



Tamil Nadu Newsprint and Papers Limited

(A Govt. of Tamil Nadu Enterprise)

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TNPL - The Corporate Identity Number : L22121TN1979PLC007799

TNPL/SHARES/1(2&3)/16

Dated : February 12, 2016

To BSE Limited (BSE) Corporate Relationship Department Phiroze Jeejeebhoy Towers 25th Floor, Dalal Street Mumbai- 400001	To National Stock Exchange of India Limited (NSE) Listing Department Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051
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Sub: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Presentation made to the Investors

This is further to our letter bearing reference TNPL/SHARES/1(2&3)/16 dated February 10, 2016 wherein we had given you an advance intimation of the upcoming Investors meet/conference call with analysts to be held on February 12, 2016 in terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to the above, we wish to inform you that the Investors meet was conducted today at Bandra, Mumbai and the Presentation which was made to them is attached for your record.

Kindly take the same on record.

Thanking you,

Yours faithfully,
For TAMIL NADU NEWSPRINT AND PAPERS LIMITED

V. Swahumans

COMPANY SECRETARY



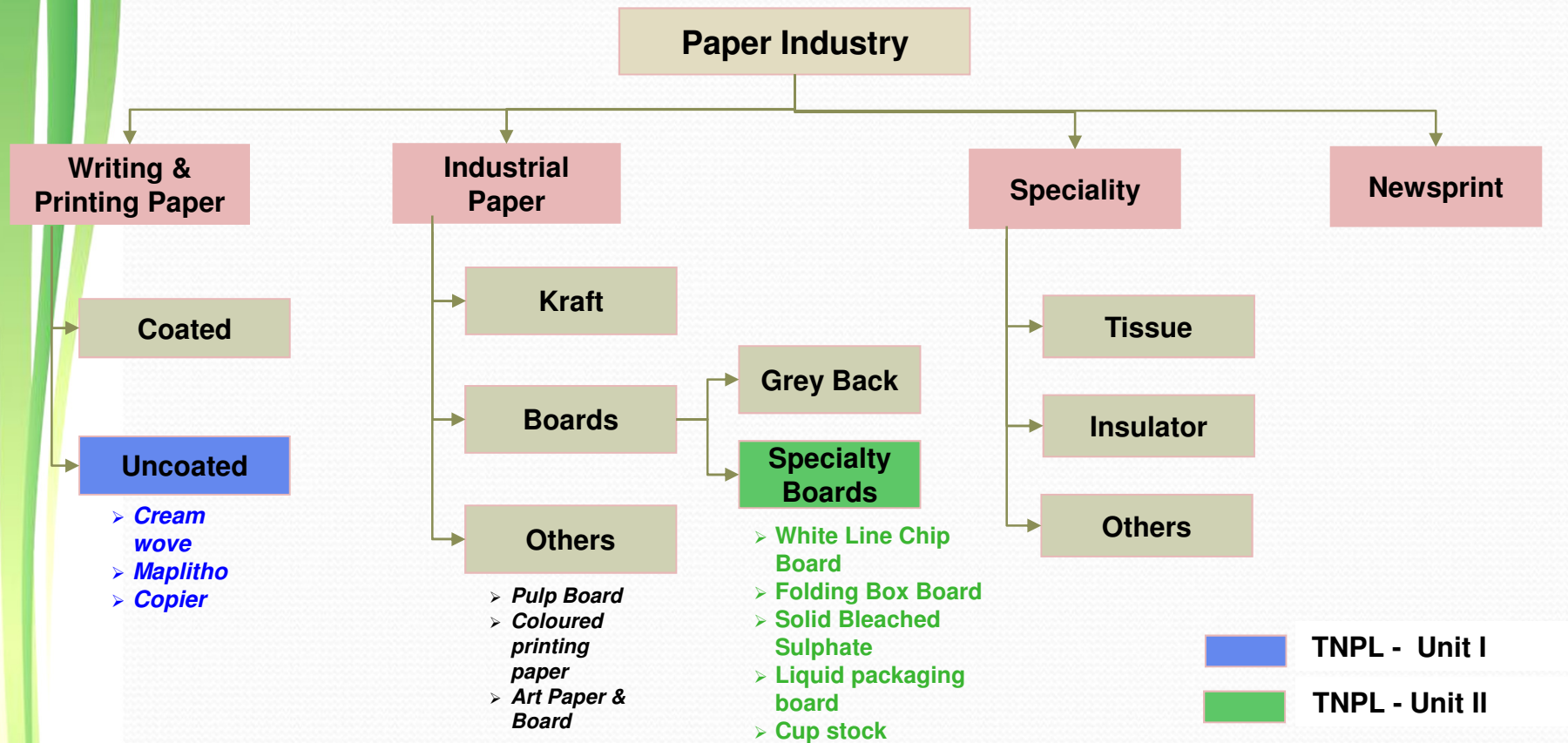
TAMIL NADU NEWSPRINT AND PAPERS LIMITED

INVESTORS MEET

12th February 2016

- Paper Industry - An Overview
- TNPL - History and Growth
- Competitive Edge
- Innovative Measures
- Financial Performance
- Marketing
- Dividend & Shareholding pattern
- Awards

