



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

JK Paper Today

Corporate Update

An Industry benchmark with Power Packed Brands

7th February, 2023

JK Paper Ltd is one of the leading companies of JK Organisation – a prominent business house of India founded over 100 years ago

Cement



	Rs. Cr.
Revenue	5,420

Paper



JK PAPER LTD.
Creating lasting impressions

	Rs. Cr.
Revenue	4,244

Tyre



	Rs. Cr.
Revenue	11,983

Agri Genetics



	Rs. Cr.
Revenue	246

J.K. ORGANISATION

USD 4 Billion

30 manufacturing plants

Present in over 100 countries

More than 40,000 employment

V-Belts- Oil Seals & Power Transmission Systems



	Rs. Cr.
Revenue	1,051

(Unlisted Co.)

Dairy Products



	Rs. Cr.
Revenue	204

Education



Defence Electronics



Hospital & Health services



Clinical Research



Revenue based on last published Annual Results

J K PAPER *Creating Lasting Impressions*

Slide No.2



JK Paper - History & Milestones

More than 80 YEARS JOURNEY OF JK PAPER

1938

Started Manufacturing Straw Board at Bhopal with a capacity of 3,600 TPA

First Integrated Pulp & Paper company in India & 3rd Paper Company in the World to get Award for TPM Excellence – First Category from JIPM

1962

Installed 1st Fine Paper Machine at Unit - JKPM (Odisha)

First Paper Mill to get ISO 9001 & ISO 14001. Also obtained OHSAS 18001

1992

Acquired Unit - CPM in Gujarat

First to Invest in World class Pulp Mill (Fiber line from Metso) in India

2005

Installed Coating Plant at Unit - JKPM

First to Brand Copier Paper in Indian Market

2007

Installed Premium Packaging Board Plant at Unit - CPM

First to introduce Surface-size wood free paper in India

2013

Installed State of the art New Fiber Line & High Speed Paper Machine at Unit – JKPM (165,000 MT)

Awarded FSC-COC certification in 2011

2018

Acquired The Sirpur Paper Mills Ltd in Telangana (Capacity 136,000 MT)

Golden Peacock Environment Management Award in 2013

2022

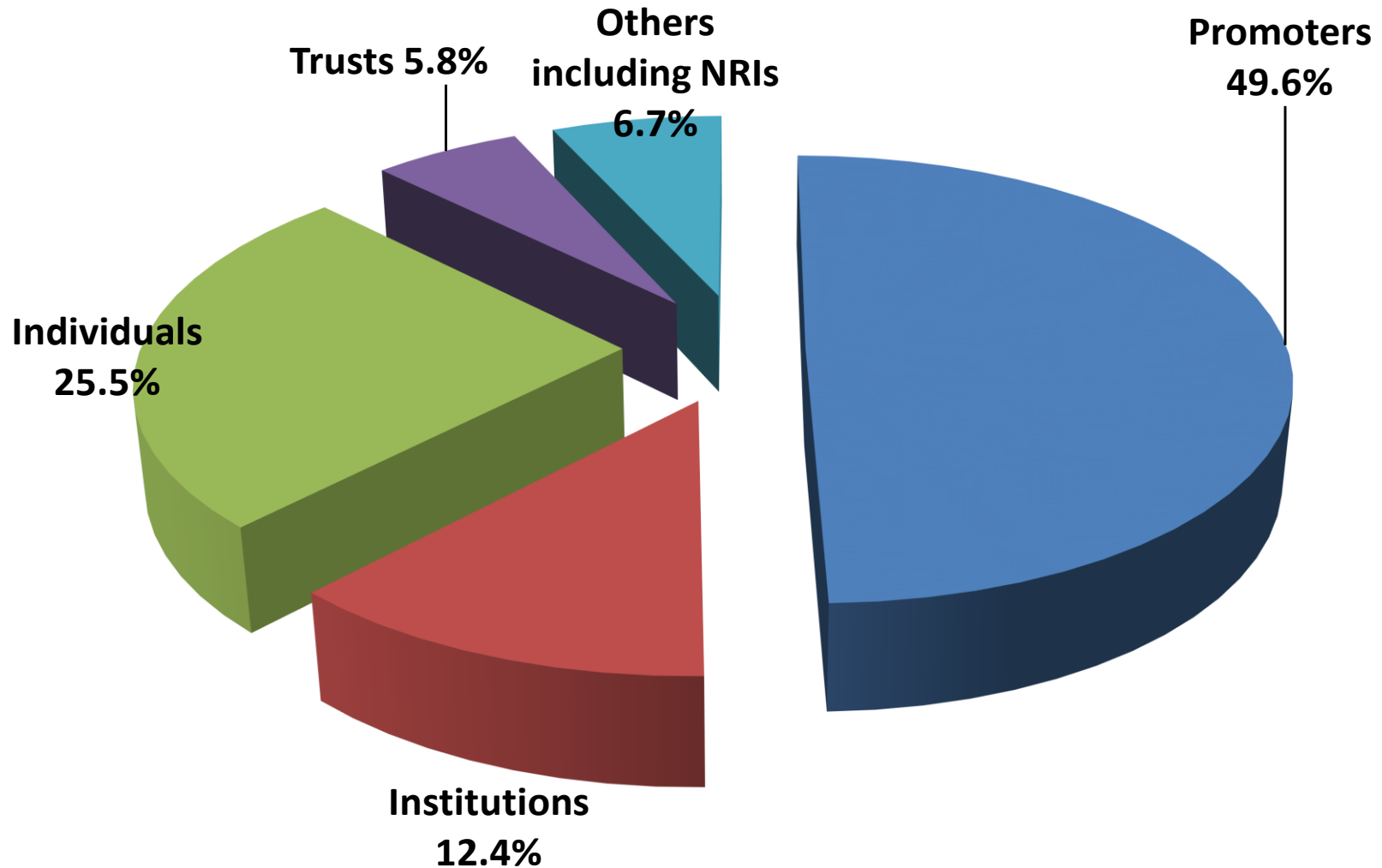
1. New Packaging Board machine commissioned in Gujarat (170,000 MT)
2. Entry into Corrugation Business, also acquired HPPL + SPPL (No. 1 Player)

