



**Seshasayee
Paper and
Boards Limited**

Regd Office & Works : Pallipalayam, Namakkal District,
Erode - 638 007, Tamilnadu, India, Ph : 91 - 4288 - 240221 to 240228
Fax: 91 - 4288 - 240229 email : edoff@spbltd.com Web : www.spbltd.com
CIN : L21012TZ1960PLC000364

Ref : SH/S 6/

2014 09 30

**National Stock Exchange of India Limited
"Exchange Plaza"
Plot No. C/1, G Block
Bandra-Kurla Complex, Bandra (E)
Mumbai 400 051**

Kind Attn. : Mr Amit Phatak

Dear Sirs,

Sub : Seshasayee Paper and Boards Limited - News clarification.

Ref : Your e-mail of date.

- 1 Seshasayee Paper and Boards Limited (SPB) is a more than five decades old listed Company.
- 2 It undertook various expansion projects and modernisation projects at various points of time. The last Project was a Mill Development Plan completed during the year 2008.
- 3 In the year 2008, Mill Development Plan II was proposed to be implemented at an estimated cost of ₹ 350 crores. This was intimated to your esteemed Exchange, vide our letter No. SH/S 6/586, dated 26th July 2008 which was duly updated in your web site on the same day.
- 4 In the meantime, in the year 2011, SPB acquired Subburaj Papers Private Limited, a sick paper mill located in Tirunelveli in the State of Tamilnadu and got it amalgamated with Seshasayee Paper and Boards Limited with effect from April 01, 2012. It has been currently operating at near installed capacity.
- 5 Since, paper industry is categorised as highly polluting industry, any expansion of pulp / paper capacity requires approvals, both from the State Pollution Control Board, as well as Central Government Pollution Control Authorities. It is a long drawn process, extending to nearly 12/24 months period of time.





- 6 We have made requisite applications for proper environmental clearances, both from State and Central Government Authorities. They are under process. The outcome will be known only by early 2015.
- 7 We are currently engaged in drawing up schemes for the Tirunelveli Unit to optimise cost of production (by substituting imported pulp with in-house pulp, to the extent possible and reducing the cost of power). We have drawn-up separate schemes, for our Erode and Tirunelveli Units. Implementation, however, is dependent on our obtaining requisite environment clearances.
- 8 The subject newspaper item is based on the contents of our applications for environmental clearance and informal chat on the side lines of a paper industry seminar.
- 9 Once we secure environmental clearances, we will seek the approval of our Board of Directors and duly advise the Stock Exchanges.
- 10 We assure you that no price sensitive information will be provided to anybody without they being first informed to the Exchanges as stipulated in the Listing Agreement.

Thanking you,

Yours faithfully,

For Seshasayee Paper and Boards Limited

(V PICHAI)

**Deputy Managing Director &
Secretary**