



# JK Paper Today

Corporate Update

**An Industry benchmark with Power Packed Brands**

**January, 2025**

*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 | 6,788   |

## Paper



**JK PAPER LTD.**

*Creating lasting impressions*

|         | Rs. Cr. |
|---------|---------|
| Revenue | 7,000   |

## Tyre



|         | Rs. Cr. |
|---------|---------|
| Revenue | 15,002  |

## Agri Genetics



|         | Rs. Cr. |
|---------|---------|
| Revenue | 148     |

**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 | 1,301   |

(Unlisted Co.)

## Dairy Products



|         | Rs. Cr. |
|---------|---------|
| Revenue | 286     |

## Education



## Defence Electronics



## Hospital & Health services



## Clinical Research

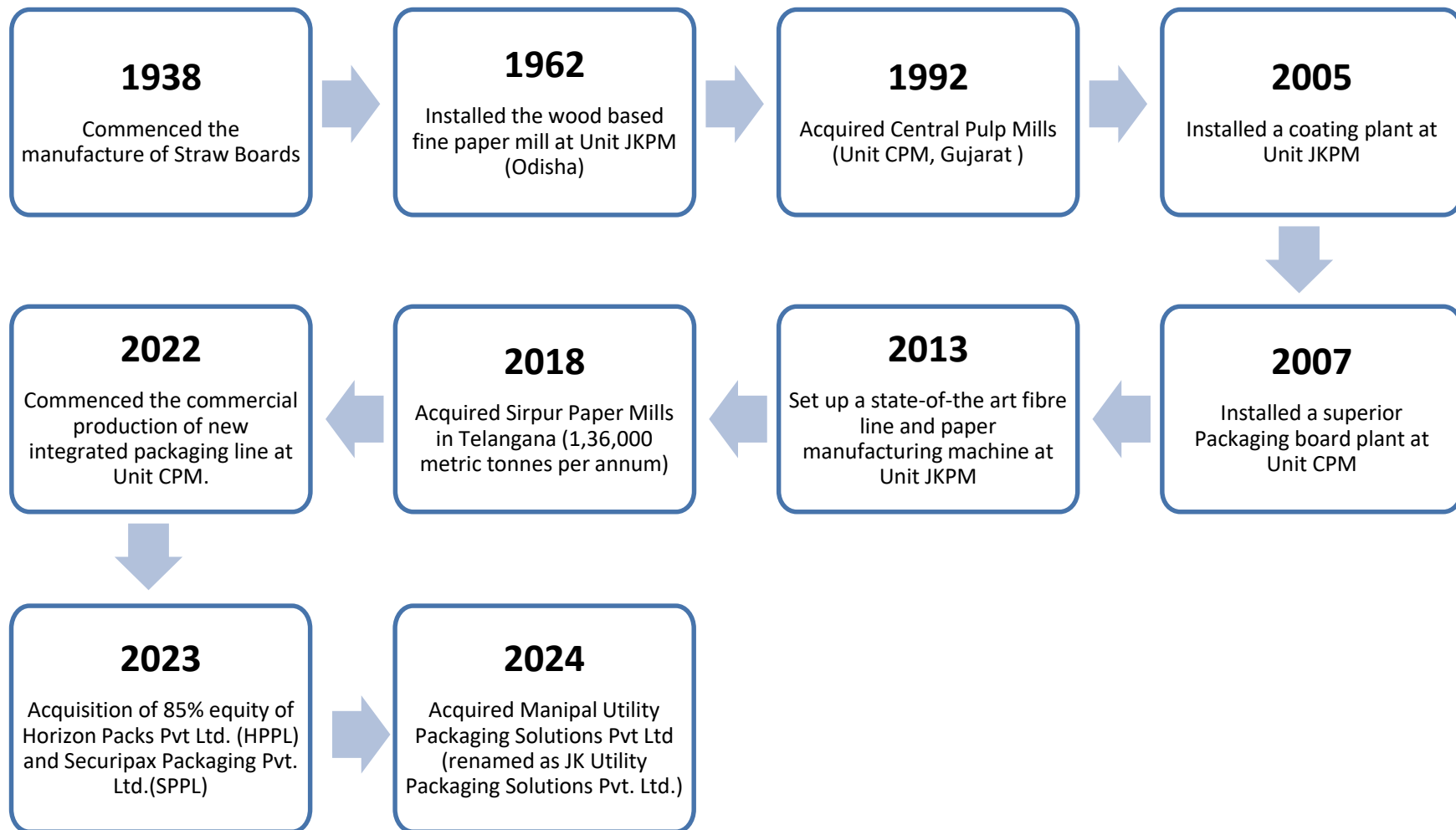


Revenue based on last published Annual Results



# JK Paper - History

More than 85 YEARS JOURNEY OF JK PAPER



# JK Paper - Milestones

01

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

02

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

03

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

04

First to Brand Copier Paper in Indian Market

05

First to introduce Surface-size wood free paper in India

06

Awarded FSC-COC certification in 2011

07

Golden Peacock Environment Management Award in 2013

08

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



# Vision, Mission & Core Values

## Vision

To be a trusted industry leader enriching lives and creating a better future



## Mission

Deliver sustainable solutions & profitable growth through:

- Digitalization and Innovation
- Cost Competitiveness
- Customer Centricity
- People and Community care
- Outstanding & Agile Talent



## Core Values

- Caring for People
- Integrity including intellectual honesty, openness, fairness and trust
- Commitment to excellence



