



*some of life's
best moments
come on paper...*

JK Paper Today

Investor Presentation

Golden Jubilee Bell Ringing Ceremony
Bombay Stock Exchange
25 Aug 2015

Strictly Confidential

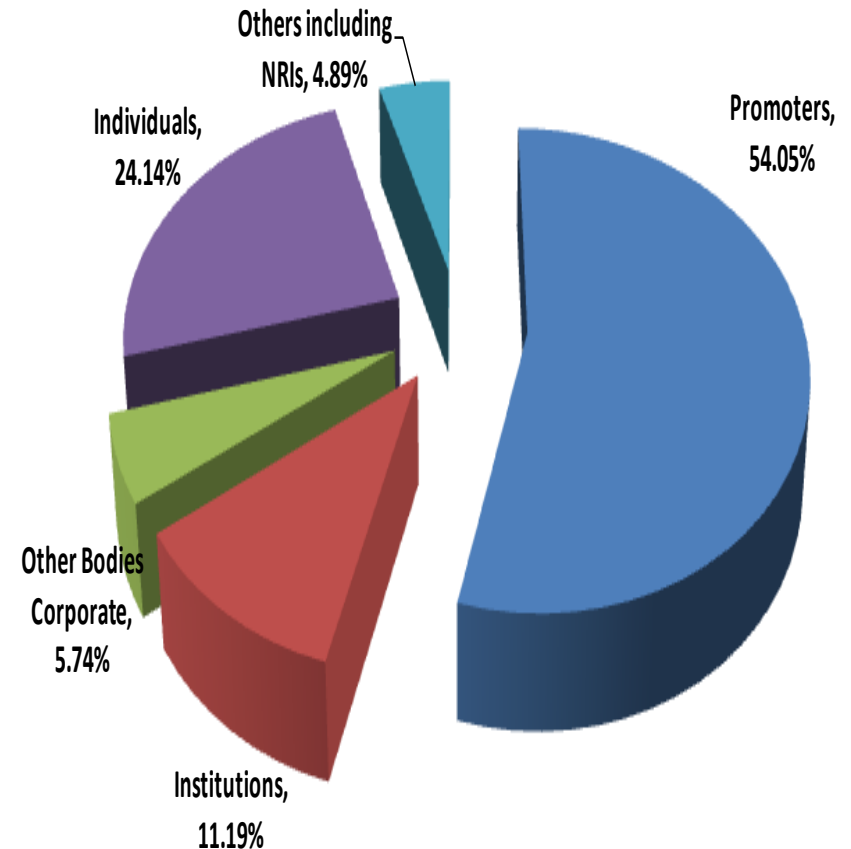
JK Paper – Institutional Investors and Shareholding

Major Institutional Investors



Shareholding Pattern

As on 30th June 2015



JK'S BRANDS ARE INDUSTRY BENCHMARKS IN RESPECTIVE PRODUCT CATEGORIES

Plants with state of the art technology and minimal environmental impact

Copier Paper (Market Leader – **Current Mkt. Share is 26%**)



Coated Paper (Amongst top Two

– **Current Mkt. Share is 9%**)



Packaging Board
(Amongst top Two

Current Mkt. Share is 16%)



Panoramic view of the Unit JKPM (Orissa) -295,000 tpa)