Paper Industry – An Overview

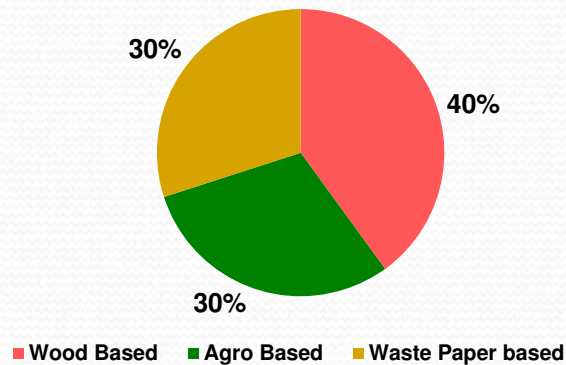


- TNPL stopped manufacturing Newsprint since 2008-09.
- In the writing and printing paper segment, TNPL produces only uncoated paper.
- This segment (writing and printing paper) is growing at 4% per annum.
- Packaging segment is growing at the rate of 12 - 13% per annum.
- TNPL has set up a paper packaging board plant and the plant is under trial production since end January 2016 .

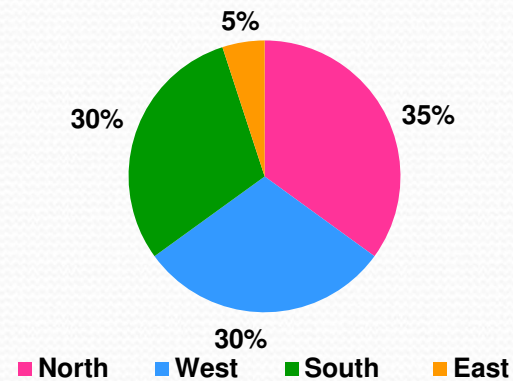
Indian Paper Industry – An Overview

- Current production is estimated at 12.75 million tones. Per capita consumption is about 11 kg against the World Average of 56 kg.
- India paper consumption is only 3% of global paper consumption while the population accounts for 17%.
- There are about 700 - 800 paper mills in the country. 12 large sized paper companies account for production of about 30%.
- 40% capacity is wood based, 30% Agro residue based and 30% Waste Paper based.
- Geographical distribution : North 35%, West 30%, South 30%, East 5%.

Capacity - Raw Materialwise



Capacity - Regionwise



Tamil Nadu Newsprint and Papers Limited

TNPL was promoted by the Govt. of Tamil Nadu during early eighties to manufacture newsprint and printing and writing paper using bagasse as primary raw material.

TNPL commenced production in 1984 and now has emerged as the

- Largest bagasse based paper mill in the world consuming 1 million tones of depithed bagasse (1.40 million tones of wet whole bagasse) per annum.
- Second largest producer of printing and writing paper in the country.
- Most profitable printing and writing paper mill in the country with highest profit margin.
- Largest exporter of printing and writing paper from the country. 1/5th production is exported.
- Winner of many awards on Environment, Corporate Governance, Energy efficiency, Innovations and CSR activities.
- TNPL has received the 'Mill of the year' Award from Indian Paper Manufacturers Association, (IPMA) New Delhi four times on a total of seven occasions and the Dun & Bradstreet Corporate Award as the Top Indian company under the sector paper four times in a row.
- TNPL has reached its leadership position in the Paper Industry through its consistent growth, cost competitiveness, and implementation of innovative measures.



Consistent Growth

Key Strategy :

Achieve growth consistently on par or higher than the Industry growth. The growth should be sustainable and adding value to both top line and bottom line.

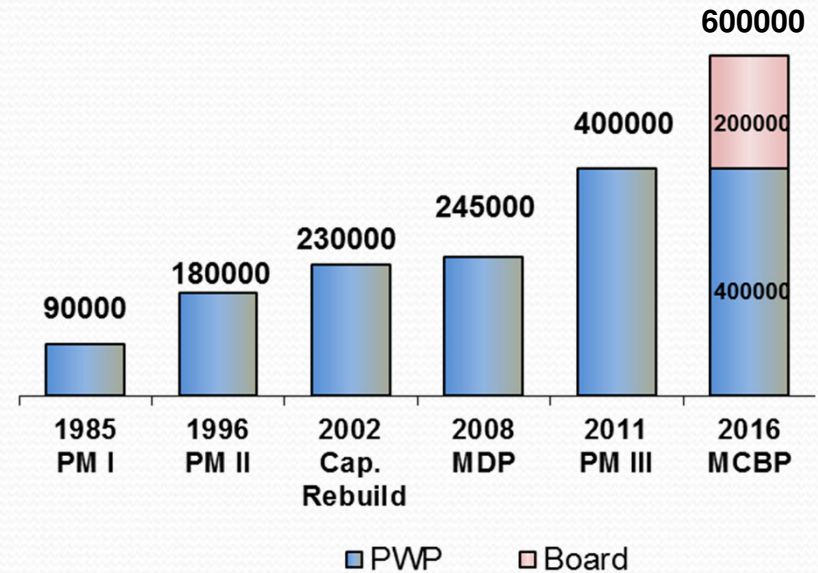
Paper :

- TNPL commenced commercial production in 1985 .
- Grown from an initial capacity of 90000 tpa in 1985 to a capacity of 400000 tpa in 2011 on a consistent basis.
- Set up a new green-field Multilayer Coated board plant of a capacity of 200000 tpa in January 2016.