# 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)



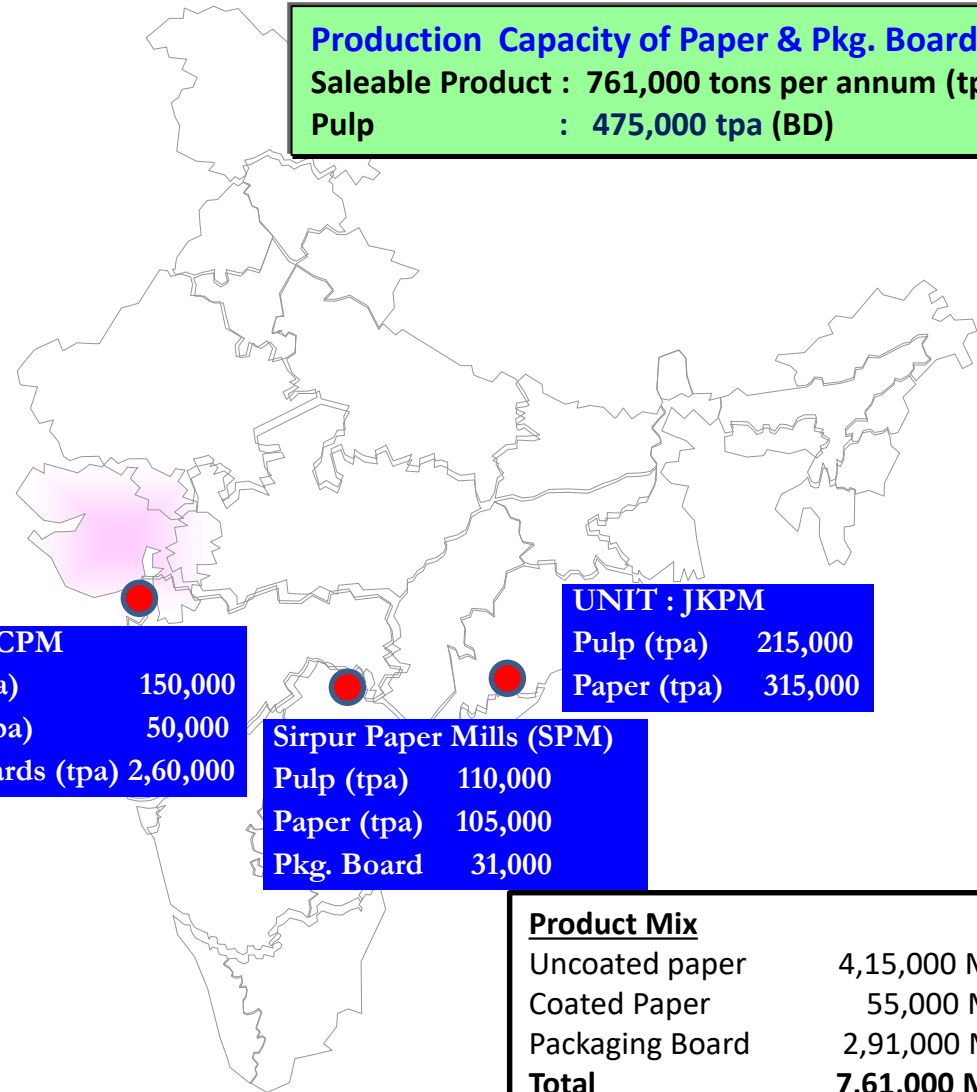
\* Company Estimates (FY24)

Panoramic view of the Unit Sirpur (in Telangana)



# Strategic Geographical Presence

- **Manufacturing Facilities**
  - 3 Paper and Pkg. Board Unit
  - 9 Corrugation Box Unit
  - 2 Mono Carton Unit
  - 1 Label Unit
- **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
  - 468 Trade partners
  - over 4,000 dealers



# JK Paper - Performance Highlights for 9M/Q3 FY2024-25

1. Capacity utilisation of **109%** in 9 months ended Dec 2024 Vs **105.7%** in corresponding period.
2. Overall Sales Volume grew by 2% over the corresponding period and Consolidated Turnover grew by 2.3% to **Rs. 5,315 Cr**
3. **Continuous thrust on plantation activities:** Total Saplings planted in 9M FY2024-25 is 11.28 Crore covering 76,615 acres (11.64 Crore covering 81,173 acres during last financial year).

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

**Company has covered over 7.5 Lac acres of plantation and planted over 135 Crore saplings till date.**

4. During the quarter, Board of Directors at its meeting held on 13th December 2024, approved the acquisition of majority stake in Radhesham Wellpack Private Limited (RWPL). Company entered into a Share Purchase and Shareholders' Agreement (SPSHA) for the acquisition of 60% shares of RWPL upfront and the balance 40% to be acquired within a period of two years as per the SPSHA.

RWPL is engaged in the business of manufacture of corrugated boxes, corrugated sheets, and other corrugated packaging related work/ products. Corrugated Packaging is a rapidly growing segment in the Indian Paper & Packaging industry driven by growth in end-use industries.





## JK Paper - Performance Highlights for 9M/Q3 FY2024-25

5. Board of Directors at its meeting held on 29th January 2025, approved the acquisition of majority stake in Quadragen Vethealth Private Limited (QVPL). Company entered into a SPSHA for the acquisition of 65% shares of QVPL upfront and the balance 35% to be acquired within a period of four years as per the SPSHA.

QVPL is engaged in the business of manufacturing, marketing and exporting of Animal Nutrition Products including Feed Additives & Growth Promoters. This is a strategic acquisition in a promising and rapidly developing industry segment and provides a new opportunity for the Company to grow. QVPL is a profitable export-oriented enterprise and a leader in its category.

6. During the quarter, India Ratings and Research (Ind-Ra) has reaffirmed its Long-term rating to **“IND AA/Stable”** and for Short term & Commercial Paper rating to **“IND A1 +”** of the Company.



