



JK Paper Today

Corporate Update

An Industry benchmark with Power Packed Brands

25th July, 2023

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

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'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 28% ***



Amongst Leading Players in Coated Paper and Packaging Board

Current Mkt. Share is 7% *

Current Mkt. Share is 18% *



Panoramic view of the Unit JKPM (in Odisha)



Panoramic view of the Unit CPM (in Gujarat)



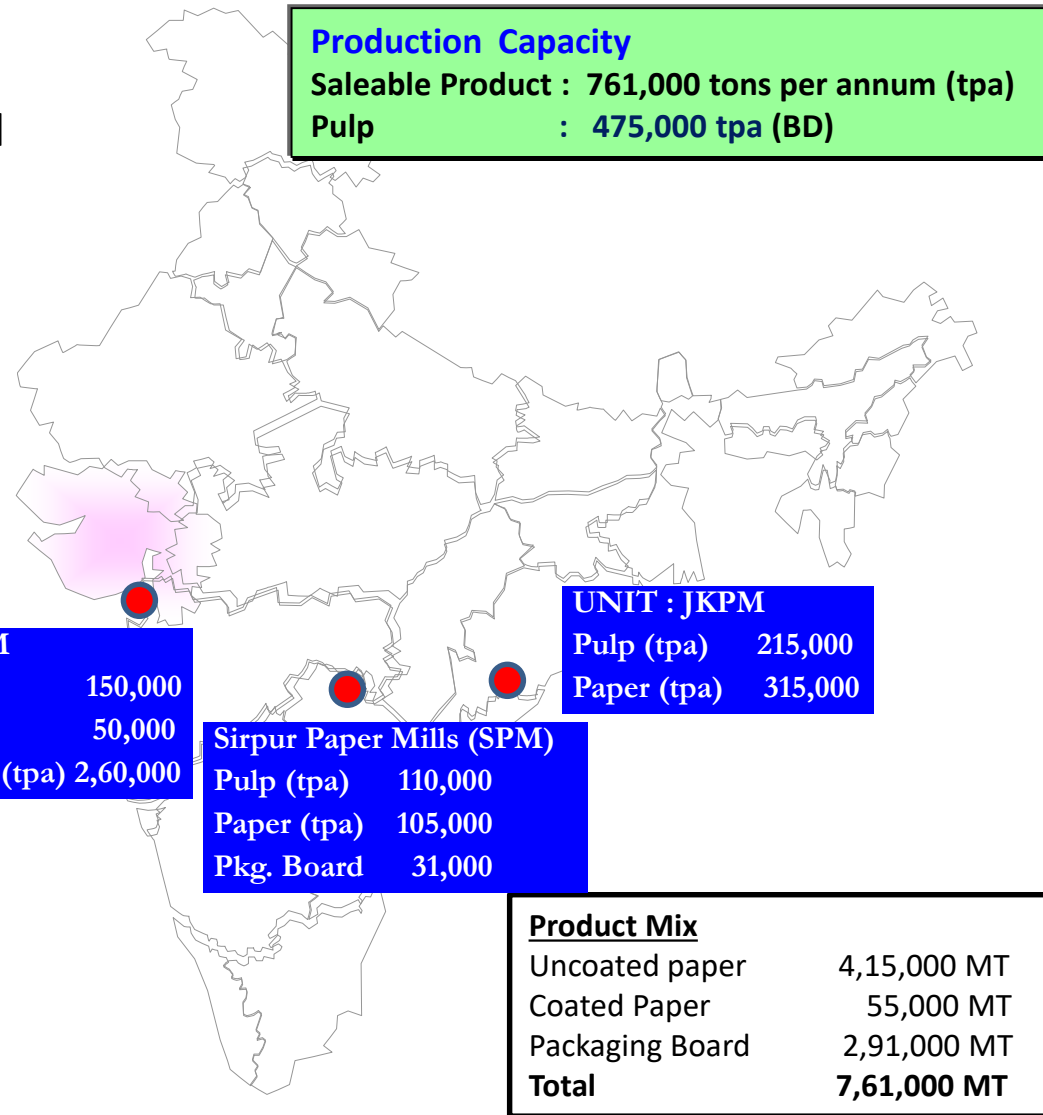
* Company Estimates (Q1 FY24)

Panoramic view of the Unit Sirpur (in Telangana)



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
 - 450 Trade partners
 - over 4,000 dealers



JK Paper - Performance Highlights for FY 2022-23

1. Capacity utilisation of **103.9%** in financial year ended March 2023 and **100.1%** in financial year ended March 2022.
2. Company achieved highest ever Consolidated **Turnover of Rs. 6,772 Cr., EBITDA Rs. 2,184 Cr. and PAT Rs. 1,196 Cr.**
3. **Company acquired 85% Equity Shares of Horizon Packs Pvt. Ltd. (HPPL) and Securipax Packaging Pvt. Ltd. (SPPL) which together are India's largest Corrugated Packaging manufacturers with seven (7) plants across the country.**
4. **Continuous thrust on plantation activities:** Total Plantation 8.32 Crores (PY corresponding period 5.67 Crores) Saplings and 55,700 acres (corresponding period 45,000 acres).
Continue to have wood- and carbon-positive status, planting more trees than utilizing.
Company has covered over 6 Lac acres of plantation and planted over 110 Crore saplings till date.
5. **New Product developments:** JK Eco green Purefill (Aqueous barrier coated Cup stock), JK Eco green Tuff freeze (Aqueous barrier coated OGR Board), JK Purefill P2P(2 PE Coated Board), Cigarette Board
6. 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 got upgraded by 2 notches from A/Positive to AA-/Positive**



