

# JK PAPER LTD.

Nehru House, 4 Bahadur Shah Zafar Marg, New Delhi-110002



JKP/SH/2021

6<sup>th</sup> August 2021

## 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 made during Institutional Conference Call held on 5<sup>th</sup> August 2021**

In continuation to our letter dt. 4<sup>th</sup> August 2021, intimating the schedule of Analysts/Investors Conference Call held on 5<sup>th</sup> August 2021, please find enclosed herewith a copy of the Presentation 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



**Admn. Office :** Ph.: 91-11-66001132, 66001112, 23311112-5, Fax: 91-11-23712680, Website: www.jkpaper.com

**Regd. Office :** P.O. Central Pulp Mills, Fort Songadh, Dist. Tapi (Guj.)-394660

Ph: 91-2624-220138, E-mail: cpm@cpmj.kjmail.com CIN L21010GJ1960PLC018099



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

# JK Paper Today

Corporate Update

**An Industry benchmark with Power Packed Brands**

**August, 2021**

# 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	2,977

## Tyre



	Rs. Cr.
Revenue	9,102

## Agri Genetics



	Rs. Cr.
Revenue	224

## 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

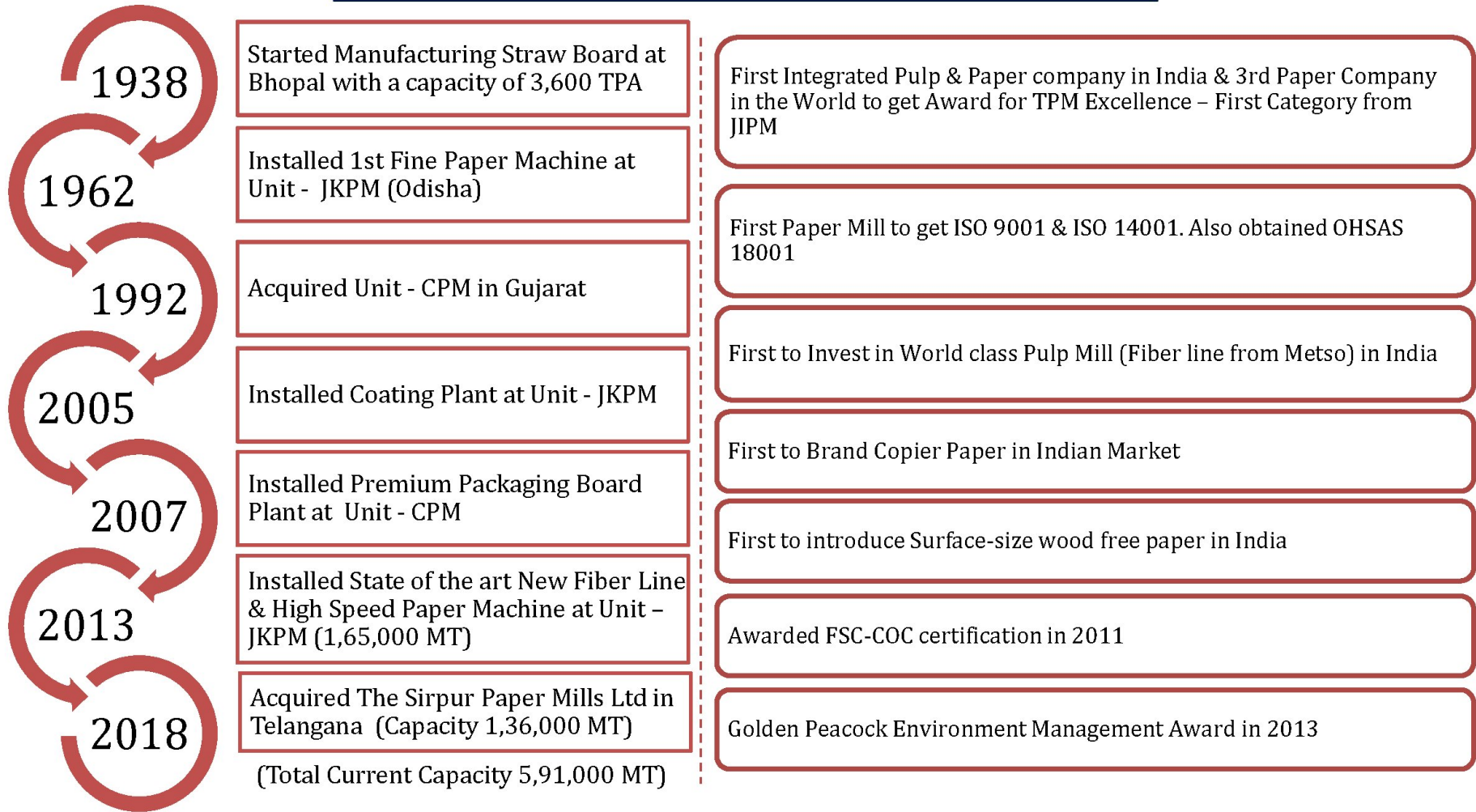


Revenue is for FY 2020-21



# JK Paper - History & Milestones

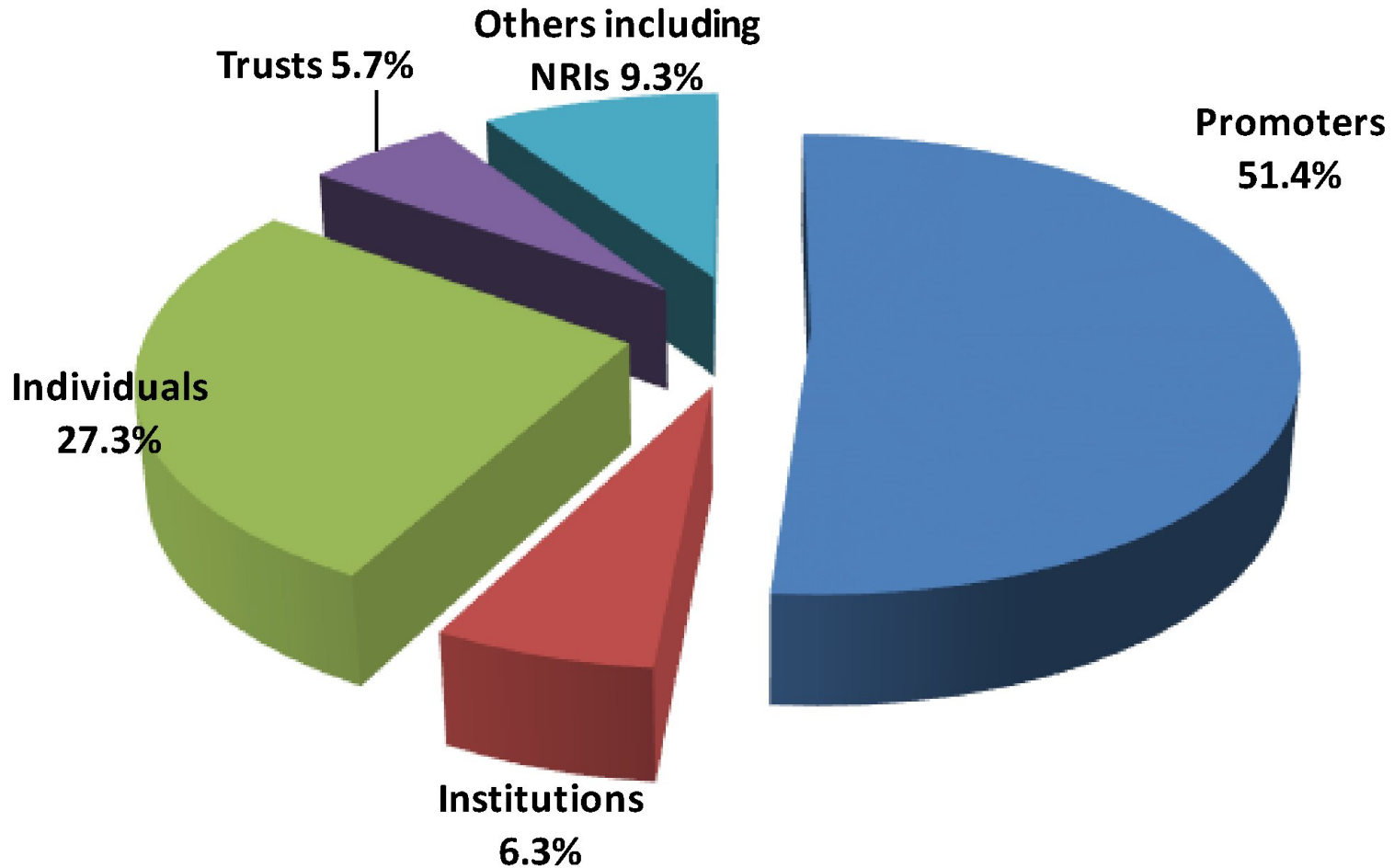
## More than 75 YEARS JOURNEY OF JK PAPER





# JK Paper – Shareholding Pattern

Shareholding Pattern (as of 30<sup>th</sup> June 2021)



# 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 25% \***)



Coated Paper ( Amongst Leading Players  
– **Current Mkt. Share is 11% \***)



Packaging Board  
( Amongst Leading Players  
**Current Mkt. Share is 11% \***)



Panoramic view of the Unit JKPM (in Odisha)