Panoramic view of the CPM (Surat, Gujarat) – 160,000 tpa



J K PAPER*Creating Lasting Impressions*

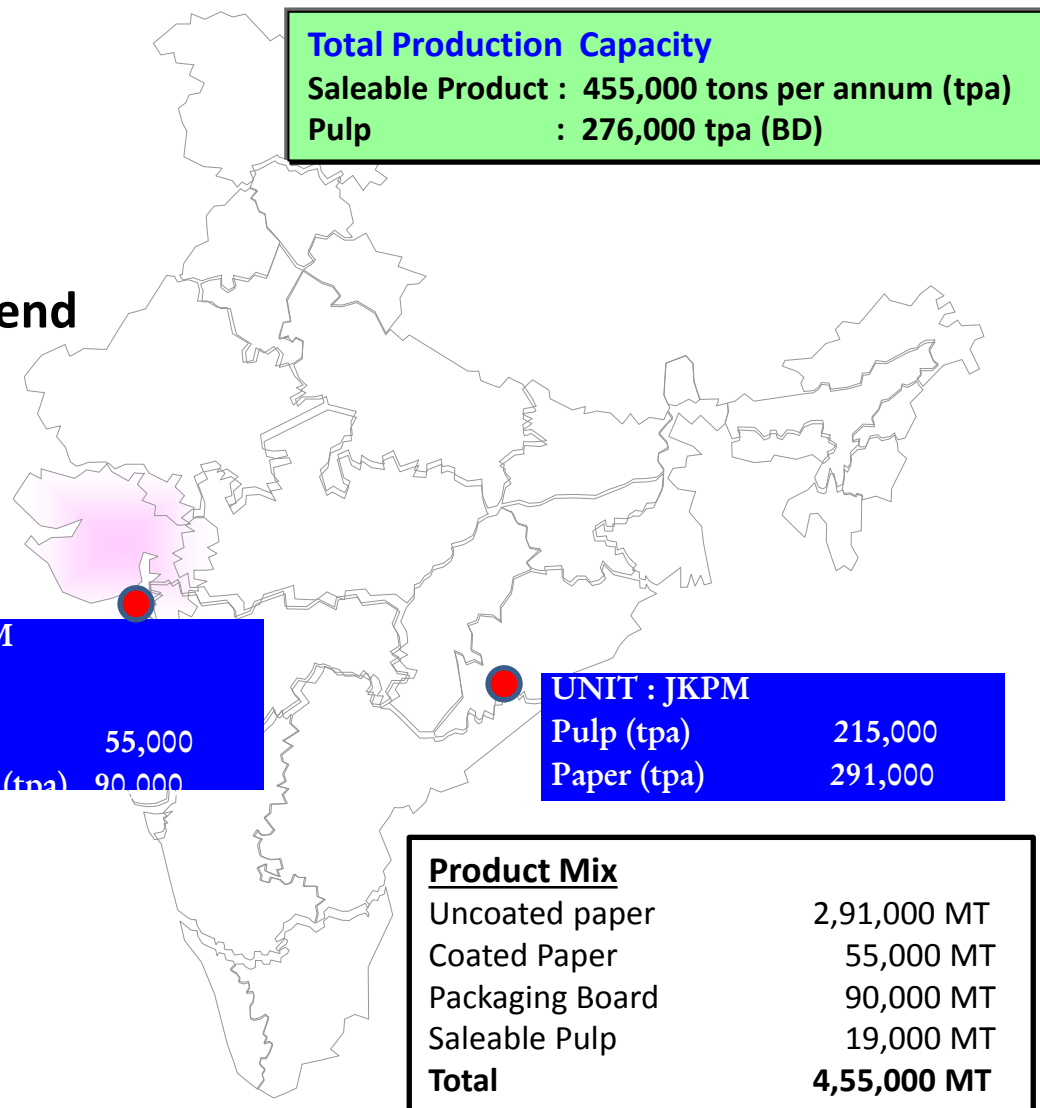
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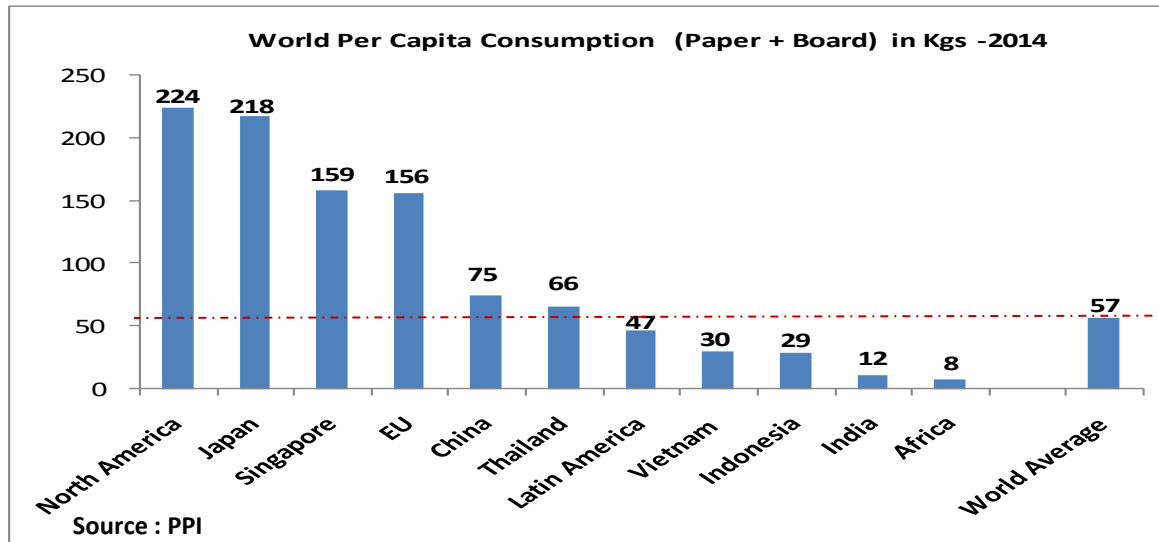
Strategic Geographical Presence

