



JK Paper Today

Corporate Update

An Industry benchmark with Power Packed Brands

4th November, 2022

*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	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



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

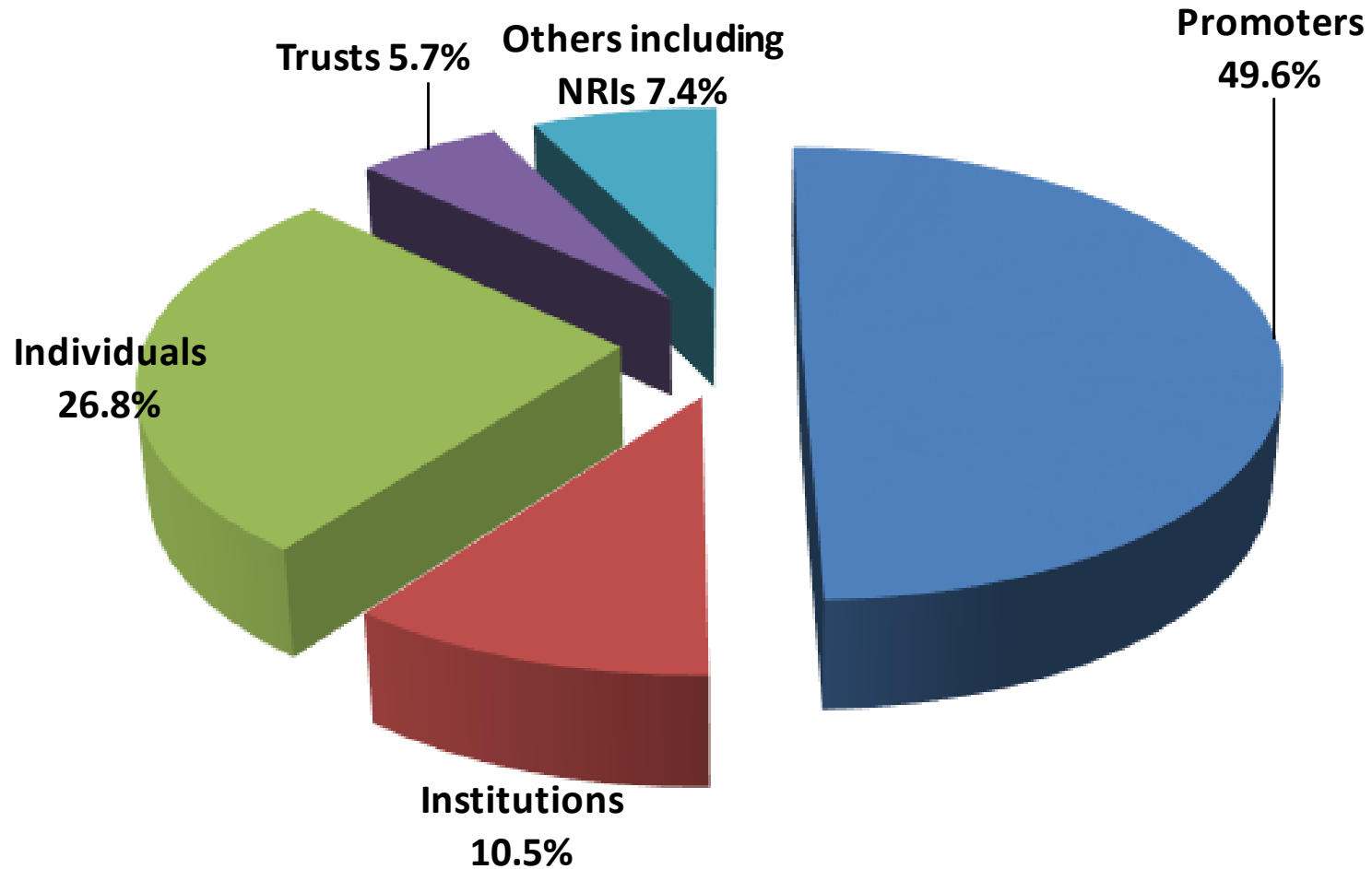
New Packaging Board machine commissioned in Gujarat (170,000 MT)

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



JK Paper – Shareholding Pattern

Shareholding Pattern (as of 30th September 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 9% *

Current Mkt. Share is 22% *



Panoramic view of the Unit JKPM (in Odisha)



Panoramic view of the Unit CPM (in Gujarat)

