CHAPTER III
PROFILE OF THE SELECTED PAPER MILLS IN SOUTH INDIA

The map of south India shows the location of paper mills.

SESHASAYEE PAPER & BOARDS LTD.,

Incorporated in 1960 and promoted by S.Viswanathan and N.Gopalaratnam, Seshasayee Paper & Boards manufactures and markets almost all varieties of paper boards and also effects substantial exports of not only paper and boards but also merchandise like cashew. The manufacturing capacity of paper is 115000 tpa (average weightage: 82 gsm).

The company derives 70% of its turnover from writing and printing paper, while the balance comes from industrial varieties like poster paper, duplex boards, kraft paper, etc. The company uses bagasse as raw material to enjoy tax benefits. Their manufacturing facility is located at Pallipalayam of Tamil Nadu.

The company completed the first phase (cost: `10 crore) of its modernisation programme in 1994, for which it came out with a rights issue at a premium of `10 in Dec.'93. In the same year, the company spent over `6 crore on energy conservation, financed by term loans from IDBI. It has enhanced its capacity to 115000 tpa from 69000 tpa. Company's quality systems continue to be covered by the "ISO 9001" accreditation awarded by Det Norske Veritas, The Netherlands. The company is repaying its term loans for which it availed for Expansion/Modernization projects, due to the Financial Institution/Banks. A multi-purpose business paper 'SPRINT' was launched during 2003 and the same was well accepted in the market.
The present capital outlay of the company is `12.61 crores.

**Year events:**

**1960** - The Company was incorporated on 22nd June, at Chennai. The Company's object is to manufacture Paper and boards and in particular the manufacture of paper-pulp, wood-pulp and fibrous-pulp of all descriptions, cellulose and other materials required by the company.

- The Company undertook to set up a power project which envisaged installation of

  - (i) 2 nos. 750 KVA DG sets to supplement captive requirements,

  - (ii) 110 KV sub-station to ensure stabilised drawal of power,  - (iii) Single fluid boiler that can be operated on multifuels so as to reduce the overall cost of self generated power.

**1994** - The Company entered the business of leasing after obtaining necessary approvals.

**1995** - The company undertook an expansion/modernisation plan costing `300 crores, to double the installed capacity from 60000 tpa to 150000 tpa and also to upgrade the entire steam and power system to an energy efficient high pressure system so as to make the mill achieve 100% self sufficiency in the power front.

- Letters of intent for the same were received from the financial institutions for an aggregate amount of `155 crores. The major equipment’s were imported from Germany.

**1996** - Gross sales realisation also declined due to lower quantum of production coupled with lower per tonne sales realisation due to sluggish market conditions.

**2011** - Seshasayee Paper and Boards Ltd has acquired M/s Subburaj Papers Private Limited.
## Product

### Machines and Products

<table>
<thead>
<tr>
<th>Particulars</th>
<th>MF1</th>
<th>MF2</th>
<th>MG</th>
<th>Yankee</th>
<th>MF3</th>
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<tbody>
<tr>
<td>Deckle, cm</td>
<td>300-305</td>
<td>300-305</td>
<td>300-305</td>
<td>230-234</td>
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<td>Capacity t/day</td>
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<td>55</td>
<td>55</td>
<td>18</td>
<td>150</td>
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<td>Configuration</td>
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<td>Fourdrinier Cylinders</td>
<td>Fourdrinier MG Dryer Cylinders</td>
<td>Fourdrinier Single MG Dryer</td>
<td>Duo former &amp; Cylinders</td>
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<tr>
<td>Special Features</td>
<td>Provision For Dandy Size Press</td>
<td>Inclined Size Press</td>
<td>Provision For Dandy Size Press</td>
<td>Provision to Make Ribbed &amp; Low gsm Papers</td>
<td>Thick Stock Screening Speed Size For online Coating</td>
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<tr>
<td>Substance gsm</td>
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<td>70 - 250</td>
<td>28 - 90</td>
<td>47 - 130</td>
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</table>
The production and sales of the company for a period of 10 years is shown in Table 3.1

Table 3.1
PRODUCTION AND SALES OF SESHASAYEE PAPER & BOARDS LTD.,
(in tonnes)

<table>
<thead>
<tr>
<th>Years</th>
<th>Production</th>
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</tr>
<tr>
<td>2012-13</td>
<td>169438</td>
<td>170079</td>
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</table>

Source: IIFL - IndianInfoline.com
ANDHRA PRADESH PAPER MILLS LTD.,

Andhra Pradesh Paper mills, currently L N Bangur group company was originally set up by a private entrepreneur and changed hands twice in the pre-independence period because of losses. Later in the year 1953, the company was taken over by the Indian Government. Pursuant to an agreement between the Government of Andhra Pradesh and G D Somani, an Industrialist, the Andhra Pradesh Paper Mills, came into existence. It was incorporated as one of the first Joint-Sector Companies in India. Somani later transferred his rights and obligations to the West Coast Paper Mills of the current owner L N Bangur. Currently L.N Bangur Group is holding around 68% of the total investment. It's manufacturing units is situated at Rajahmundry and Kadiam in East Godavari District of Andhra Pradesh. At present the company has `39.77 crores of capital outlay.

The Company is one of the top ten leading integrated pulp and paper manufacturers in India. Production was increased to 100 tpd in 1970 and to 250 tpd in 1977. The company went through a bad patch in the mid-'80s with capacity utilisation much below than installed and with accumulated losses reaching `7 crores. The company launched vigorous HRD programme to stop labour unrest, modernised mill processes and equipment, and commissioned a 10.5-MW turbo-generator for its power requirements. This measure strengthened the bottom line from 1988 onwards.