# JK Paper - Key Financials for Q3 (FY 2024-25 vs FY 2023-24)

## Consolidated Financials

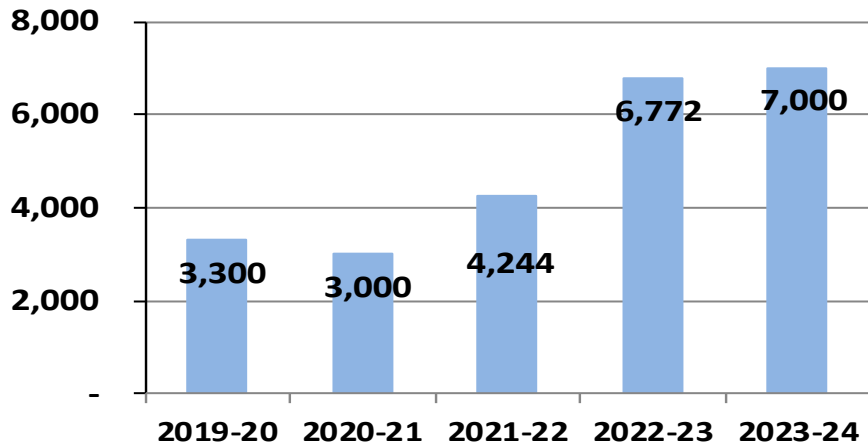
|                           | Unit           | 3rd Quarter     |                 |               | 9 Months        |                 |               |
|---------------------------|----------------|-----------------|-----------------|---------------|-----------------|-----------------|---------------|
|                           |                | FY25            | FY24            | % Growth      | FY25            | FY24            | % Growth      |
| <b>Sales Volume</b>       | MT             | <b>1,97,293</b> | <b>2,10,307</b> | <b>(6.2)</b>  | <b>5,99,708</b> | <b>5,88,096</b> | <b>2.0</b>    |
| Uncoated Paper            | MT             | 1,06,321        | 1,11,963        | (5.0)         | 3,18,504        | 3,18,446        | 0.0           |
| Coated Paper              | MT             | 16,512          | 15,085          | 9.5           | 41,882          | 43,660          | (4.1)         |
| Virgin Fibre Board        | MT             | 74,460          | 83,259          | (10.6)        | 2,39,322        | 2,25,990        | 5.9           |
| <b>Gross Revenue</b>      | <b>Rs. Cr.</b> | <b>1,733</b>    | 1,782           | <b>(2.7)</b>  | <b>5,315</b>    | 5,195           | <b>2.3</b>    |
| <b>Total Income (Net)</b> | <b>Rs. Cr.</b> | <b>1,654</b>    | 1,762           | <b>(6.1)</b>  | <b>5,112</b>    | 5,110           | <b>0.0</b>    |
| <b>EBITDA</b>             | <b>Rs. Cr.</b> | <b>190</b>      | 428             | <b>(55.7)</b> | <b>795</b>      | 1,426           | <b>(44.3)</b> |
| <b>EBIT</b>               | <b>Rs. Cr.</b> | <b>107</b>      | 345             | <b>(69.0)</b> | <b>549</b>      | 1,180           | <b>(53.4)</b> |
| <b>PBT</b>                | <b>Rs. Cr.</b> | <b>83</b>       | 265             | <b>(68.6)</b> | <b>422</b>      | 1,006           | <b>(58.1)</b> |
| <b>PAT</b>                | <b>Rs. Cr.</b> | <b>65</b>       | 236             | <b>(72.4)</b> | <b>335</b>      | 855             | <b>(60.8)</b> |
| <b>EBITDA Margin</b>      | <b>%</b>       | <b>11.5%</b>    | 24.3%           | <b>(12.8)</b> | <b>15.5%</b>    | 27.9%           | <b>(12.4)</b> |
| <b>PBT Margin</b>         | <b>%</b>       | <b>5.0%</b>     | 15.0%           | <b>(10.0)</b> | <b>8.3%</b>     | 19.7%           | <b>(11.4)</b> |

Sharp rise in imports at low price adversely affected sales volumes and realisation in Paper & Board. This coupled with continuing high wood costs has resulted in significant fall in profits

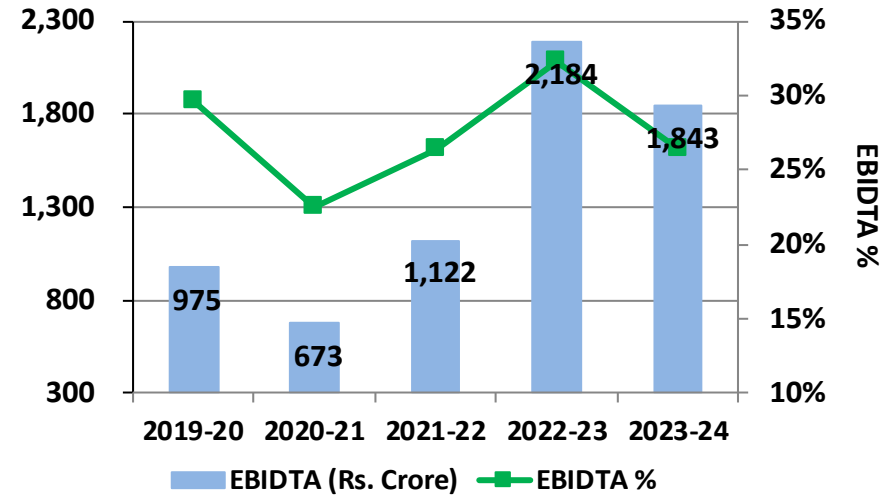


# JKPL - Profitability

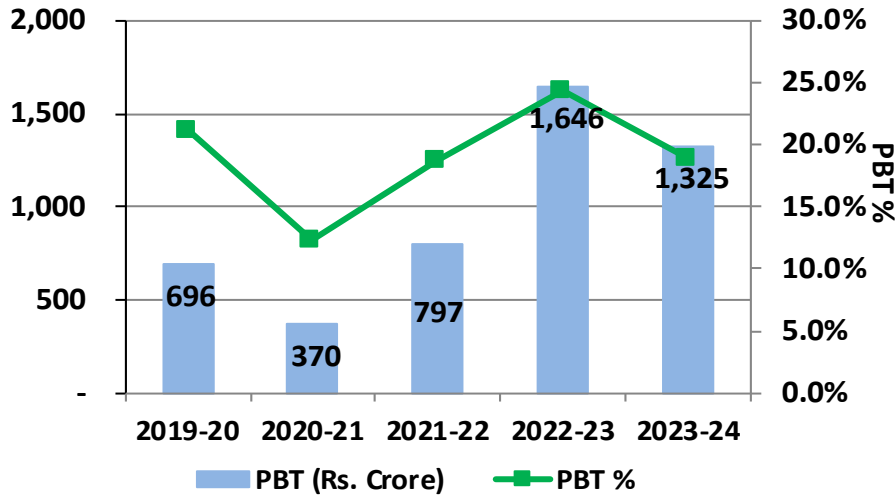
### Turnover (Rs. Crore)