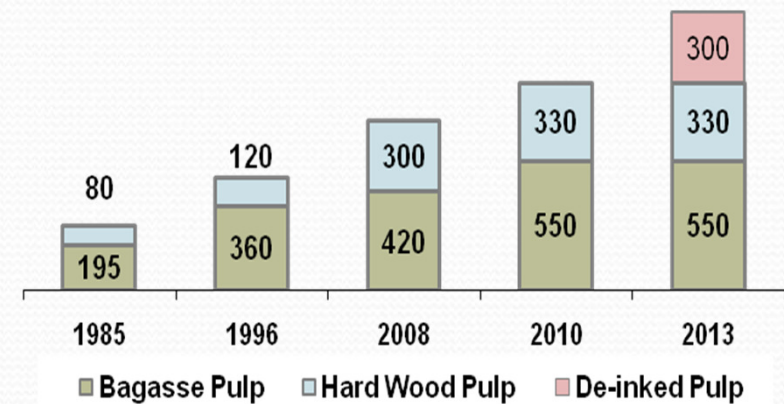
Pulp : (A measure to keep the plant 100% self reliant on pulp)

- Hard wood and Bagasse pulping capacity increased from 275 tpd in 1985 to 880 tpd in 2010.
- Set up a 300 tpd Deinking pulp plant in 2013 and increased the total in-house pulping capacity to 1180 tpd in tandem with paper capacity.
- Has become self sufficient in pulp. Surplus pulp is sold in the market.

Production Capacity (tpa)



Pulp Production (tpd)



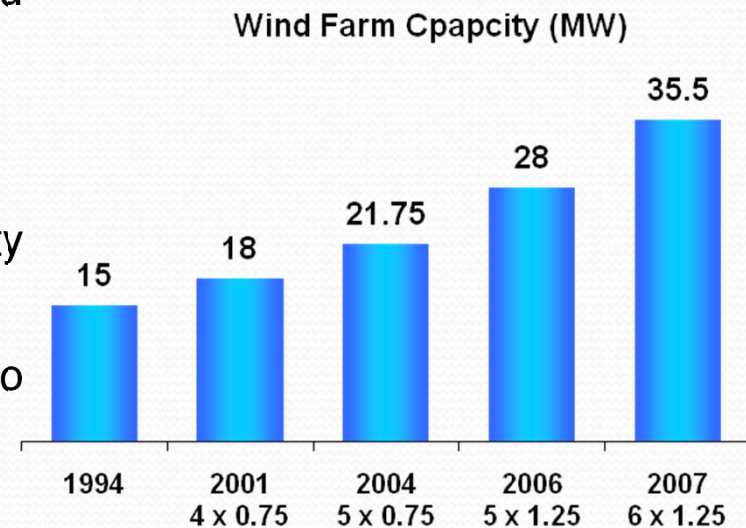
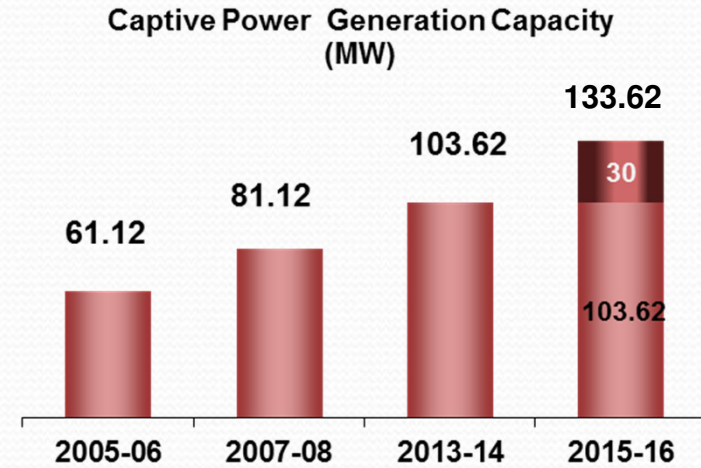
Consistent Growth (Contd.)

Power : (A measure for uninterrupted production and effective cost management)

- Entire power requirements for the plant is met through captive power plants with a capacity of 103.62 MW in Unit I and 30 MW in Unit II.
- The company has 7 power boilers and 6 TGs in Unit I and 2 power boilers and 1 TG in Unit II.
- Both the Units are self sufficient in power.
- Surplus power is exported to the State grid (7 MW).

Wind Farm : (A measure for producing green energy)

- Installed first set of wind farm of a capacity 15 MW in 1993-94.
- Wind farm capacity has been increased to 35.5 MW in four stages.
- Wind power is exported to the State grid.



Consistent Growth (Contd.)

