

JKP/SH/2022

18<sup>th</sup> May 2022

Electronic Filing

Department of Corporate  
Services/Listing BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai – 400 001

National Stock Exchange of India Ltd.  
“Exchange Plaza” Bandra-Kurla  
Complex, Bandra (E),  
Mumbai – 400 051

Scrip Code No. 532162

Symbol : JKPAPER  
Series : EQ

Dear Sir/Madam,

**Re: Presentation to be made during Institutional Conference Call held on  
18<sup>th</sup> May 2022**

In continuation to our letter dt. 17<sup>th</sup> May 2022, intimating the schedule of Analysts/Investors Conference Call held on 18<sup>th</sup> May 2022, please find enclosed herewith a copy of the Presentation to be made at the aforesaid Analysts/Investors Conference Call, pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Submitted for your kind reference and records.

Thanking you,

Yours faithfully  
For JK Paper Limited



(Deepak Gupta)  
Company Secretary

Encl:a/a



# JK Paper Today

Corporate Update

**An Industry benchmark with Power Packed Brands**

**18<sup>th</sup> May, 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	4,727

## Paper



**JK PAPER LTD.**

*Creating lasting impressions*

	Rs. Cr.
Revenue	4,244

## Tyre



	Rs. Cr.
Revenue	9,102

## 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	779

(Unlisted Co.)

## Dairy Products



	Rs. Cr.
Revenue	248

## 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

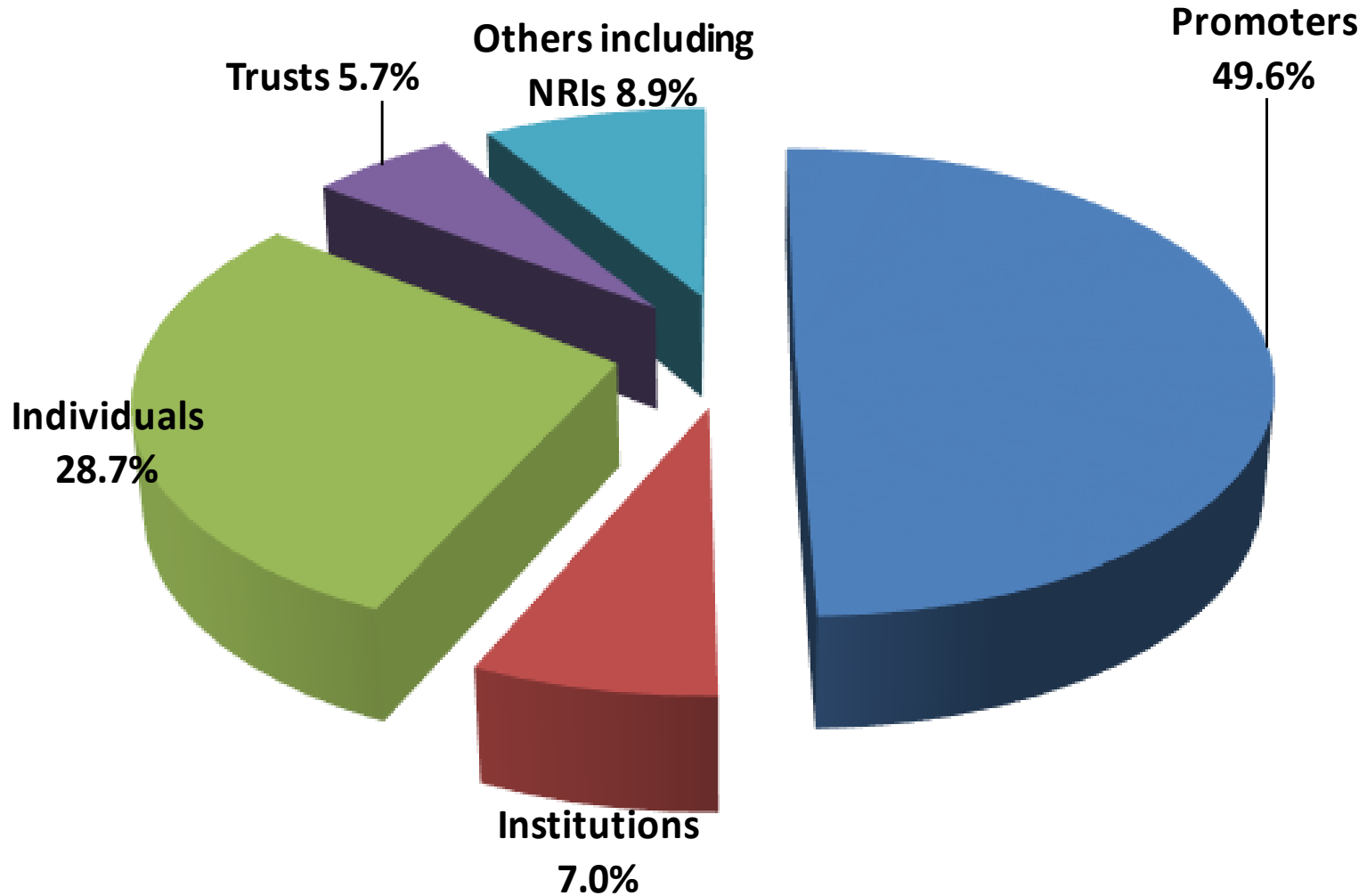
New Packaging Board machine commissioned in Gujarat (170,000 MT)