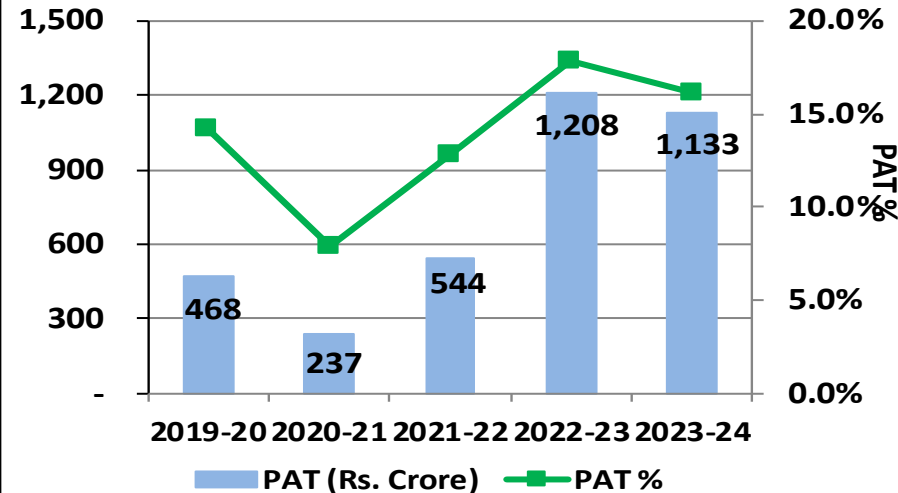
### EBIDTA (Rs. Crore)



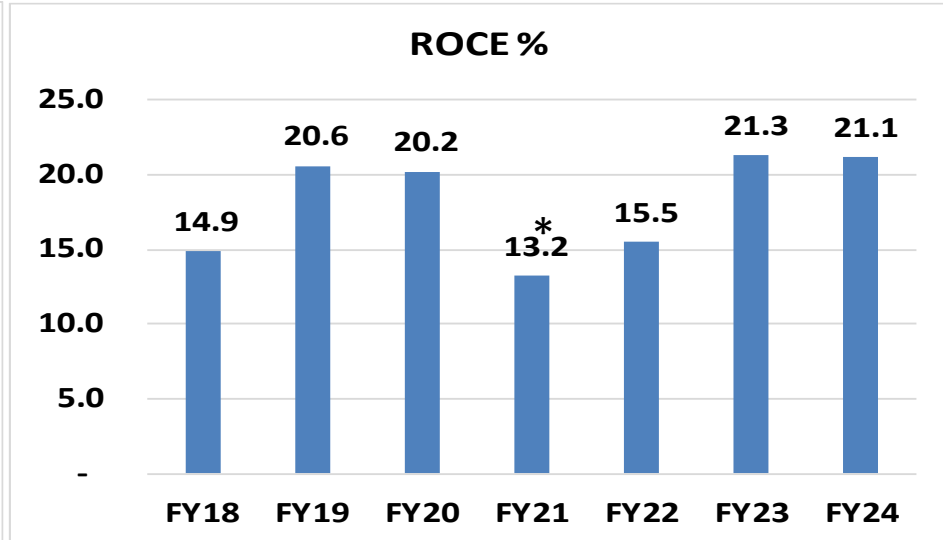
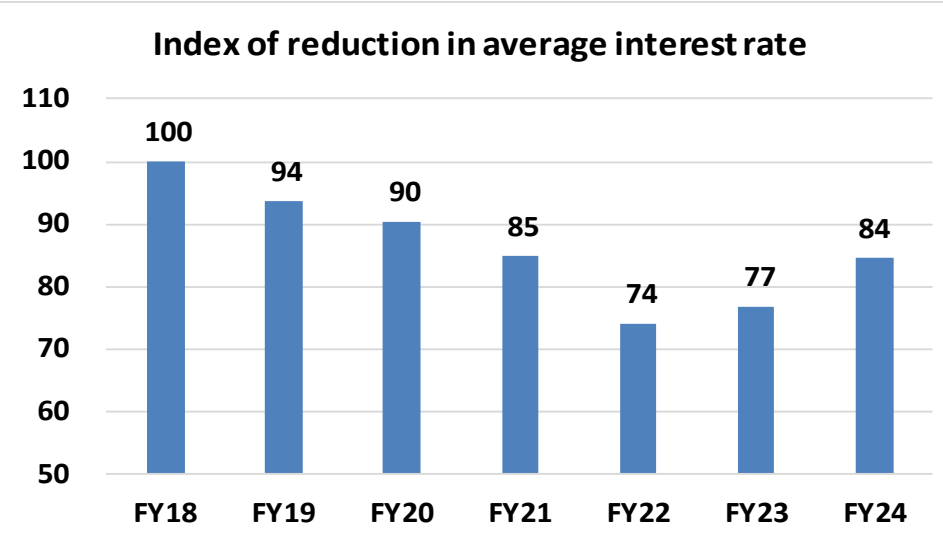
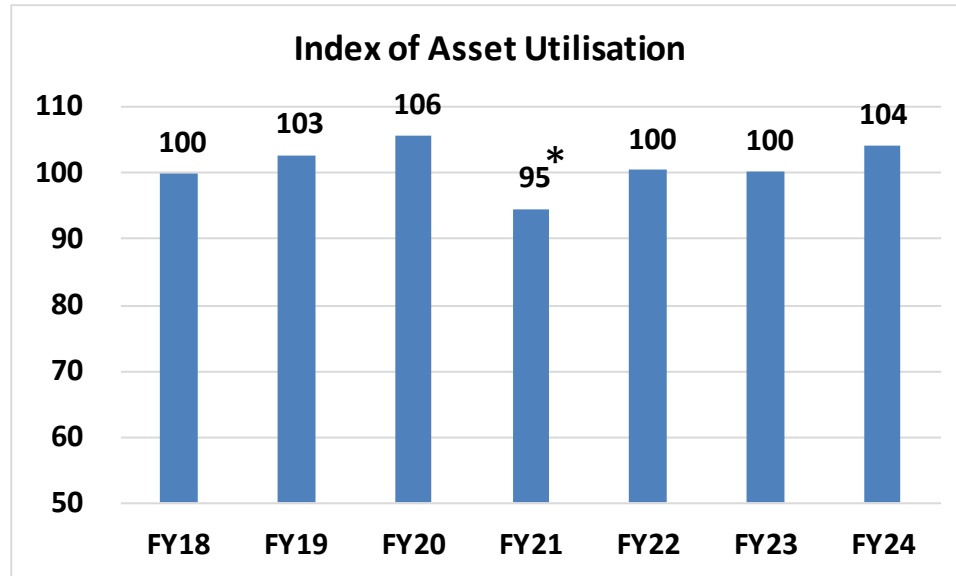
### PBT (Rs. Crore)



