



JK Paper Today

Corporate Update

An Industry benchmark with Power Packed Brands

May, 2024

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

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	6,452

Paper



JK PAPER LTD.

Creating lasting impressions

	Rs. Cr.
Revenue	7,000

Tyre



	Rs. Cr.
Revenue	14,645

Agri Genetics



	Rs. Cr.
Revenue	201

J.K. ORGANISATION

USD 6.0 Billion

30 manufacturing plants

Present in over 100 countries

More than 55,000 employment

V-Belts- Oil Seals & Power Transmission Systems



	Rs. Cr.
Revenue	1,220

(Unlisted Co.)

Dairy Products



Umang Dairies

	Rs. Cr.
Revenue	293

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'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 8% *

Current Mkt. Share is 17% *



Panoramic view of the Unit JKPM (in Odisha)



Panoramic view of the Unit CPM (in Gujarat)



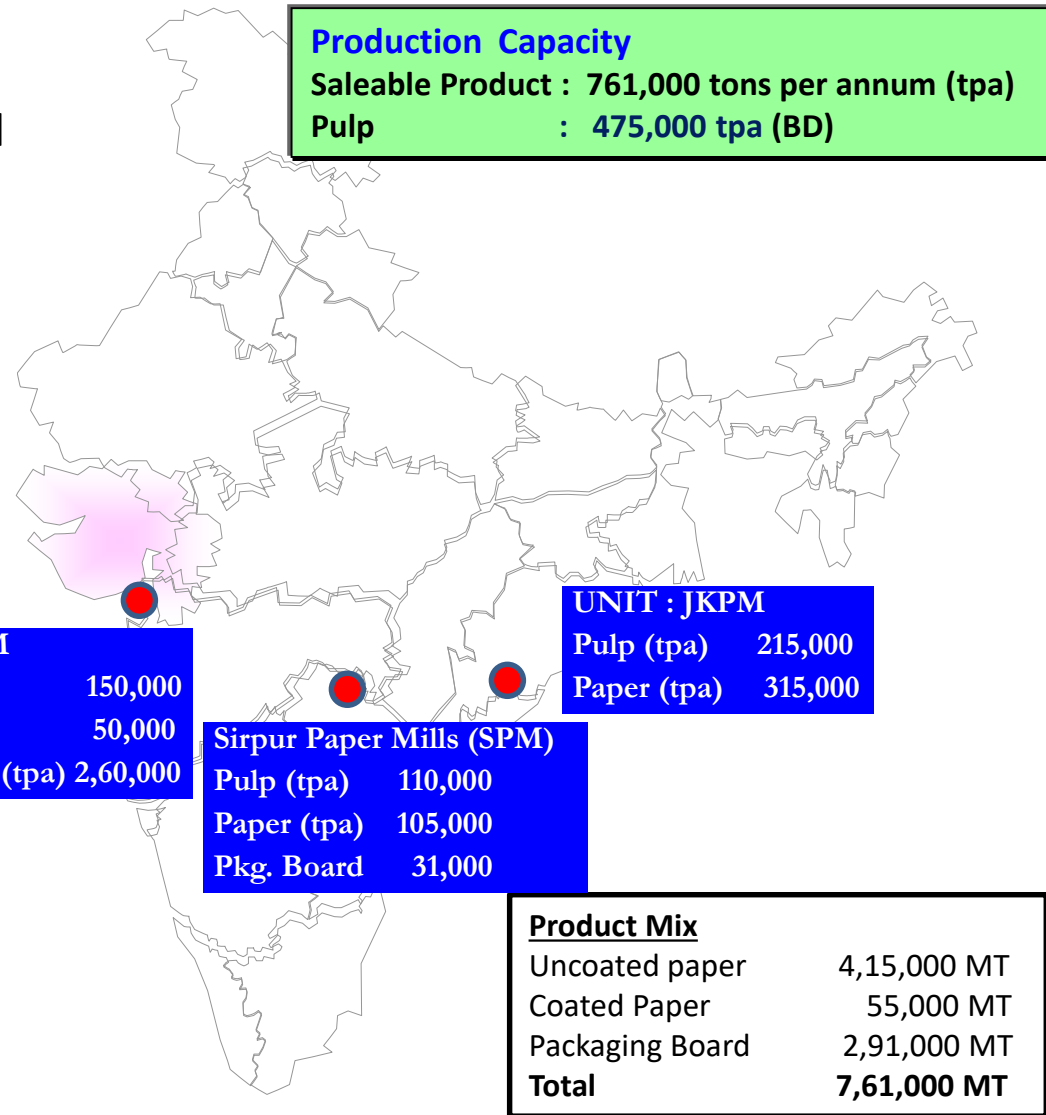
* Company Estimates (FY24)

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 FY2023-24

1. Company crossed the Consolidated Turnover of Rs 7000 Cr
2. Capacity utilisation of **113.1%** in Q4 ended March 2024 Vs **104.9%** in corresponding Quarter. Year ended March 2024 is **107.5%** vs **103.9%** in corresponding period.
2. Highest ever total sales volume of 7.94 Lac MT during the year
3. **Continuous thrust on plantation activities:** Total Saplings planted in this financial year is 11.64 Crore covering 81,173 acres, against 8.32 Crores covering 55,700 Hectares in the last financial year.