- **Strategic location**
 - JKPM located close to raw material sources
 - CPM located close to large end customers & port
- **Strong distribution reach**
 - 4 regional offices
 - 11 warehouses
 - 180 distributors
 - over 4,000 dealers

Combined strength of ~ 4800 employees at both the locations



GLOBAL Vs. INDIAN PAPER & BOARD INDUSTRY



Sl. No	Product Category	Global - 2014			India 2014-15			India 2018-19	
		Mn Tons	% Share	CAGR %	Mn Tons	% Share	CAGR %	Mn Tons	CAGR%
				last 3 yrs			last 5 yrs		5 Years
		1	2	3	4	5	6	7	8
1	Coated	40	13.2	-2.4	0.7	5.0	8.0	1.0	8.1
2	Uncoated	66	14.2	1.0	3.8	25.9	5.6	4.8	5.7
3	Packaging Board	44	13.7	1.6	3.3	22.2	9.4	4.6	9.1
4	Tissue	34	7.7	4.3	0.1	0.6	12.0	0.2	15.5
5	Industrial incl. Kraft	150	35.7	3.6	3.9	26.4	8.0	5.5	9.0
6	Newsprint	55	8.0	-3.7	2.6	17.6	4.2	3.1	5.0
7	Others	12	7.5	1.5	0.3	2.4	7.5	0.5	9.5
8	Total	400	100.0	1.2	14.7	100.0	7.1	19.7	7.7

Source: FAO/RISI/nternal estimates

Packaging & Tissue segments are high growth markets globally



INDIAN PAPER MARKET BY PRODUCT CATEGORY

SI No	Category	Market Size (in Lac T)		Share of Total (14-15)	CAGR (5 Years) 10-11 Base year	JK's Market Share 2014-15	Industry CAGR (14-15 to 18-19)
		14-15	18-19				
	1	2	3	4	5	6	7
1.0	Writing & Printing Paper	45.4	57.6	31%	6.0%	6%	6.1%
1.1	Creamwove/Maplitho (Low Bright)	18.2	21.5	12%	4.3%		4.2%
1.2	Maplitho (High Bright)	13.7	18.1	9%	7.1%	4%	7.2%
1.3	Copier	6.2	8.0	4%	6.7%	25%	6.6%
1.4	Total Uncoated	38.0	47.6	26%	5.6%	5%	5.7%
1.5	Coated Paper	7.3	10.0	5%	8.0%	8%	8.1%
2.0	Total Packaging Paper & Board	71.4	101.0	49%	8.6%	1%	9.1%
2.1	Recycled Duplex Board (Grey/White back)	26.9	36.9	18%	7.8%	0%	9.0%
2.2	Virgin Boards (FBB/SBS)	5.7	9.3	4%	19.0%	16%	13.0%
2.3	Total Packaging Board	32.6	46.2	22%	9.4%	3%	9.1%
2.4	Packaging Papers (Kraft)	38.8	54.7	26%	8.0%		9.0%
3.0	Newsprint, Speciality, Tissue	30.2	39.4	20%	5.4%		6.8%
4.0	Grand Total	147.0	197.9	100%	7.1%	2.5%	7.7%

Source: FAO/Internal estimates

JK's participation increased from 13% to 22% in total paper market



NEW PROJECT AT UNIT JKPM.....(I)

Fibreline (215,000 TPA)



Paper Machine (165,000 TPA)



NEW PROJECT AT UNIT JKPM.....(II)