Plantation : (A proactive measure to augment pulpwood supplies)

- TNPL started plantation activity during 2004-05, 3 years in advance of expanding the Hard wood pulp capacity from 120 tpd to 330 tpd - to augment pulpwood supplies.
- The company has raised pulpwood plantation in over 1 lakh acres of land through Farm Forestry and Captive Plantation schemes - About 25000 farmers are covered under the above schemes in 9 districts of Tamil Nadu.
- About 1.50 lakh MT of pulpwood (about 1/3rd of total requirement) is mobilised every year through farm forestry.

Filler materials (WGCC and PCC) : (A measure to reduce the Cost of Production)

- Set up a 100 tpd Wet Ground Calcium Carbonate (WGCC) Plant and a 200 tpd Precipitated Calcium Carbonate (PCC) Plant on BOO basis in association with OMYA, Switzerland.
- PCC and WGCC required for the plant is procured from OMYA at cheaper rates compared to market purchases.

Consistent Growth (Contd.)

Lime Sludge and Fly Ash Management : (A measure to improve the environment standard)

- Set up a 600 tpd Cement plant to convert the mill wastes viz. lime sludge and fly ash into high grade cement, both OPC & PPC
- The Cement is sold under the brand name '**TNPL Cement**' in Tamil Nadu and Kerala.
- The plant capacity has been upgraded to 900 tpd in January 2016 at a capital outlay of Rs.50 Cr.

Conversion Centre : (A measure to improve marketing of Unit I & II products)

- Set up a conversion centre at Mayanur in 38.40 acres of land at a capital outlay of Rs 40 Cr.
- TNPL will set up its core manufacturing unit and facilitate setting up a poly coat unit by the convertors during April / May 2016
- Proposed to let out the remaining areas to the prospective convertors / industrial units.

TNPL is self sufficient in pulp, power and filler materials facilitating an effective control on the cost front.

Waste materials, pith is consumed in power boilers and Lime sludge & ash is converted into cement.

Goal

- Make an entry into the coated board segment growing at 12-13% per annum.
- Increase the production capacity from 4 lakh tpa to 6 lakh tpa.

Scope

- Installation of One Multi Layer Coated Board Machine of capacity 200000 tpa (600 tpd) along with Waste paper plant.
- Captive Power Plant :
 - 2 Nos of FBC boilers - capacity 90 tph each
 - One Turbo Generator - capacity 30 MW
 - Air cooled condenser to conserve water
- Water intake well (15000 m³ / day)
- Water treatment plant (15000 m³ / day)
- Effluent treatment plant (15000 m³ / day)
- Other Utilities and infrastructure

Unit II - Location

Particulars

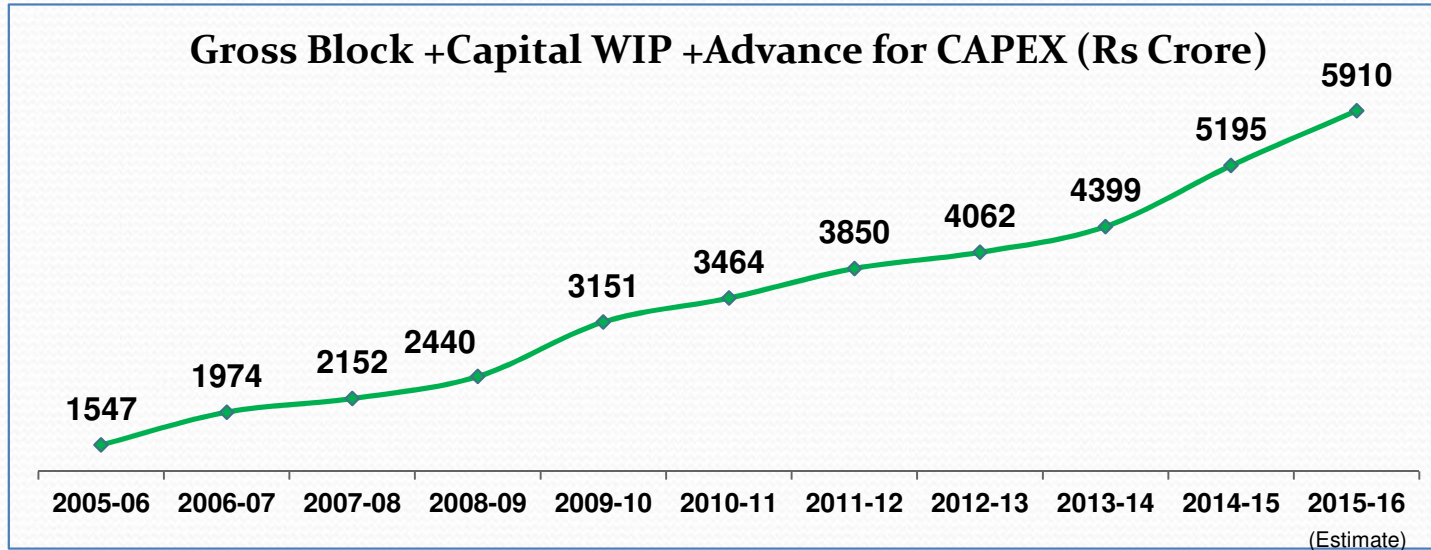
Details

Village	: Mondipatti
Taluk (Mandal)	: Manapparai
District	: Tiruchirappalli
State	: Tamil Nadu
Nearest Highway	: National Highway-45 at 4-5 km, SH-71 at 3-4 km
Nearest Railway station	: Manapparai 7 km
Nearest Airport	: Tiruchirappalli 33 km
Distance from the existing site	: 95 KM
Total area	: 874.46 acres