Industry 4.0 award from FICCI- under the Overall Digital Transformation category in 2022



JK Paper – Shareholding Pattern

Shareholding Pattern (as of 31st December 2022)



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 29% ***)



Amongst Leading Players in Coated Paper and Packaging Board

Current Mkt. Share is 12% *

Current Mkt. Share is 23% *



Panoramic view of the Unit Sirpur (in Telangana)



Panoramic view of the Unit JKPM (in Odisha)



Panoramic view of the Unit CPM (in Gujarat)



* Company Estimates (Sep 22)



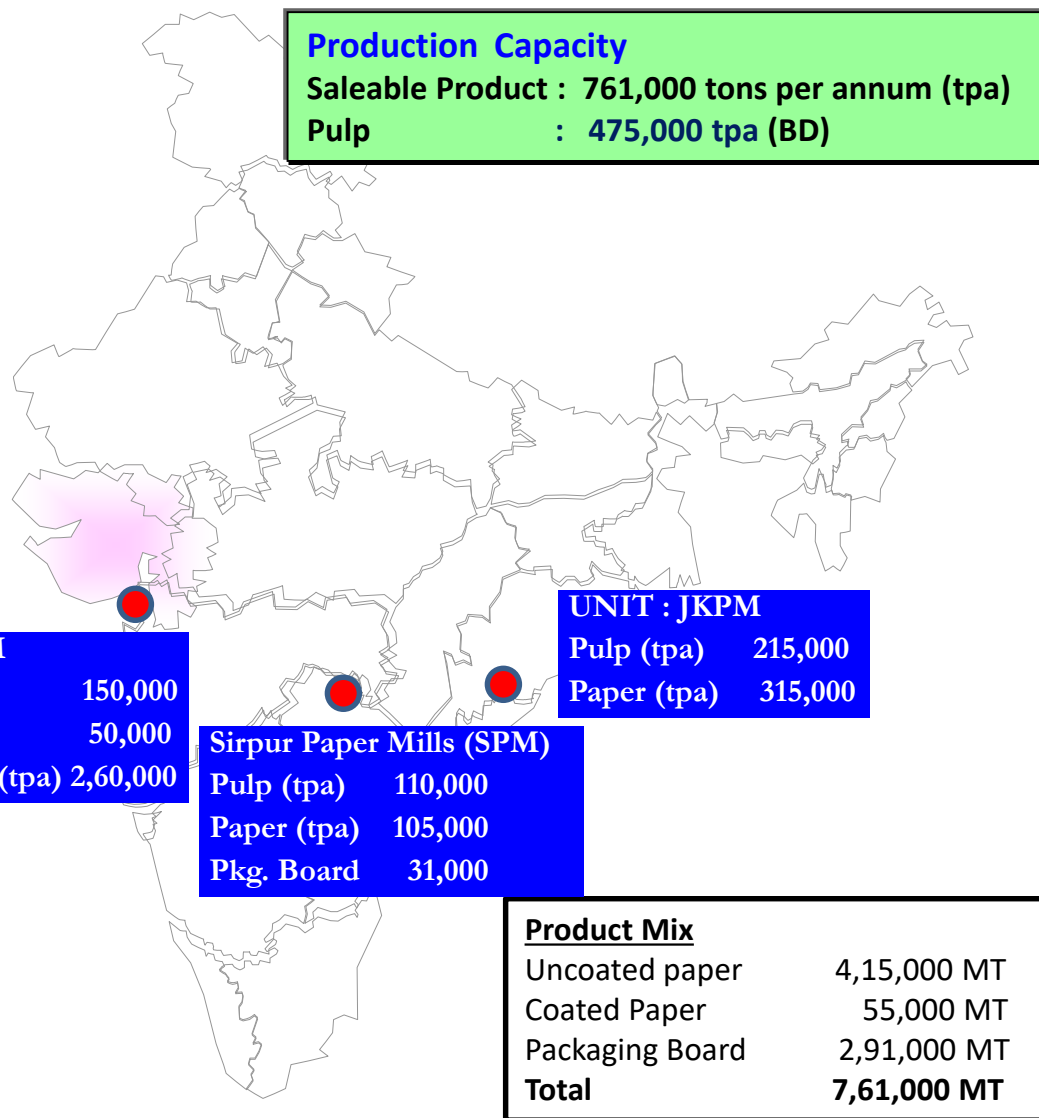
J K PAPER *Creating Lasting Impressions*