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



# JK Paper – Shareholding Pattern

Shareholding Pattern (as of 31<sup>st</sup> March 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 11% \***      **Current Mkt. Share is 17% \***



Panoramic view of the Unit JKPM (in Odisha)



Panoramic view of the Unit CPM (in Gujarat)



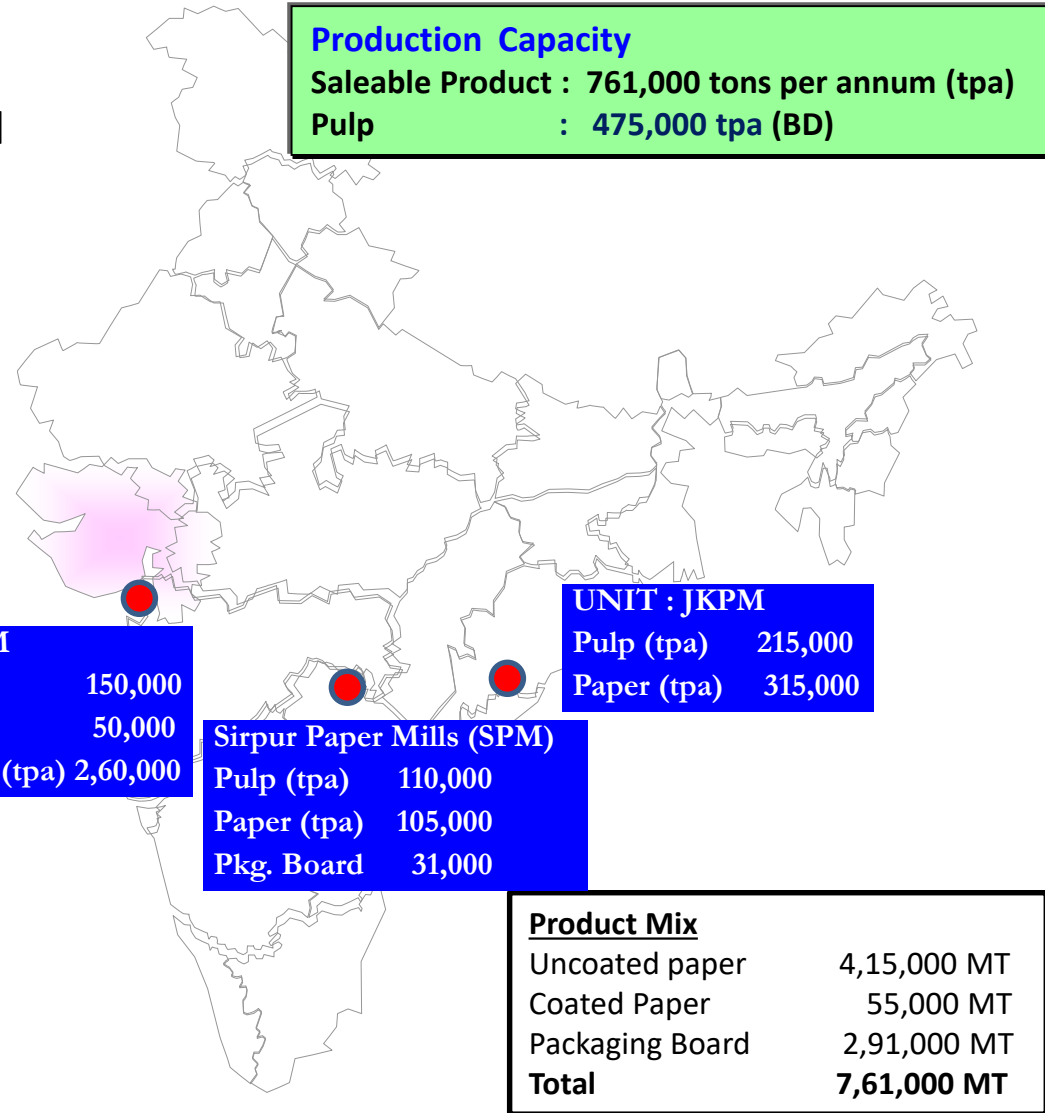
\* Company Estimates (March 2022)