JK Paper - Key Financials for Q1 (FY 2023-24 vs FY 2022-23)

Consolidated Financials

		1st Quarter		
	Unit	FY24	FY23	% Growth
Sales Volume	MT	1,75,952	1,90,724	(7.7)
Uncoated Paper	MT	1,00,779	1,05,318	(4.3)
Coated Paper	MT	12,053	15,097	(20.2)
Virgin Fibre Board	MT	63,120	70,309	(10.2)
Gross Revenue	Rs. Cr.	1,664	1,508	10.3
Total Income (Net)	Rs. Cr.	1,639	1,465	11.9
EBITDA	Rs. Cr.	532	458	16.1
EBIT	Rs. Cr.	452	393	15.1
PBT	Rs. Cr.	401	364	10.2
PAT	Rs. Cr.	313	264	18.3
EBITDA Margin	%	32.5%	31.3%	1.2
PBT Margin	%	24.5%	24.8%	(0.4)

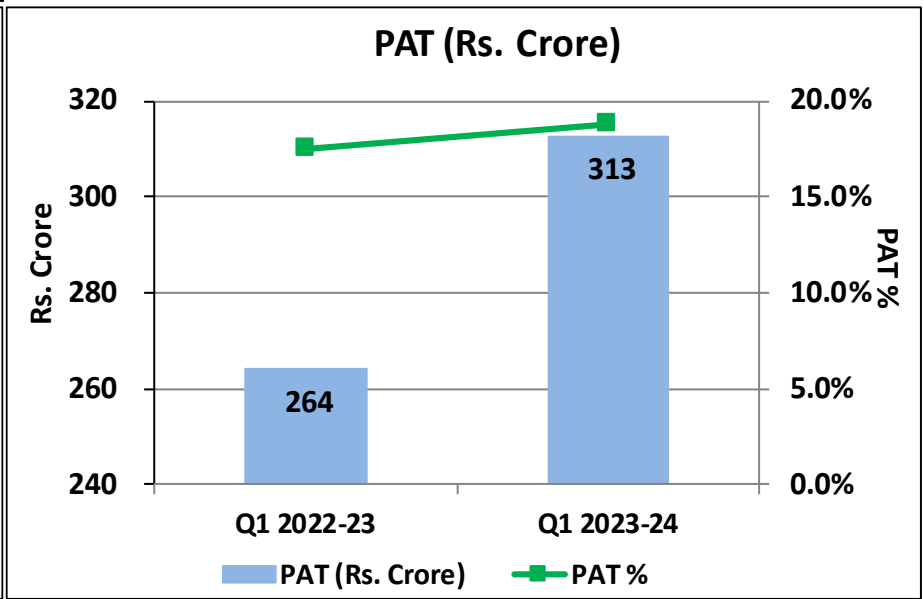
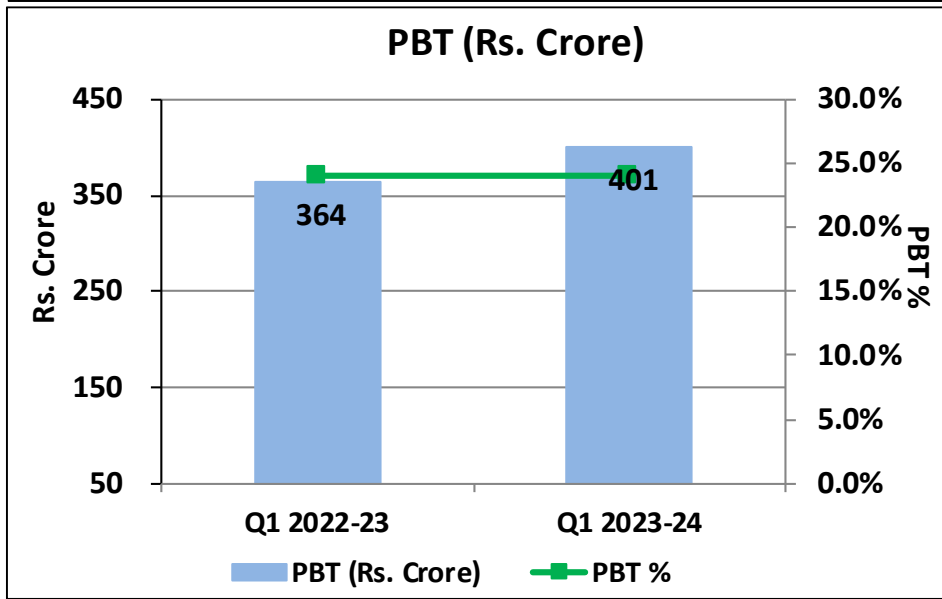
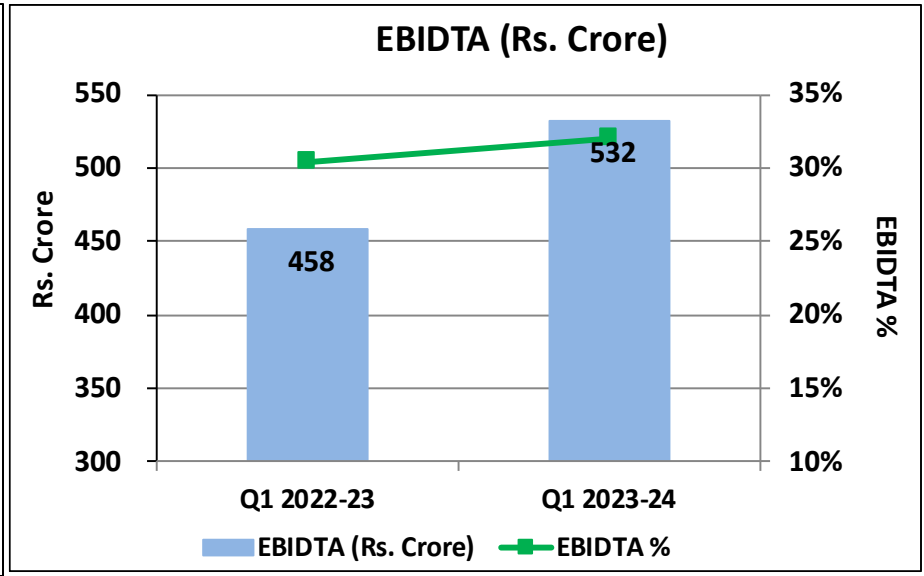
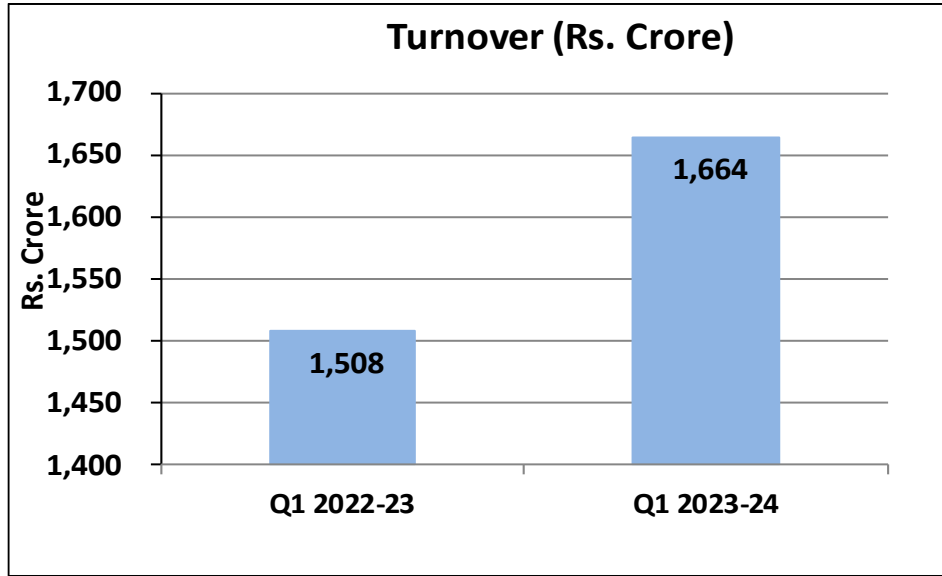
Consolidated results have improved due to acquisition of corrugation business last year and better performance by Sirpur Paper Mills with increased volume and higher sales realization. However the packaging board business witnessed a drop in volume and sale realization and was impacted by higher pulp carrying cost.