Slide No.5



Strategic Geographical Presence

- **Strategic location**
 - JKPM located close to raw material sources
 - CPM located close to large end customers & port
 - SPM located close to raw material and coal sources
- **Strong distribution reach**
 - 4 regional offices
 - 13 Pan-India Depots
 - 397 Trade partners
 - over 4,000 dealers



JK Paper - Performance Highlights (9M FY 2022-23)

1. Capacity utilisation of **103.6%** in Nine month ended December 2022 and **100.1%** in financial year ended March 2022.
2. Company achieved highest ever Nine months Consolidated **Turnover of Rs. 4965.18 Cr., EBITDA Rs. 1,659.71 Cr. and PAT Rs. 915.53 Cr.**
3. **Continuous thrust on plantation activities:** Total Plantation 1.10 Crores (PY corresponding period 0.75 Crores) Saplings and 5,560 acres (corresponding period 4,700 acres).

Continue to have wood- and carbon-positive status, planting more trees than utilizing.

4. **New Product developments:** Aqueous barrier coated Board – Eco-green Purefill & Aqueous based OGR Board – Eco-green Tuff freeze & Cigarette Board.
5. Long-term credit rating of JK Paper upgraded from AA-/Stable to **AA/Stable** (by CRISIL in Oct 22 and India Ratings in Jan 23). **Long-term Credit Rating of Sirpur Paper has also upgraded from A/Positive to AA-/Positive**



JK Paper - Key Financials for Q3 & 9M (FY 2022-23 vs FY 2021-22)

Consolidated Financials

	Unit	3rd Quarter			9 Months		
		FY23	FY22	% Growth	FY23	FY22	% Growth
Sales Volume	MT	1,93,558	1,52,983	26.5	5,84,858	4,10,147	42.6
Uncoated Paper	MT	1,10,335	1,03,224	6.9	3,27,952	2,72,219	20.5
Coated Paper	MT	17,717	17,703	0.1	49,247	44,830	9.9
Virgin Fibre Board	MT	65,506	32,056	104.3	2,07,659	93,098	123.1
Gross Revenue	Rs. Cr.	1,735	1,094	58.6	4,965	2,813	76.5
Total Income (Net)	Rs. Cr.	1,692	1,056	60.2	4,849	2,731	77.5
EBITDA	Rs. Cr.	614	284	116.3	1,660	764	117.3
EBIT	Rs. Cr.	545	239	127.6	1,458	631	131.2
PBT	Rs. Cr.	451	210	114.7	1,265	531	138.4
PAT	Rs. Cr.	334	151	120.8	925	374	147.5
EBITDA Margin	%	36.3%	26.9%	9.4	34.2%	28.0%	6.3
PBT Margin	%	26.6%	19.9%	6.8	26.1%	19.4%	6.7

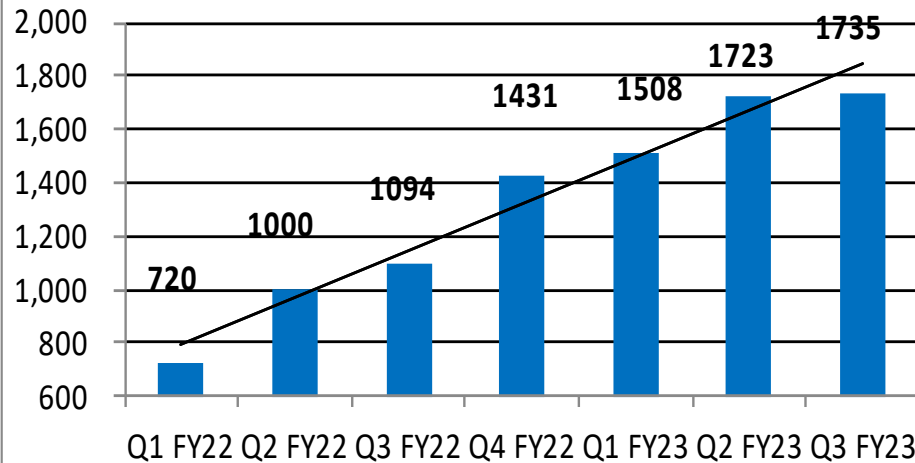
Higher volume and sales realisation coupled with enriched product mix contributed to better performance during the quarter despite substantial increase in major input costs.