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

Company has covered over 6.9 Lac acres of plantation and planted over 125 Crore saplings till date.

4. Pursuant to approval of the Board of Directors at its meeting held on 16th October 2023, the Company has acquired 100% Equity shares of Manipal Utility Packaging Solutions Private Limited (MUPSPL) as per terms of Share Purchase Agreement. Post this, MUPSPL has become wholly owned subsidiary of the Company w.e.f. 21st November 2023. Subsequently, name of MUPSPL has been changed to JKPL Utility Packaging Solutions Private Limited.



JK Paper - Key Financials for Q4 vs 12M (FY 2023-24 vs FY 2022-23)

Consolidated Financials

	Unit	4th Quarter			12 Months		
		FY24	FY23	% Growth	FY24	FY23	% Growth
Sales Volume	MT	2,06,417	1,91,655	7.7	7,94,513	7,76,513	2.3
Uncoated Paper	MT	1,12,320	1,09,025	3.0	4,30,766	4,36,977	(1.4)
Coated Paper	MT	14,794	17,726	(16.5)	58,454	66,973	(12.7)
Virgin Fibre Board	MT	79,303	64,904	22.2	3,05,293	2,72,563	12.0
Gross Revenue	Rs. Cr.	1,805	1,807	(0.1)	7,000	6,772	3.4
Total Income (Net)	Rs. Cr.	1,776	1,760	0.9	6,886	6,609	4.2
EBITDA	Rs. Cr.	416	525	(20.6)	1,843	2,184	(15.6)
EBIT	Rs. Cr.	353	444	(20.5)	1,533	1,903	(19.4)
PBT	Rs. Cr.	318	381	(16.4)	1,325	1,646	(19.5)
PAT	Rs. Cr.	279	284	(1.7)	1,133	1,208	(6.2)
EBITDA Margin	%	23.4%	29.8%	(6.4)	26.8%	33.1%	(6.3)
PBT Margin	%	17.9%	21.6%	(3.7)	19.2%	24.9%	(5.7)

Higher raw material cost and lower sales realisation have adversely impacted performance during the current quarter.

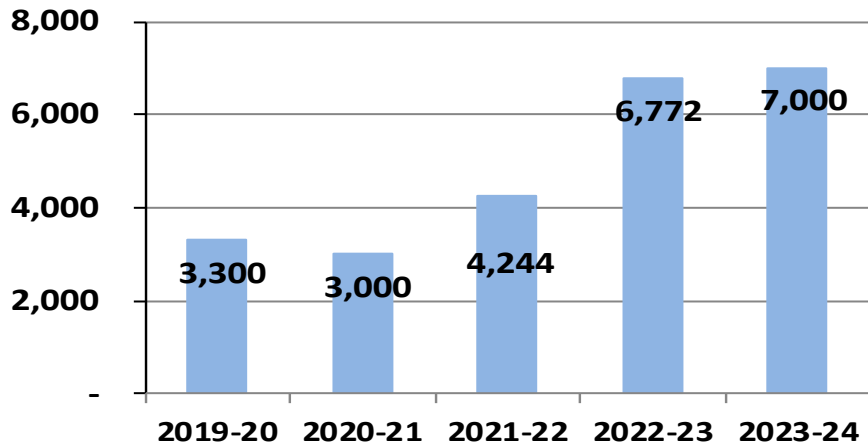


JKPL - Profitability

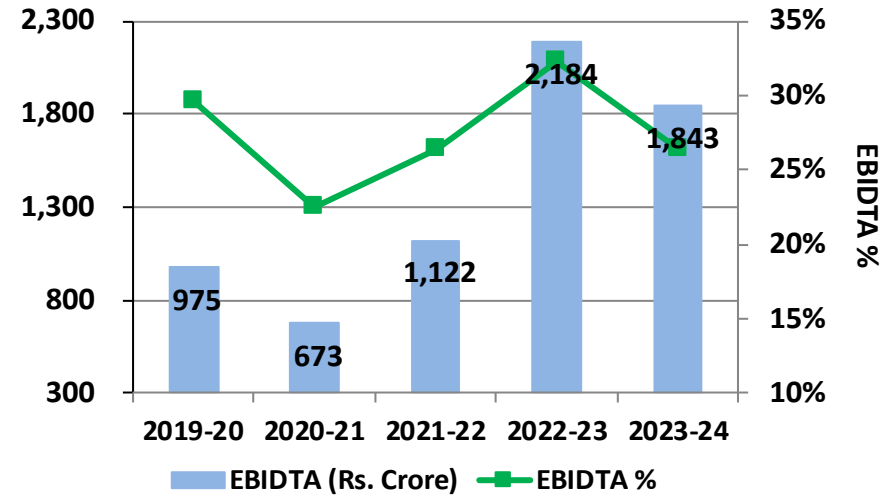
Consolidated Financials

Rs. Cr.

