.27	20.29
<b>PROFIT BEFORE DEPRECIATION (1+2-3-4)</b>		<b>42.67</b>	35.27	169.04
Less :				
DEPRECIATION	(5)	<b>15.80</b>	15.22	62.50
<b>PROFIT BEFORE PRIOR PERIOD/EXCEPTIONAL ITEMS (1+2-3-4-5)</b>	(6)	<b>26.87</b>	20.05	106.54
Less: Prior Period / Exceptional Items	(7)	<b>0.00</b>	0.00	5.07
<b>PROFIT BEFORE TAX (1+2-3-4-5-6-7)</b>	(8)	<b>26.87</b>	20.05	101.47
Less :				
PROVISION FOR TAX				
- Current Tax	(9)	<b>8.11</b>	8.20	36.51
- Deferred Tax	(10)	<b>(0.17)</b>	(1.45)	(13.81)
- Fringe Benefit Tax	(11)	<b>0.12</b>	0.16	0.95
- Reversal of excess Tax provision	(12)	<b>0.00</b>	0.00	(2.73)
<b>PROFIT AFTER TAX (8-9-10-11-12)</b>	(13)	<b>18.81</b>	13.14	80.55
PAID UP EQUITY SHARE CAPITAL (Equity shares of Rs. 10/- each)	(14)			69.21
RESERVES EXCLUDING REVALUATION RESERVES	(15)			453.14
EARNINGS PER SHARE -Basic before Prior Period/Exceptional Items (Rs.)*	(16)	<b>2.72</b>	1.89	12.39
- Diluted before Prior Period/Exceptional Items (Rs.)*	(17)	<b>2.72</b>	1.89	12.37
- Basic after Prior Period/Exceptional Items (Rs.)*	(18)	<b>2.72</b>	1.89	11.66
- Diluted after Prior Period/Exceptional Items (Rs.)*	(19)	<b>2.72</b>	1.89	11.64
AGGREGATE OF NON PROMOTER SHAREHOLDING	(20)			
- NUMBER OF SHARES		<b>44765700</b>	45193100	44765700
- PERCENTAGE OF SHAREHOLDING		<b>64.68</b>	64.90	64.68

\* Not Annualised

**SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED**  
**FOR THE QUARTER ENDED 30TH JUNE 2006**

		(Rs in Crore)		
		Quarter Ended 30.06.2006	Quarter Ended 30.06.2005	Year Ended 31.03.2006
<b>1 Segment Revenue</b>				
a) Paper		<b>168.95</b>	165.95	744.62
b) Energy		<b>10.37</b>	6.84	31.05
Sub-Total		<b>179.32</b>	172.79	775.67
Less: Inter Segment revenue		<b>0</b>	0	0.00
<b>Net Sales / Income from Operations</b>		<b>179.32</b>	<b>172.79</b>	<b>775.67</b>
<b>2 Segment Results (Profit (+) / Loss (-) before tax and Interest)</b>				
a) Paper		<b>30.57</b>	24.53	123.66
b) Energy		<b>3.52</b>	1.46	6.63
Sub-Total		<b>34.09</b>	25.99	130.29
Less: i) Interest		<b>5.32</b>	4.27	20.29
ii) Other unallocable expenditure net of unallocable income		<b>1.90</b>	1.67	8.53
<b>Total Profit Before Tax</b>		<b>26.87</b>	20.05	101.47
<b>3 Capital Employed (Segment Assets - Segment Liabilities)</b>				
a) Paper		<b>762.99</b>	807.03	785.79
b) Energy		<b>90.06</b>	57.50	86.84
c) Other Unallocable Liabilities (Net)		<b>13.55</b>	13.57	13.54
<b>Total Capital Employed</b>		<b>866.60</b>	878.10	886.17

Note:

- The above results for the quarter ended 30.06.2006, which are subject to a "Limited Review" by the auditors of the company have been reviewed by the Audit Committee and taken on record by the Board of Directors in their respective meetings held on 20.07.2006. Wherever necessary, previous year's figures have been regrouped to conform to current year's classification.
- The impact of changes in exchange rates pertaining to foreign currency assets/liabilities outstanding as on 30.06.2006 except those covered by forward contracts, has not been considered. The same will be considered on the date of settlement or at the year end, whichever is earlier. In case such items are revalued based on the closing exchange rate on 30.06.2006, the net profit would have been lower by Rs.1.12 crore.
- Energy is treated as a reportable segment from the current quarter.
- During the quarter, the company received 25 complaints from the shareholders which were all duly resolved. There are no complaints remaining unresolved as at the beginning and end of the quarter.

For and on behalf of the Board

**V.MURTHY, IAS**  
**MANAGING DIRECTOR**

Place : Chennai - 32  
 Date : 20.07.2006

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For and on behalf of the Board

**V.MURTHY, IAS**  
**MANAGING DIRECTOR**

Place : Chennai - 32  
 Date : 20.07.2006