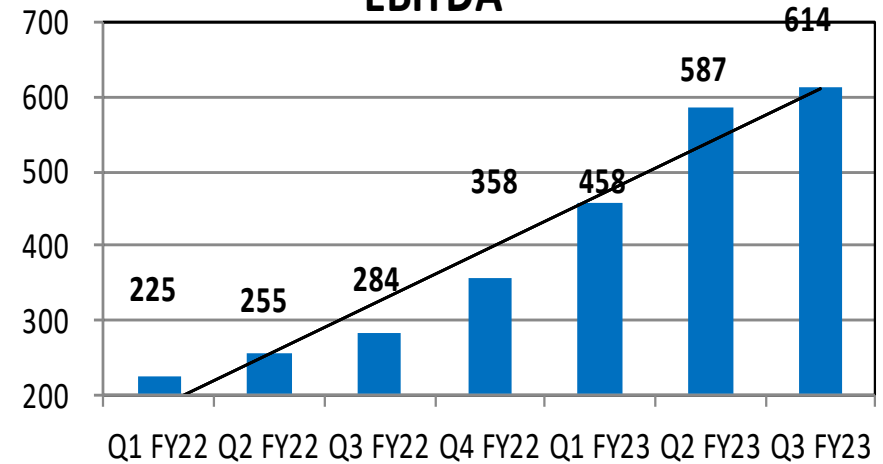
JKPL - Profitability

Consolidated Financials
Rs. Cr.

