

PRESS RELEASE on Performance of 1st Quarter Ended 30th Jun'17

Net Profit up by 125 %

JK Paper Limited, one of India's largest Paper Manufacturing Companies declared a **125% jump** in its **Net Profit (PAT)** to **Rs.60.11 Cr**, for the Quarter ended 30th June, 2017, (compared against Rs.26.66 Cr) to corresponding quarter last year. **Income from Operations was Rs.720.89 Cr** and **EBITDA** for the Quarter increased **by 36% to Rs.159.53 Cr** compared to Rs.117.43 Cr in corresponding quarter. The result reflects continuous improvement in performance across the board mainly coming out of better product mix and higher operating parameters.

Commenting on the results, **Shri Harsh Pati Singhania, Vice Chairman & Managing Director** said, **"Enriched product mix, wider distribution network and higher operating efficiencies helped continuous improvement in profitability on quarter to quarter basis.**

Also commenting on impact of GST on Paper Industry, " so far it's been fairly smooth. In long run it would not only correct the trade practices but also reduce logistics cost and benefit the consumers."

The Company has reduced its finance costs significantly by efficient working capital management, reduction in total debts and reduced rate of interest. The Company's Rating upgrade has also helped in reduction of the finance costs. The Company has drawn a plan to further reduce its borrowing costs by substitution of the high cost loans by fresh issue of NCDs of Rs.335 cr. which will also have longer maturity to provide better liquidity.

The Paper Industry continues to grow well with increased demand absorbing surplus capacities. The Indian Paper Industry has good potential to grow as the per capita consumption in India is only 11.5 Kgs compared to 26 Kgs in Asia and 57 Kgs globally. The Company continues to enhance its farm forestry programme, planting more trees than it uses, making it wood positive.

JK Paper Ltd is the market leader in Branded Copier Paper in India and amongst the top producers of Coated Paper and Packaging Boards in the Country. The Company is consistently following a policy of focusing on value added products like Copier, Coated Paper, Virgin Fibre Packaging Boards and High end Maplitho Paper.

JK Paper Limited is India's leading branded Paper Company, and the largest producer of Photocopier Paper with Brands like JK Copier, JK Easy Copier, Sparkle, etc. JK Paper's portfolio of products includes other brands such as JK Cote, JK Excel Bond, JK SHB Maplitho, JK TuffCote, JK Ultima and JK PureFil all of which enjoy great popularity with consumers.

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**JK PAPER LTD.**

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UNAUDITED FINANCIAL RESULTS
FOR THE QUARTER ENDED 30TH JUNE ,2017



Rs.in Crore

Sl. No.	Particulars	Three Months Ended	Corresp.Three Months Ended	PrecedingThree Months Ended	Year Ended
		30.06.17	30.06.16	31.03.17	31.03.17
		(Unaudited)		(Audited)	
	REVENUE FROM OPERATIONS (GROSS)	720.89	710.87	787.93	2,989.37
1	(a) REVENUE FROM OPERATION (NET)	665.29	637.88	734.57	2,764.03
	(b) OTHER INCOME	6.48	3.37	8.87	26.45
	TOTAL INCOME (a + b)	671.77	641.25	743.44	2,790.48
2	EXPENSES:				
	(a) COST OF MATERIALS CONSUMED	316.92	314.68	318.67	1,268.40
	(b) PURCHASES OF STOCK-IN TRADE	59.13	67.51	54.60	222.66
	(c) (INCREASE) / DECREASE IN INVENTORIES OF FINISHED GOODS , WORK-IN-PROGRESS AND STOCK-IN-TRADE	(63.35)	(37.16)	9.31	(4.69)
	(d) EMPLOYEE BENEFITS EXPENSE	53.79	48.19	64.26	217.97
	(e) DEPRECIATION AND AMORTISATION EXPENSE	29.64	29.82	29.29	119.53
	(f) FINANCE COSTS	39.70	48.79	43.23	187.64
	(g) EXCISE DUTY	33.22	31.37	35.69	135.42
	(h) OTHER EXPENSES :				
	(i) POWER, FUEL AND WATER	57.82	51.73	53.55	212.38
	(ii) OTHERS	54.71	47.50	55.92	199.46
	TOTAL EXPENSES (2)	581.58	602.43	664.52	2,558.77
	PROFIT BEFORE INTEREST AND DEPRECIATION (EBITDA)	159.53	117.43	151.44	538.88
3	PROFIT BEFORE TAX	90.19	38.82	78.92	231.71
4	TAX EXPENSE				
	- CURRENT TAX (MAT)	18.40	0.26	45.62	47.42
	- MAT CREDIT ENTITLEMENT	(18.40)	-	(45.70)	(46.59)
	- PROVISION / (CREDIT) FOR DEFERRED TAX	30.08	11.90	22.68	68.05
5	NET PROFIT FOR THE PERIOD (3-4)	60.11	26.66	56.32	162.83
6	OTHER COMPREHENSIVE INCOME				
	(i) RE-MEASUREMENT GAIN / (LOSS) ON DEFINED BENEFIT PLANS	(0.80)	(0.67)	(1.89)	(4.58)
	(ii) TAX ON (i) ABOVE	0.25	0.21	0.58	1.41
	(iii) EQUITY INSTRUMENTS THROUGH OTHER COMPREHENSIVE INCOME	0.41	0.91	2.17	2.37
	(iv) TAX ON (iii) ABOVE	-	-	-	-
7	TOTAL OTHER COMPREHENSIVE INCOME FOR THE PERIOD (5+6) (After Tax)	59.97	27.11	57.18	162.03
8	PAID -UP EQUITY SHARE CAPITAL (FACE VALUE RS.10/-)	168.87	148.53	155.96	155.96
9	RESERVE EXCLUDING REVALUATION RESERVE	-	-	-	1,165.56
10	EARNINGS PER SHARE (BEFORE & AFTER EXTRAORDINARY ITEMS) (IN RS / SHARE) (NOT ANNUALISED)				
	(A) BASIC	3.70	1.79	3.61	10.79
	(B) DILUTED	3.40	1.63	3.23	9.45

NOTES:-

1. Enriched product mix and higher efficiencies have resulted in growth in Profitability over corresponding quarter. 2. During the quarter, the Company has allotted 1,29,13,710 Equity Shares of Rs. 10/- each upon conversion of FCCBs (Series 3 to 5) of Euro 11.3 million to the FCCB holders. 3. The Company has only one business segment namely, "Paper and Board". 4. The figures for the previous periods have been regrouped / rearranged, wherever necessary. The Company does not have any Exceptional Items to report for the current quarter. 5. Revenue from Operations (Gross) represents Gross Sales including Discounts and Excise Duty. 6. These results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 31st July, 2017. Limited Review of these results has been carried out by the Auditors.

For JK Paper Ltd