Power Plant



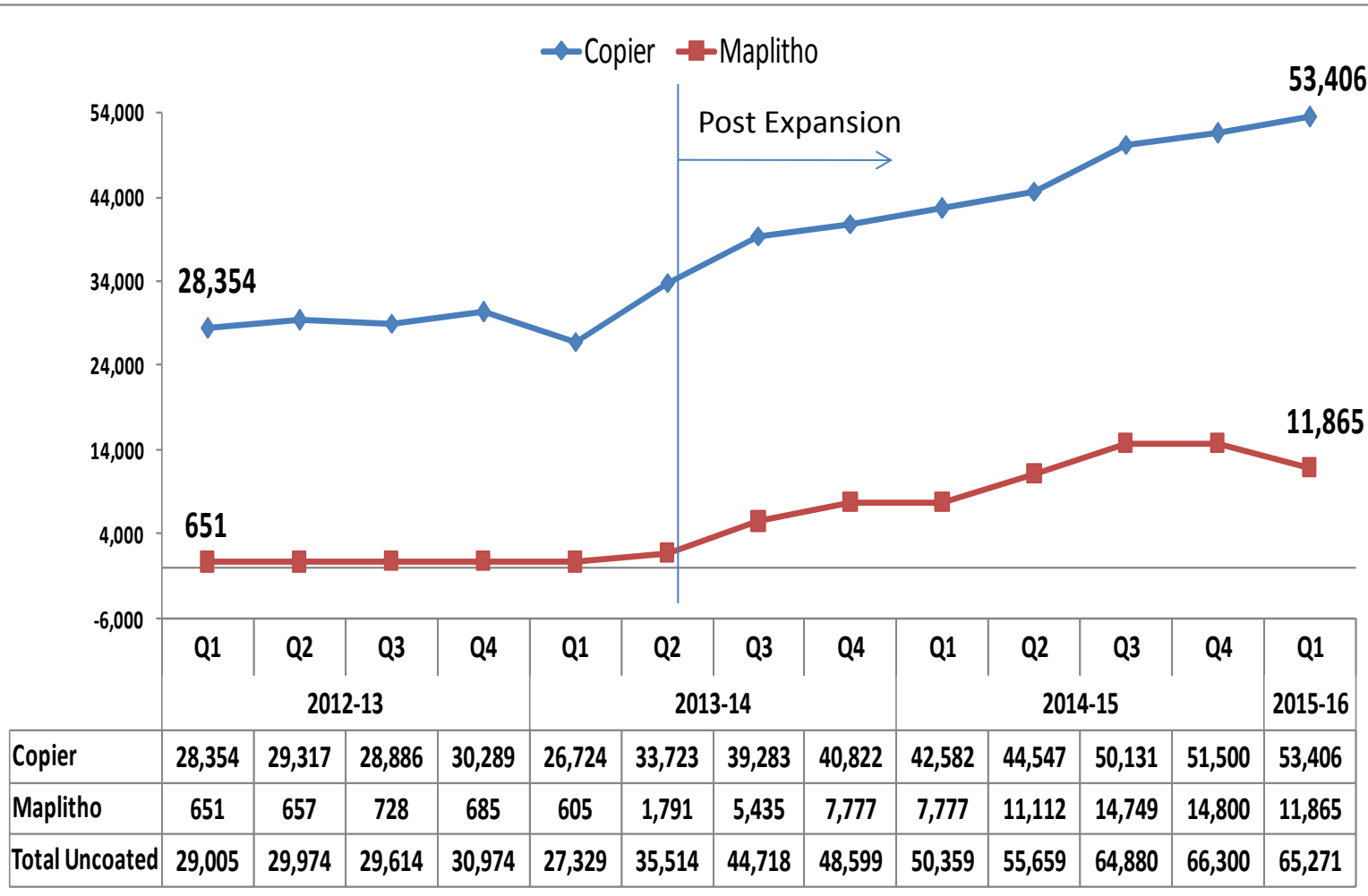
A4 Cutting Line



Robotic Palletizer



VOLUME RAMP UP AT JKPM (MT PER QUARTER)



Way Forward

- Exploring new distribution avenues
- Getting better customer connect
- Re-establishing premium positioning of JK Maplitho grades.

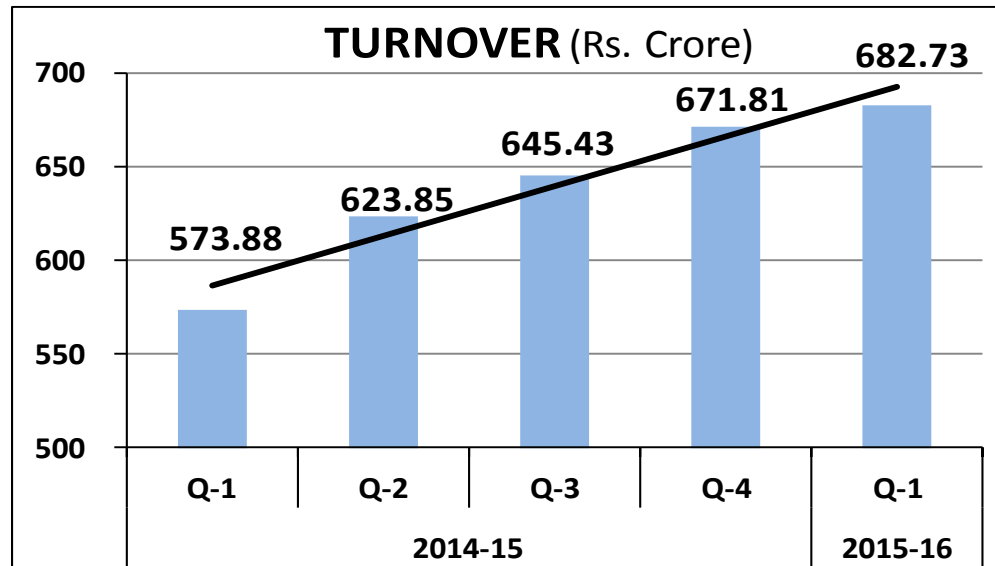
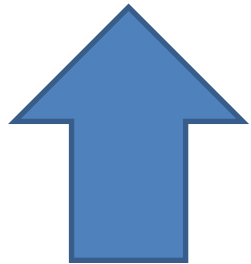
Copier Market in India grew by 6% in FY 2014-15 and JK's Copier Volume up by 31%