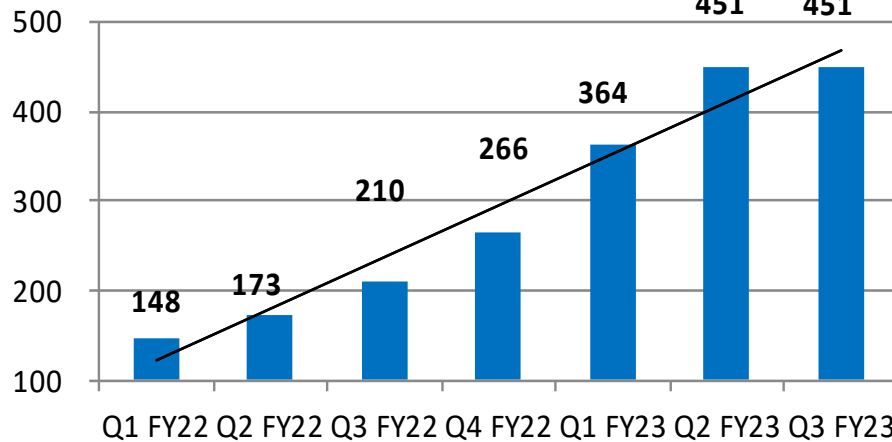
TURNOVER



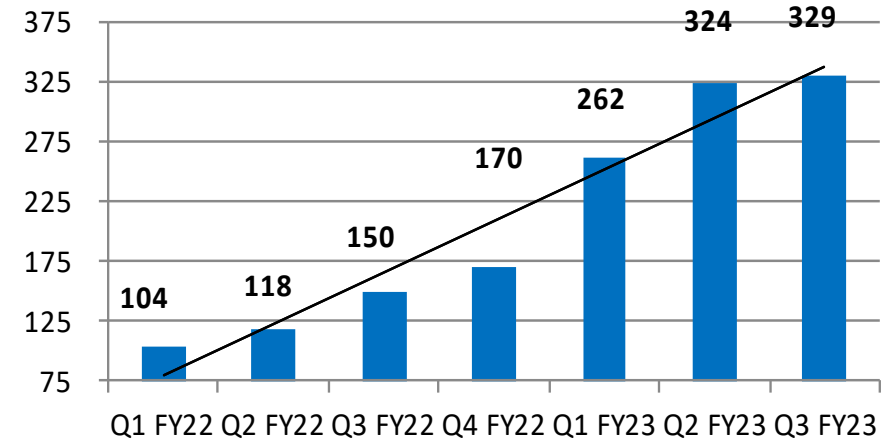
EBITDA



PBT



PAT *

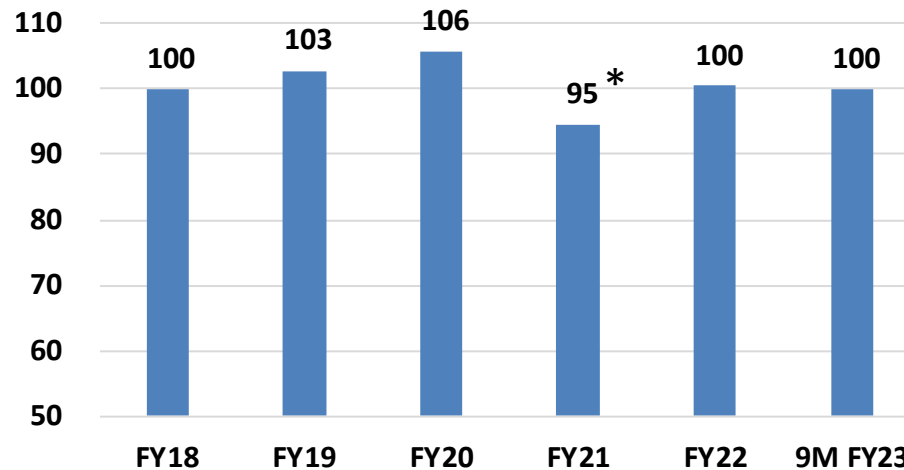


* After Non-controlling Interest

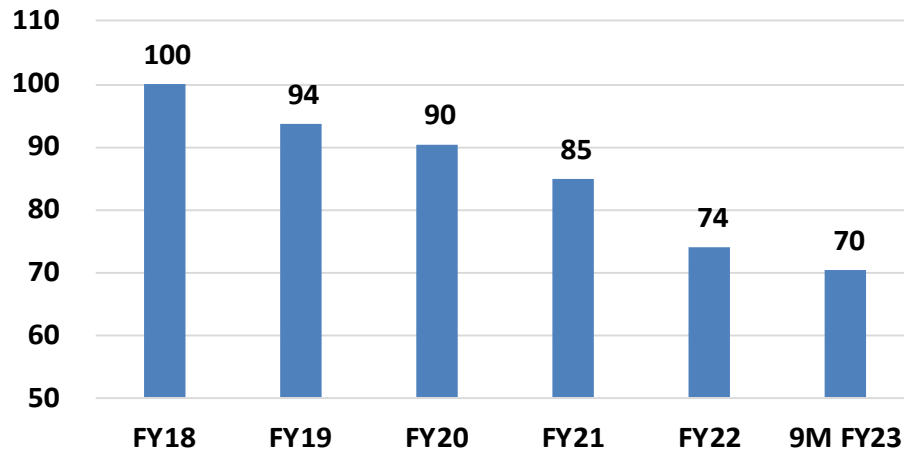


Continuous improvement in last 5 Years

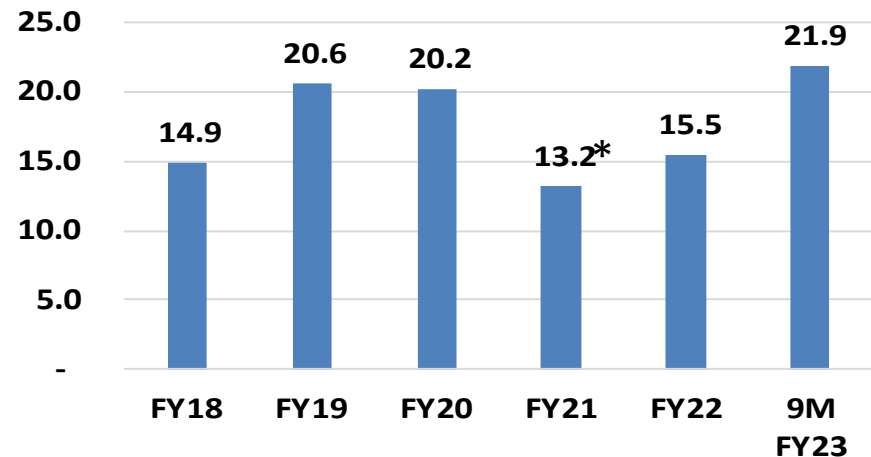
Index of Asset Utilisation



Index of reduction in average interest rate



ROCE %



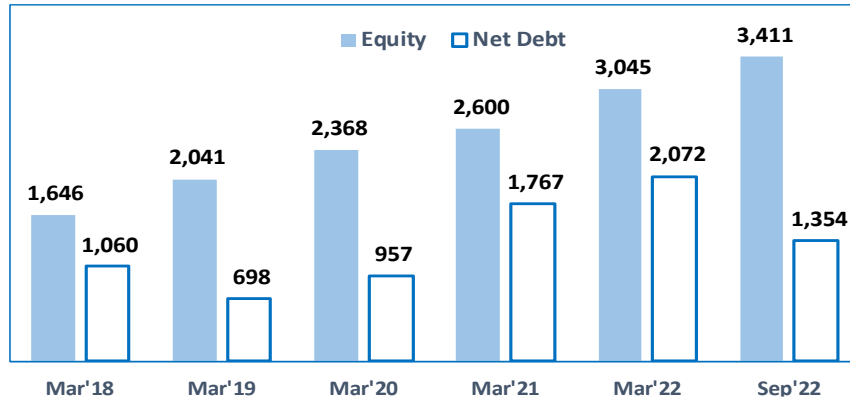