Panoramic view of the Unit CPM (in Gujarat)



\* Company Estimates



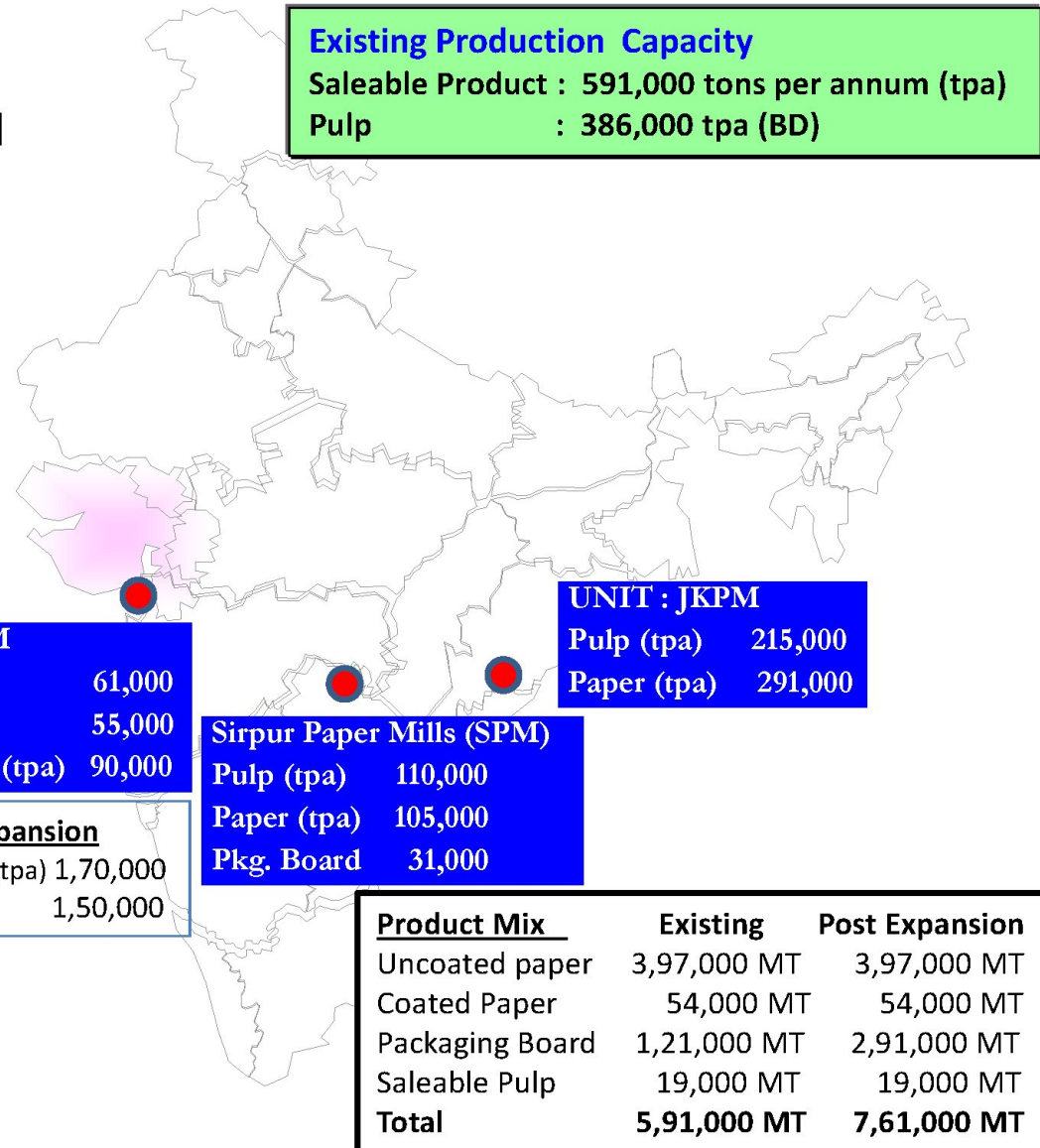
**J K PAPER** ..... *Creating Lasting Impressions*