### PAT (Rs. Crore)



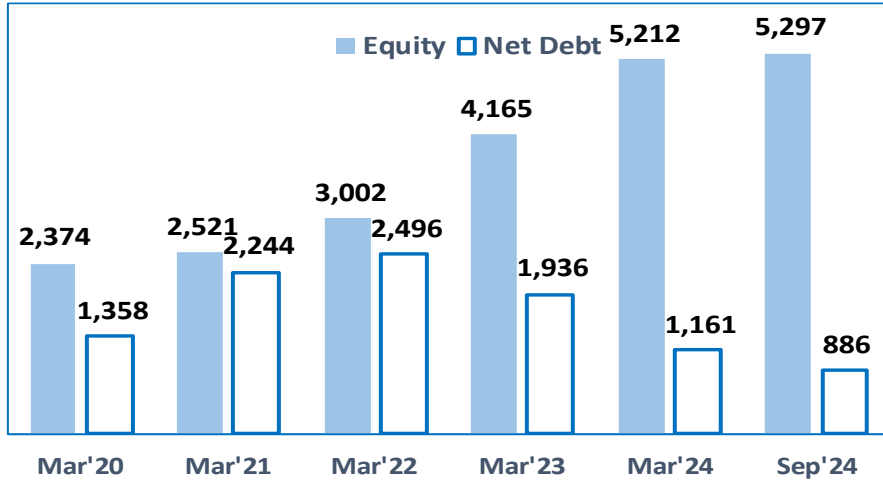
# Continuous improvement in past Years



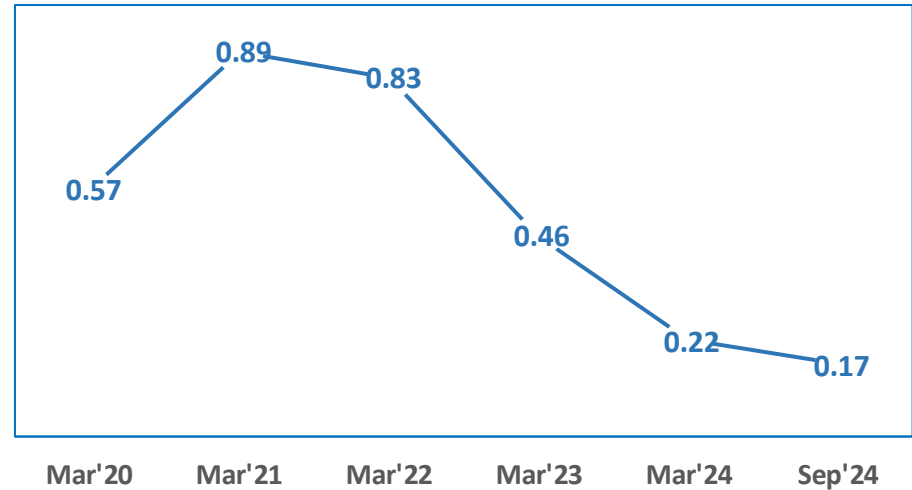
\* Lower due to covid 19 pandemic



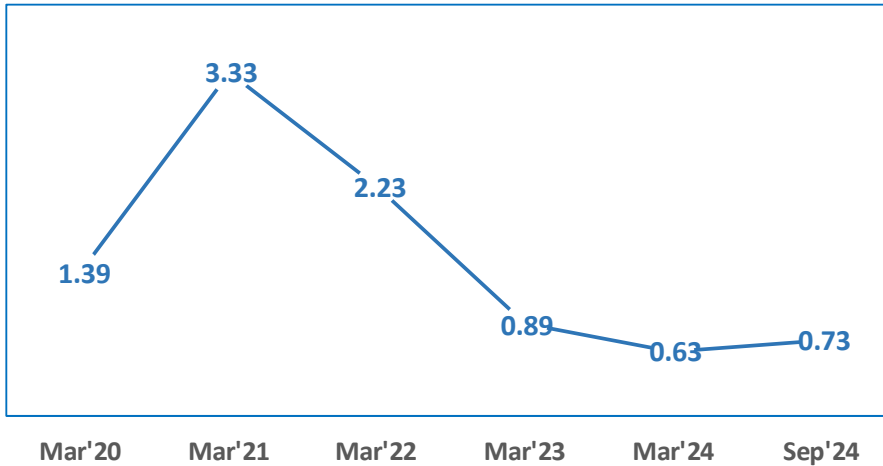
### Net Debt and Equity (Rs. Cr.)