Having commissioned its coating plant to manufacture value-added coated papers and also having installed an on-line process computer control system on its third machine, it further modernised by replacing the recovery boiler and bleach plant in Sep.'94. During the year Chlorine Dioxide Generation Plant & Rebuild of Paper Machine no.3 along with Rewinder of Paper Machine No.3 were commissioned. Besides this, it is actively considering rebuilding one of the paper machines to improve quality and production.

During Mar.'97, APPML commissioned the core making machinery and lime sludge reburing system to control pollution, conserve mineral resources and improve fuel utilisation.
For the year 1997, the company received a Rolling Trophy for Energy Conservation and Management from the Confederation of Indian Industry in recognition of outstanding achievement in the field of Energy Conservation.

During 1999-2000, the Company has completed a substantial part of the Phase-I of Mill Development Plan and the balance portion is expected to be completed by the Close of Financial Year 2000-01.

In Dec 2000, the company acquired 71% Equity Shares of Coastal Papers Ltd, thus Coastal papers become a subsidiary of APPM. On January 31, 2001 the Board of Directors of APPM decided to amalgamate the Coastal paper with APPM in the ratio of 1:3. This scheme of amalgamation was subsequently approved by the shareholders of both the companies on March 26, 2001 and Hon’ble High Court of AP has also sanctioned the amalgamation with effect from 1st October, 2000.

Digvijay Investments Ltd, a promoter company has entered into an agreement with Govt. of Andhra Pradesh to acquire its 25.36% stake in the on Dec 12, 2003.

As on March 2004, installed capacity is grown from 3000 to 1,53,500 tpa in over last 40 years.

The Company has embarked `554 crores modernisation and expansion programme. The Company proposes to install a new pulping line and to upgrade paper making machines.


**Year events:**

1964 - Andhra Pradesh Paper Mills Ltd. was incorporated on 29th June at Rajahmundry. The Company manufactures and deals in all kinds of paper.
- A formal agreement was entered into between G.D. Somani and the Govt. of Andhra Pradesh on 13th May with a specific provision that a separate company should be formed to take over the relevant assets, rights and obligations in respect of the project.

- All shares issued to Andhra Pradesh Govt. including 65,850 shares without payment in cash.

1988 - Two 1000 KVA D.G. sets were installed and further 2 more were commissioned after the close of the accounting period. A 10 MW Double Extraction Condenser was proposed to be imported from G.D.R. A letter of intent was obtained for the manufacture of caustic soda/chlorine at 30 tonnes per day.

1990 - The Company undertook a project for captive power generation. It was also proposed to modernise the plant and expand the production capacity to 400 TPD.

1991 - Production declined due to labour problems and stoppage of work during the first quarter of the year.

1994 - Online process computer control system on paper machine No. 2 and CD calipee control system on paper machine No. 3 were also installed. The recovery boiler and the bleach plant were commissioned.

1996 - Production decreased due to labour unrest coupled with recession in the market which also led to fall in the selling price of paper adversely affecting the profitability of the company.
1997 - The Core Making Machine and Lime Sludge Reburing System were commissioned in March.

- The Company proposed to undertake some diversification including the manufacture of caustic soda/chlorine. The project was postponed till the completion of the expansion scheme.

- Andhra Pradesh Paper Mill here is witnessing labour unrest for the past five to six months, with the wage agreement having expired by January 1996, and the management and unions unable to come to an agreement on the issue.

- The Andhra Pradesh Paper Mill Ltd, one of the largest paper mills in the country, has lined up a number of measures to overcome the recession.

- The company will raise its capacity from the existing 85,000 tpa to 1,05,000 tpa with the proposed expansion programme. The company has to make good the loss of the more than 3,000 tonnes due to labour dispute during June-July.

1998 - The Andhra Pradesh Paper Mills Ltd (APPML), a Bangur group company, has been certified as ISO 9002 company with effect from December 9, by the Netherlands-based Det Norske Veritas (DNV) for its quality management system.

- The paper industry is hit badly by the general recession in the economy and the industry is expecting some respite from the coming annual Budget.

- The company has been addressing Y2K compliance issue since 1998. The Company has sufficient internal resources to address any system disruption due to Y2K issue.

- During the year under review, the Company received May Day Award for the year 1999 for best management for their outstanding contribution towards productivity and harmonious industrial relations and labour welfare.
- The Company has also been awarded ISO-9002 Certificate by DNV of Netherlands for its Mills at Rajahmundry, Converting Units at Hyderabad and Seri NarasannaPalem, Regional Offices at Delhi, Calcutta and Mumbai and its Corporate Office at Secunderabad.

- The Company had to declare Lock-out of the Factory at Rajahmundry on 5.7.2000 due to sudden eruption of violence in the factory premises on account of Union rivalry. The same was lifted on 8.7.2000 after restoration of normalcy.

2001 - There was a temporary suspension of operations for a period of 12 days in January, 2001 following an accident in the Mills at Rajamundry.


-Andhra Pradesh Paper Mills Ltd awarded 'FSC Certification' for promoting responsible raw material management.