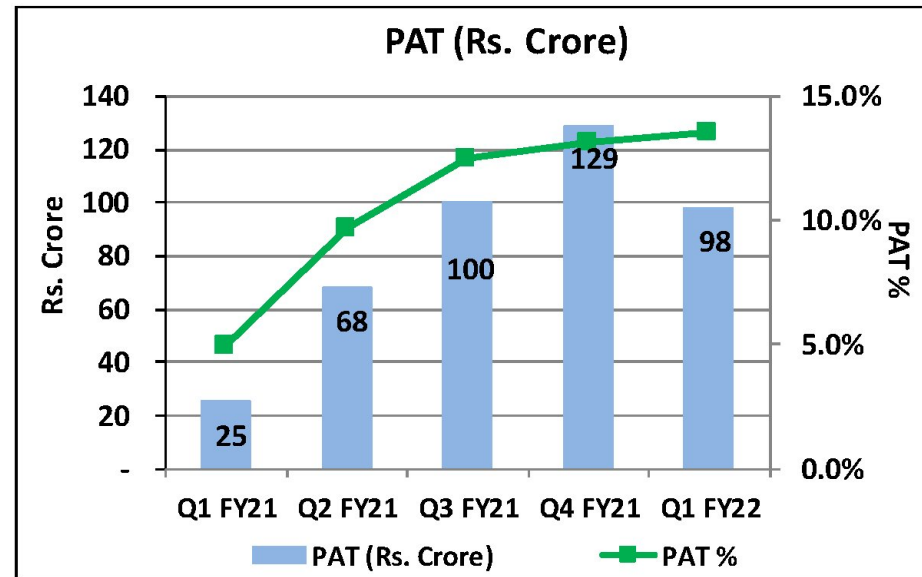
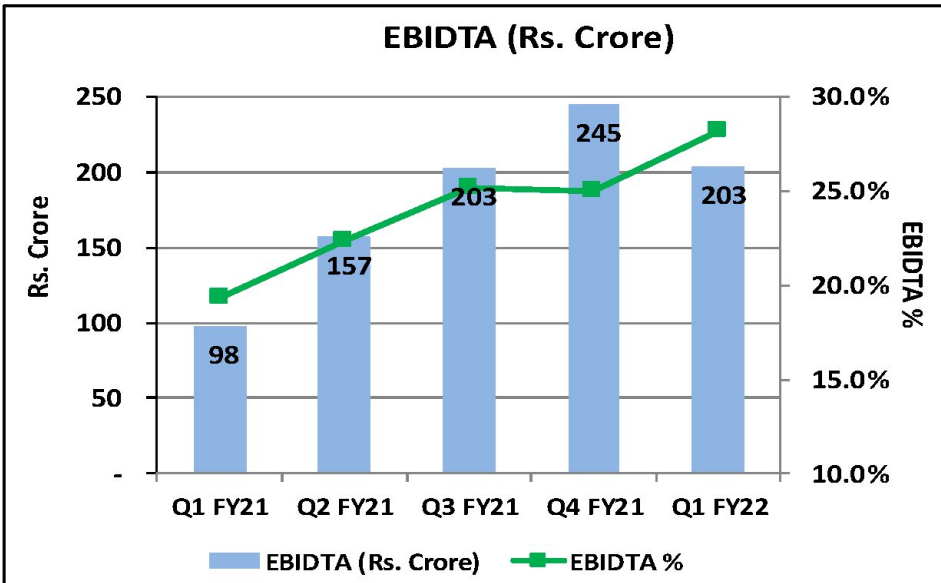
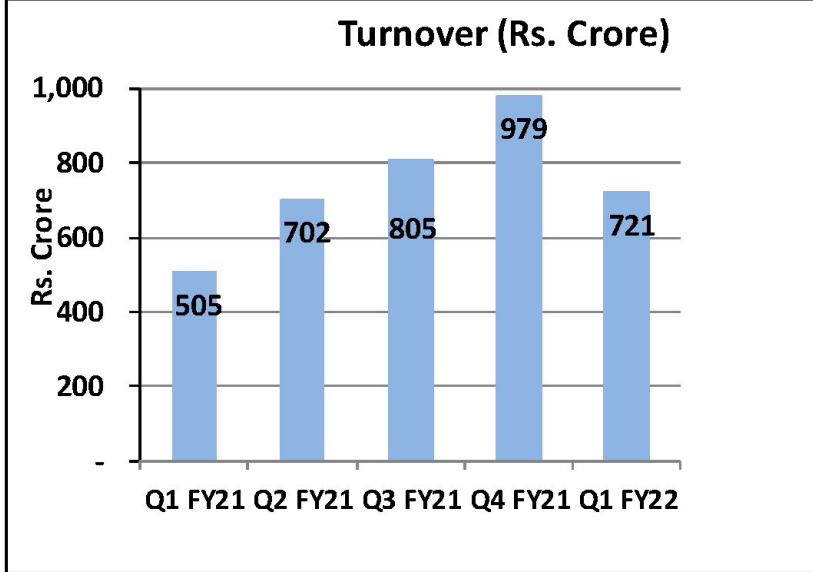
Slide No.5