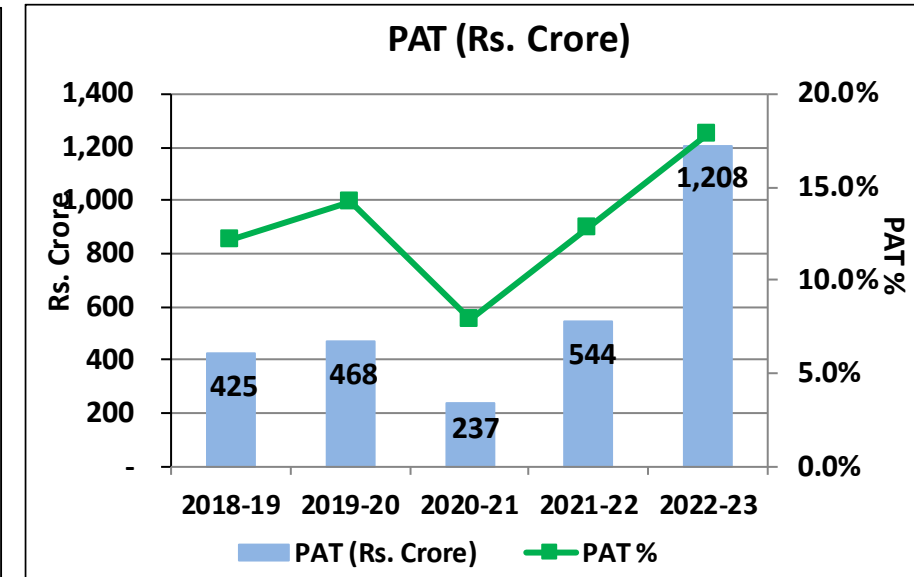
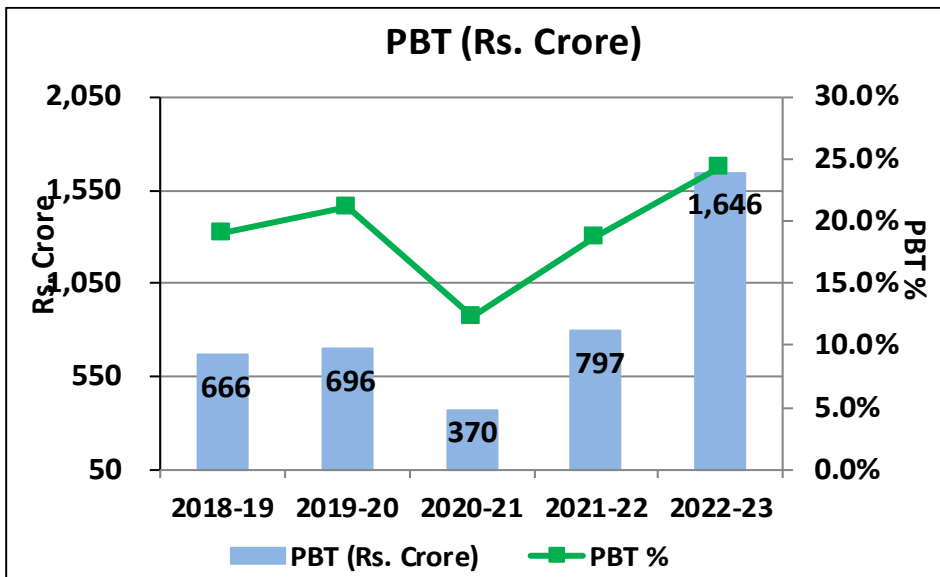
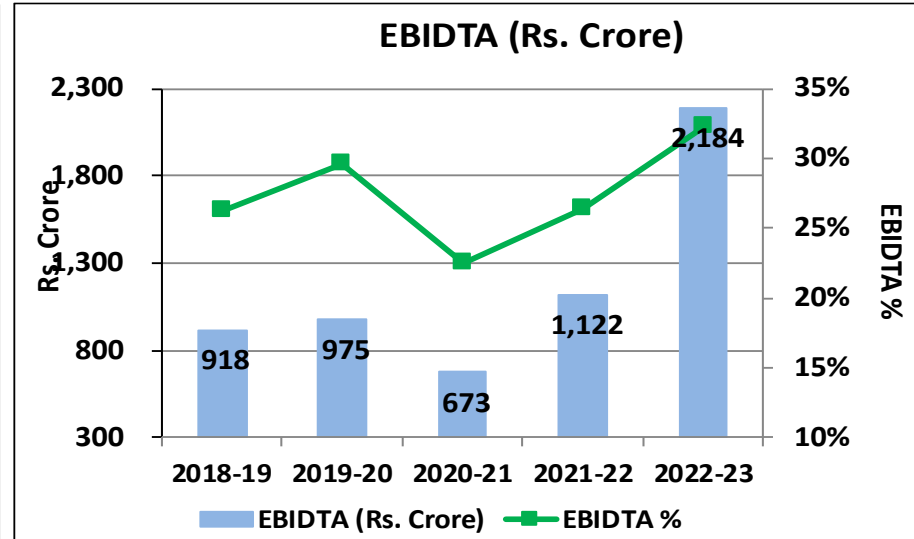
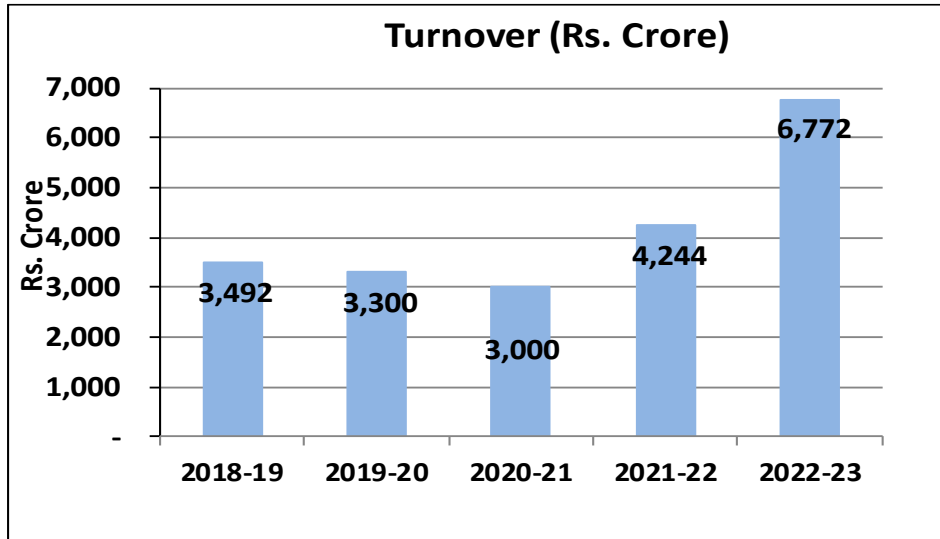
JKPL – Profitability Q1 FY2023-24 vs Q1 FY2022-23