Funding

Details

Total cost	: Rs 1650 Cr
Term Loans	: Rs 1320 Cr
Internal Generation	: Rs 330 Cr
Project Completion	: Jan 2016 (Completed in 22 Months)
Trial Production	: Feb 2016 / Mar 2016
Commencement of repayment of loan	: June 2017 (one year moratorium after commercial production)
Completion of repayment of loan	: Sep 2021
Loan tenor (door-to-door)	: 8 Years



The mill has the following production facilities:

Particulars	UOM	As of Apr 2005	As of Dec 2015	As of Jan 2016
Paper Production	tpa	230000	400000	400000
Board Production		-	-	200000
Pulp Production - CBP	tpd	360	550	550
- HWP	"	120	330	330
- DIP	"	-	300	300
Total	"	480	1180	1180
Cement Plant	tpd	-	600	900
Captive Power Plant	MW	61.12	103.62	133.62
Wind Farm	MW	21.75	35.5	35.5
WGCC Plant	tpd	-	100	100
PCC Plant	tpd	-	200	200

TNPL - Unit I Kagithapuram



TNPL - Unit I Kagithapuram



832 Acres

TNPL - Unit II Mondipatti



TNPL - Unit II Mondipatti



874.46 Acres



TNPL - Cement Plant Kagithapuram



TNPL - Cement Plant Kagithapuram



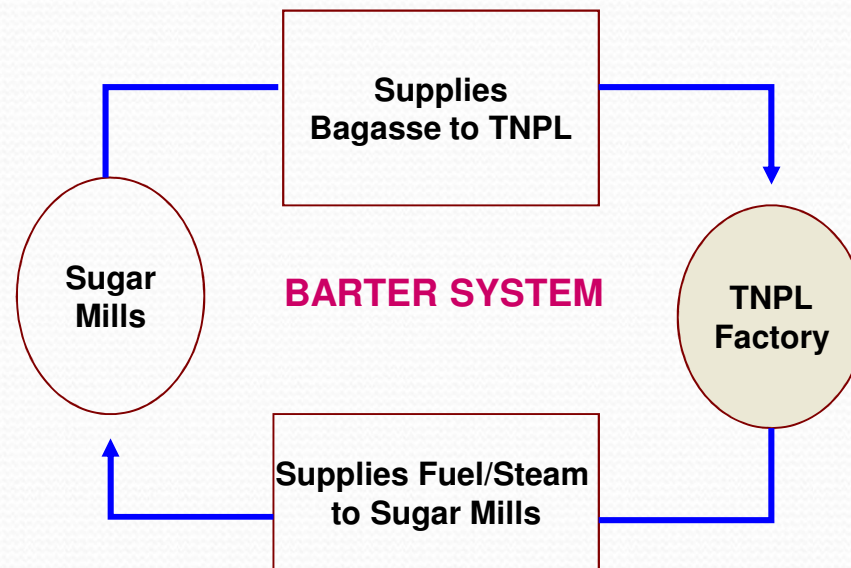


TNPL - Conversion Centre Mayanur

Land - 38.40 Acres
Industrial Shed - 1.25 Lakh Sq Feet

Competitive Edge

- Economies of scale – Largest paper mill in a single location with continuous modernisation of equipments. Second largest in terms of fine paper production in India.
- The largest bagasse based paper mill in the World. Consumes 1.40 million tonnes of wet whole bagasse per annum. Avoids cutting of trees in 35,000 acres of land per annum for paper making.
- Bagasse is procured in exchange of fuel / steam through long term agreements - This ensures continuous availability of bagasse.



- Bagasse pulp has always been cheaper than Hard wood pulp.

Competitive Edge (Contd.)

- Unit I - State-of-the-art machines with highest level of automation (Paper Machine I, II & III, Pulp mill and other equipments).
- Unit II – Largest and latest State-of-the-art coated board machine capable of producing high quality coated boards supplied by M/s Voith, Germany. Single largest machine in the country.
- Pulpwood plantation in 1 lakh acres of land through Farm Forestry and Captive Plantation schemes, ensures availability of pulpwood - Over 25000 farmers are covered under the above schemes in 9 districts.
- Self sufficient in pulp, power and filler materials – surplus pulp, power and filler materials are sold.
- Lowest cost of production – Reflected in profit margins.
- Known for Quality, reliability and transparency.