* Lower due to covid 19 pandemic



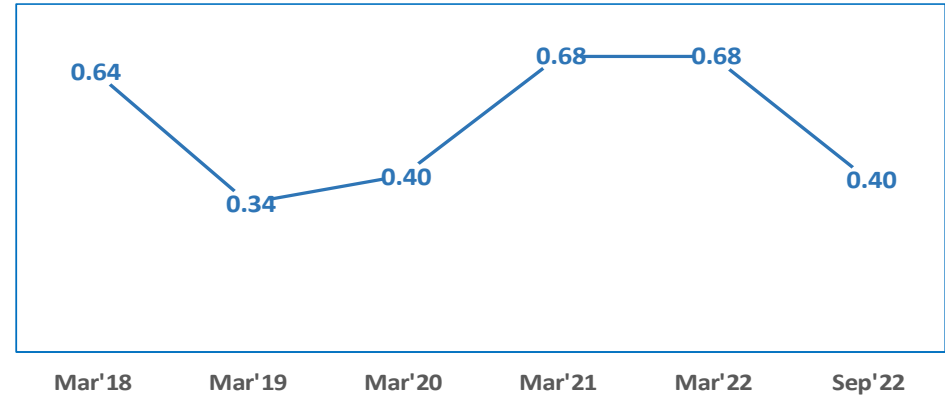
Focus on Deleveraging

Standalone Financials

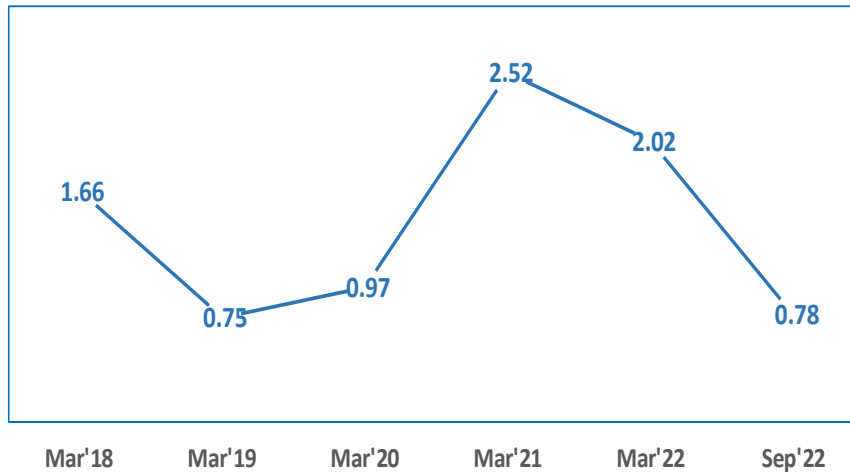
Net Debt and Equity (Rs. Cr.)



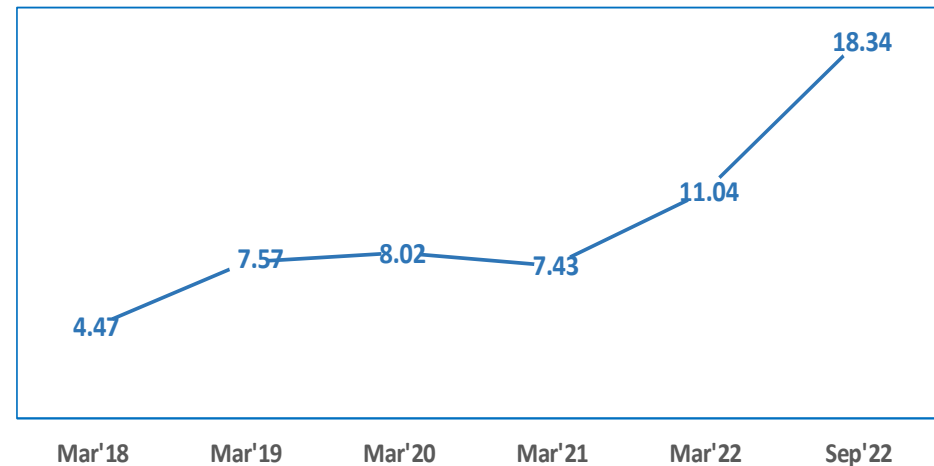
NET DEBT / EQUITY RATIO



NET DEBT / EBITDA RATIO



INTEREST COVERAGE RATIO



Long Term Credit
Rating >>>

Jun'15	BBB+/Positive	Jun'19	A+/Positive
Apr'17	A/Stable	Dec'19	AA-/Stable
Jun'18	A+/Stable	Oct'22	AA/Stable