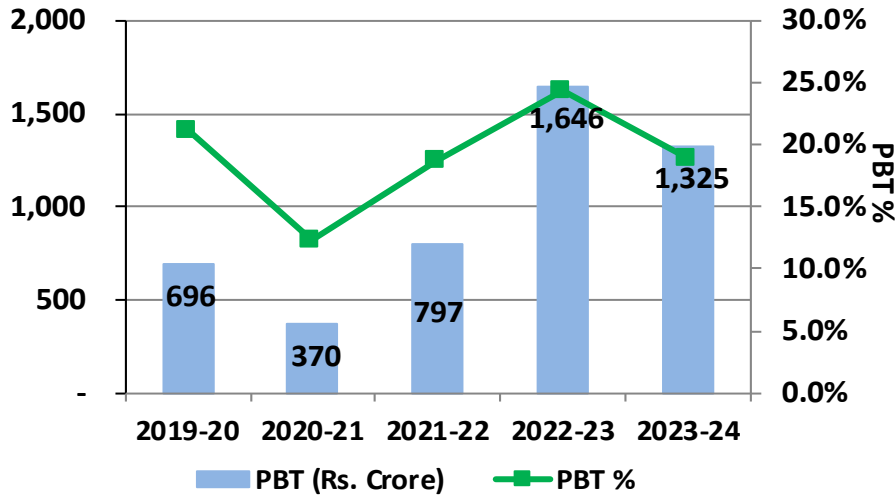
Turnover (Rs. Crore)



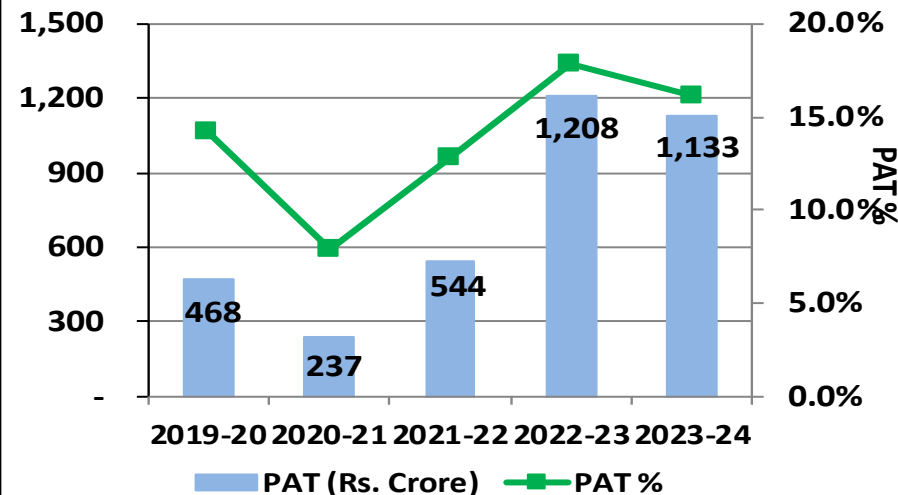
EBIDTA (Rs. Crore)