Bio-Methanation Plant :

- The First bio-methanation plant was set up in 2003-04 and the second in 2008-09 to produce methane gas about 25,000 M³/day from bagasse wash water.
- Methane gas is used in Lime kiln replacing about 15 KL of furnace oil per day saving about Rs 4.00 lakh per day (at Rs 27000 per KL).
- The project was registered with United Nations Framework Convention on Climate Change (UNFCCC) during 2006 as the country's First CDM project in waste management sector.

Renewable Energy Certificate (REC) :

- TNPL was the First mill in the Indian Paper industry to avail REC benefit. REC is availed for 20 MW power generated in TG 5 with the steam produced in the Recovery Boiler consuming black liquor.
- REC benefits

2011 -12	Rs 0.82 Cr	2014-15	Rs 7.23 Cr
2012-13	Rs 16.87 Cr	2015-16	Rs 5.85 Cr
2013-14	Rs 10.03 Cr	(upto Jan'16)	
- REC remaining unsold as on January 2016 was 210509 Nos

Lime Sludge and Fly Ash Management :

- Waste materials, Lime sludge and fly ash generated in the process of manufacturing paper is converted into high grade cement 900 MT/day.

Advantages:

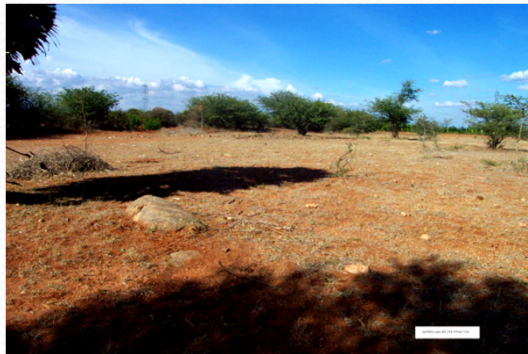
1. All environmental issues relating to solid waste disposal have been entirely eliminated.
2. The cement mill has emerged as a profit centre with a capacity increased from 600 tpd to 900 tpd.

Packing :

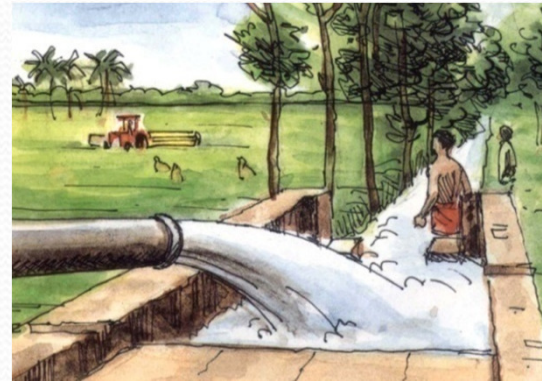
- First mill in the country to have introduced shrink wrapping for packing 5 /10 reams of copier paper against the conventional system of using carton boxes. Cost savings Rs 1200 per MT is passed on to the customers.

- Used process water is treated in the effluent treatment plant to meet the standards prescribed by TNPCB. The treated water is used only for land irrigation and not let out into any water body.
- The treated effluent water is used for irrigating 1690 acres of once barren lands adjacent to the mill - through a scheme 'TNPL Effluent Water Lift Irrigation Scheme' (TEWLIS) benefiting 478 farmers.