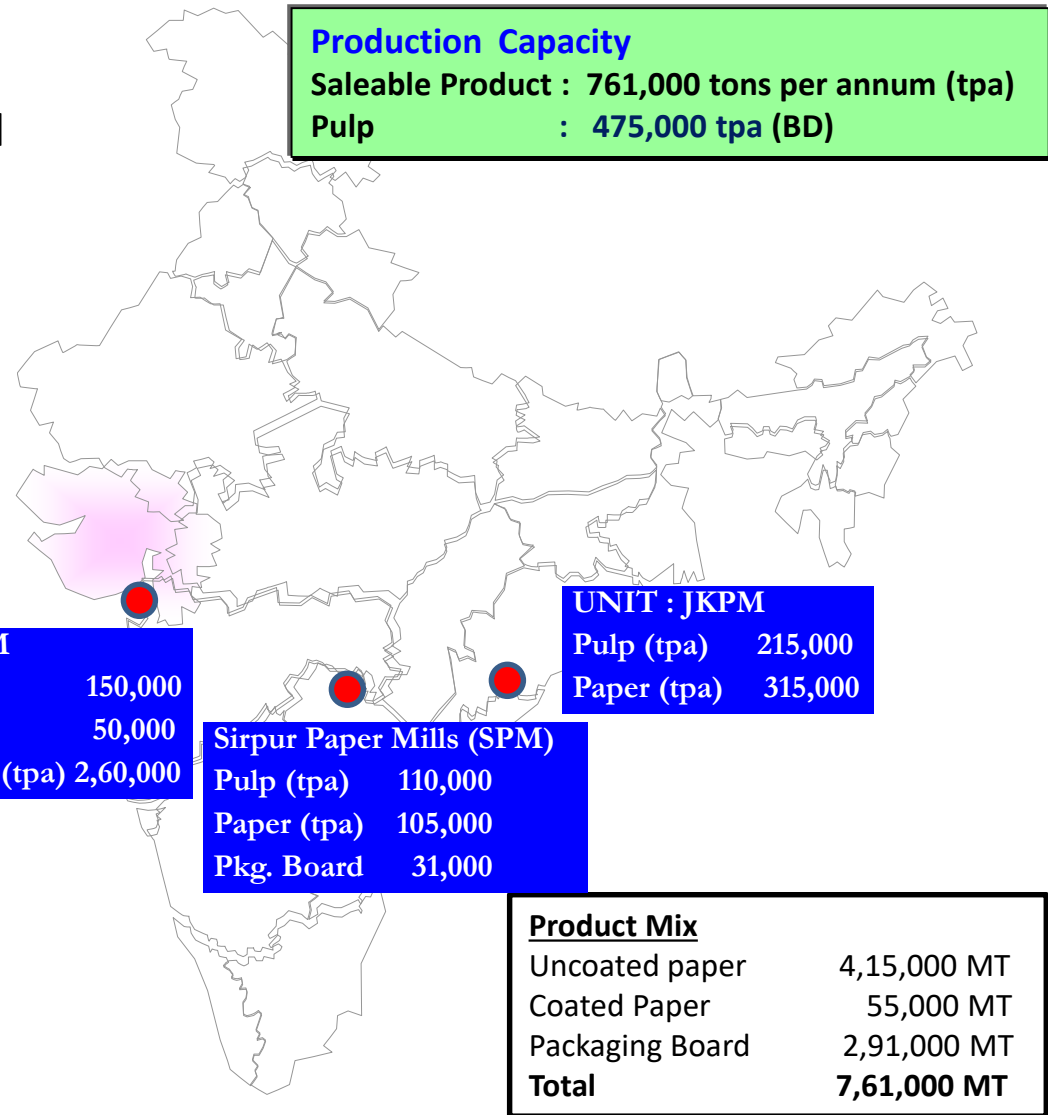


* Company Estimates (Sep 22)



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 (H1 FY 2022-23)

1. Capacity utilisation of **103%** in half year ended September 2022 and **101.7%** in 4th Quarter ended March 2022.
2. Company achieved highest ever half yearly Consolidated **Turnover of Rs. 3230.68 Cr., EBITDA Rs. 1,045.22 Cr. and PAT Rs. 586.21 Cr.**
3. **Continuous thrust on plantation activities:** Total Plantation during the period: 6.32 Cr Saplings (PY corr. period 4.19 Cr) and 43,000 acres of additional area covered (PY corr. period 33,750 acres)

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

4. **New Product developments:** JK Aqueous barrier Coated, JK Aqueous barrier OGR, JK Absorbent Kraft Paper, JK Antifungal Board, JK Copier Plus – Antimicrobial paper, Pack Fresh 1 kg printed Roll (New Sku).
5. CRISIL Ratings Limited has upgraded its rating in October, 2022 on the Long Term borrowing facilities of the Company to “CRISIL AA/Stable” from “ CRISIL AA-/Stable” and reaffirmed its “CRISIL A1+” rating on the Commercial Papers of the Company.