# 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 - Key Financials for Q4 (FY 2020-21 vs FY 2019-20)

Standalone Financial

		1st Quarter		
	Unit	2021-22	2020-21	% Growth
<b>Sales Volume</b>	MT	<b>1,04,841</b>	<b>80,926</b>	<b>29.6</b>
Uncoated Paper	MT	67,338	51,328	31.2
Coated Paper	MT	12,067	11,839	1.9
Virgin Fibre Board	MT	25,436	17,759	43.2
<b>Gross Revenue</b>	<b>Rs. Cr.</b>	<b>721</b>	505	<b>42.6</b>
<b>Net Revenue</b>	<b>Rs. Cr.</b>	<b>662</b>	464	<b>42.7</b>
<b>EBITDA</b>	<b>Rs. Cr.</b>	<b>203</b>	98	<b>108.3</b>
<b>EBIT</b>	<b>Rs. Cr.</b>	<b>166</b>	61	<b>171.8</b>
<b>PBT</b>	<b>Rs. Cr.</b>	<b>141</b>	35	<b>309.0</b>
<b>PAT</b>	<b>Rs. Cr.</b>	<b>98</b>	25	<b>290.0</b>
<b>EBITDA Margin</b>	<b>%</b>	<b>30.7%</b>	<b>21.0%</b>	<b>9.7</b>



## JKPL - Profitability

Rs. Cr.

S.N.	Description	2018-19	2019-20	2020-21					2021-22
		12 Months	12 Months	Q1	Q2	Q3	Q4	12 M	Q1
<b>1</b>	<b>Gross Revenue from Operations</b>	<b>3,492</b>	<b>3,294</b>	<b>505</b>	<b>702</b>	<b>805</b>	<b>979</b>	<b>2,991</b>	<b>721</b>
<b>1.1</b>	<b>Net Revenue from Operations</b>	<b>3,256</b>	<b>3,054</b>	<b>464</b>	<b>638</b>	<b>742</b>	<b>897</b>	<b>2,742</b>	<b>662</b>
2	Cost of Materials Consumed	1,278	1,217	195	252	291	295	1,033	271
2.1	(Increase)/Decrease in Stock	47	(124)	(54)	39	51	56	91	(111)
2.2	Power, Fuel & Water	259	261	49	60	64	70	243	71
2.3	Staff Costs	262	277	66	62	62	70	260	72
2.4	Purchase of Traded Goods	302	280	74	36	33	122	265	112
2.5	Other Expenditure	238	239	55	48	58	57	219	63
<b>2.6</b>	<b>Total Expenses</b>	<b>2,386</b>	<b>2,151</b>	<b>385</b>	<b>498</b>	<b>558</b>	<b>669</b>	<b>2,110</b>	<b>478</b>
3	Other Income	56	81	19	17	18	16	70	20
<b>4</b>	<b>EBITDA</b>	<b>926</b>	<b>985</b>	<b>98</b>	<b>157</b>	<b>203</b>	<b>245</b>	<b>701</b>	<b>203</b>
5	Finance Costs	122	123	26	23	25	20	94	24
<b>6</b>	<b>PBDT (3 + 4 - 5)</b>	<b>804</b>	<b>862</b>	<b>71</b>	<b>134</b>	<b>178</b>	<b>224</b>	<b>607</b>	<b>179</b>
7	Depreciation	125	144	37	39	39	39	154	38
8	PBT	678	719	35	95	138	186	453	141
<b>9</b>	<b>PAT</b>	<b>437</b>	<b>493</b>	<b>25</b>	<b>68</b>	<b>100</b>	<b>129</b>	<b>322</b>	<b>98</b>