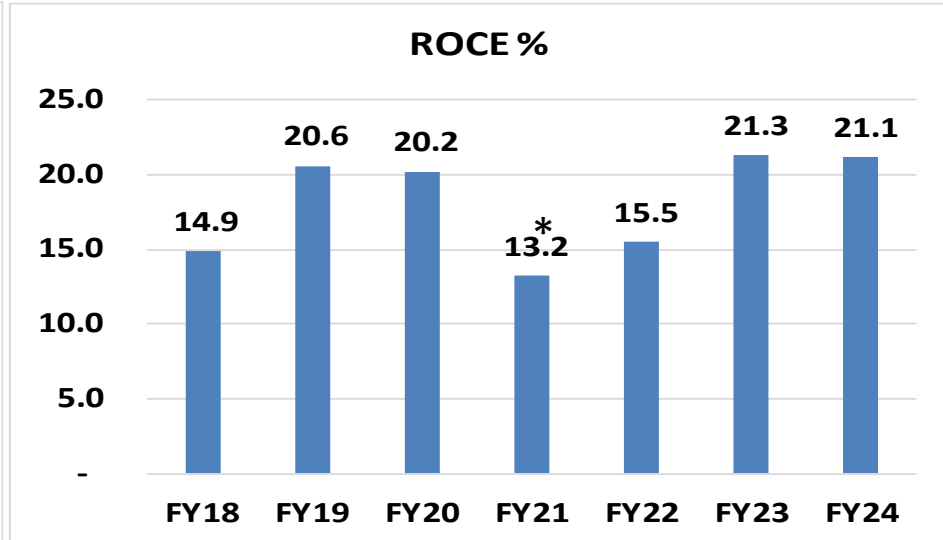
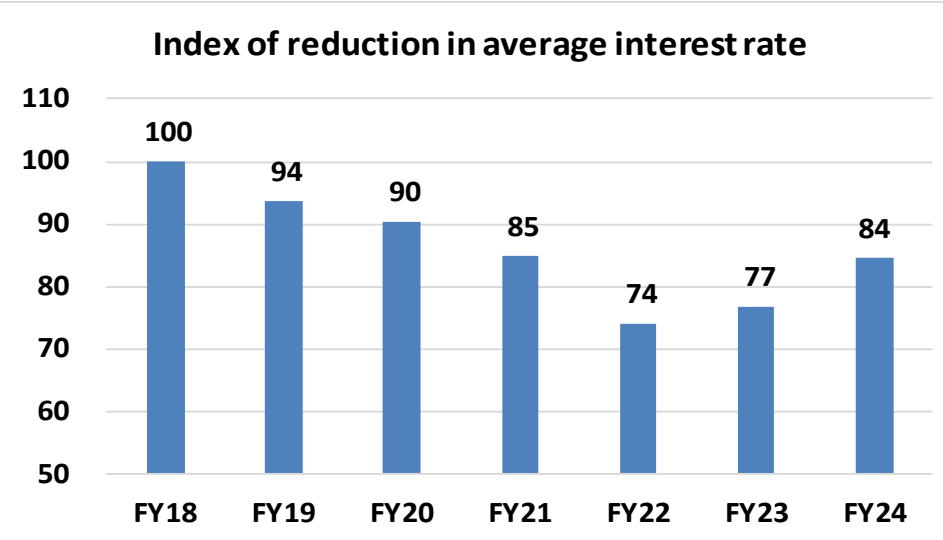
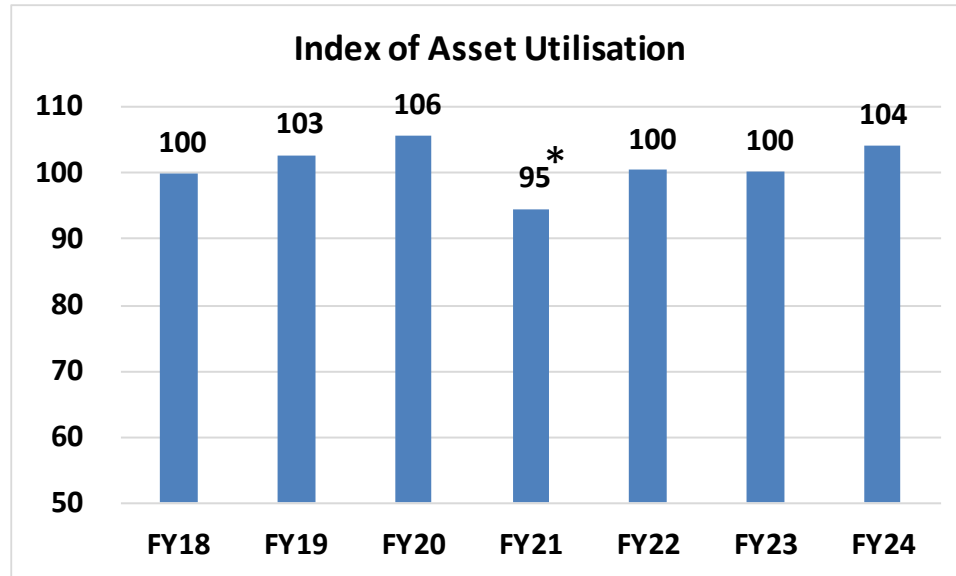
PBT (Rs. Crore)



PAT (Rs. Crore)