JK Paper - Key Financials for Q2 & H1 (FY 2022-23 vs FY 2021-22)

Consolidated Financials

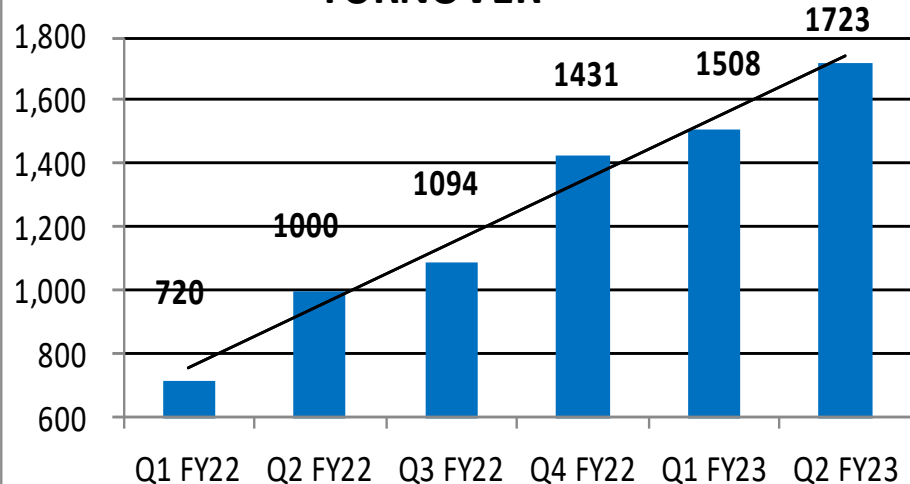
	Unit	2nd Quarter			6 Months		
		FY23	FY22	% Growth	FY23	FY22	% Growth
Sales Volume	MT	2,00,576	1,52,135	31.8	3,91,300	2,57,164	52.2
Uncoated Paper	MT	1,12,299	1,04,601	7.4	2,17,617	1,68,995	28.8
Coated Paper	MT	16,433	15,060	9.1	31,530	27,127	16.2
Virgin Fibre Board	MT	71,844	32,474	121.2	1,42,153	61,042	132.9
Gross Revenue	Rs. Cr.	1,723	1,000	72.3	3,231	1,720	87.9
Total Income (Net)	Rs. Cr.	1,692	980	72.7	3,157	1,675	88.5
EBITDA	Rs. Cr.	587	255	130.2	1,045	480	118.0
EBIT	Rs. Cr.	521	210	147.8	913	391	133.4
PBT	Rs. Cr.	451	173	161.1	815	321	153.8
PAT	Rs. Cr.	327	118	176.2	591	223	165.6
EBITDA Margin	%	34.7%	26.0%	8.7	33.1%	28.6%	4.5
PBT Margin	%	26.6%	17.6%	9.0	25.8%	19.2%	6.6

Company was able to deliver an improved performance on a quarter to quarter and year on year basis due to growth in volume driven by ramp up of new Packaging Board capacity coupled with overall better realisation despite adverse impact of higher input costs.