View of barren lands



TEWLIS



TEWLIS irrigated land - Coconut trees & Sugarcane





Unit II - Treated Effluent water - Used for own Irrigation - 580 acres

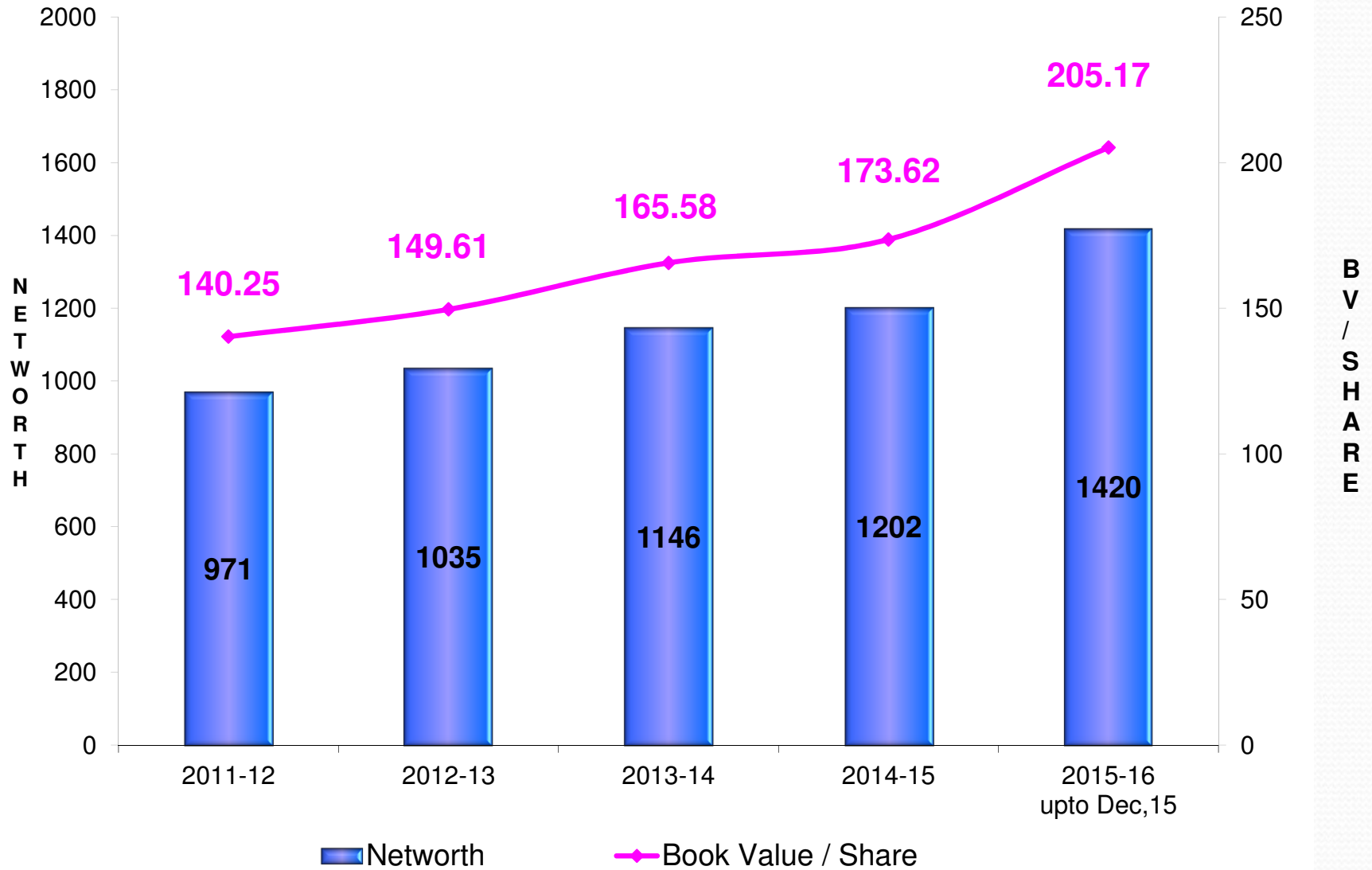


Operational & Financial Performance

S. No	Particulars	UOM	2012-13	2013-14	2014-15	Apr - Dec (9M)	
						2014-15	2015-16
1	Paper Production	MT	371637	387714	373259	273359	296149
2	Pulp Production	"	275226	286709	284091	211546	227741
3	Power Generation (TG & WF)	Lakh Kwh	5820	6173	6678	5015	5063
4	Paper Sales						
	Domestic	MT	302003	301927	264874	164659	219086
	Export	"	71226	65875	72815	50778	52750
	Total	"	373229	367801	337689	215437	271836
5	Pulp Sales	MT	2423	2296	4241	2706	6299
6	Power Sales	Lakh Kwh	456	456	821	438	590
7	RECs Sold	Nos	94678	66854	48200	16518	33442
8	Sales	Rs Cr	1803.96	2241.69	2098.62	1409.16	1651.78
9	Gross Profit	Rs Cr	422.07	523.20	522.36	341.84	406.25
		%	23.40	23.34	24.89	24.26	24.59
10	PBT	Rs Cr	126.11	202.68	230.13	126.91	200.60
		%	6.99	9.04	10.97	9.01	12.14
11	PAT	Rs Cr	91.48	161.18	166.73	97.39	158.31
		%	5.07	7.19	7.94	6.91	9.58
12	EPS	Rs	13.22	23.29	24.09	14.07	22.87

Consistent in Performance

Networth (Rs Cr) and BV (Rs/Share)



Debt Equity Ratio

Particulars	Rs Crore	
	As on 31.12.15	As on 31.03.15
Long Term Loans	2033.00	1590.38
Working Cap. Loans	652.39	475.26
Total	2685.39	2065.64
Networth	1419.98	1201.64
Debt Equity Ratio		
LT Loans - Excl Board Plant Loan	0.51	0.68
LT Loans - Incl Board Plant Loan	1.43	1.32