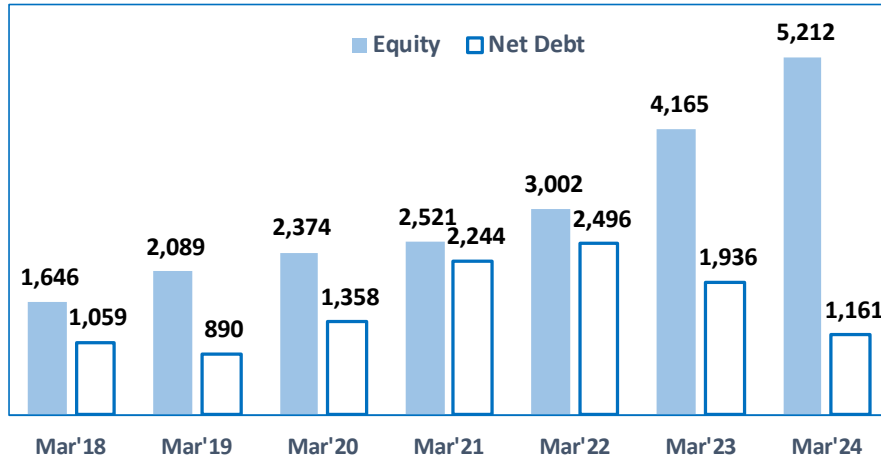
Continuous improvement in past Years



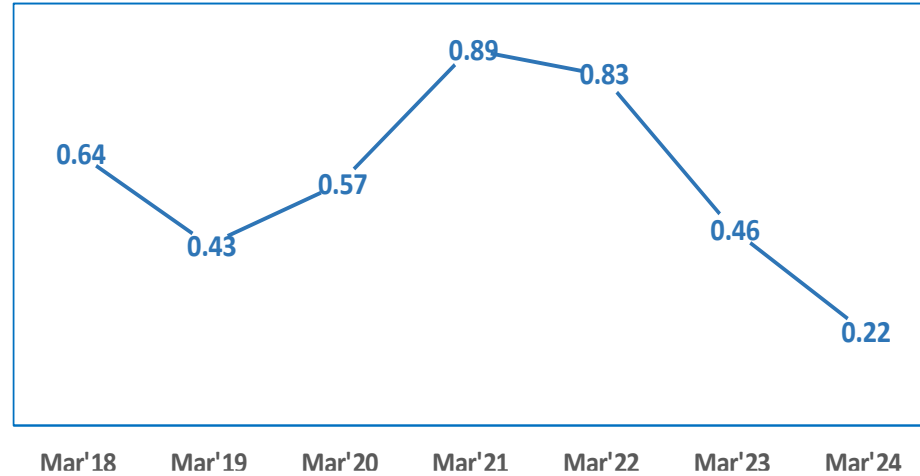
* Lower due to covid 19 pandemic



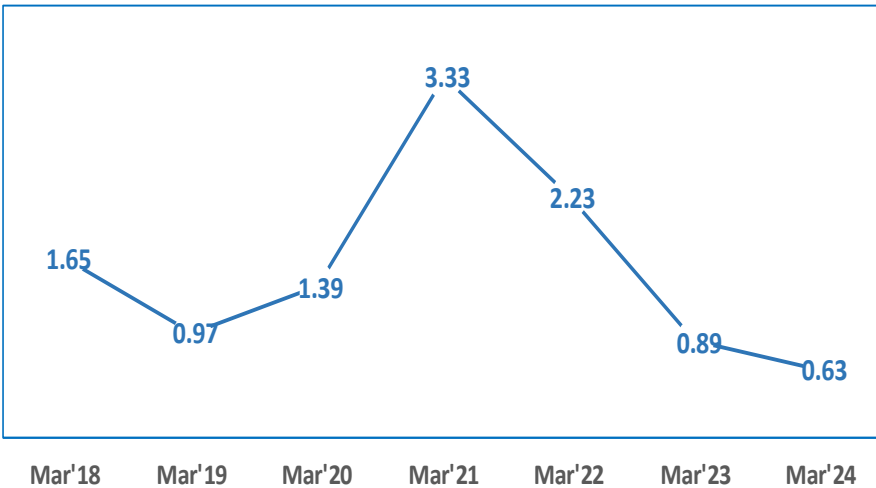
Net Debt and Equity (Rs. Cr.)



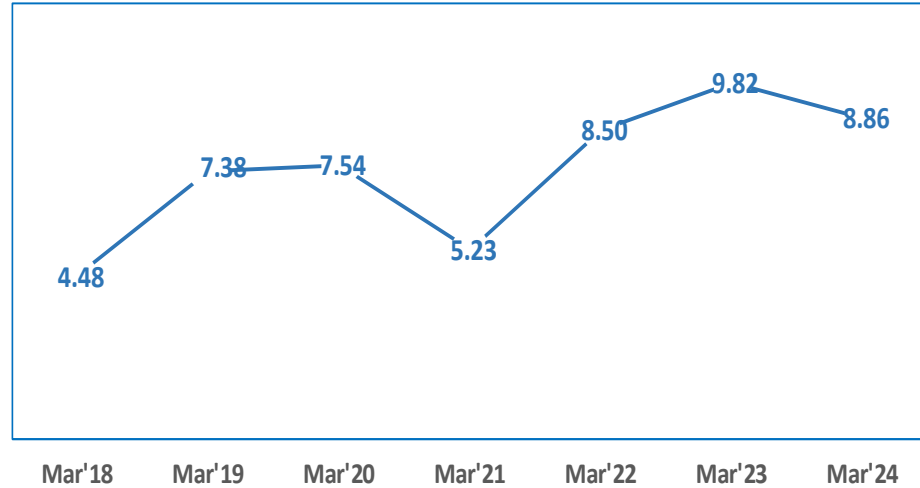
NET DEBT / EQUITY RATIO



NET DEBT / EBITDA RATIO



INTEREST COVERAGE RATIO



Long-term credit rating of JK Paper is **AA/Stable** (by CRISIL and India Ratings/Fitch India)