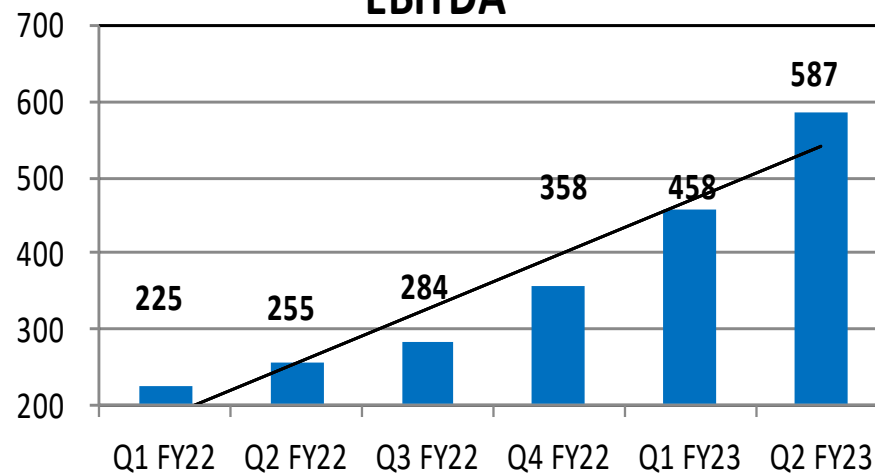


JKPL - Profitability

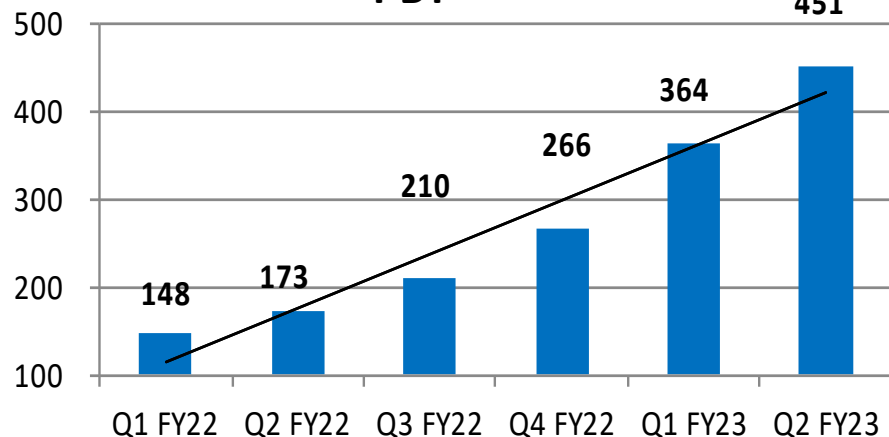
TURNOVER



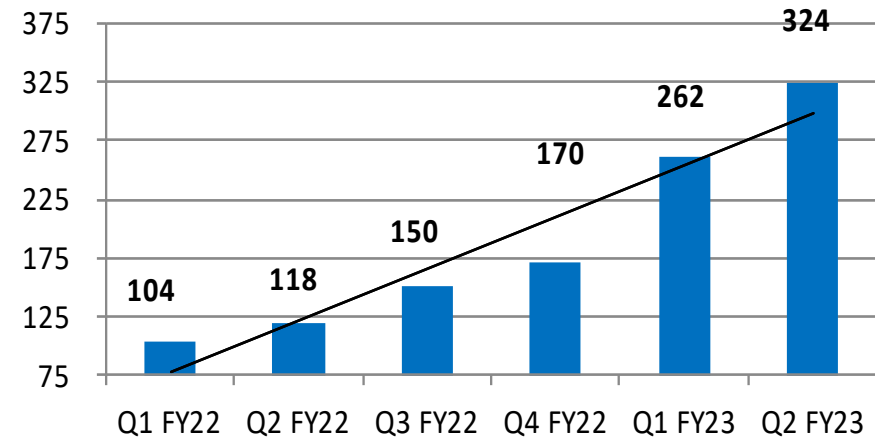