Quantum Jumps through continuous expansions since FY2005

Consolidated Financials

2005: Entry into Coated Paper

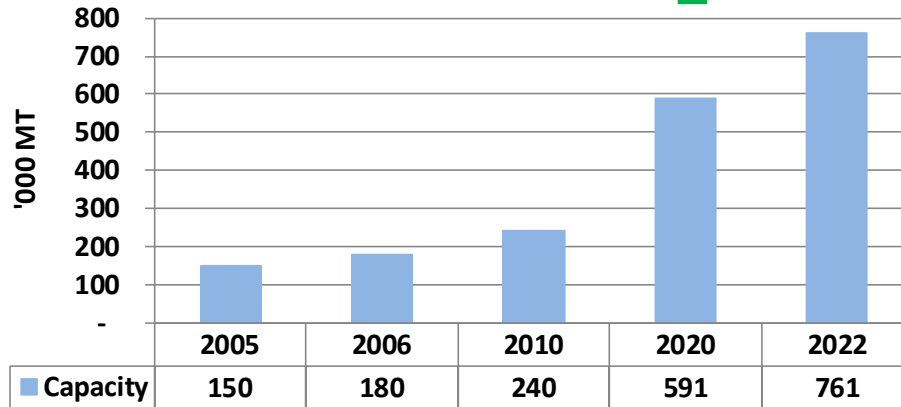
2007: Entry into Packaging Board

2013: Expansion in Uncoated Paper

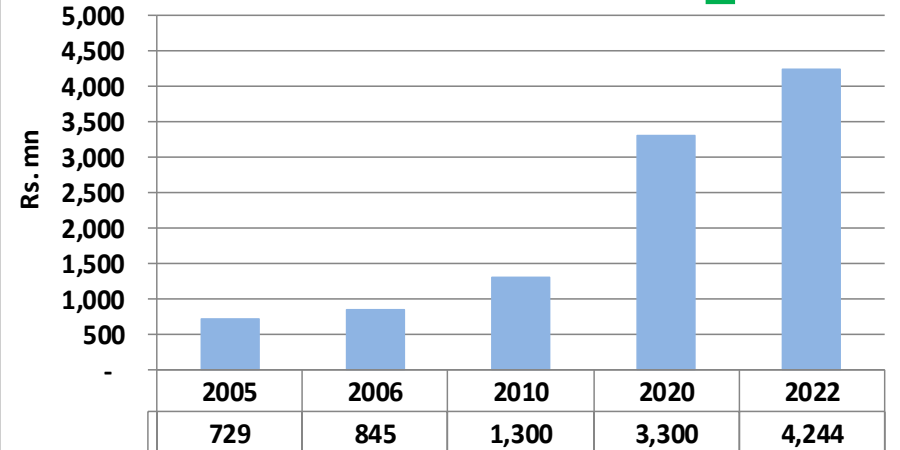
2018: Acquisition of Sirpur Paper

2022: Expansion in Packaging Board

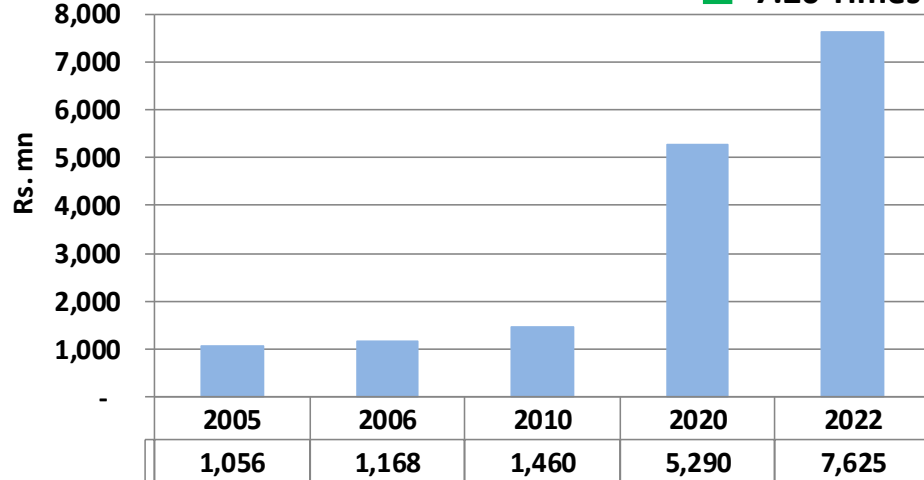
Volume - '000 MT  5 Times




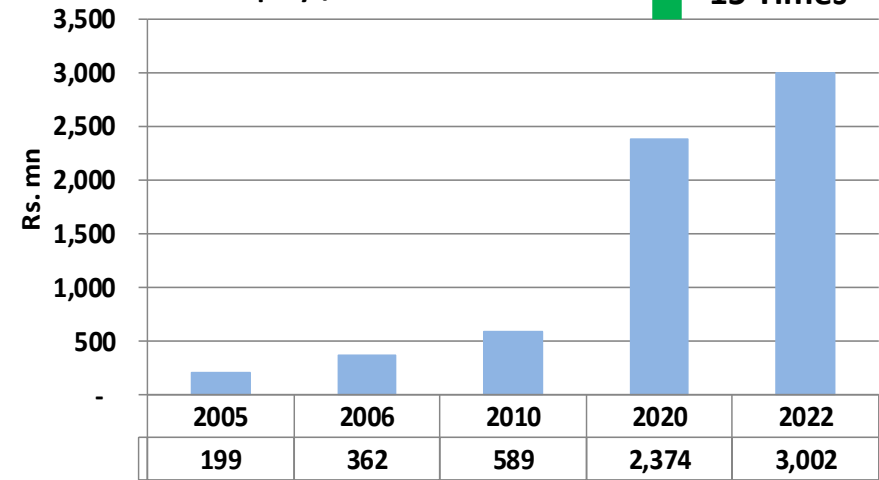
Turnover (Gross Sales) - Rs. Cr  5.80 Times