Product


The production and sales of the company for a period of 10 years is shown in Table 3.2
### Table 3.2
PRODUCTION AND SALES OF ANDHRA PRADESH PAPER MILLS LTD.,
(in tonnes)

<table>
<thead>
<tr>
<th>Years</th>
<th>Productions</th>
<th>Sales</th>
</tr>
</thead>
<tbody>
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<td>187233</td>
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<tr>
<td>2011-12</td>
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<td>193302</td>
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<tr>
<td>2012-13</td>
<td>258201</td>
<td>279093</td>
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</table>

Source: IIFL - IndianInfoline.com
SIRPUR PAPER MILLS LTD.,

Sirpur Paper Mills (SPM), It was incorporated in 1938 as an integrated paper manufacturing Company, management was controlled by Hyderabad Construction Company Ltd. In 1942 production commenced with 14 TPD. In 1953, Management was taken over by Birla Brothers. It is one of the largest manufacturers of variety and colour paper in India. It is headquartered in SirpurKaghaznagar. Manufacturing facility at SirpurKaghaznagar was originally designed to manufacture 5,100 tonnes per annum of paper. With a series of expansions taken place during these years it has increased the installed capacity to 83,550 tonnes per annum.

SPM also has a machinery division and a consultancy division. The other company in the Poddar group includes the profitable flagship, Aravali Leasing.

The company manufactures all kind of paper products including writing paper, printing paper, bank ledgers, Indian account book paper, imitation art, imitation laid craft, typewriting paper, duplicating paper, wrapping paper, art paper, chrome paper and bond paper. All its products are sold under the Sirpur trade name.

The company to improve its realisation is taking adequate steps to cut manufacturing cost. In this direction it has installed 75 TPH FBC Boiler and it is expected to result in consumption of cheaper varieties of coal thus cost saving. The company sponsored a farm forestry scheme for raising fast growing species of pulpwood plants under its social forestry programme. The company has acquired 100% shares of Sirpur Stationery Products Ltd in 1999-2000, to establish a paper conversion unit.

In 2003-04, the Andhra Pradesh government disinvested its 6.34 percent stake in the Company which was purchased by the promoters enhancing their stake in the Company 43.25 percent. At present the capital outlay of the company is `16.44 crores.
Year events:

1938 - The Company was incorporated on 17th November, at Hyderabad. The Company’s object is to manufacture of and dealers in pulp and papers of all kinds and articles made from paper or pulp and materials used in paper and pulp manufacture and treatment.

- Among the papers manufactured are writing, printing, bank ledger, Indian account book paper, cream-laid, imitation art, imitation laid craft, typewriting, duplicating, wrapping, art paper, chrome paper and bond. Special paper is also made from rags. The company's products are sold under the trade name "Sirpur". The Company also has a machinery division and a consultancy division.

1986 - The Balancing and modernisation programme undertaken by the company neared completion with the Commissioning of drum chipper double disc refiners, white liquor clarifiers etc.

1988 - The performance continued to be unsatisfactory due to power constraints and increase in the cost of production.

1990 - Production declined to 53,465 tonnes due to transport dislocation irregular supplies of critical inputs like coal, bamboo, chemicals etc. and severe power cuts coupled with frequent trippings of power from the Andhra State Electricity Board.

- The Company's R&D unit undertook to develop new value added varieties of paper to improve pulping of bamboo and unconventional raw materials.

1991 - The Company had to purchase bamboo and wood from other sources at a higher cost due to shortfall in the supply of bamboo from areas leased to the company within Andhra Pradesh.

1992 - With a view to improving profitability of operations, the Company opened sales depots at important market centres and undertook to manufacture value added products.
1993 - A 75 FBC boiler was under erection and was commissioned in September 1994.

1994 - Inspite of increase in cost of various inputs like coal, electricity, chemicals, bamboo and wood and increase in labour cost, the overall performance of the company improved due to improved market conditions coupled with better working efficiency and improvement in quality following modernisation of the plants.

- With a view to increase production, improve quality and to reduce production cost, the company undertook up gradation of existing paper machines and pulping plants and installation of second FBC etc.

1996 - Operating margins were under pressure due to lower realisation and escalation in the manufacturing costs. The company strived for cost reduction through modernisation, process optimisation and value addition.

1997 - Prices of Company's products were under continuous pressure due to steep competition.

1998 - The Company has launched a new scheme namely Joint Farm Management Scheme in association with the individual farmers on a large scale.

- The Company has launched the VRS (Voluntary Retirement Scheme) which is receiving a good response.

1999 - The Company has also established Research & Development activities in order to improve the growth and yield of plantations by developing clonal multiplications.

- The Second 75 TPH FBC Boiler has been commissioned and the full results will be achieved in the current financial year.

2000 - In order to be in line with world standards, the Company has installed a computerised programme - SAP/R3, a client server based enterprise-wide resource planning (ERP) solution which is a totally integrated system working on real time basis which will lead to better information system.
- The Company is undertaking feasibility study to increase captive cogeneration of power from 15 MW to 36 MW.

2001 - The Company has acquired controlling interest in India Web Business Ltd. which has become a 100% subsidiary of our Company.

2010 - The Company introduced Twin Roll Press with capacity of 30-40 TPD wet pulp per day.

**Product**

The Sirpur Paper Mills Ltd. provides one of the widest product ranges among paper manufacturers within India. It is reputed for the production of niche varieties of paper and board.

The vast product portfolio of The Sirpur Paper Mills Ltd. includes writing, printing, typewriting, duplicating, cream wave, maplitho, ledger, bank account book paper, bond, parchment, fancy wrapping, pastel paper, industrial kraft, base paper for coated paper, duplex board and triplex board. It also manufactures papers from rags.

Different machines are dedicated for the manufacture of various grades of paper and board. This enables manufacture of a range of writing, printing board and industrial paper (from 30 GSM to 700 GSM) as well as making it possible to incorporate special requirements of customers.