Performance Highlights

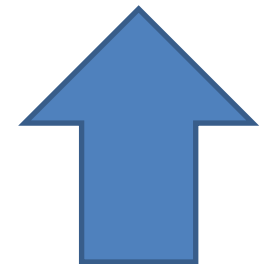
Turnover

UP BY
19%*

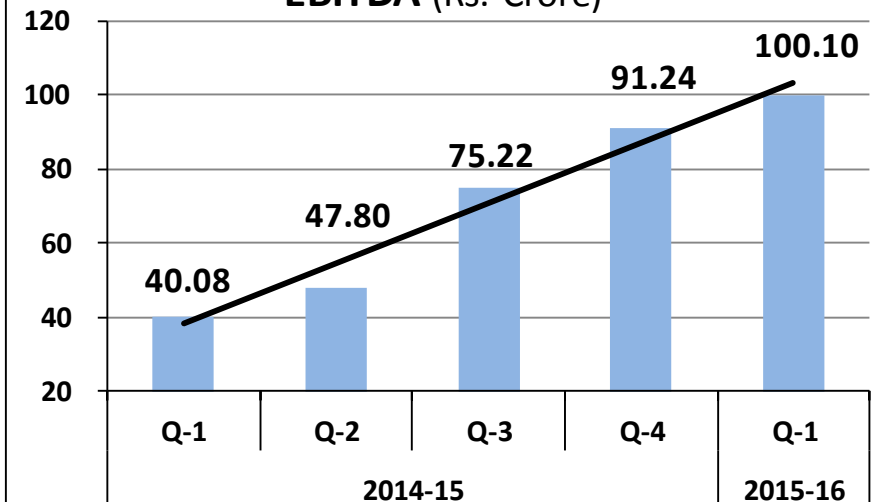


EBITDA