Consolidated Financials

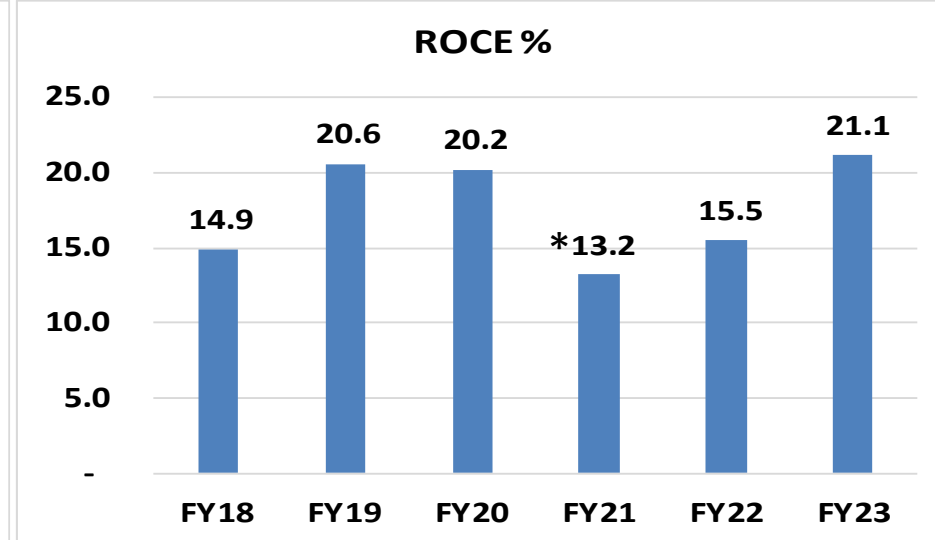
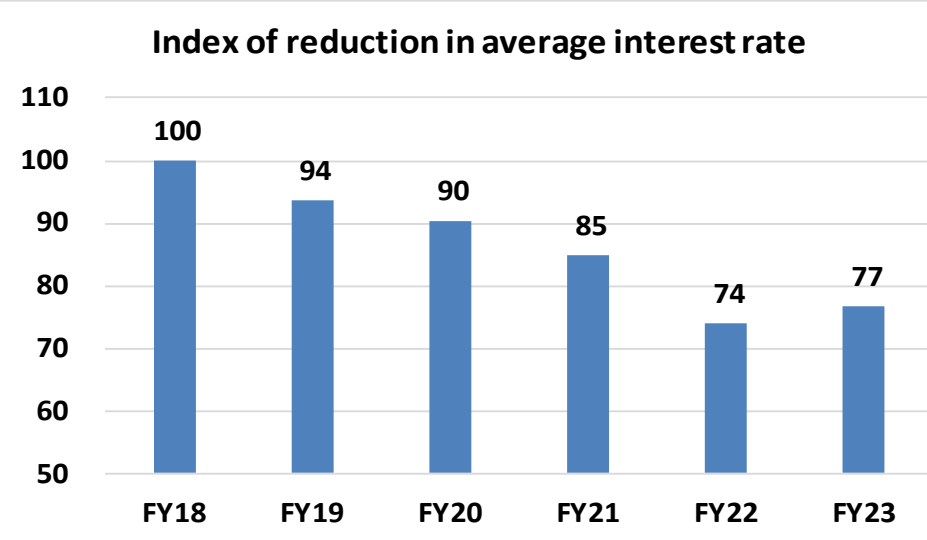
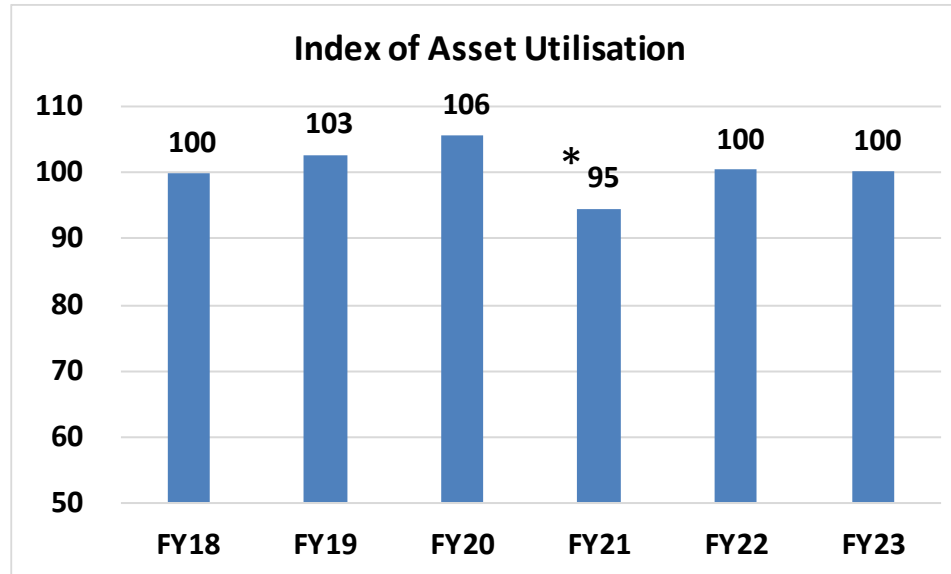
Rs. Cr.