Total Assets - Rs. Cr  7.20 Times



Equity / Net-worth - Rs. Cr  15 Times



Farm Forestry and Raw Material Security Initiatives

Clonal Development Centre

- Started in 1991-92
- 45,000 acres area planted in 2021-22
- Overall > 5 Lac acres till date



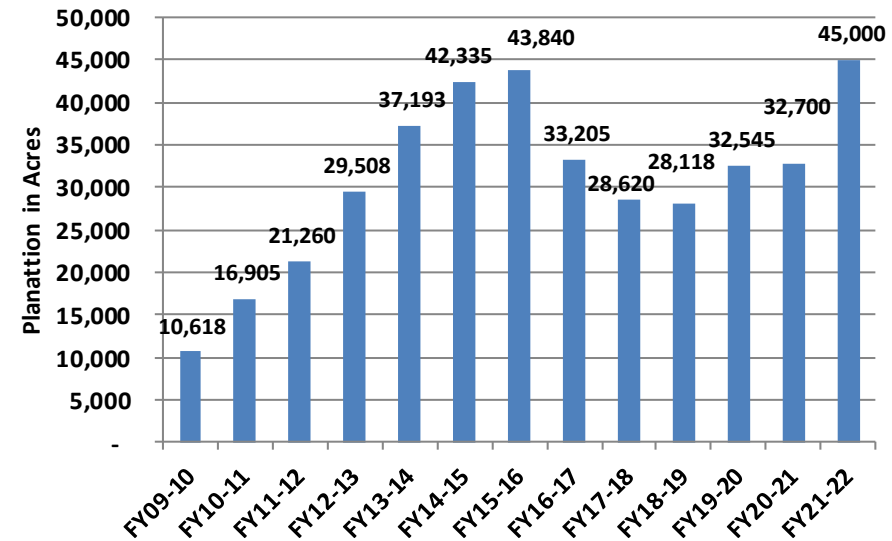
Carbon Positive

Over the last few years, Company has transformed to wood- and carbon-positive status, planting more trees than utilizing. The Company developed short-rotation clones (two to three years) to enhance yields and income per acre for the farmers.

Proportion of wood from local catchment of the Company's plants

2016-17	49%
2017-18	71%
2018-19	96%
2019-20	100%
2020-21	100%
2021-22	94%

Plantation under Farm Forestry by JKPL – in Acres



JKPL's Efforts to Reduce Cost of Raw Material

- Maximizing plantation coverage within 200 Km radius
- R&D: Company has developed and introduced a new eucalyptus clone with highest wood productivity per acre per year (under irrigated conditions)
- Focus on training & development to farmers and staffs
- Arrangement of loans to Farmer's Co-operative



JK Paper - Awards and Accolades

1. JK Paper Mills Rayagada won the **IPMA Paper Mill** of the year award 2021-22.
2. JK Paper LTD has won **CII National Award for excellence in Water Management** from the Confederation of CII for Excellence in Water Management 2022.
3. Unit JKPM received State level Awards for **FICCI'S Sustainable Agriculture Award-2022** from FICCI in Dec-22.
4. Unit JKPM received State level Awards for **Odisha State Energy Conservation Award-2022** from PCEI & SDA in Dec-22.
5. Unit CPM was awarded with “**Excellent position**” under Paper Industry category -SCALE (**Supply Chain and Logistics Excellence Awards**) 2022 It was organized by CII at Mumbai in Dec-22.
6. Unit CPM won **Silver Trophy** at 4th Chapter Convention on Quality concepts (SCCQC-2022) on theme of “**Integrated Quality Concepts-Gateway to Global Leadership**” it was held at Bardoli, Surat in Nov-22.
7. Unit JKPM received 22nd National Award for Excellence in **Water Management** from CII in Oct - 2022.



Corporate Social Responsibility (CSR)

Strategy



Build a community that is economically viable & socially harmonious



Create sustainable livelihood opportunities around our manufacturing locations



Support weaker sections through initiatives that lead to social and financial inclusion

Our Footprint



819 Villages



4,58,000+ direct beneficiaries



Beneficiary Focus
Youth, Women and
Farmers

Total Spend (FY22) - **10.44 Cr**

CSR Awards and Recognition

- Received the Think CSR Innovation Award.
- Bagged the CSR Gold Award for Excellence in sustaining and increasing Green Cover within 200 KMs of Plant sites at Jaykaypur and Fort Songadh
- Received an award from Integrated Tribal Development Agency (ITDA), Rayagada for innovation on occasion of first ever Women Business Leaders Mela, Bhubaneswar, 4th to 8th May 2022.



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THANK YOU