**Availability**

The Company has six depots at Mumbai, Delhi, Chennai, Kolkata, Hyderabad and Jaipur in India. Products are sold through the company's over 50 authorised wholesalers in all states and also through their sub-dealers across India. This has facilitated a wide availability in all major cities, with sub-dealers to address the demand coming out of small towns. The Company's products are also exported to Nepal and through merchant exports to Bangladesh, Sri Lanka, Indonesia, Malaysia and Philippines etc.
Quality

In the business of paper manufacture, every batch needs to be customised as per diverse customer requirements. In turn, this means that product specifications need to be evolved periodically; any under-delivery could affect brand image and the prospect of future revenues.

The Sirpur Paper Mills Ltd.’s consistent product quality is a testimony of its capability. The Company supplies writing and printing paper to some of the leading publishers and card manufacturers.

It has a dominant presence in the industrial board segment through supplies to major match manufacturers, shrimp packers, office file manufacturers and dry battery manufacturers.

Its unbleached absorbent kraft is specially in demand by leading decorative and electrical laminators of India.

The Sirpur Paper Mills Ltd. has institutionalised the practice of conducting control tests including grammage test, thickness (calliper) test, Cobb test, and carbonising test among several others, successfully addressing stringent and demanding customer requirements.

Quality checks are incorporated at every stage. With more than 24 quality checks a day on the shop floor before final delivery and when the product is ready to be dispatched, the last word at The Sirpur Paper Mills Ltd. spells quality.

On a regular basis, investments are made in the quality control unit and in skill enhancement. The Company also does a regular checking and monitoring of discipline across the chemical concentration to impart requisite properties in the paper.

The investment of ₹294 crore will make manufacturing of paper at The Sirpur Paper Mills Ltd. elemental chlorine-free. An advanced fiber line, using ECF technology, will lower pollution, water consumption and effluent discharge, while enhancing the quality of bleach pulp, leading to a higher brightness.
The production and sales of the company for a period of 10 years is shown in Table 3.3

Table 3.3
PRODUCTION AND SALES OF SIRPUR PAPER MILLS LTD.,
(in tonnes)

<table>
<thead>
<tr>
<th>Years</th>
<th>Production</th>
<th>Sales</th>
</tr>
</thead>
<tbody>
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Source: IIFL - IndianInfoline.com
Tamil Nadu Newsprint and Papers Ltd is the largest bagasse, an agricultural residue, based paper unit in India. The company is in the business of manufacturing and marketing of newsprint and printing & writing papers. The products are being marketed throughout the country and also being exported to 30 countries around the world. Their manufacturing facility is located at Kagithapuram in Karur District of Tamil Nadu.

Tamil Nadu Newsprint and Papers Ltd was established by the Government of Tamil Nadu in April 1979 as a public limited company. The primary objective of the company is to produce newsprint and printing & writing paper using bagasse, a sugarcane residue, as the primary raw material. The company started their commercial production in the year 1985. At present the capital outlay of the company is `69.38 crores.

During the year 1994-95, the company undertook expansion programme and doubled their capacity from 90,000 tpa to 1,80,000 tpa. During the year 1998-99, the company signed a MoU with Quena Newsprint, Egypt for providing technical assistance and support for erection of a Newsprint and Paper Mill in Egypt. The mill was successfully commissioned during the year 2000-01.

During the year 2000-01, the company introduced a new versatile all purpose cut size paper under the brand name TNPL OS 2000. Also, they formally launched 'TNPL Canefields' copier paper in the Australian market. In March 2001, the company increased the wind farm capacity from 15 MW to 18 MW, by installing 4 nos. of 750 KW each wind turbines at Devarkulam.

During the year 2002-03, the company commissioned the Bio-methanation plant to treat around 12000 cu m of biogas (methane) per day, to be used as fuel in the lime-kiln. They completed the upgrades of both Beloit and Voith paper machines and production capacity increased from 180,000 tpa to 230,000 tpa.

During the year, the company launched a new product named Hi-tech Map litho plus with 90% brightness and improved optical properties. Also,
they entered into a long term agreement with Terra Energy Ltd, a subsidiary company of Thiru Arooran Sugars for procuring bagasse in exchange of steam.

During the year 2003-04, the company upgraded the paper machines and pulp mills at a capital outlay of `140 crore and increased the installed capacity from 180000 Mts to 230000 Mts per annum. In March 2004, the company installed 3 nos of 1250 kw capacity wind turbines at Devarkulam, thereby enhancing the overall wind farm capacity from 18 MW to 21.75 MW.

During the year 2004-05, the company introduced two new products, namely, TNPL Offset Printing and TNPL Elegant Printing. They entered into a long term agreement with Tamil Nadu Forest Plantation Corporation Ltd for continuous supply of pulpwood. In February 2006, the company increased the wind farm capacity from 21.75 MW to 28 MW by installing 5 Nos. of 1250 KW wind energy generators at Devarkulam.

During the year 2006-07, the company installed 6 wind electric generators of 1250 KVA each and increased the wind farm capacity from 28 MW to 35.5 MW. They installed a 200 tpd Cut Pack line during the year and increased the conversion capacity from 150 tpd to 350 tpd.

The company received Special Export Award from CAPEXIL in recognition of outstanding export performance. They received the 'Best Energy Conservation Award' for the year 2007 from the Government of Tamil Nadu. They also received TERI Corporate Environmental Award 2008 for the efforts towards environmental management and innovative initiatives among corporate.