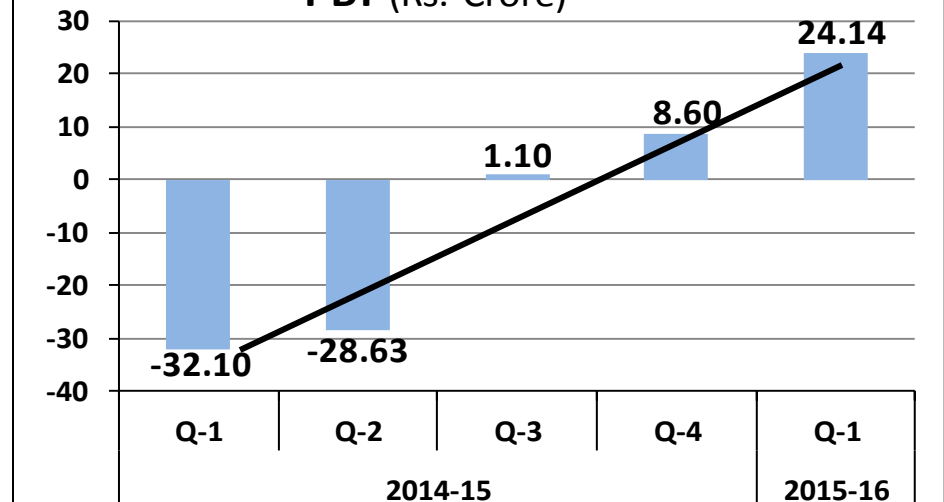
UP BY
150%*



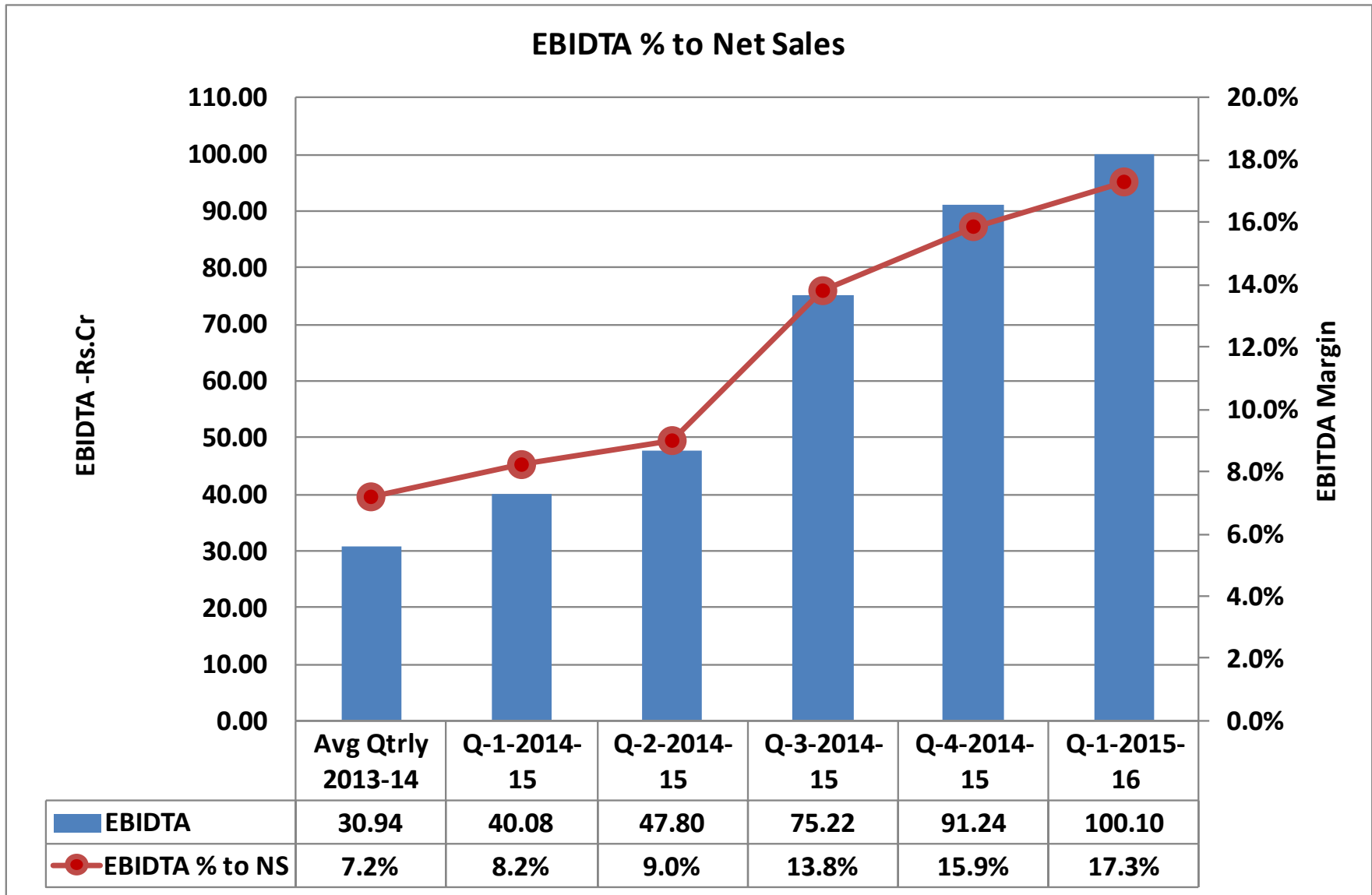
EBITDA (Rs. Crore)



PBT (Rs. Crore)