Quantum Jumps through continuous expansions since FY2005

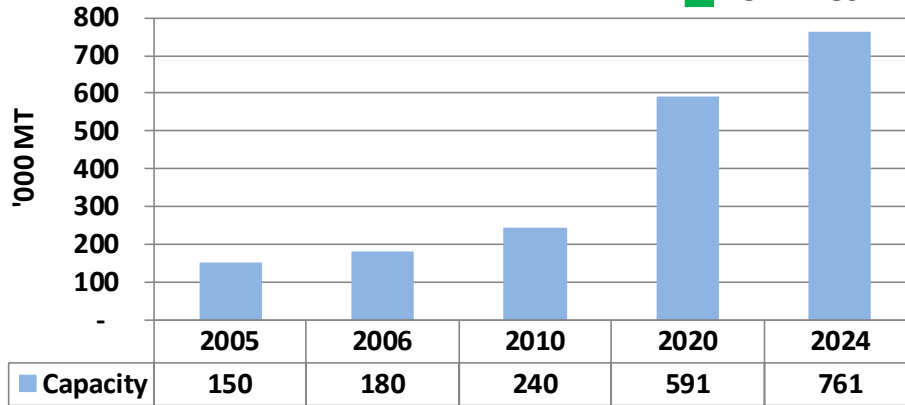
Consolidated Financials

2005: Entry into Coated Paper
2018: Acquisition of Sirpur Paper

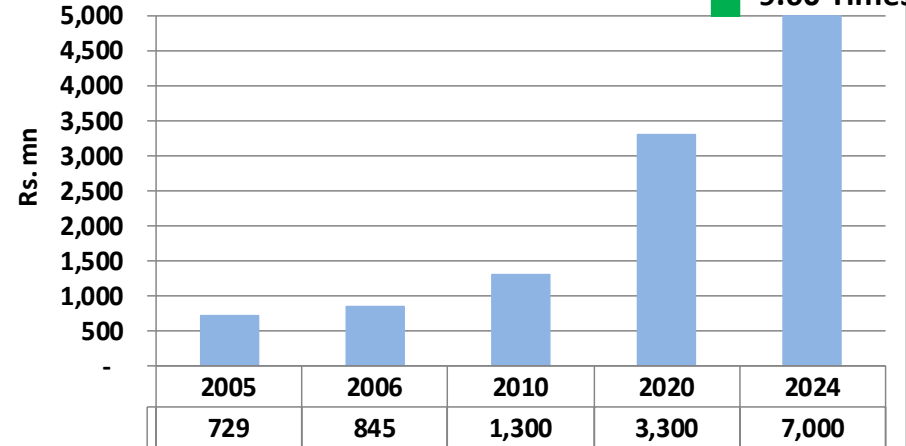
2007: Entry into Packaging Board
2022: Expansion in Packaging Board

2013: Expansion in Uncoated Paper
2022: Acquisition of HPPL & SPPL (Corrugation Business)

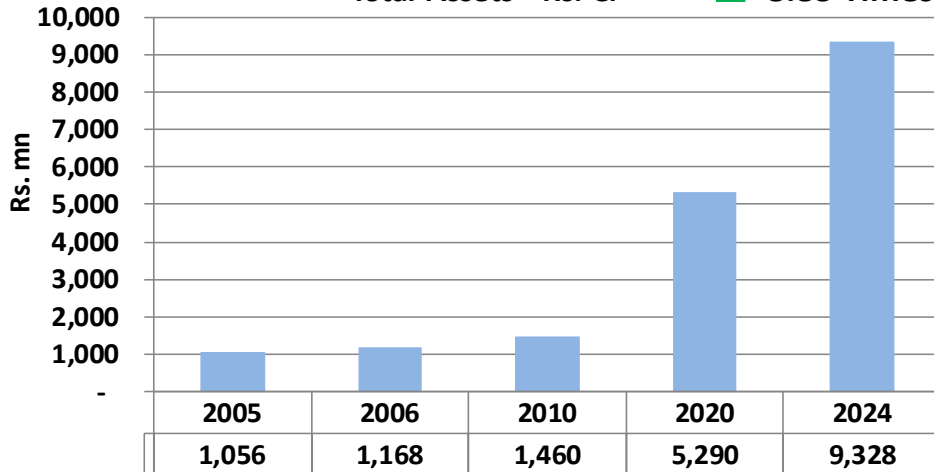
Volume - '000 MT ↑ 5 Times



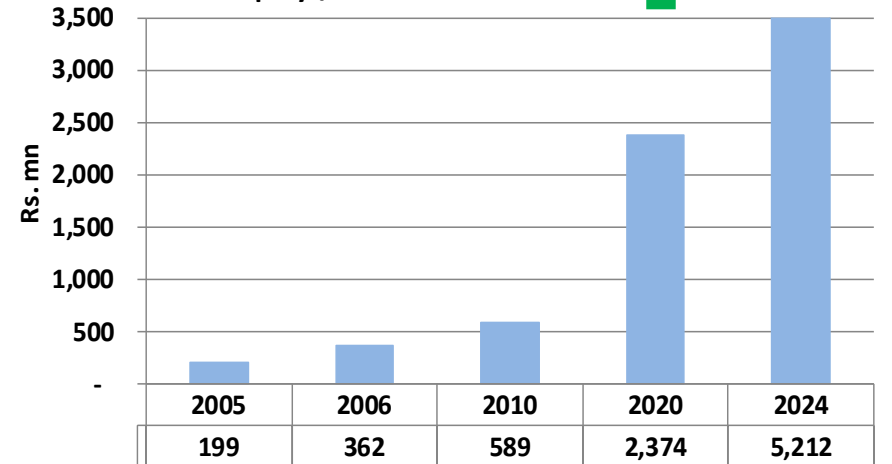
Turnover (Gross Sales) - Rs. Cr ↑ 9.60 Times



Total Assets - Rs. Cr ↑ 8.83 Times



Equity / Net-worth - Rs. Cr ↑ 26.19 Times



Sustainability is at the Core at JK Paper

JK Paper is net CARBON POSITIVE – we plant more trees than we harvest & sequester more carbon than we emit