The company installed new 300 tpd state-of-the-arts Hardwood Pulp Line with ECF bleaching and a 500 tpd ECF bleach plant for Chemical Bagasse Pulp with supporting system. They also set up a state-of-art Clonal Propagation and Research Centre (CPRC) for producing about 1.5 crore high quality clones per annum.

The company has initiated action for which would augment the paper production capacity from 2,45,000 tonnes per annum to 4,00,000 tonnes per
annum utilizing the surplus pulp generated under the Mill Development Plan. The company is also undertaking the Life cycle Extension programme, under which the Paper Machine 1 installed during 1985 will be upgraded.

The company plans to increase the plantation area by about 15,000 acres per annum to reach the target of one lakh acres by the year 2012-13. They also propose to install a 400 tpd dry process cement plant within the factory complex converting the waste fly ash and lime sludge generated in the factory, into high quality cement.

Year events:

1979 - The Company was incorporated on 16th April, with a capacity of manufacture 50,000 tpa. of newsprint, and 40,000 tpa of printing and writing paper. It was promoted by the Government of Tamil Nadu for the manufacture of Newsprint and Printing and Writing Papers using bagasse as the primary raw material. It manufactures newsprint, writing and printing paper.

1993 - The wind farm at Devarkulam was commissioned on December & that at Perunguadi in March. The Company undertook to double its existing capacity.

1996 - The Company diversified into non-conventional area of energy by setting up a 15MW captive wind farm in Nellai, Kattabomman district in Tamil Nadu.

The expansion project of TNPL was to double its capacity from 90,000 tonnes per annum to 1,80,000 tonnes per annum.

The ministry of commerce has proposed to impose anti-dumping duty on newsprint ranging from `1,048 to `6,250 per tonne for imports from USA, Canada and Russia.

1998 - The Company has signed an MOU with Quena Newsprint, Egypt for providing technical assistance and support for erection and commissioning of a Newsprint and Paper Mill in Egypt.
- The company has installed two captive turbo generators for generating about 26 MW of power. In addition, the company has also setting up a turbo generator of 10.5 MWs capacity to fed the TNEB's power grid.

- The Tamil Nadu Newsprint and Papers Ltd (TNPL) in Karur district has enhanced mechanical bagasse pulping (MBP) utilisation to about 30 per cent against the envisaged 50 per cent in its DPR in its new paper machines after the World Bank decision to fund the project.

- An MoU was signed by TNPL and Quena Newsprint and Paper Company of Egypt.

- The company has also acquired ISO 9001 certification from RW TUV, a German company through its Indian arm TUV Pvt Ltd.

- Photocopier paper named "TNPL COPIER" was developed to meet the requirement of the customer with 75% chemical bagasse pulp.

1999- Tamil Nadu Newsprint and Papers Ltd is mulling a proposal to manage the Karnataka-based Mandya National Paper mill (MNPM) -- a sick unit, as a pilot project for a limited period.

- TNPL is the first commercially successful bagasse based newsprint plant in the world.

- Tamil Nadu Newsprint and Papers Ltd (TNPL) is on the verge of finalising a long-term agreement with the Coimbatore-based Sakthi Sugars for the supply of bagasse.

- The Company has signed an MOU with Quena Newsprint, Egypt for providing technical assistance and support for erection and commissioning of a Newsprint and Paper Mill in Egypt.

- The Company has introduced a branded value added product viz. TNPL Excel Maplitho and has improved the quality of TNPL copier and other varieties of paper.

2000- The FA+ rating assigned to the FD issue of the company has been reaffirmed.
- The Company has been selected for Mother Teresa Award for best corporate citizen by the Loyola Institute of Business Administration (LIBA).

2001- Crisil has upgraded the fixed deposit program of Tamil Nadu Newsprint & Papers Ltd. from FA+ to FAA.

2003- TNPL prepays its World Bank loan enabling a drastic cut in its cost of debt.

- TNPL appoints Canadian AMEC E & C Services Ltd to carry out the feasibility study.

2010- TNPL donates diesel generator to the Government Hospital as a social responsibility

- Notebooks donated to the students of government schools

- Conservation initiatives earn green award for TNPL

2012- Students reap rich rewards with TNPL aid

- TNPL obtained Forest Stewardship Council (FSC) - Forest Management & Chain of Custody Certificate.

Product

TNPL offers high-quality surface sized and non-surface sized paper to suit the needs of modern high speed printing machines. TNPL’s cutting edge technology backed by experienced professionals ensures quality products to customers. TNPL’s manufacturing processes are equipped with state-of-the-art control systems to maintain critical quality parameters on line. The paper produced by TNPL is eco-friendly as the pulp is manufactured out of renewable raw material and is subjected to Elemental Chlorine Free (ECF) bleaching. As the paper is acid free, it has a longer colour stability and enhanced permanency in terms of strength characteristics.

TNPL caters to the requirements of multifunctional printing processes like sheet-fed, web offset, and digital printers. The paper reels have uniform profile with strength properties to cope even with high speed machines.
TNPL manufactures Printing and Writing Papers in substances ranging from 50 GSM to 110 GSM.