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
  - 18 warehouses
  - 357 Trade partners
  - over 4,000 dealers



## JK Paper - Performance Highlights (FY 2021-22)

1. Capacity utilisation of **112.8%** in full year and **115.3%** in 4th Quarter ended March 2022. Commercial Production of New Packaging Board Machine started on 14<sup>th</sup> Jan 2022. (New Machine achieved Capacity utilisation of **85% in Mar'2022**)
2. Company achieved highest ever Consolidated **Turnover of Rs. 4244.33 Cr., EBITDA Rs. 1,121.63 Cr. and PAT Rs. 543.82 Cr.**
3. **Continuous thrust on plantation activities:** Total Plantation during the year: 5.63 Crores Saplings (PY4.45) and 45,000 acres of additional area covered (PY 32,700 acres)

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

4. **New Product developments:** JK Absorbent Kraft Paper, JK Antifungal Board, JK Copier Plus –Antimicrobial paper, Pack Fresh 1 kg printed Roll (New Sku).
5. Company maintained its long-term credit rating of **AA-/Stable** with CRISIL and India Ratings and continues to enjoy the highest **A1+** short-term credit rating.





# JK Paper - Key Financials for Q4 (FY 2021-22 vs FY 2020-21)

## Consolidated Financials

	Unit	4th Quarter			12 Months		
		2021-22	2020-21	% Growth	2021-22	2020-21	% Growth
<b>Sales Volume</b>	MT	1,91,947	1,61,700	18.7	6,02,094	4,98,434	20.8
Uncoated Paper	MT	1,17,535	1,11,585	5.3	3,89,754	3,29,323	18.4
Coated Paper	MT	18,956	17,541	8.1	63,786	60,580	5.3
Virgin Fibre Board	MT	55,456	32,574	70.2	1,48,554	1,08,531	36.9
<b>Gross Revenue</b>	Rs. Cr.	1,431	980	46.0	4,244	3,000	41.5
<b>Net Revenue</b>	Rs. Cr.	1,340	898	49.2	3,969	2,751	44.3
<b>EBITDA</b>	Rs. Cr.	358	265	34.9	1,122	673	66.6
<b>EBIT</b>	Rs. Cr.	298	222	34.3	929	499	86.2
<b>PBT</b>	Rs. Cr.	266	194	37.3	797	370	115.2
<b>PAT</b>	Rs. Cr.	170	136	25.1	544	237	129.7
<b>EBITDA Margin</b>	%	26.7%	29.5%	(2.8)	28.3%	24.5%	3.8



# JKPL - Profitability

Standalone Financials

Rs. Cr.