- Raw material constitute **100% renewable fibres** through farm-forestry model
- **Net wood positive** i.e., trees planted are more than trees harvested in a year. Cumulatively covered > **6,90,000** acres of plantation and planted >**125 Crore** saplings till date

Financial year FY 22-23	> 8.32 Cr saplings planted with >55,000 acres Plantation
Financial year FY 23-24	> 11.64 Cr saplings planted with >81,173 acres Plantation

- **Net carbon positive** i.e., amount of carbon sequestered (through plantation) is more than the emissions
- Share of **renewable energy** is ~**55%** of total energy usage
- Developed several **biodegradable products** as replacement of plastic products such as Aqueous barrier coated Cup-stock board, Carry bag, Paper straw
- Ensure **100% eco-friendly** waste disposal (zero discharge to landfills)
- Approx. 9.6 Lac lives benefited through various CSR projects in Education, Environment. Women Empowerment, Skill Development etc.
- Approx. **75,000 farmers** are benefitting from our farm-forestry operations
- More than **16,000 women** have been mobilized into Self-Help Groups and producer Groups



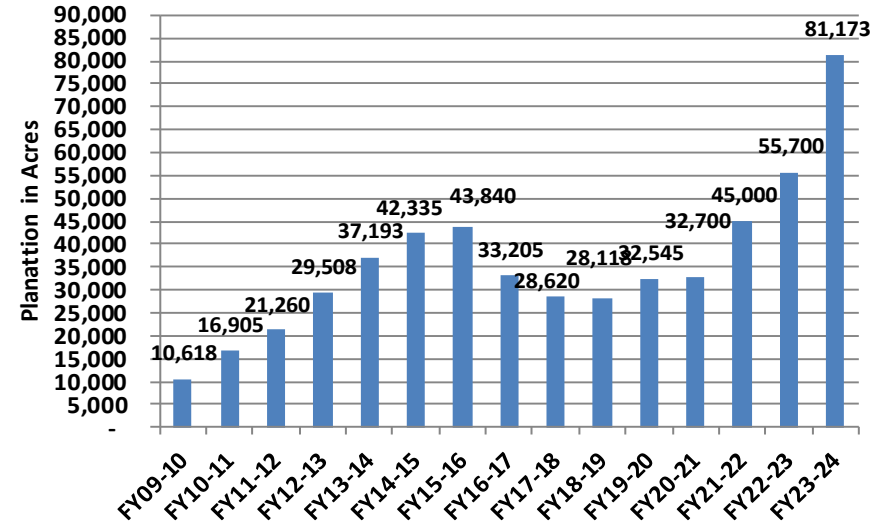
Farm Forestry and Raw Material Security Initiatives

Clonal Development Centre

- Started in 1991-92
- 81,173 acres area planted in 2023-24
- ~ 7 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

2017-18	71%
2018-19	96%
2019-20	100%
2020-21	100%
2021-22	94%
2022-23	77%
2023-24	70%

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



Care for Community (1/2)

Through various ESG efforts across the value chain and in the community ...

Plantation and Raw material procurement

- Higher sourcing from certified plantation (FSC-FM Certification)
- Plantation productivity improvement
- Increased raw material sourcing from within 300 Kms
- Transformation into Carbon/Wood Positive status

Production


- Increase in share of renewable sources in energy mix (JKPM 71%, CPM 47%, SPM 45%)
- Reduction in specific water consumption
- Development of new plastic-replacement products
- Eco-friendly waste disposal

Community

- Empowerment of women, youth and marginalized sections
- Community development and well-being
- Environmental stewardship through soil conservation and water harvesting efforts

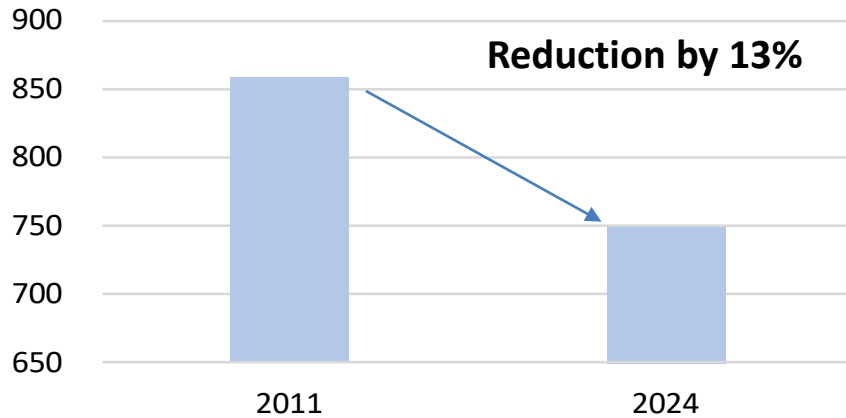


Care for Community (2/2)