JKPL - Profitability



Continuous improvement in last 5 Years



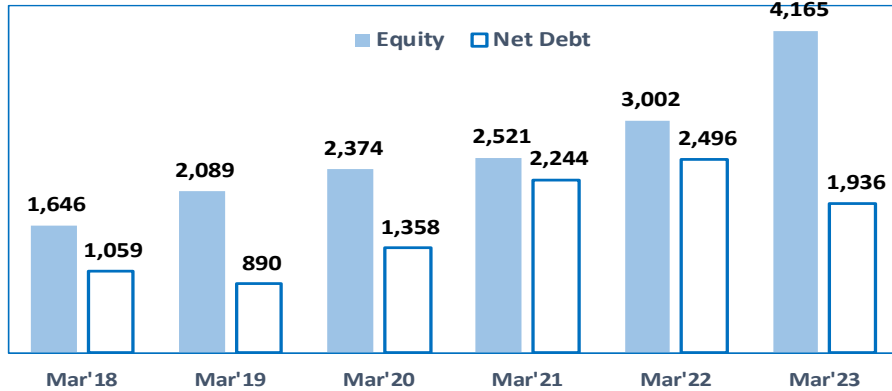
* Lower due to covid 19 pandemic



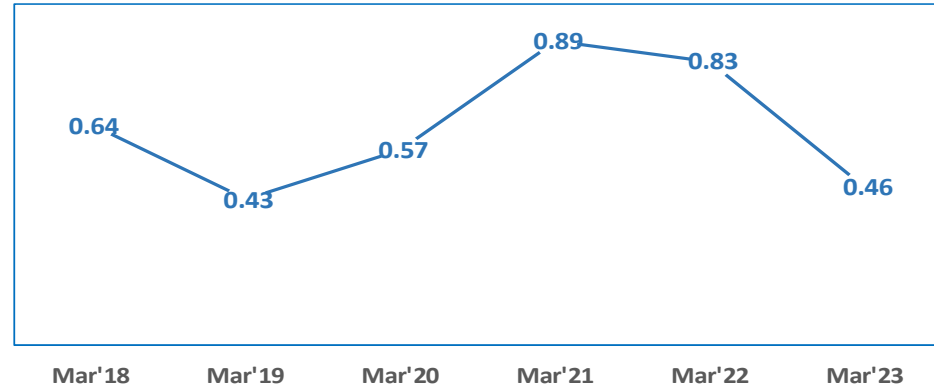
Focus on Deleveraging

Consolidated Financials

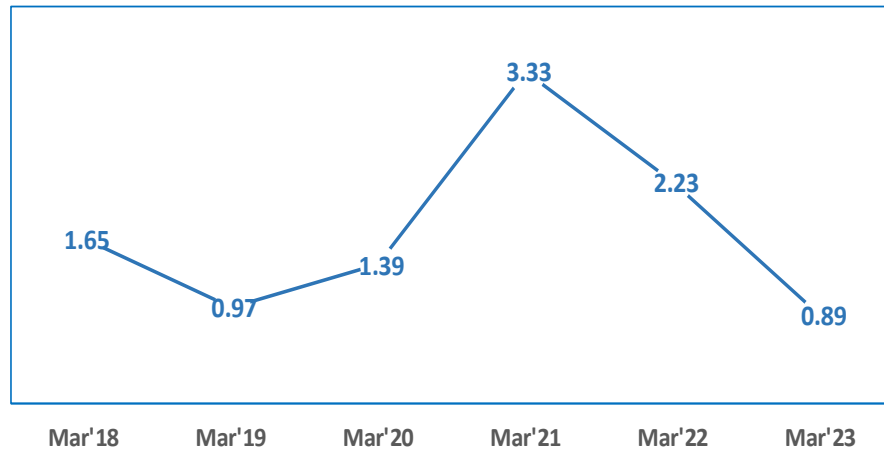
Net Debt and Equity (Rs. Cr.)