- TNPL Ultra White Maplitho / Print Vista
- TNPL Elegant Mapilitho
- Hi-Tech Maplitho
- TNPL Pigment Paper
- Radiant Printing
- Ace Marvel
- Hardbound Notebook
- TNPL Offset Printing
- Cream Wove
- Copy Crown
- TNPL Copier
- Students' Favourites
- Super Print Maplitho
- Perfect Copier
The production and sales of the company for a period of 10 years is shown in Table 3.4

### Table 3.4
**PRODUCTION AND SALES OF TAMIL NADU NEWSPRINT AND PAPERS LTD.**

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<thead>
<tr>
<th>Years</th>
<th>Production</th>
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<td>2012-13</td>
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<td>371600</td>
</tr>
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</table>

Source: IIFL - IndianInfoline.com
WEST COAST PAPER MILLS LTD.,

West Coast Paper Mills (WCPM), part of Bangur group is one of the leading players in the Indian Paper Industry. Apart from paper the company is also into manufacture & sale of Optical Fibre Cable and Jelly Filled Telephone cables. WCPM's Paper Division is located at Dandeli in Karnataka and Cable Division in Mysore, Karnataka. Further the company owns six windmills with an installed capacity of 1.75 MW in Tamil Nadu and majority of this wind power is supplied to Tamil Nadu Electricity Board.

WCPM's paper division at Dandeli consists a paper mill with an installed capacity of 1.57 lakh MTPA and a 28 MW co-generation power plant. The product mix of WCPM's paper division includes writing, printing & packing paper. The company which has raised the paper capacity by 18000 tonnes per annum is presently engaged in further raising the paper capacity to 163750 tpa by FY 2002-03. The capital outlay of the company is `13.21 crores.

The Cable Division i.e., Sudharshan Telecom came into existence in 1996 by setting up a plant to manufacture Optical Fibre Cable (OFC). Latter in 2001 the company set up facility to produce Jelly Filled Telephone Cable (JFTC). Currently the cable division has an installed capacity to produce 83500 Kms of OFC and 1542000 Ckm of JFTC. Sumitomo Electric Industries of Japan and John Royale & Sons of USA are the technology providers for Sudarshan Telecom. This state of the plant at Mysore is capable of producing armoured and aerial types of OFC in addition to the underground duct burial type cables with a fibre count upto 40 fibres.

Expansion, Modernisation and Diversification Programme for the Paper Division at Dandeli has been taken up with a cost of `214.50 crores (of which 65% had been completed by the end of 2001-02). In 2000-2001 the company has ISO 9001 Certification from Det Norske Veritas, The Netherlands.
During last quarter of 2001-02 the new 33000 TPA Duplex Board Machine was commissioned by the company and the company looks forward to increase the market share in the duplex board segment in the near future.

During the year 2003-04, the Company completed its ongoing expansion programme for the Paper Division at Dandeli in Karnataka at a cost of `230.14 crores.

Subsidiaries

WCPM has two subsidiaries Speciality Coatings & Laminations Ltd (SPCL) is engaged in manufacture of coated paper and paper boards i.e. Chromo & Art Paper. SPCL's 15000 tpa plant is located at Gurgaon in Haryana. WCPM holds 65% stake in the equity of SPCL.

Bharat Sugars, which is taking steps for setting up a 1250 TCD sugar mill with 7.5 MW co-generation plant at Kesoralli village, HaliyalTaluka at a cost of `48.47 crores has become subsidiary of WCPM effective from Dec 3, 2002. No progress is achieved in implementation of this Sugar project.

WCPM has acquired 59.79% equity stake in Rama News Print on Sep 2003. This gives the Bangur group the much needed Economic of Scale in the Indian Paper Industry.

The company came out with a modernisation / renovation programme for technology up gradation, diversification and energy conservation.

Year events:

1955 - The Company was incorporated on 25th March, at Mumbai. The Company's object is to manufacture of paper, pulp and other raw materials. The Company manufactures printing papers, writing papers, wrapping papers etc. Bamboo is the chief raw material.

- In August, the Government of Mumbai granted concessions for extraction of bamboo for a period of 30 years on a royalty of `3.12 per tonne of paper
or pulp going out of the factory subject to revision after 5 years and subsequently after every 10 years.

1963 - The Govt. of Mysore sanctioned the extraction of 20,000 tonnes of bamboo from the forests outside the company’s areas at a royalty of `7.50 per tonne.

- The Company made a beginning towards self plantation of 10,000 acres with bamboo of a special variety and other fast growing trees like eucalyptus, hybrids and paper mulberry.

1964 - The total land under plantation since the scheme was taken up increased to 36,564 acres, comprising 5,316 acres for woods and 31,248 acres for bamboo.

1966 - A further 27,155 acres were brought under plantation between 1966-67 and 1969-70.

- In order to augment the working capital resources the company sold some of its old equipments to various leasing companies for ₹ 200.92 lakhs under "Sale and Lease Back" scheme.

1973 - The company was allotted 37.657 acres of bamboo forests to replace the areas lost to the company due to Kali River project and clear felling for new teak plantation undertaken by the forest department of the state. The agreement with the State Govt. of Karnataka for extraction of bamboo in the leased areas was due to expire in 1989 and necessary steps were being taken to renew the lease.

1986 - Installation of the fluidised bed combustion boiler was commissioned in October.

1989 - An order was placed for new back pressure steam turbine of 5.3 MW capacity. The said turbine was expected to be commissioned by the first quarter of 1991.

1991 - Despite higher sales realisation, profits were affected due to escalation in the cost of raw material, coal, chemicals, etc.
1992 - Installation of remaining equipments like pulp mill, chemical recovery etc. under the first phase of the modernisation and renovation programme was in progress. The second phase of the said programme costing `85 crores involving the installation of bagasse pulping equipments, coating plant a new paper machine and other balancing equipments would be taken up in due course.