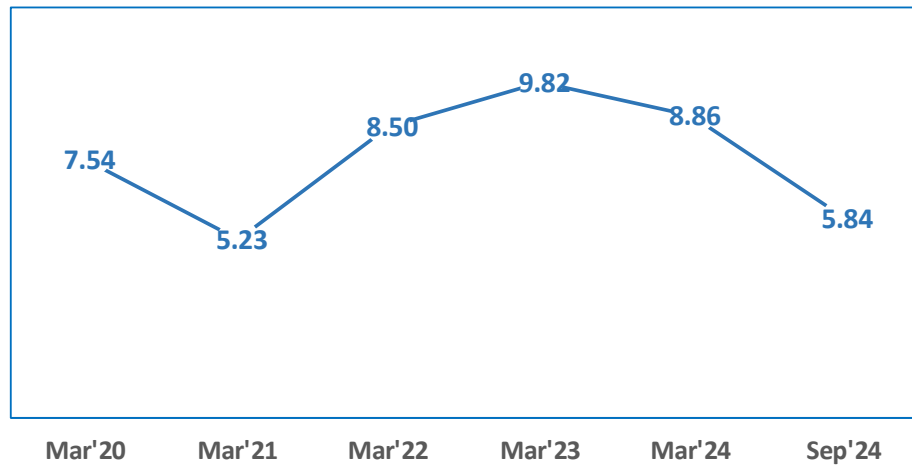
### NET DEBT / EQUITY RATIO



### NET DEBT / EBITDA RATIO



### INTEREST COVERAGE RATIO



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



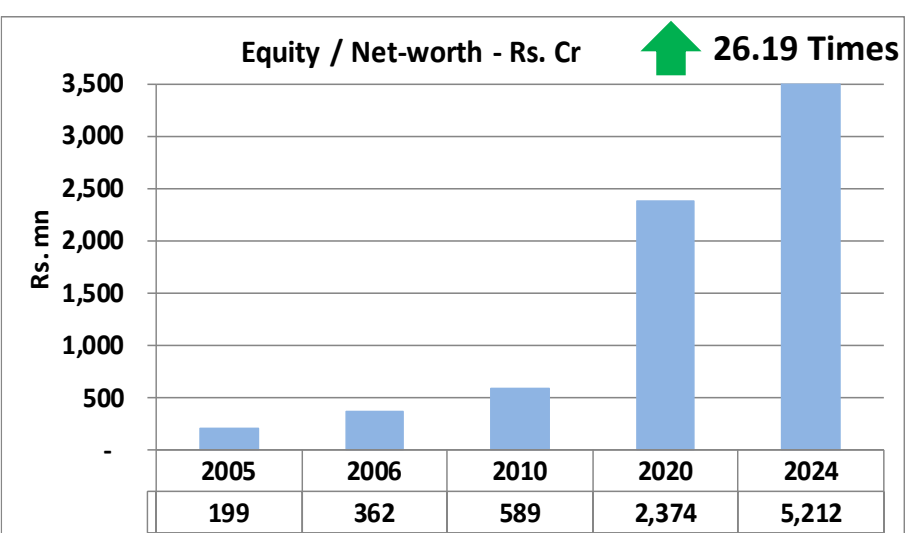
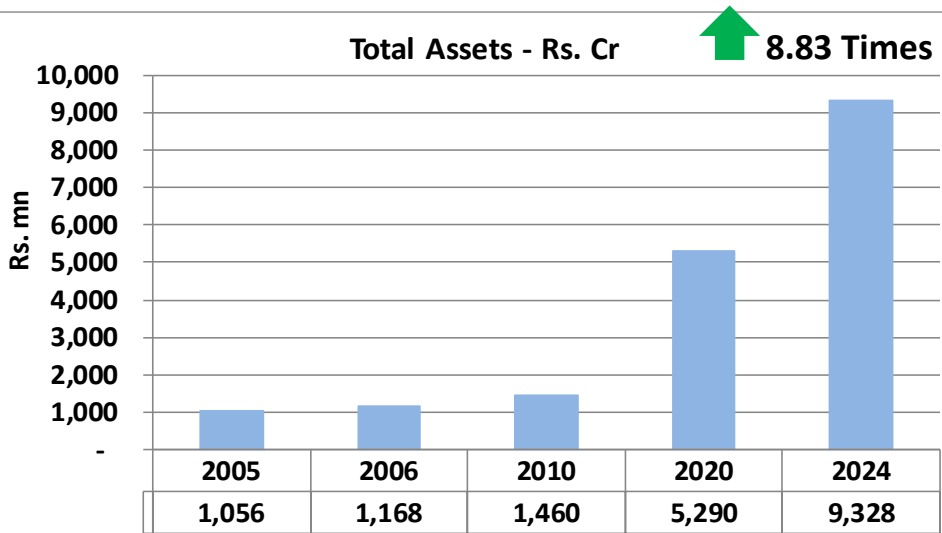
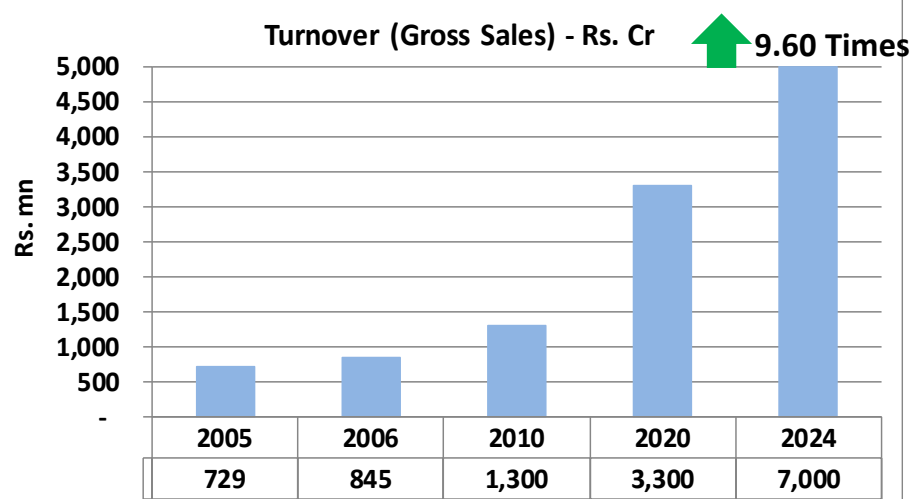
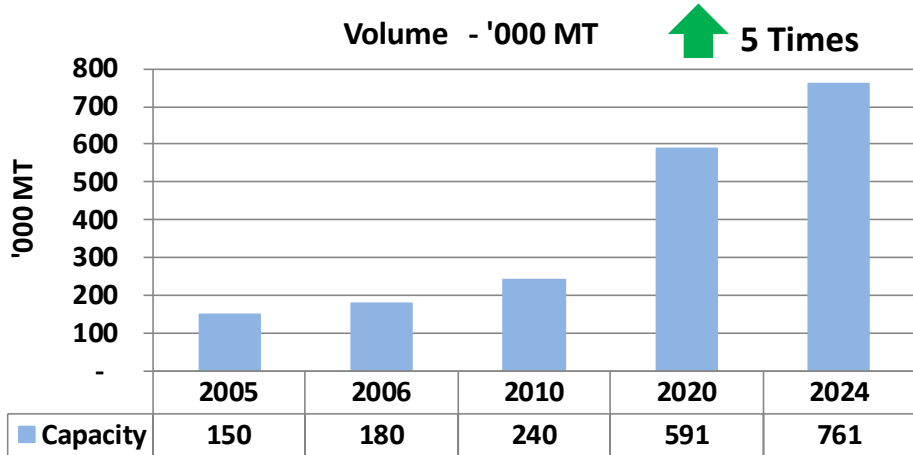
# Quantum Jumps through continuous expansions since FY2005

