



Dear Colleagues,

My greetings to you all on the eve of 7th Founders Day.

MAKE IT BETTER

I am indeed very happy that all of you have made it! Possible to produce world class bank note paper within the short period of commencing the production. We have had our share of vicissitudes on the way up and still many more hurdles to cross to look back and stare at our journey with satisfaction and say the road ahead is paved well for the company to stabilize its production. What stabilization means to all of us is that we are able to run both lines of production 24x7 with least down time even to change covers, that the production speed is 90+ meters per minute, the rejection rate is minimum I acceptance rate is 92+ and the saleable paper production is a minimum of 40 tons per day x 320 days a year so that we are there to say we are producing at the rated capacity of 12000 MT per year. We are not yet there is known to you when you examine the parameters I have just outlined above. What stabilization also means to me is water consumption stabilization to enable ETP to cope with the outflows, power consumption moderation, minimum raw material consumption for per ton of production, finishing section is able to cut & load the paper to its destination with quality of paper to printing units as a guiding factor. You should embrace quality as our DNA, on a mission mode, not to cut corners, compromise on quality check besides ISRA check. That our product is accepted by our consumers without any demur should be uppermost in paper making process division, chemical dosing unit and finishing section. There has to be constant interaction amongst their units - in each shift on each day-communication is the Mantra to affect midcourse correction in dynamic production process. There are three things essential for all of you to remember, recite and practice it on daily basis.

- 1) Daily drill: The outgoing shift people should alert & educate the shift taking over from them on what has been the problem I likely situation that may arise and the need to follow SOP with possible if & buts. It is not just the interaction between shift-in-changers, but worker-to worker, team to team.

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- 2) Process Control in coordinated fashion to reduce downtime, inclusions and improve quality of saleable paper - two way communication and coordinated changes in parameters to improve/ stabilize paper quality; this has to be a mechanical drill with insightful exchange of information.
- 3) Managerial grid: A grid connotes coordinated control system. A manager is an important cog in the management grid - his duty does not end with his shift duty, nor is it limited to limited his sphere of responsibility. He should stretch & strive to communicate with other sectors I divisions for sharing the info. Are we doing it? Do we need a formal directive to do so? Open up boys/ girls to share info on work area/ work process.

A penny saved is a penny earned; cost consciousness has to be imbibed by everyone. Switching off unnecessarily lights and air conditioning, closing the door, use of less raw material to per ton of production and most of all avoiding breaks & down-time will go a long way in reducing costs. Since we don't have much control over sale-price or on raw material price, we have to look for other avenues to control costs.

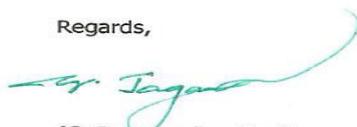
Integrity - A nation is built on character and a company is built on its integrity. Integrity also means saving time by not wasting it, being truthful about your skill set or the lack of it, not indulging in acts like - breaching rules or breaking materials and not taking anything that is not yours and more than anything else/ your courage to admit your mistakes I wrong doing even when no one observed it. Are you that or something else? Do you identify with the company's objectives? Whenever one has/ some of you have done a mistake, the company suffers a great deal in loss of production that will hurt all of you financially in not being able to earn profit and share. To produce world class paper with / least cost as the sole motto? Remember you are part of this company founders being part of the people who made it possible to produce this paper so far.

You grow with the company and I urge you all to do your bit more diligently and I assure you we will reward you with benefits that satisfy you and we have a road map to do that and it won't be a long wait, I can assure you of that on this foundation day.

Ok then, let's do it together.

Yours sincerely,

Regards,



(G. Jaganmohan Rao)
Managing Director

Date: 13th October, 2016