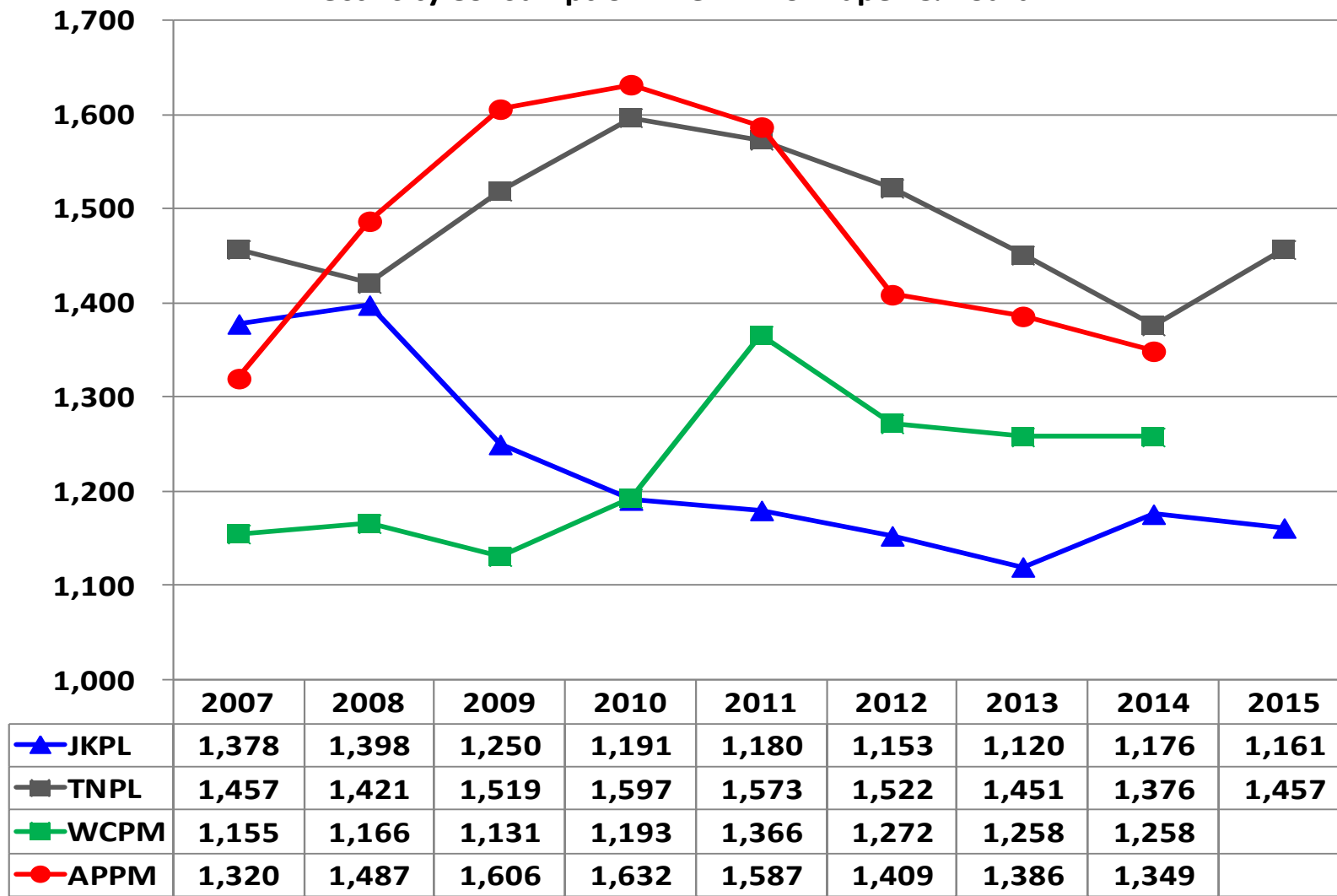


Quarter wise EBITDA during Stabilization Period



Driving Cost Efficiencies - Electricity Consumption

Electricity Consumption - Per MT of Paper & Board



Farm Forestry and Raw Material Security Initiatives

Clonal Development Centre

- Started in 1991-92
- 16,934 Ha area planted in 2014-15
- Overall 132,934 Ha till date



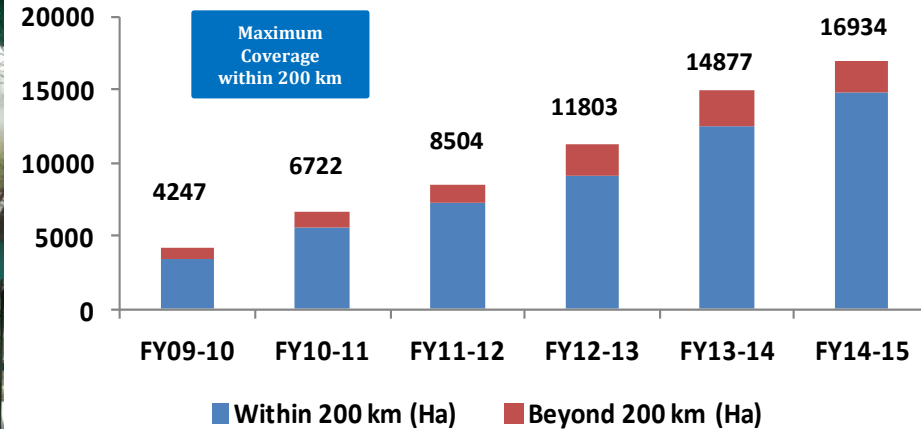
More than 2 years old promising clones in JKPM