EBITDA



PBT



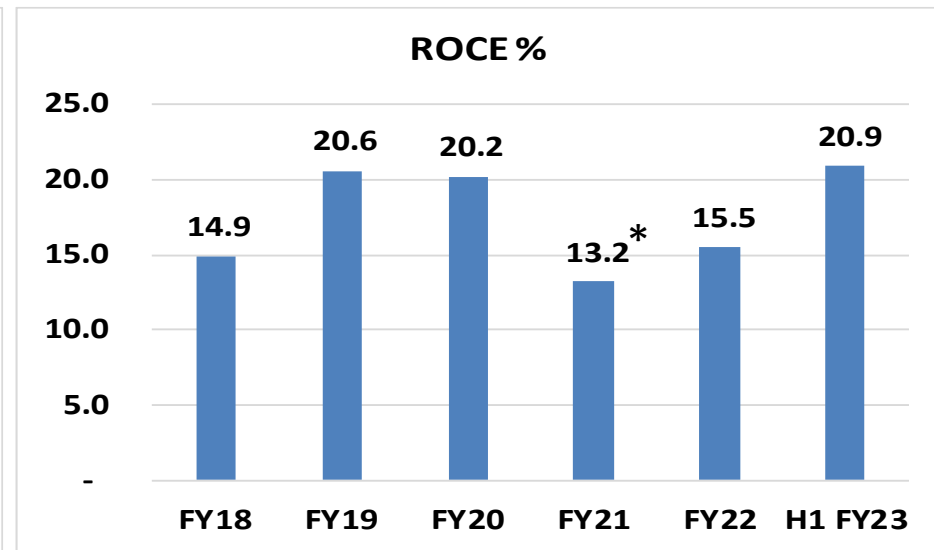
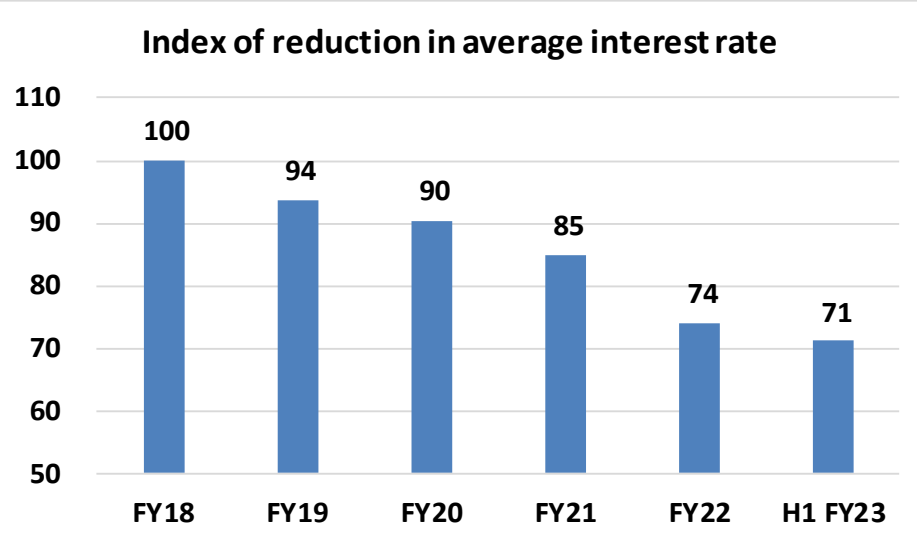
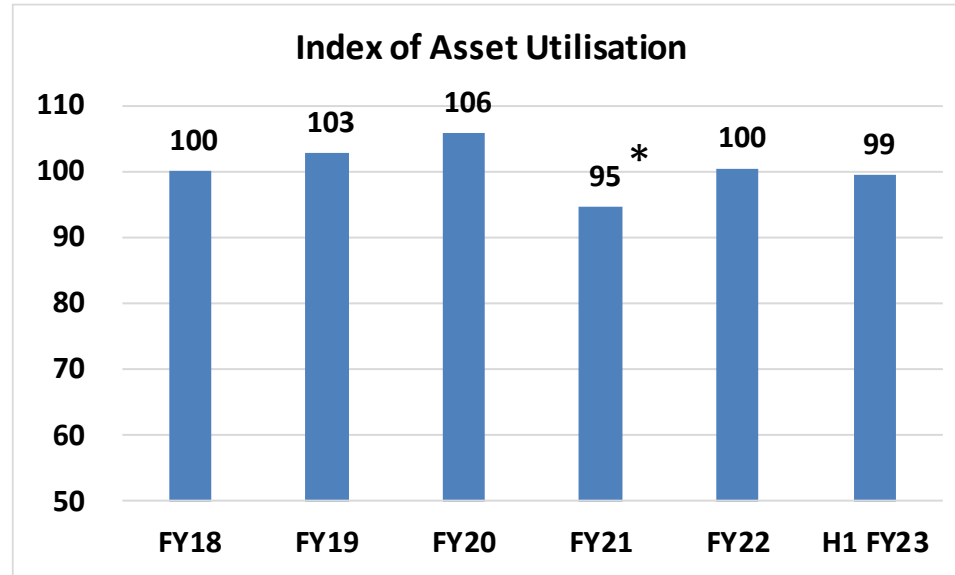
PAT *