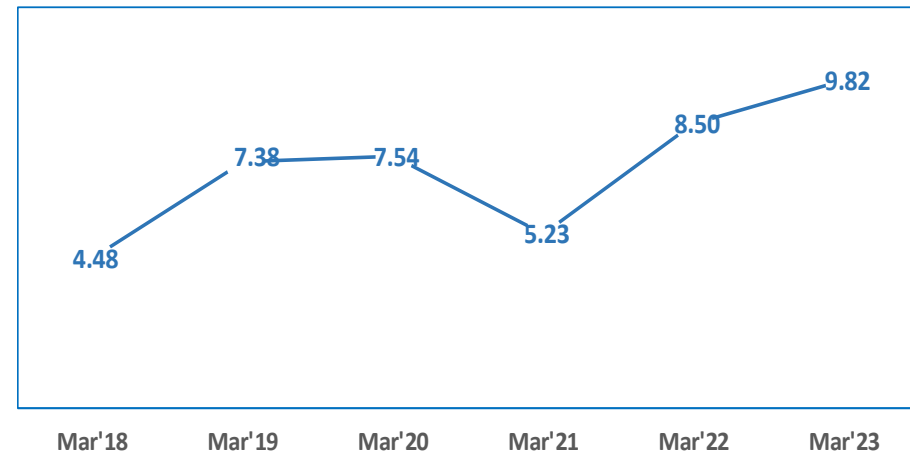
NET DEBT / EQUITY RATIO



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

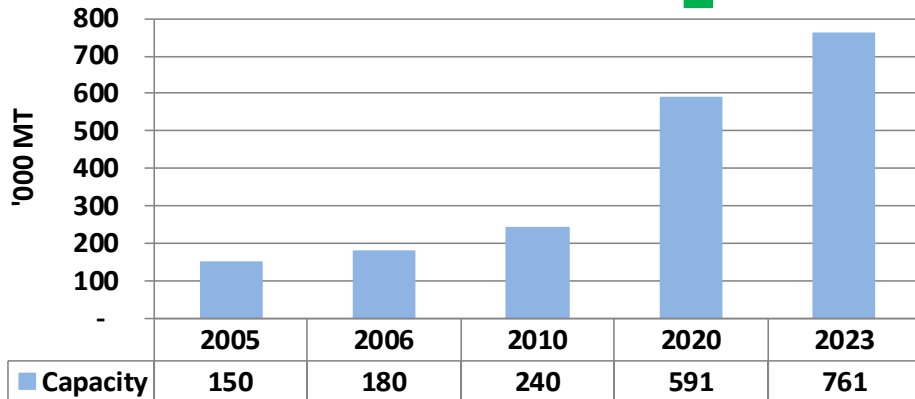
2013: Expansion in Uncoated Paper

2018: Acquisition of Sirpur Paper

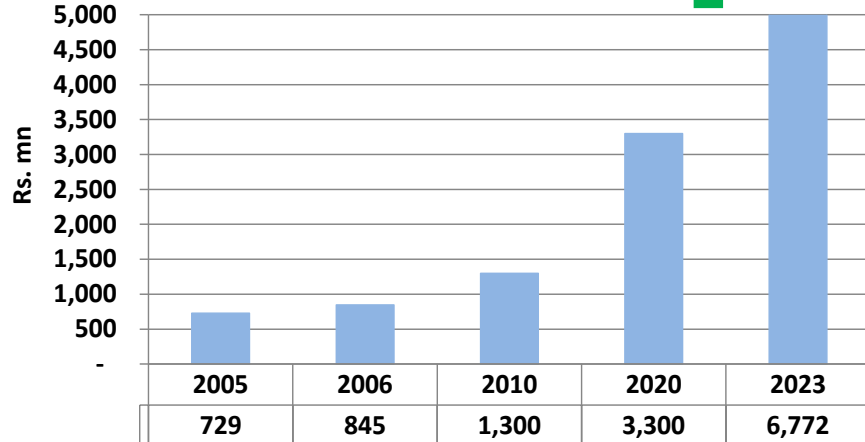
2022: Expansion in Packaging Board

2022 : Acquisition of HPPL & SPPL in Corrugation Business

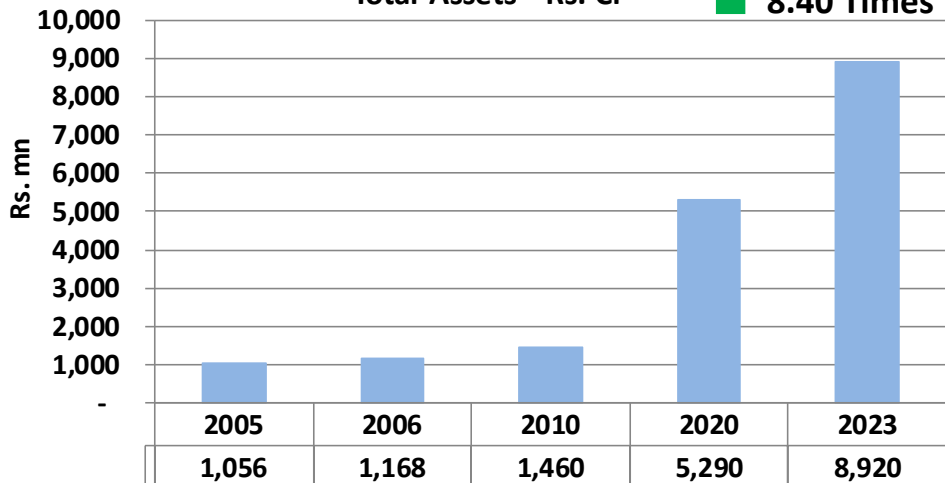
Volume - '000 MT ↑ **5 Times**



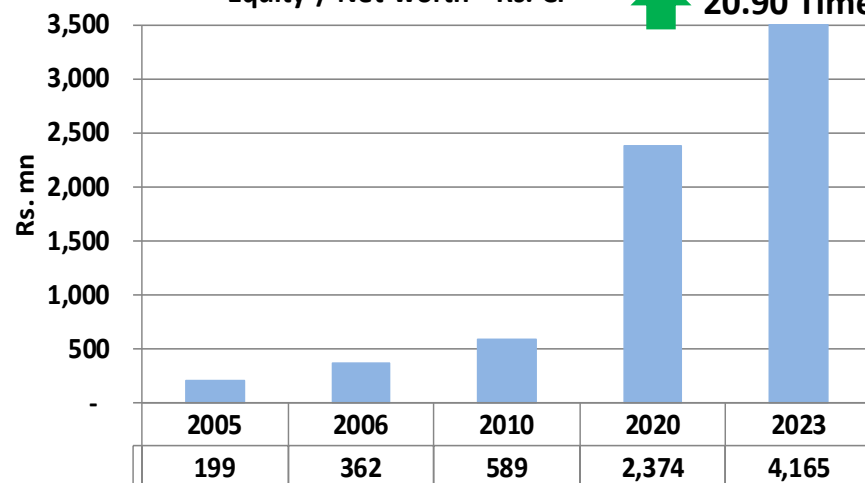
Turnover (Gross Sales) - Rs. Cr ↑ **9.30 Times**



Total Assets - Rs. Cr ↑ **8.40 Times**



Equity / Net-worth - Rs. Cr ↑ **20.90 Times**



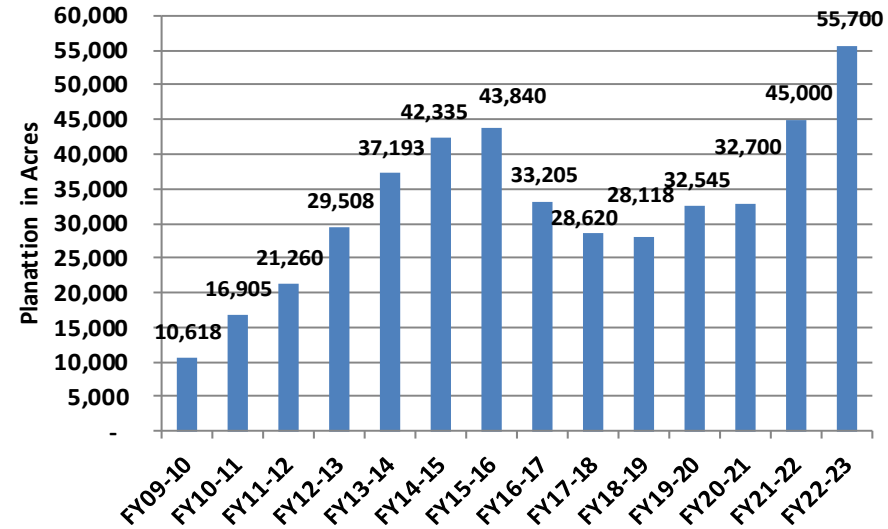
Farm Forestry and Raw Material Security Initiatives

Clonal Development Centre

- Started in 1991-92
- 55,700 acres area planted in 2022-23
- Overall > 6 Lac acres till date



Plantation under Farm Forestry by JKPL – in Acres



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%
2022-23	77%

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. Unit JKPM won the **IPMA Paper Mill** of the year award 2021-22.
2. Unit JKPM 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 won “State Business Leadership Award” for Promoting Corporate Odisha 2023 at State Business leadership Summit.
5. Unit CPM has won Energy Efficient Award by CII - 23rd National Award for Excellence in Energy Management.