Rooting of CPM Clones of Subabul



JK Paper – Plantation Coverage under Farm Forestry - Hectare



JKPL's Efforts to Reduce Cost of Raw Material

- Maximizing plantation coverage within 200 Km radius
- R&D to develop short rotation clones (2-3 years) for improvement of plantation yield and increase return to farmers
- Focus on training & development to farmers and staffs
- Monitoring of plantations for survival & growth rates
- Arrangement of loans to Farmer's or Co-operative

ENVIRONMENT INITIATIVES

- Pursuing enriching the green cover through Social Farm Forestry



EDUCATION INITIATIVES

- Schools - three schools providing education to over 3200 students
- Adult Literacy Programme – enabled 11,000 illiterate to become literate



HEALTH CARE INITIATIVES

- Organizing Healthcare Camps – 7500 patients covered in 2014-15
- Health & Hygiene awareness for Adolescent girls

LIVELIHOOD INTERVENTIONS

- About 72 Women Self-Help Groups (SHGs) covering 840 tribal women.
- Training on Phenyl making, Mushroom/Maize cultivation, making de-seeded Tamarind Cakes/ Hill Brooms, etc.
- Encouraging entrepreneurs to take up activities like Broiler farming



Financial Highlights – In Rs. Cr.

Sl. No.	Financial Year >>>	2001-02	2005-06	2010-11	2011-12	2012-13	2013-14	2014-15	CAGR % (2002-15)	Q1 (2015-16)
1	Quantity	In MT							In %	
1.1	Production	164,972	184,982	218,330	283,033	292,582	328,321	413,835		111,576
1.2	Capacity Utilisation	110%	103%	121%	98%	101%	85%	91%		98%
1.3	Sales Volume	172,894	197,313	267,081	277,599	290,421	321,094	398,387	7%	108,435
2	Operating Results	In Rs. Cr.								
2.1	Turnover (Gross Sales)	626	845	1,433	1,557	1,721	2,025	2,515	11%	683
2.2	Net Sales	480	664	1,231	1,328	1,453	1,721	2,139	12%	579
2.3	Operating Profit (EBITDA)	118	135	259	153	133	124	254	6%	100
2.4	Cash Profit (PBDT)	68	101	207	102	83	2	50		49
2.5	Profit / (Loss) Before Tax (PBT)	31	54	136	29	25	(123)	(51)		24
2.6	Profit / (Loss) After Tax (PAT)	17	36	106	49	38	(77)	(13)		17
3	Key Ratios									
3.1	EBITDA as % to Net Sales	24.6%	20.3%	21.0%	11.5%	9.1%	7.2%	11.9%		17.3%
3.2	Equity (Net Worth) - Rs. Cr.	57	350	584	848	872	795	775		792
3.3	Return on Equity (ROE)	16.4%	13.3%	20.2%	6.9%	4.4%	-ve	-ve		8.5%

JK has been a consistent performer with 12% y-o-y growth in Net Sales



JK Paper - Balance Sheet – In Rs. Cr.

Year End	2006 June	2011 March	2012 March	2013 March	2014 March	2015 March
Total Assets	1030	1,251	2,063	2,738	3,058	2,897
Gross Block	1005	1,452	1,479	1,516	3,041	2,996
Net block	678	841	803	768	2,465	2,294
CWIP	109	94	584	1,541	17	27
Investments	14	83	73	15	96	28
Net Current Assets (excl. cash)	222	203	455	381	472	530
Cash / Bank balance	7	31	148	34	8	17
Capital Employed	1030	1,251	2,063	2,738	3,058	2,897
Equity Capital	78	78	137	137	137	137
Reserves	272	506	711	735	658	638
Net Worth	350	584	848	872	795	775
Borrowings	611	538	1,094	1,746	2,189	2,089
Deferred Tax Liability	68	128	122	120	74	33
Ratios - Times						
Total Debt / Equity	1.74	0.92	1.29	2.00	2.75	2.70
Long-term Debt / Equity	1.65	0.69	1.14	1.86	2.48	2.38
Debt to EBITDA Ratio	4.53	2.08	7.16	13.17	17.69	* 8.21

***5.2 times based on Q1 (FY 2015-16) annualised EBITDA**



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THANK YOU