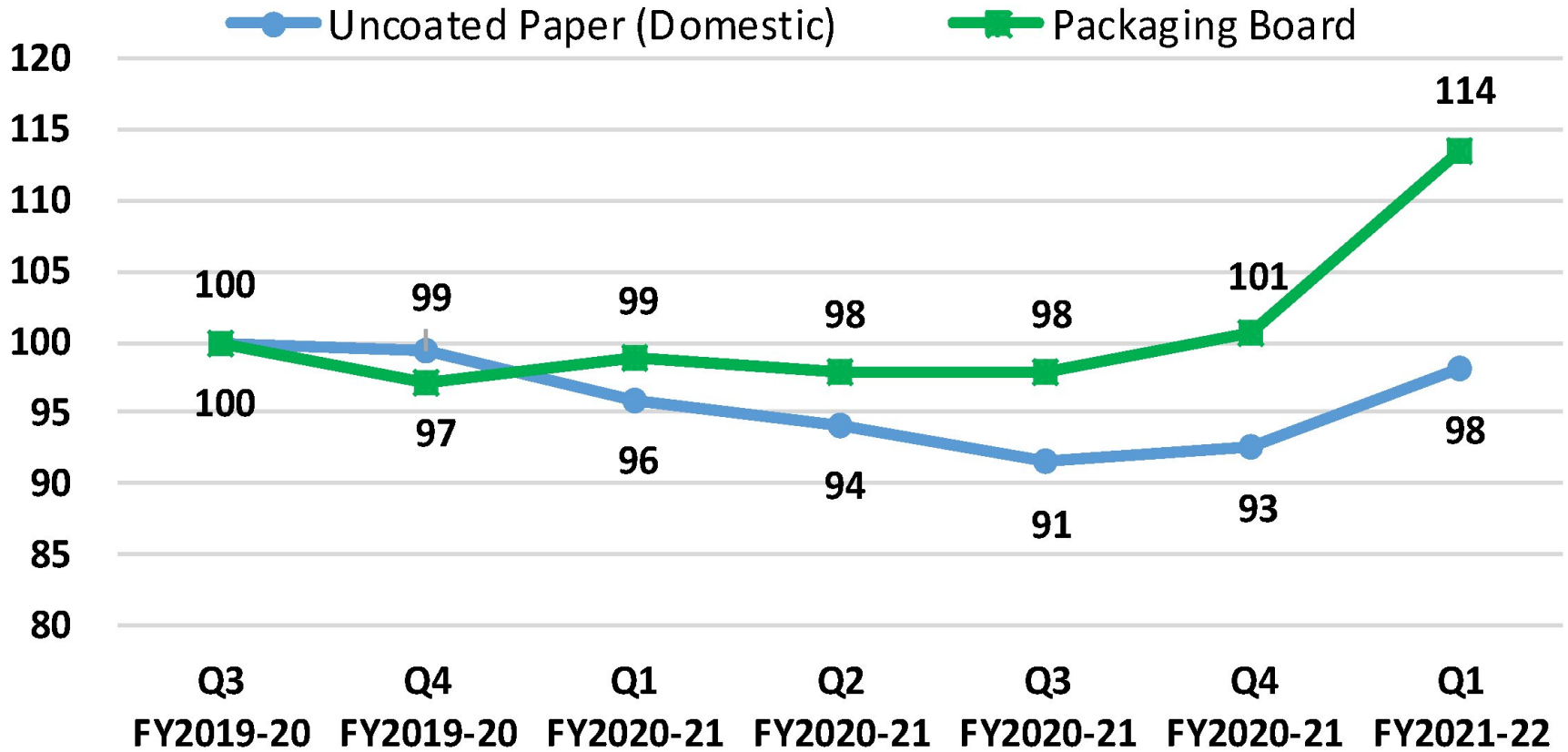
**% to Net Sales**

1	Materials Cost (2 + 2.1 + 2.4)	50.0	45.0	46.4	51.3	50.4	52.6	50.6	41.2
2	Staff Costs	8.1	9.1	14.2	9.8	8.4	7.8	9.5	10.9
3	EBITDA	28.4	32.2	21.0	24.6	27.3	27.2	25.6	30.7