* After Non-controlling Interest



Continuous improvement in last 5 Years



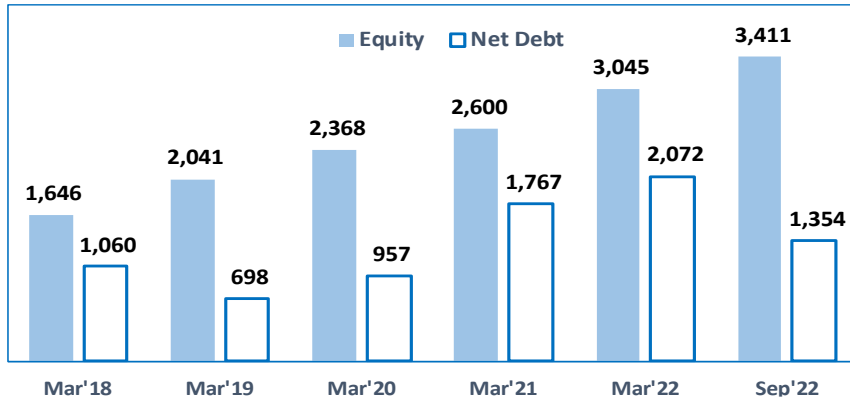
* Lower due to covid 19 pandemic



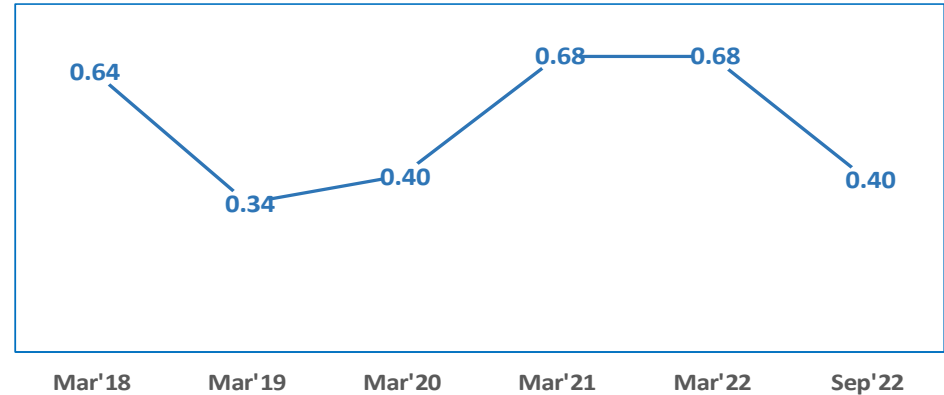
Focus on Deleveraging

Standalone Financials

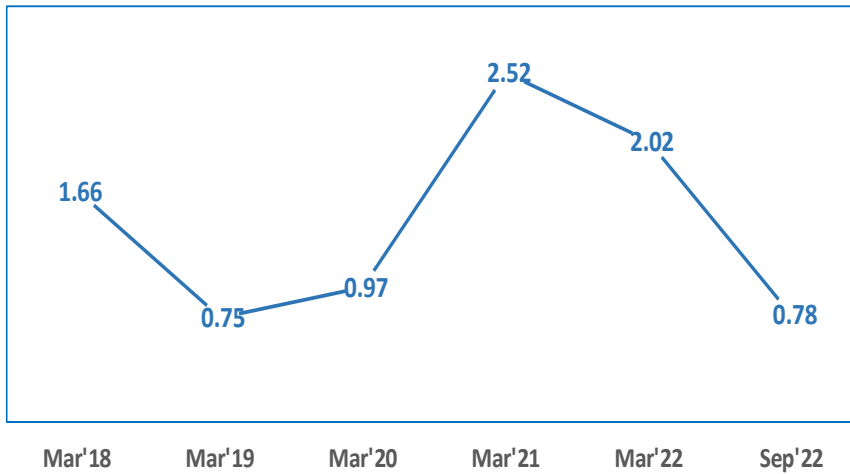
Net Debt and Equity (Rs. Cr.)



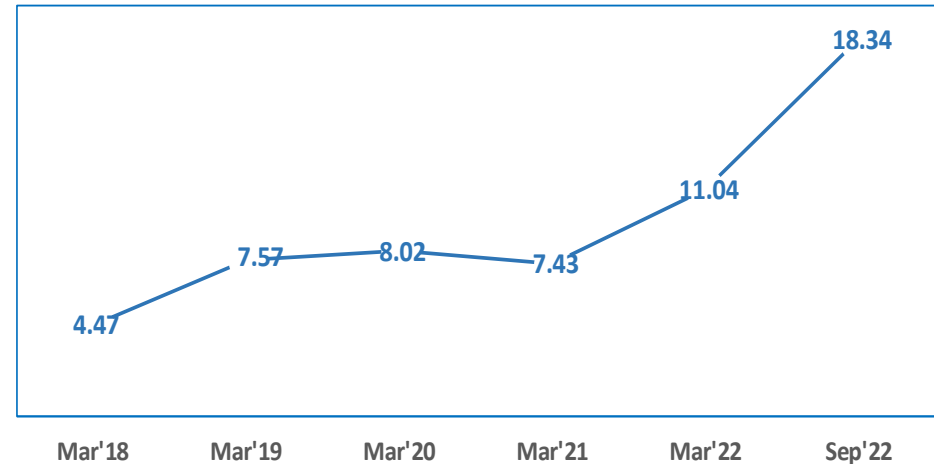
NET DEBT / EQUITY RATIO



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

During the FY2022 CRISIL Ratings has upgraded Long Term Rating to **AA/Stable** from AA-/Stable