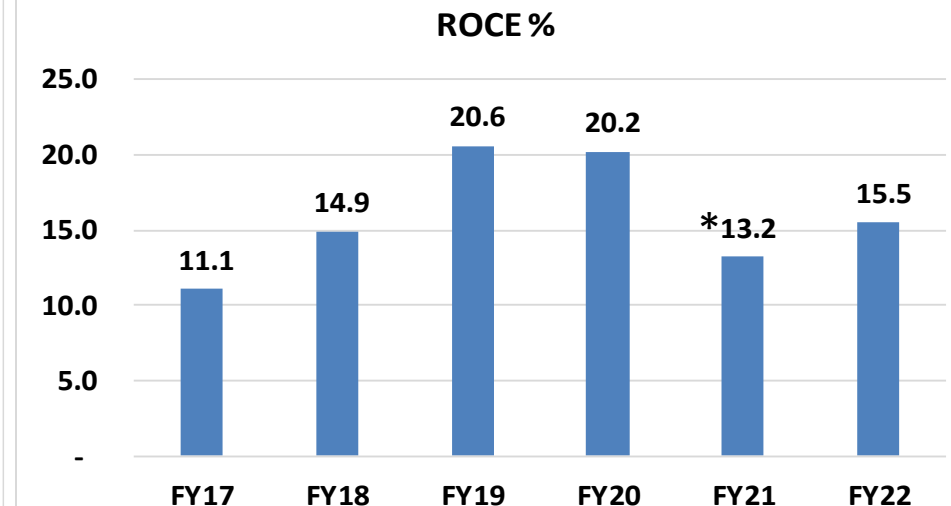
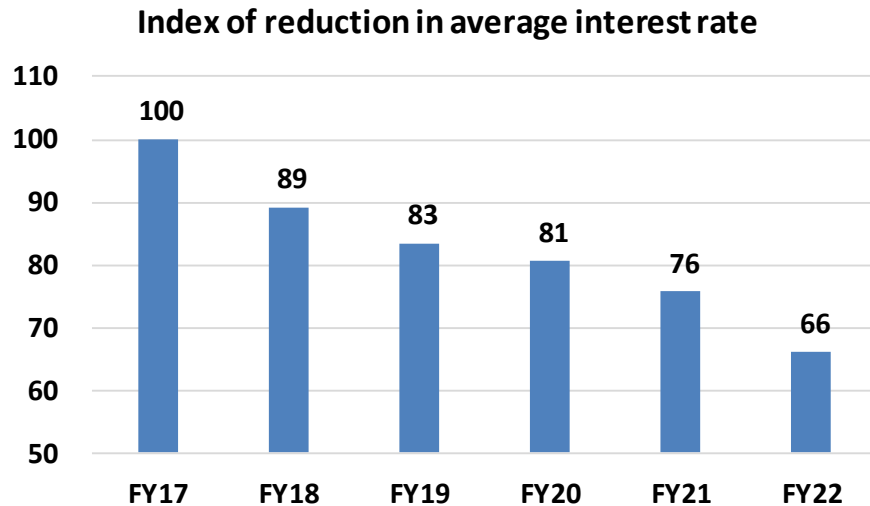
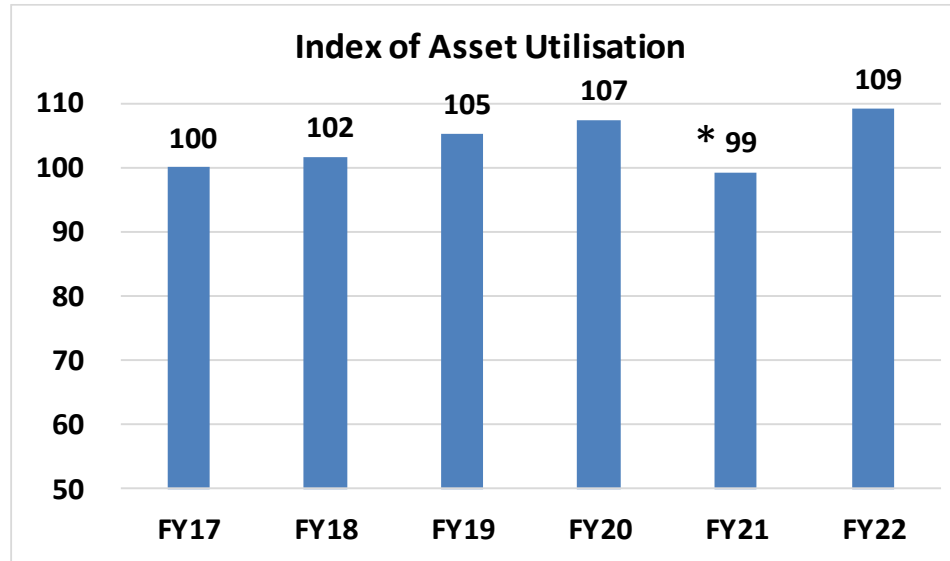
S.N.	Description	2020-21	2021-22				
		12 M	Q1	Q2	Q3	Q4	12M
<b>1</b>	<b>Gross Revenue from Operations</b>	<b>2,991</b>	<b>721</b>	<b>1,001</b>	<b>1,095</b>	<b>1,440</b>	<b>4,256</b>
<b>1.1</b>	<b>Net Revenue from Operations</b>	<b>2,742</b>	<b>662</b>	<b>946</b>	<b>1,025</b>	<b>1,349</b>	<b>3,981</b>
2	Cost of Materials Consumed	1,033	271	300	329	465	1,364
2.1	(Increase)/Decrease in Stock	91	(111)	41	8	67	6
2.2	Power, Fuel & Water	243	71	88	115	117	391
2.3	Staff Costs	260	72	77	87	87	324
2.4	Purchase of Traded Goods	265	112	149	180	182	623
2.5	Other Expenditure	219	63	73	77	116	329
<b>2.6</b>	<b>Total Expenses</b>	<b>2,110</b>	<b>478</b>	<b>729</b>	<b>796</b>	<b>1,034</b>	<b>3,038</b>
3	Other Income	70	20	20	17	22	80
<b>4</b>	<b>EBITDA</b>	<b>701</b>	<b>203</b>	<b>237</b>	<b>246</b>	<b>337</b>	<b>1,023</b>
5	Finance Costs	94	24	27	19	22	93
<b>6</b>	<b>PBDT (3 + 4 - 5)</b>	<b>607</b>	<b>179</b>	<b>211</b>	<b>227</b>	<b>314</b>	<b>930</b>
7	Depreciation	154	38	39	39	54	169
8	PBT	453	141	172	188	260	761
<b>9</b>	<b>PAT</b>	<b>322</b>	<b>98</b>	<b>118</b>	<b>130</b>	<b>165</b>	<b>511</b>