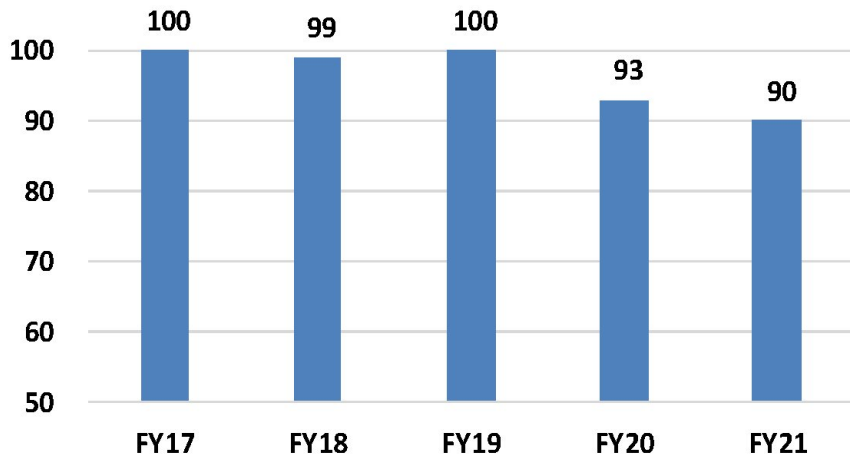
# Realisation Trend

## Index of Realisation

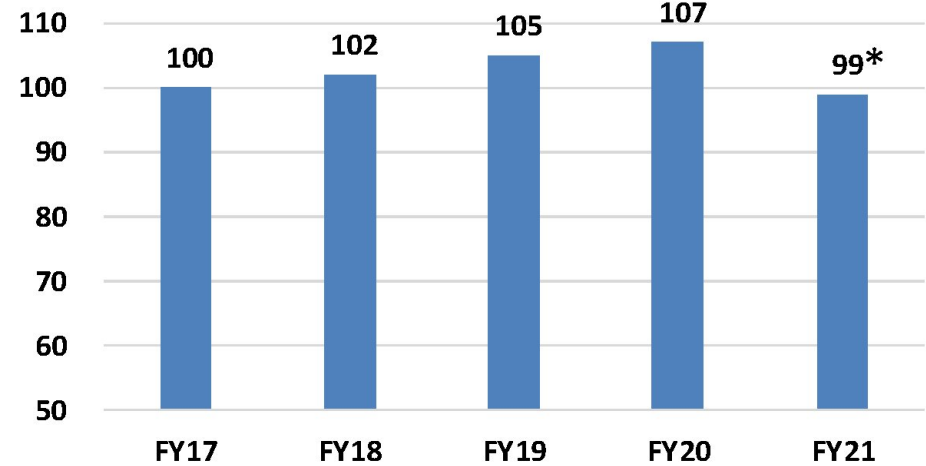


# Continues improvement in last 5 Years

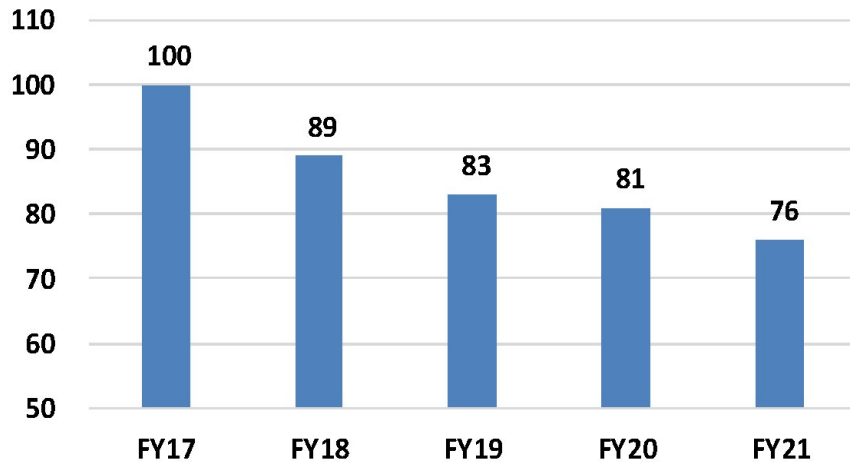
### Index of Manufacturing Cost



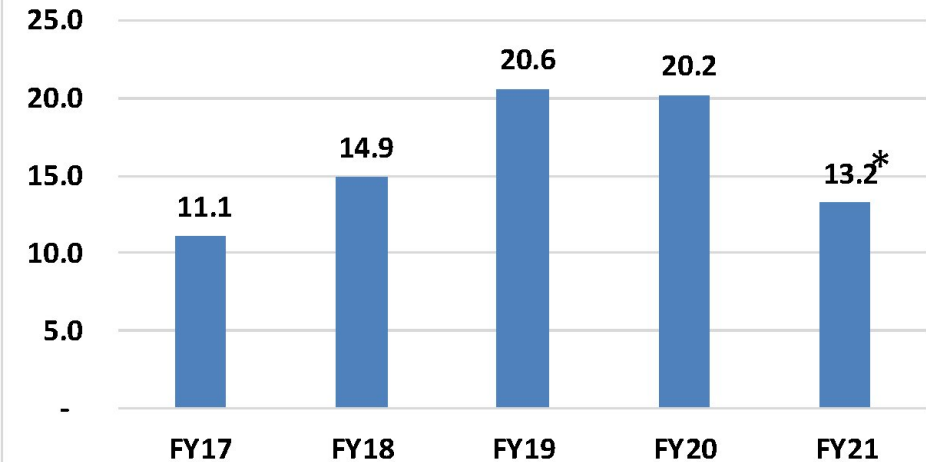
### Index of Asset Utilisation



### Index of reduction in average interest rate



### ROCE %



\* Lower due to covid 19 pandemic

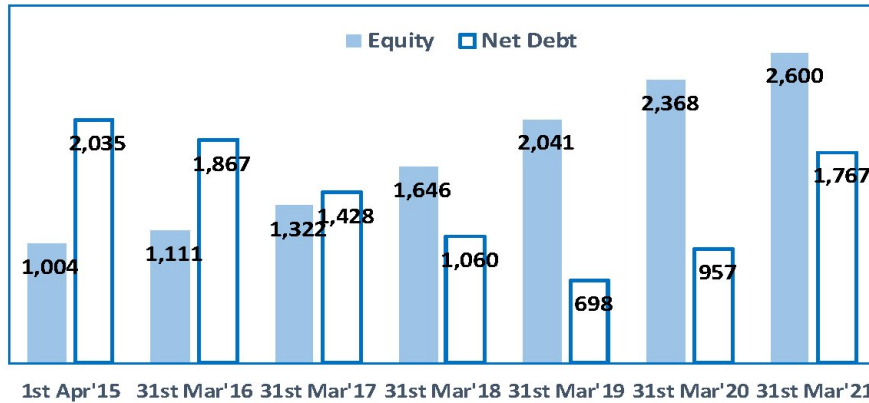