1994 - As a part of the on-going modernisation/expansion/diversification programme the company installed UTM pulpers on paper M/s. Nos. I and II and CD Profiler on Paper M/s. No.III, to improve the productivity. The company undertook the second phase of modernisation programme at a total capital outlay of `235 crores which includes a Duplex Board machine, bleach plant, Bagasse pulping plant, falling film evaporators, power plant nor 15 MW and two paper machines for weight papers of MG and MF and superior quality duplex boards.

- The Company has also applied for Letter of Intent to set up a Caustic Soda and liquid chlorine plant.

- The company also proposed to set up a sugar mill and applied for an Industrial licence.

- The company diversified into high-tech product area in the telecommunication field by putting up a unit at Mysore for production of optical fibre cables. The civil work of the Duplex Board mill and optical fibre cables unit was under progress.

1995 - The performance of the Company surpassed all its past records. Production and sales increased significantly mainly due to the relentless efforts made at all levels in optionally utilising the resources available.

- As a part of the on-going modernisation/expansion/diversification programme the company has installed a state-of-the art plant to manufacture optical fibre cables with foreign technical collaboration, a running plant with a capacity of 9000 MT P.A. for the manufacture of chromo, Art paper and Board was installed at Gugaon (Haryana).
- The Company also installed a 1050 KW wind power mill in Chennai.

- The Company has received letter of intent for setting up a sugar mill of 2500 tonnes crushing capacity per day and a caustic soda and liquid chlorine plant as a step towards backward integration.

1996 - Duplex Board Machine was commissioned on 15th September.

- The Company has taken the following new project as a part of its expansion-cum-modernisation programme:

  - (a) Bleach Plant: The 250 TPD new Bleach plant was expected to be commenced by the end of December 1997.

  - (b) Digester No. 10: A new digester was planned to cope-up with the increased requirement of mill made pulp for higher level of production. Digester was expected to be commissioned by March 1998.

  - (c) New Power Plant: Apart from installing 5 new DG sets, the company intending to set up a new power plant by installing one 70 TPH FBC Boiler and a 12 MW capacity Double extraction partial condensing Turbo Generator set.

  - (d) Caustic Soda Plant: The company has received letter of intent from the Government of India to set up the above plant as a step towards backward integration project.

- The Company is also planning to set up a sugar mill of 2500 tonnes cane crushing capacity per day.

2000 - The Company has taken up modernisation, expansion & diversification programme with a capital outlay of `214.50 crores for increase in the production capacity and technology up gradation of paper, duplex board and cable divisions.

**Product**

**A FEATURE-PACKED PRODUCT MIX**

The West Coast product-line features well-established brands of commercial to premium grades of paper and boards ranging from 54 to 600
GSM, catered to across six different product segment namely; Writing, Printing, Business stationery, specialty, industrial and packaging.

**PAPER FOR QUALITY PRINTING**

**Great value for money**

WCPM presents a range of quality printing & writing papers from 54 to 120 gsm that suits to the entire needs of modern print-houses who demand high quality papers for commercial to premium printing of at reasonable price. High bright, strong, stiff and bulkier papers offer excellent surface, optical and physical properties to suit all kinds of commercial grade printing & writing applications. Good reel condition uniform profile makes it a better choice for web based printing.

High bright, strong, stiff and bulkier papers offer excellent surface, optical and physical properties to suit all kinds of commercial to premium grade printing & writing applications. Uniform profile with good reel quality makes it an ideal choice for reel-printing.

**BUSINESS STATIONERY**

**An exclusive range crafted especially for the hi-tech business**

West Coast Paper Mills present the finest Range of premium office papers of international standards, tailor-made to suit all kinds of high-end office printers. The feature-rich branded range comes in a right blend of surface, optical and physical properties to give business document a face lift. Reel-cut and packaged using state-of-the-art automated precision cut-pack system that ensures dimensional perfection and crisp packing – a value addition to customer. A one-stop paper house for quality, variety and affordability. Made available in A4, A3 and folio size in 70, 75 and 80 gsm.

Copy Gold:

**B2B : 70 GSM**

Multi-purpose Office Paper

- A Single paper solution for multiple office needs.
- A popular multi-purpose office paper.
- Preferred by most offices and corporate for commercial usage.
• Offers a combination of economy and quality.
• Best suited for hi-speed Copying, inkjet, laser and general-office-stationery.
• Great value-for-money.

Copy Gold : 75 GSM
A Versatile Multi-functional paper
• Super-bright Paper with excellent dimensional stability for hi-speed, hassle-free copying and printing.
• Excellent surface & optical properties that offer higher print resolution.
• Ideal for Speed-copying, Laser, Inkjet and Digital printers.

Copy Plus : 80 GSM
Premium Business papers
• Premium business stationery crafted for hi-tech business.
• The whitest of the Range in pleasing shade.
• Hi-strength, Hi-bulk paper with enhanced visual appeal and feel.
• A premium, multi-functional paper for hi-end office needs.

Sudarshan Brand Premium Printing Papers
WCPM offers Sudarshan brand premium printing papers to suit high-end printing applications. Paper made on new generation former that features a combination of Fourdrinier wire section with a top former that facilitate uniform basis weight Profile and excellent sheet formation with least two-sidedness and MD/CD tensile ratio. Surface sizing is imparted through metered size press to give the paper the “extra finish” typical of a niche segment product.