Unit I - Writing and Printing Paper

PM I

1. Radiant Printing (RDS)
2. Hi-tech Maplitho
3. Elegant printing

PM II

1. Eco - Maplitho
2. Ace Marvel

PM III

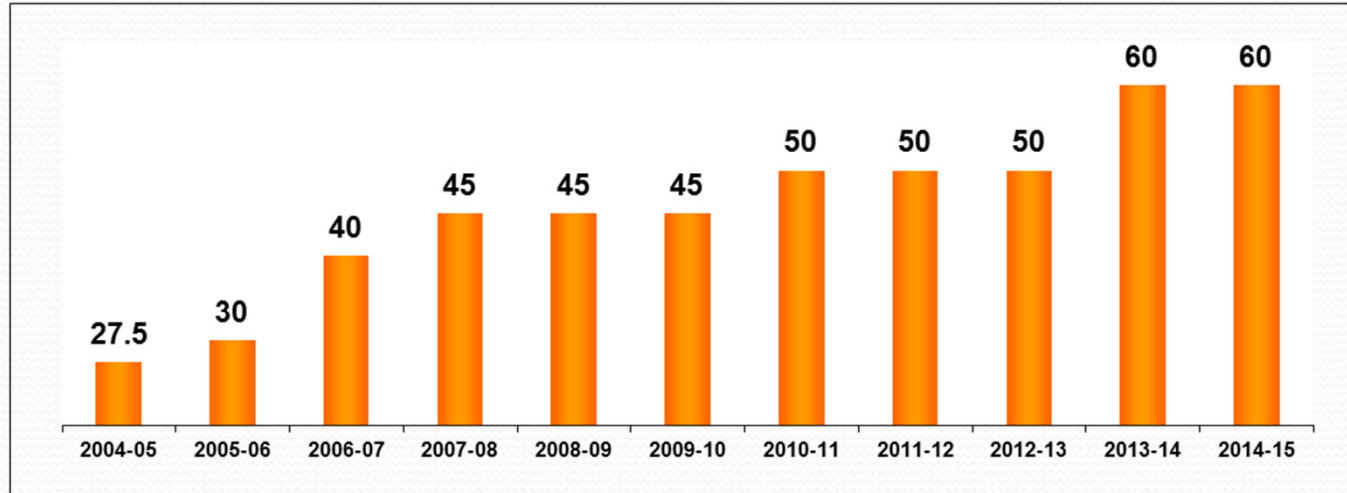
1. Radiant printing (Platinum)
2. Print Fine
3. Pigment printing
4. Copier papers

- TNPL markets its products throughout the country through well established marketing network. Exports about 20% of its products to over 40 countries across the globe.
- TNPL also markets premium quality soft bound note books in Tamil Nadu (about 100MT/ month).

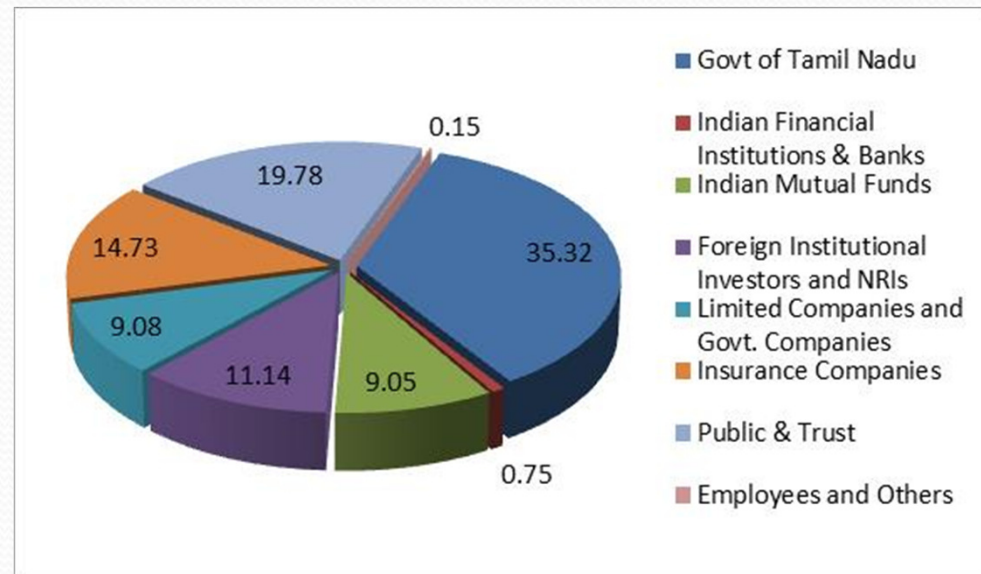
Unit II - Multilayer Coated Boards

- White Line Chip Board (WLC)
- Folding Box Board (FBB)
- Solid Bleached Sulphate Board (SBS)
- Cup stock
- TNPL will market the above product throughout the country. Dealer network have been established across the country.
- About 15-20% of the production will be exported and export agents have been appointed.

Dividend Paid (%)



Shareholding (%)



Pay out Ratio

2013-14 : 30.14%

2014-15 : 29.98%



Awards

Best Mill Awards

- 'IPMA Paper Mill of the year' Award for the year 2001-02, 2007-08, 2011-12 and 2013-14 (4 times on 7 occasions). This award is given once in two years.
- Dun & Bradstreet, Mumbai has selected TNPL as the 'Top Indian Company under the sector Paper for Dun & Bradstreet Corporate Awards 2015' for the four years in a row.

Cost Management Award

- Received National Award for Excellence in Cost Management 2013 (First Award under the category of private – Manufacturing : Organisation (Large)) from the Institute of Cost Accountants of India.

Corporate Governance Award

- 'National Award for Excellence in Corporate Governance 2003-04' from The Institute of Company Secretaries of India (ICSI).

Environment Awards

- Received 'Environmental Strategy of the year Award' from PPI (Pulp and Paper International) magazine in competition with many mills across the Globe.
- Received 'Environmental Best Practices Award 2013' from Confederation of Indian Industry (CII).
- Received Forest Management and Chain-of-Custody Certificate from Forest Stewardship Council (FSC) for farm forestry and captive plantation.

Q & A Session

THANK YOU