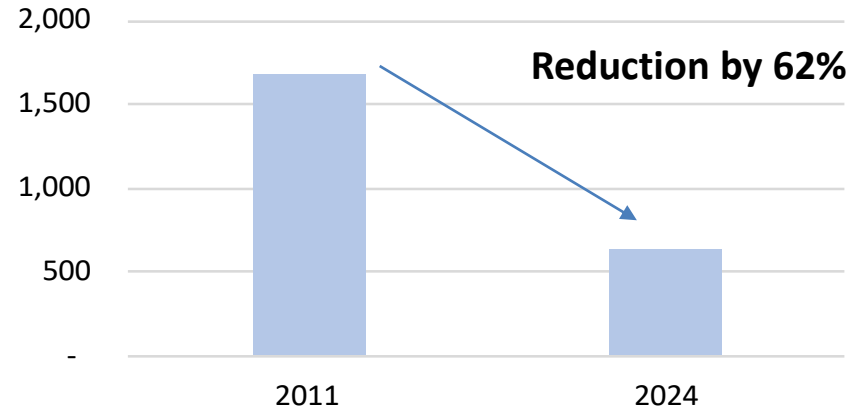
Areas	Key Initiatives
<p data-bbox="141 565 369 651">Community/ Social</p> 	<ul data-bbox="506 301 1846 1200" style="list-style-type: none">• 14,730 youths have been empowered through various skill development training and 679 youth entrepreneurs have been created through a unique grampreneurs program• The Company helped formation of 1600 Self-Help Group (SHGs) and 56 Producer Group reaching out to more than 16,000 women in Odisha, Gujarat and Uttar Pradesh.• Distributed ~ Rs. 26 mn. from carbon credits income to 1,590 farmers• Harvested 30.27 crore liter of water and provided livelihoods to 2065 farmers.• Infrastructure support to peripheral villages• School for children with special needs• Advocacy for convergence and development support from State Agencies• Disaster relief in cash & kind• Soil Conservation & Increasing Arable land• Community Health, Eye care & Sickle Cell Anaemia

Reduction in Consumption of Resources

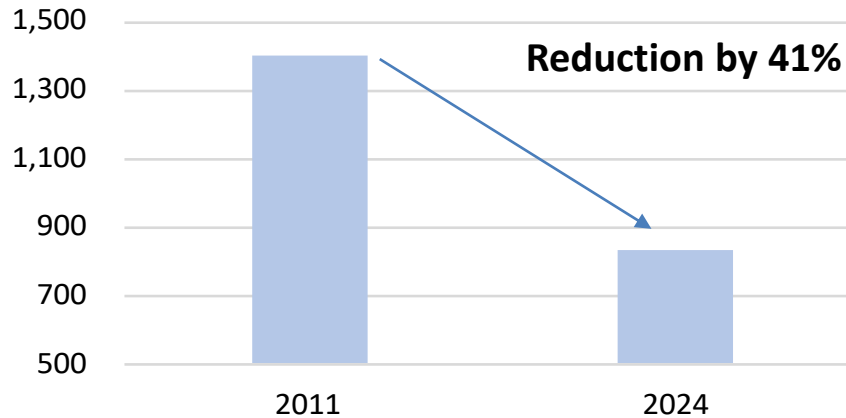
Fibre - Kg/Ton of Paper



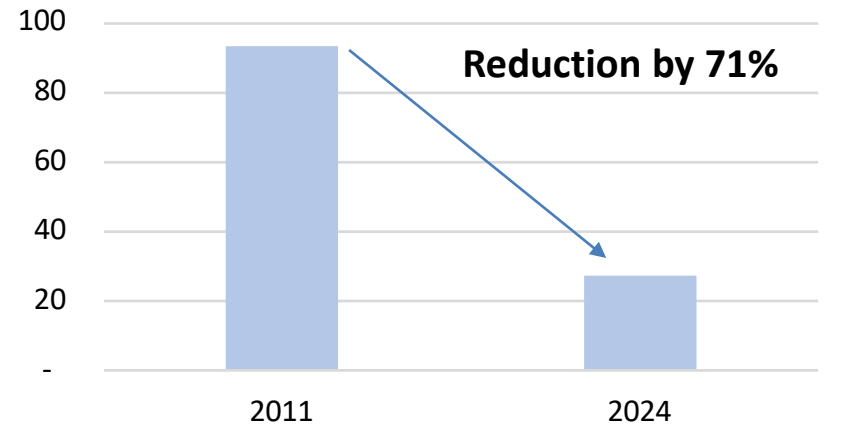
Coal - Kg/Ton of Production



Power - Kwh/Ton of Production



Water - m3/Ton of Production



JK Paper - Awards and Accolades during the Q4 FY24

Unit JKPM :

1. JKPM received CII National Award for Excellence in Water Management 2023 as “Noteworthy Water Efficient Unit”.
2. JKPM received 3 nos of Par Excellence Awards & 3 Nos of Excellence Awards for Participating in NCQC 2023.
3. JKPM received Excelsior Award - 2023 for "Outstanding contributions to environmental sustainability" from International Research Institute for Manufacturing (IRIM), Mumbai on 20.01.2024.

Unit CPM :

1. Unit CPM won award for Excellent category for the BM5 Productivity Improvement from NCQC.
2. Unit CPM won One Platinum Award - Power block, 2 Gold Awards - BM4 and Recovery plant & 1 Silver Award – Pulp Mill from CII conducted 17th Edition of CII National 3M Competition.



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THANK YOU