Quantum Jumps through continuous expansions since FY2005

Consolidated Financials

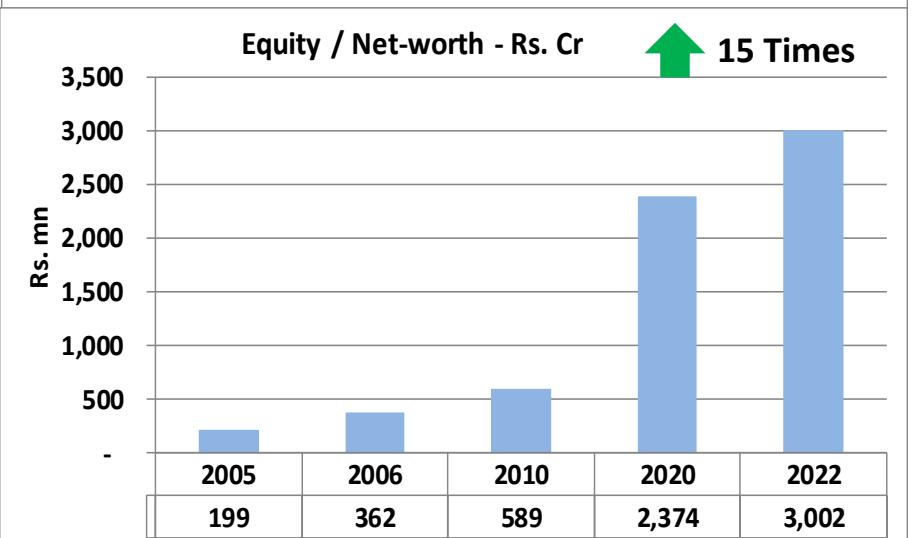
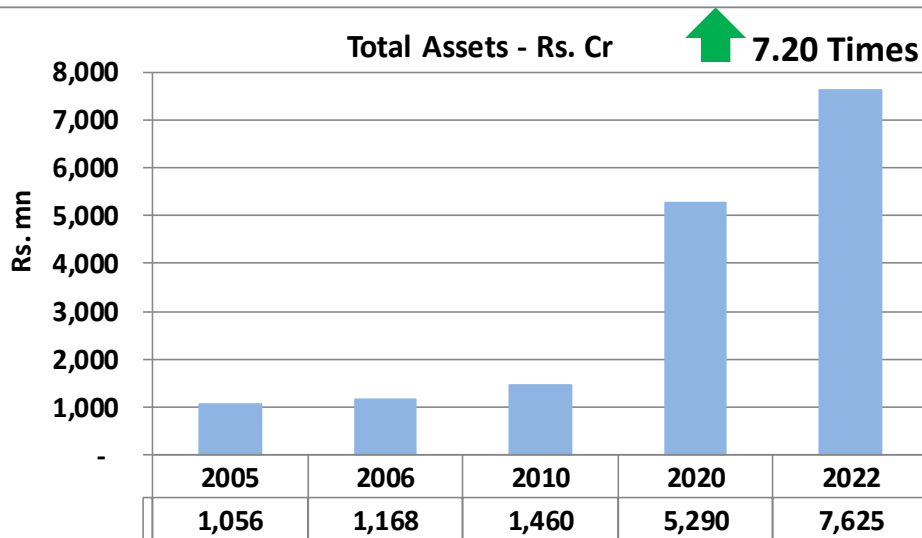
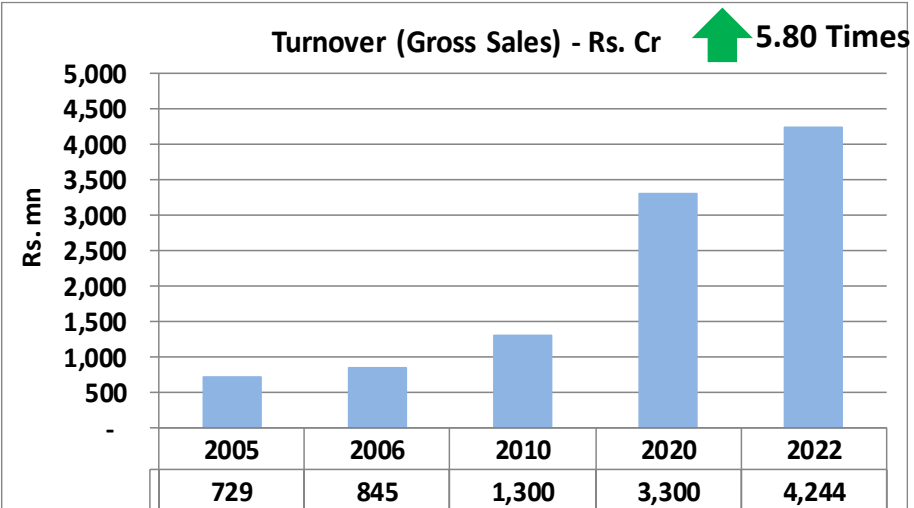
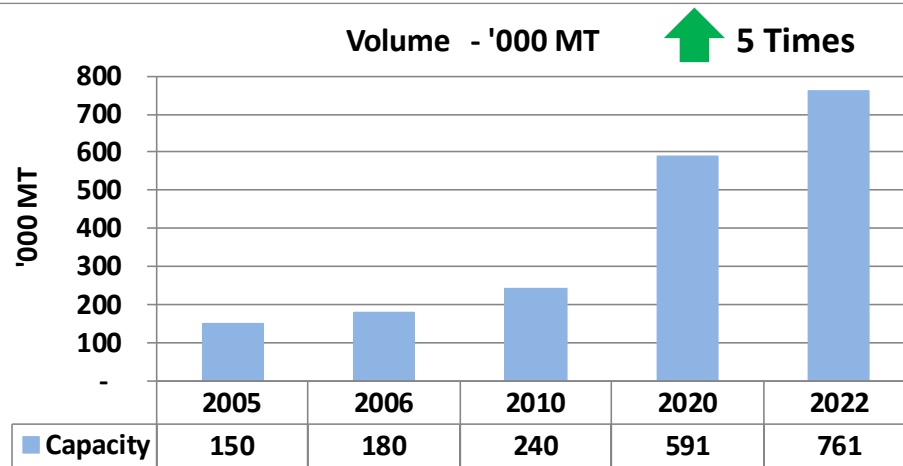
2005: Entry into Coated Paper