## 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)



# 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 > **7,50,000** acres of plantation and planted >**135 Crore** saplings till date

|                              |  |
|------------------------------|--|
| Financial year FY 23-24      | > 11.64 Cr saplings planted with >81,173 acres Plantation  |
| Financial year FY 24-25 (9M) | > 11.28 Cr saplings planted with > 76,615 acres Plantation |

- **Net carbon positive** i.e., amount of carbon sequestered (through plantation) is more than the emissions
- Share of **renewable energy** is ~**45%** 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. 9.80 Lac lives benefited through various CSR projects in Education, Environment. Women Empowerment, Skill Development etc.
- Approx. **98,000 farmers** are benefitting from our farm-forestry operations
- More than **16,000 women** have been mobilized into Self-Help Groups and producer Groups



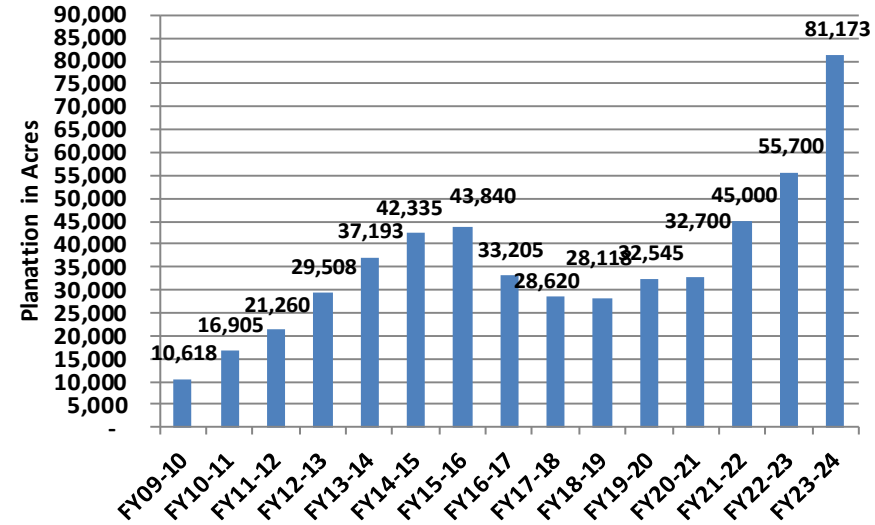
# Farm Forestry and Raw Material Security Initiatives