The shoe press and soft-nip calendaring facilitate achieve high bulk, good dimensional stability with low two-sidedness. The ECH bleached, alkaline sized Papers are made using 100% wood fiber with high grade fillers to ensure excellent optical and surface properties with lasting freshness and with least abrasion factor. The range comes in 58 to 90 gsm possess high strength with uniform profile ensuring excellent reel quality to cope with higher print, meeting the demands of a modern print shops.
VALUE ADDED PRODUCTS

Value Added Grades

The company enjoys the distinction of being a strong player in some of the value added, customized and niche product segments for high-end applications. The West coast made MICR Cheque Papers, Parchment, Azure Laid, alkali-resistant papers and the colored range of papers & boards are very popular and most sought after grades in the industry. The company’s Packaging grade base papers which goes into the manufacture of cup-stocks and the tetra packaging industry are most sought after by the customers.

The products are FSC certified

Security & Hi-value grades papers

MICR Cheque Papers: 95 gsm

Almost every Bank in the country (private and Nationalized) is known to be using our customized water-marked security-papers in printing cheque leaves and security bonds etc. Besides, the company exports sizable quantity of security papers to the neighboring countries

Azure Laid:

GSM: 70-90 WCPM Azure laid is one of the most preferred and traditionally used Ledger paper over the years. The unmatched shade is Popular in the market and in the Bank segment for its quality and consistency.

Sudarshan Parchment Paper: offered in 90 – 135 gsm is well received in the high-end application segments as bond paper, for making certificates etc.

Coating base papers and Cartridge Papers (90-140 gsm)

Base papers offered in a wide GSM range are fondly used by the offline coaters as a coat base paper for a wide range of printing applications. The Cartridge papers are widely used as children drawing books and in the chart paper for draft plans etc.
**Nova Print:**

54 to 80 gsm: High bulk paper offered in white and natural shades is well accepted in the publication segment for the shade, stiffness and print quality.

**ICR/OCR: GSM 90:**

WCMP enjoys unique position in complying with the stringent norms slated for the ICR and OCR grade papers, wherein the product specifications, print quality (off tone reproduction), quality consistency are of paramount importance.

**West Coast** paper’s most preferred range of customized specialty papers that enjoy market leadership in the high-value product segments.

**Products offered:**

- Azure laid
- Parchment Papers
- MICR Cheque Papers
- Cup Stock
- S.S. Pulp Boards UHB
- Nova Print (Hi-Bulk)
- HQ Poster HL
- MF Buff
- MG White & Colour Posters

**Coated Duplex Board**

**Duplex Board**

The West Coast Paper Mills presents a wide range of boards to the packaging industry viz; single and double coated Boards with Grey-Back, white-Back and kraft-Back options, offered in 230 to 600 GSM.

The WCPM product range also includes value added products like Cup Stock Board for paper cups and Folding Box boards for high end packaging segment.

Among the uncoated range we offer Grey-Back and kraft-Back boards to the Garment and Footwear industry.
The feature packed multi-layer boards are made of state of Art technology using virgin fibers in top layers and recycled fibers in the middle that ensure good bulk, extra strength and stiffness to the boards to suit to the needs of packaging industry. The Duplex range possesses excellent box making properties.

The products are used in a wide range of application segments viz; Pharmaceutical, Apparel, Match Box, Cigarette, Liquid Packaging, Food Packaging and various other Packaging applications.

At West Coast, the Paper and Boards are manufactured using eco-friendly production process, maintaining highest level of quality Standards.

Excellent Surface and Optical Properties with good Feel and Visual Appeal have made the West Coast boards a "printers’ favourite".

<table>
<thead>
<tr>
<th>Products Offered</th>
<th>GSM</th>
<th>End Uses</th>
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<tbody>
<tr>
<td>Duplex Board Coated Super</td>
<td>230 - 450</td>
<td>Pharmaceuticals, Food Packaging, Garments, Liquor Cartons, Agarbati etc.</td>
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<tr>
<td>Duplex Board Coated</td>
<td>230 - 450</td>
<td>Match box, Agarbati, Garment, Sweet Boxes, Hosiery, Spare Parts etc.</td>
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<tr>
<td>Duplex Board White Back (HWC) / (LWC)</td>
<td>230 - 450</td>
<td>Pharmaceuticals, Food Packaging, Garments, Liquor Cartons, Agarbati, Wedding &amp; Greeting Cards, Paper Plates, Notebook &amp; Text Book Covers etc</td>
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<tr>
<td>Sudarshan Cup Stock</td>
<td>170 - 180</td>
<td>Paper Cups</td>
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<tr>
<td>Sudarshan-UltraWhite Coated Board</td>
<td>230 - 450</td>
<td>Garment, /Saree-Boxes, Agarbati segment</td>
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<tr>
<td>Duplex Ultra White Coated Premium Board</td>
<td>230 - 450</td>
<td>Pharmaceuticals, Premium-saree boxes, Cosmetics and varieties of cards.</td>
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<tr>
<td>Duplex Board (Deluxe) Uncoated Boards</td>
<td>230 - 600</td>
<td>Garments, Foot Wear</td>
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<td>Coated Duplex Board LWC</td>
<td>200 - 600</td>
<td>Match Box, Agarbati, Garments, Hosiery, Spare Parts</td>
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<tr>
<td>Duplex Bd. LWC Kraft Back</td>
<td>230 - 600</td>
<td>Top liner for Corrugarion Segment, Garment Inserts, fruit boxes, etc..</td>
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</table>
The production and sales of the company for a period of 10 years is shown in Table 3.5.

**Table 3.5**

PRODUCTION AND SALES OF WEST COAST PAPER MILLS LTD.,

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<thead>
<tr>
<th>Years</th>
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Source: IIFL - IndianInfoline.com