2007: Entry into Packaging Board

2013: Expansion in Uncoated Paper

2018: Acquisition of Sirpur Paper

2022: Expansion in Packaging Board



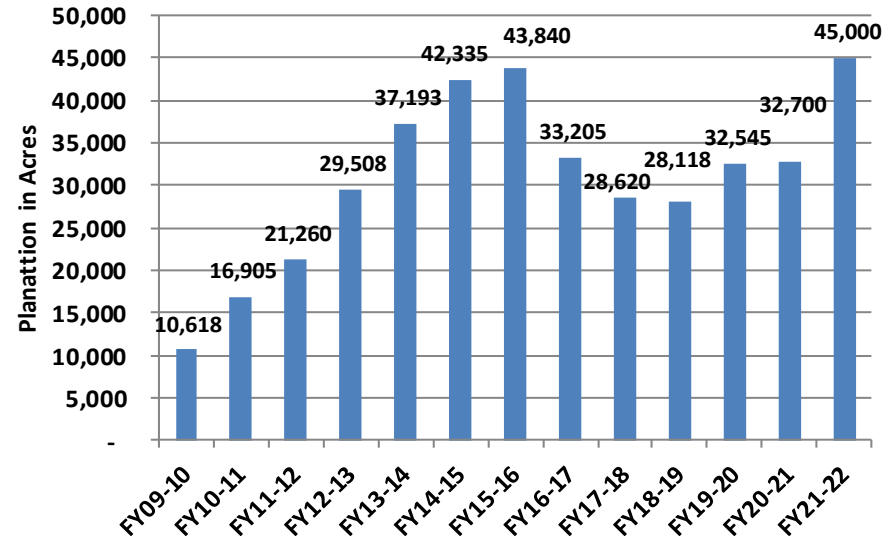
Farm Forestry and Raw Material Security Initiatives

Clonal Development Centre

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



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%

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 won the Platinum Award – **Industry 4.0 Awards from FICCI** under the Overall Digital Transformation category.
2. Unit JKPM received 22nd National Award for **Excellence in Energy Management** from CII
3. Unit JKPM received **Best Safety Awards** from Ministry of Labour & Employment – Govt of India under the National Safety award 2018.
4. Seven Teams of Unit JKPM received excellence and Par Excellence Award in 35th National Convention on Quality Concepts organised by **Quality Council forum of India**
5. Unit CPM received **The Best Employer Brand Awards 2020-21** from Gujarat Best Employer Brands Awards 2020-21
6. **CSR Team Award 2020-21** in the Category CSR & Community Development Initiatives – awarded by **Odissa CSR forum**
7. Unit JKPM also received **Annual Greentech Environment Award** from Greentech Foundation & ICC National Occupational Health & Safety Award.



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