## 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

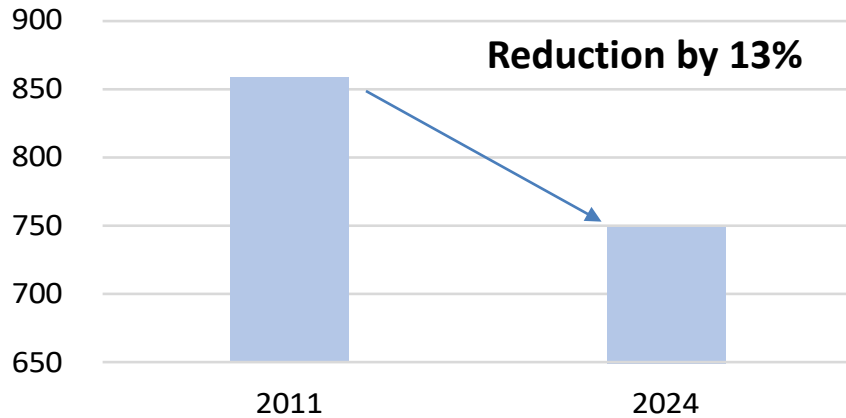


## Care for Community (2/2)

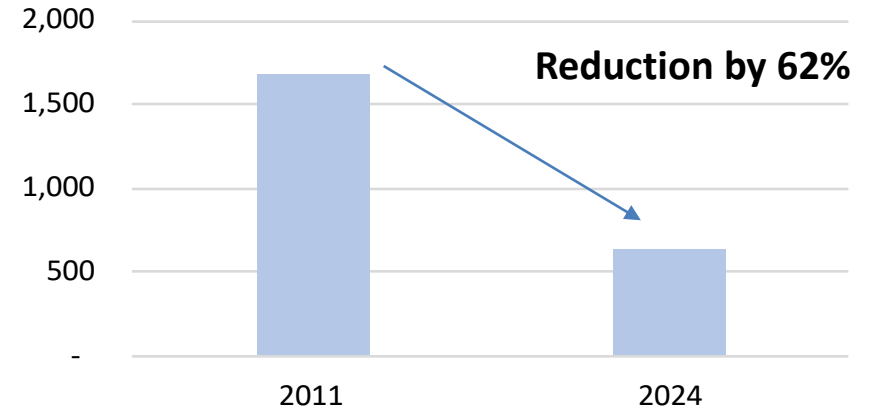
| Areas   | Key Initiatives  |
|---|--|
| <p data-bbox="141 565 369 651"><b>Community/<br/>Social</b></p>  | <ul data-bbox="506 301 1846 1205" style="list-style-type: none"><li>• 14,730 youths have been empowered through various skill development training and 679 youth entrepreneurs have been created through a unique grampreneurs program</li><li>• 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.</li><li>• Distributed ~ Rs. 26 mn. from carbon credits income to 1,590 farmers</li><li>• Harvested 30.27 crore liter of water and provided livelihoods to 2065 farmers.</li><li>• Infrastructure support to peripheral villages</li><li>• School for children with special needs</li><li>• Advocacy for convergence and development support from State Agencies</li><li>• Disaster relief in cash &amp; kind</li><li>• Soil Conservation &amp; Increasing Arable land</li><li>• Community Health, Eye care &amp; Sickle Cell Anaemia</li></ul> |

# Reduction in Consumption of Resources

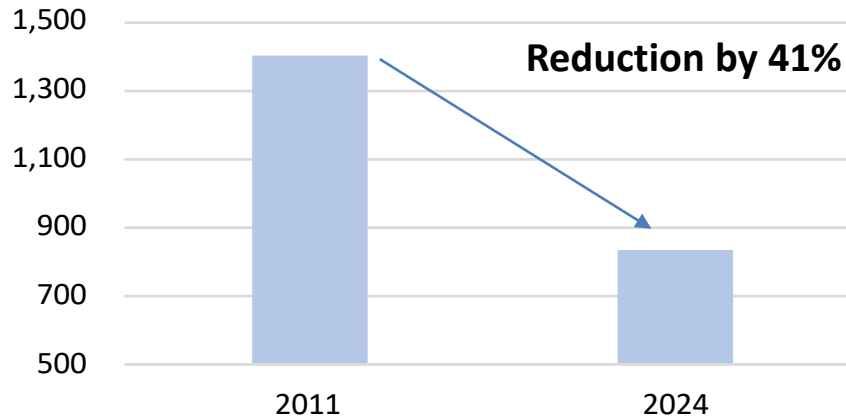
## Fibre - Kg/Ton of Paper



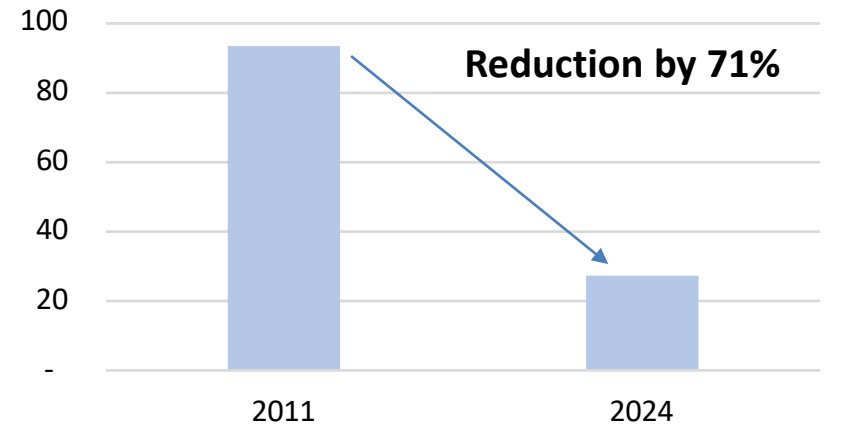
## Coal - Kg/Ton of Production



## Power - Kwh/Ton of Production



## Water - m3/Ton of Production



# JK Paper - Awards and Accolades during the Q3 FY25

## Unit JKPM :

1. 50th CII Platinum Award Winner for Innovative Kaizen 2024 from Confederation of Indian Industries (CII), Chennai on (DT-23rd & 24th Oct-2024).
2. India Green Manufacturing Challenge Award 2024 & Gold Medal from International Research Institute for Manufacturing (IRIM), Mumbai (DT-8th Nov-2024).

## Unit CPM :

1. BIS Award for excellence in promoting BIS Standards from the Director of BIS, Surat. (DT-29<sup>th</sup> Oct-2024).
2. Silver & Bronze Award for Digitalization and Artificial Intelligence from Confederation of Indian Industries (CII), virtual mode (DT- 5th & 6th Dec-2024).
3. Star Champion Award for Kaizen/3M/ Circle competition from Confederation of Indian Industries (CII), virtual mode (DT- 10th & 11th Dec-2024).
4. External Rewards & Recognition from Quality Circle Forum of India (QCFI), Gwalior (DT-28th Dec-2024).



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# THANK YOU