## % to Net Sales

1	Materials Cost (2 + 2.1 + 2.4)	50.6	41.2	51.8	50.4	53.0	50.1
2	Staff Costs	9.5	10.9	8.2	8.5	6.4	8.1
3	EBITDA	25.6	30.7	25.1	24.0	25.0	25.7



# Continuous improvement in last 5 Years



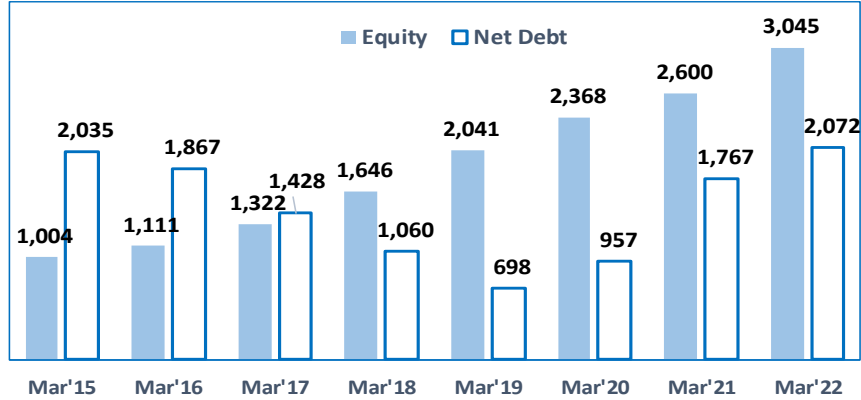
\* Lower due to covid 19 pandemic



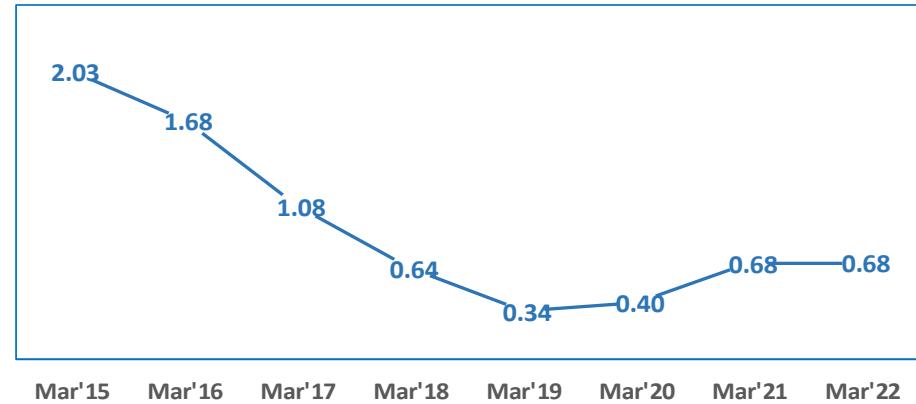
# Focus on Deleveraging

## Standalone Financial

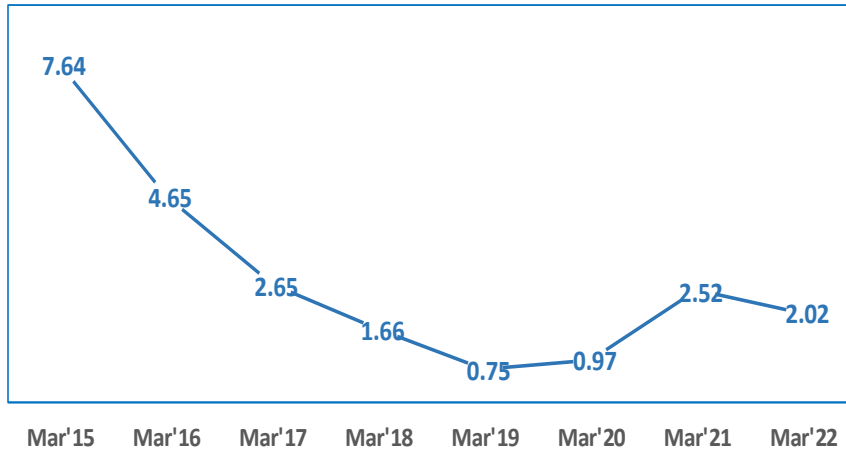
Net Debt and Equity (Rs. Cr.)