6. Unit CPM was awarded with “Excellent position” under Paper Industry category -SCALE (Supply Chain and Logistics Excellence Awards) 2022. It was organized by CII.
7. “4th ICC National Occupational Health & Safety Awards” by Indian Chamber of Commerce, Kolkata for the year 2022-23 awarded to JKPM



JK Paper - Awards and Accolades during the Q1 FY24

1. CPM unit won two awards – Platinum Award for Productivity Improvement & Gold Award for Quality Improvement from 18 CII Circle level competitions conducted by TPM club India.
2. JKPM won Gold Medal for Excellence in Manufacturing and National Award for Manufacturing Competitiveness from International Research Institute for Manufacturing (IRIM) Mumbai.



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



846 Villages



Over 1 million Population Covered



Beneficiary Focus
Youth, Women and Farmers

Total Spend (FY23) - **14.26 Cr**



CSR Awards and Recognition

- JKPM Unit received “Odisha CSR Excellence Award”-2022 from Odisha CSR Forum.
- Received CSR Gold Award from a leading Odisha media group Sambad under Corporate Excellence Award – 2022
- Received an award from Integrated Tribal Development Agency (ITDA), Rayagada for innovation on occasion of first ever Women Business Leaders Mela, Bhubaneswar.



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THANK YOU