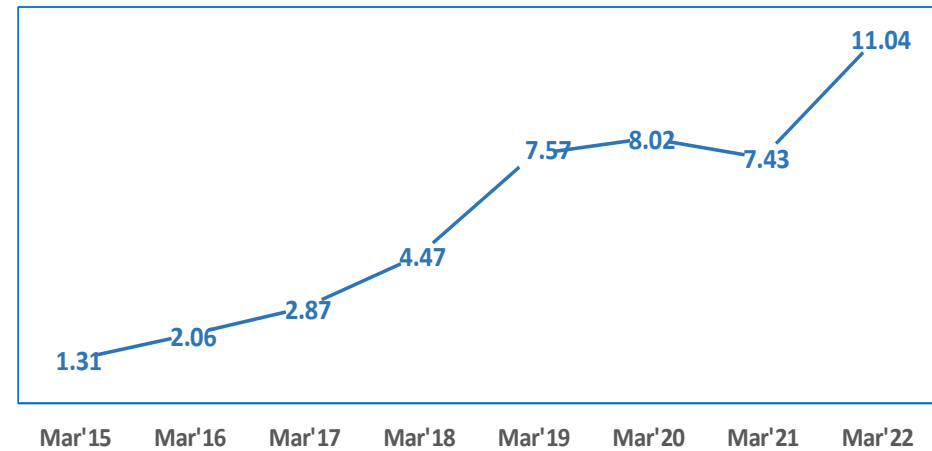
NET DEBT / EQUITY RATIO



NET DEBT / EBITDA RATIO



INTEREST COVERAGE RATIO



Long Term Credit Rating by CRISIL and India Ratings >>

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

During the FY2022 CRISIL Ratings and India Ratings have reaffirmed Long Term Rating of AA-/Stable



# Quantum Jumps through continuous expansions since FY2005

## Consolidated Financial

2005: Entry into Coated Paper

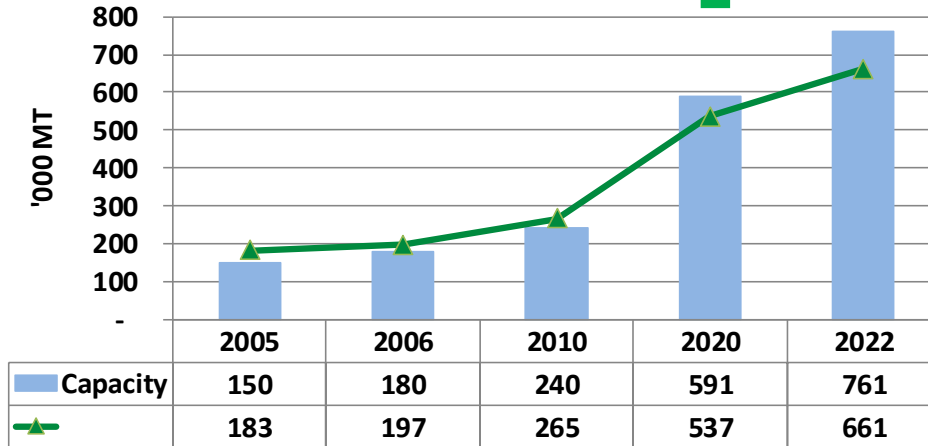
2007: Entry into Packaging Board

2013: Expansion in Uncoated Paper

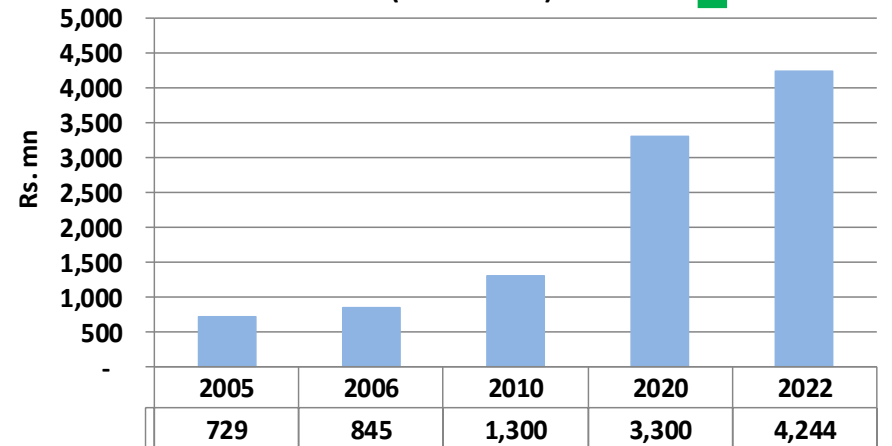
2018: Acquisition of Sirpur Paper

2022: Expansion in Packaging Board

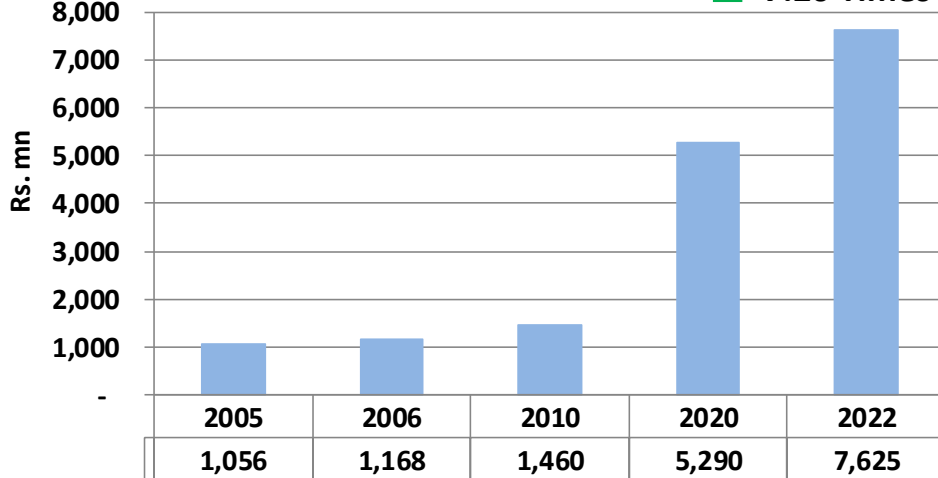
**Volume - '000 MT** ↑ 5 Times



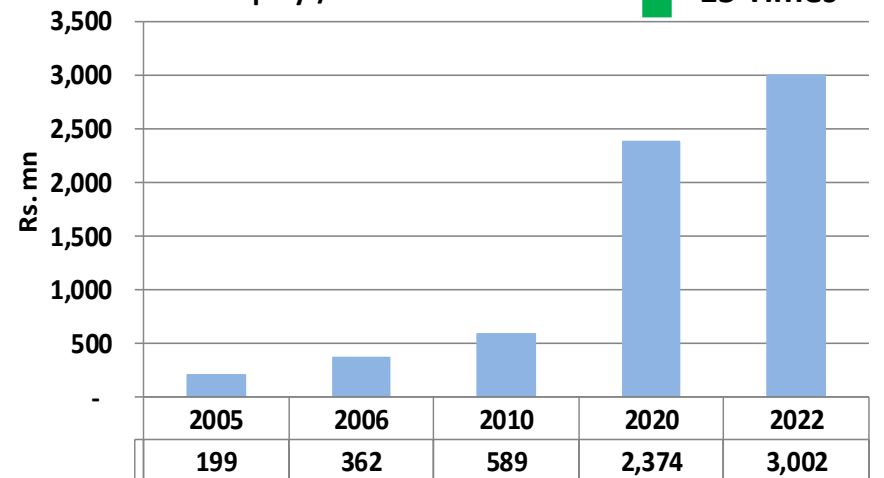
**Turnover (Gross Sales) - Rs. Cr** ↑ 5.80 Times



**Total Assets - Rs. Cr** ↑ 7.20 Times



**Equity / Net-worth - Rs. Cr** ↑ 15 Times



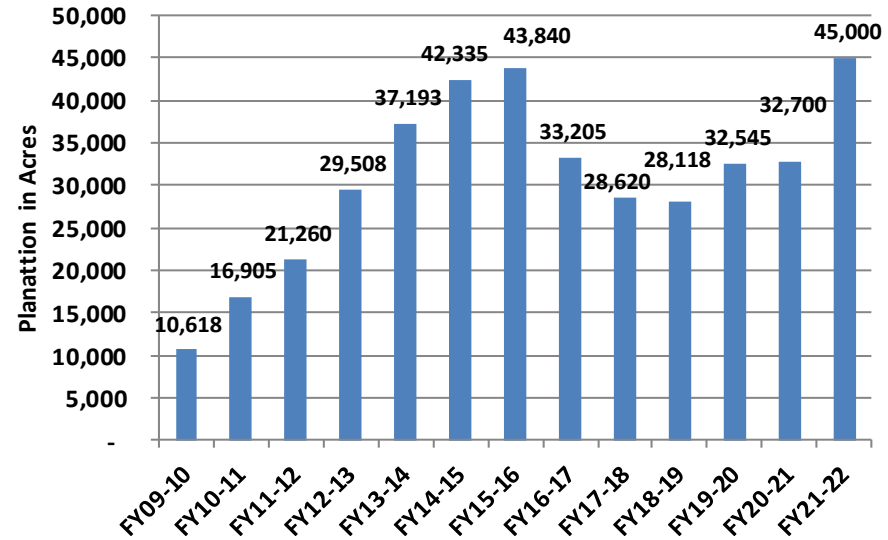
# Farm Forestry and Raw Material Security Initiatives

## Clonal Development Centre

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



## 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 hectare 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 Ha 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 (FY 2021-22)

1. JK Paper won the Platinum Award – **Industry 4.0 Awards from FICCI** under the Overall Digital Transformation category.
2. Unit JKPM received 22<sup>nd</sup> 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**



# 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



4,57,000+ 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, 4<sup>th</sup> to 8<sup>th</sup> May 2022.



# Financial Highlights – Profitability

Standalone Financial

Sl. No.	Financial Year >>>	2017-18	2018-19	2019-20	2020-21	2021-22
<b>1</b>	<b>Quantity</b>					
1.1	Production	4,78,158	4,94,603	5,05,435	4,67,055	5,53,496
1.2	Capacity Utilisation	105.1%	108.7%	111.1%	102.6%	112.8%
1.3	Sales Volume	5,01,543	5,22,815	5,09,220	4,98,434	6,02,094
<b>2</b>	<b>Operating Results</b>	<b>Rs. Crore</b>				
<b>2.1</b>	<b>Gross Revenue from Operations</b>	<b>3,070</b>	<b>3,492</b>	<b>3,294</b>	<b>2,991</b>	<b>4,256</b>
2.2	Net Revenue from Operations	2,877	3,256	3,054	2,742	3,981
<b>2.3</b>	<b>Operating Profit (EBITDA)</b>	<b>639</b>	<b>926</b>	<b>985</b>	<b>701</b>	<b>1,023</b>
2.4	Cash Profit (PBDT)	496	804	862	607	930
2.5	Profit / (Loss) Before Tax (PBT)	375	678	719	453	761
<b>2.6</b>	<b>Profit / (Loss) After Tax (PAT)</b>	<b>260</b>	<b>437</b>	<b>493</b>	<b>322</b>	<b>511</b>
2.7	Earning per Share (Rs.)	15.29	24.57	27.64	18.68	30.17
<b>3</b>	<b>Key Ratios</b>					
3.1	EBITDA as % to Net Sales	22.2%	28.4%	32.2%	25.6%	25.7%
3.2	Networth /Total Equity - Rs. Cr.	1,646	2,041	2,368	2,600	3,045
3.3	Return on Equity (ROE) *	17.5%	23.7%	22.3%	13.0%	18.1%

\* Based on Average Net Worth



# Financial Highlights – Balance Sheet

Standalone Financial

Rs. Cr.

Year End >>>	31st March				
	2018	2019	2020	2021	2022
<b>Total Assets</b>	<b>3,095</b>	<b>3,626</b>	<b>4,073</b>	<b>5,291</b>	<b>6,254</b>
<b>Net Fixed Assets</b>	2,603	2,568	2,522	2,418	4,466
<b>CWIP</b>	34	52	349	1,563	33
<b>Non Current Investments</b>	37	276	318	339	382
<b>Net Working Capital (excl. cash)</b>	172	78	472	436	744
<b>Cash &amp; Bank balance (incl. Curr. Inv.)</b>	249	652	413	535	629
<b>Capital Employed</b>	<b>3,095</b>	<b>3,626</b>	<b>4,073</b>	<b>5,291</b>	<b>6,254</b>
<b>Equity Capital</b>	176	178	178	169	169
<b>Reserves</b>	1,470	1,863	2,190	2,431	2,875
<b>Total Equity</b>	1,646	2,041	2,368	2,600	3,045
<b>Total Borrowings</b>	1,310	1,350	1,370	2,302	2,701
<b>Deferred Tax Liability</b>	139	235	336	389	509
<b>Ratios - Times</b>					
<b>Net Debt / Equity *</b>	0.64	0.34	0.40	0.68	0.68
<b>Net Long-term Debt / Equity *</b>	0.60	0.33	0.37	0.61	0.62
<b>Net Debt / EBITDA *</b>	1.66	0.75	0.94	2.52	2.02
<b>FACR</b>	2.24	1.99	2.41	1.93	1.88

\*Debt is net of cash & liquid / current



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*Mr. KR. Veerappan, Chief Finance Officer at 91-11-68201930, Email: [krveerappan@jkmail.com](mailto:krveerappan@jkmail.com)*



# THANK YOU