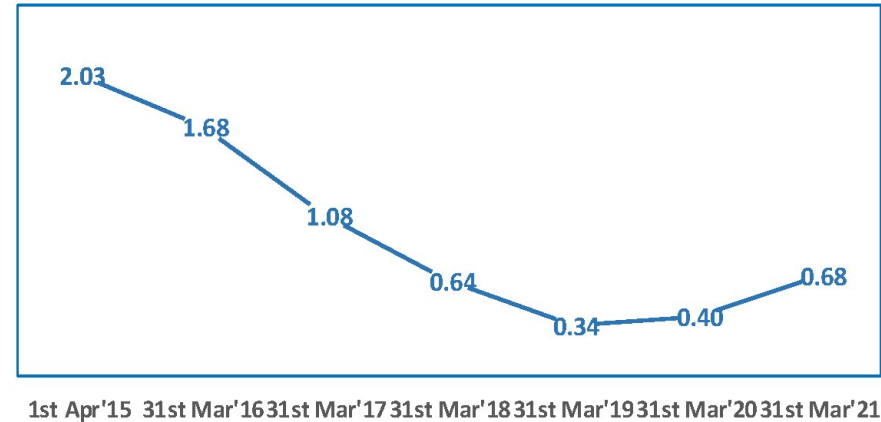
# Focus on Deleveraging

Standalone Financial

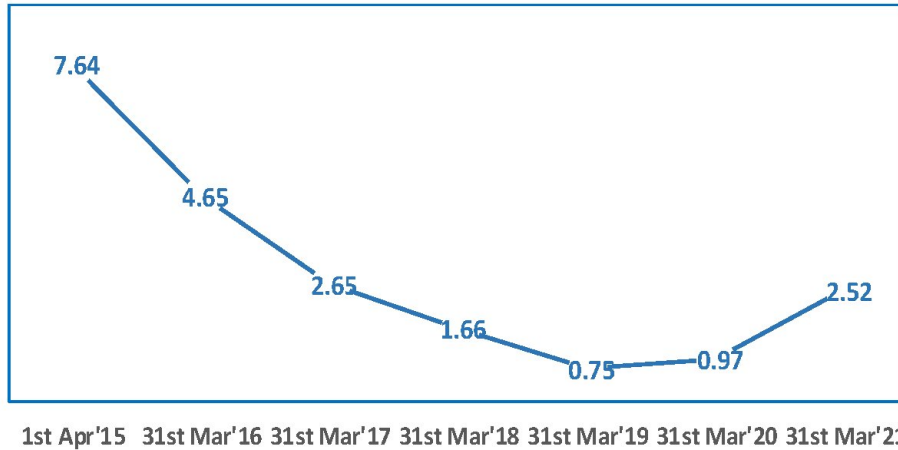
Reduction in Net Debt (Rs. Cr.)



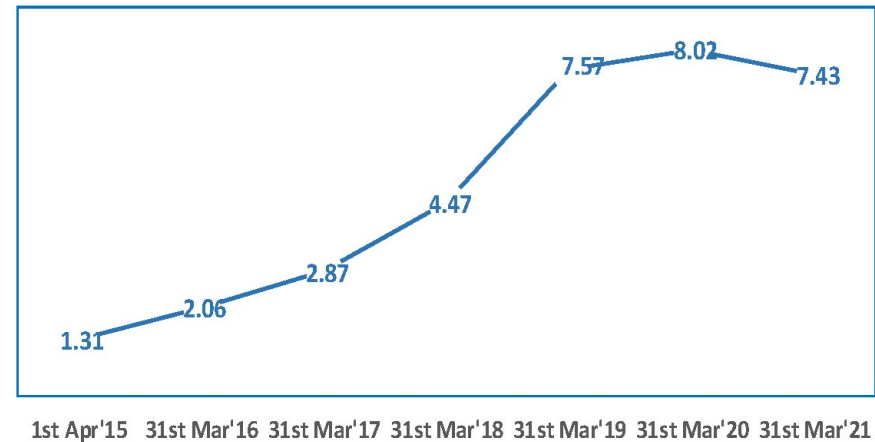
NET DEBT / EQUITY RATIO



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 FY2021 India Rating upgraded Long Term Rating from A+/Stable to AA-/Stable in Sep'20 and CRISIL has reaffirmed at AA-/ Stable in Oct'20



## JK Paper - Performance Highlights (FY 2020-21)

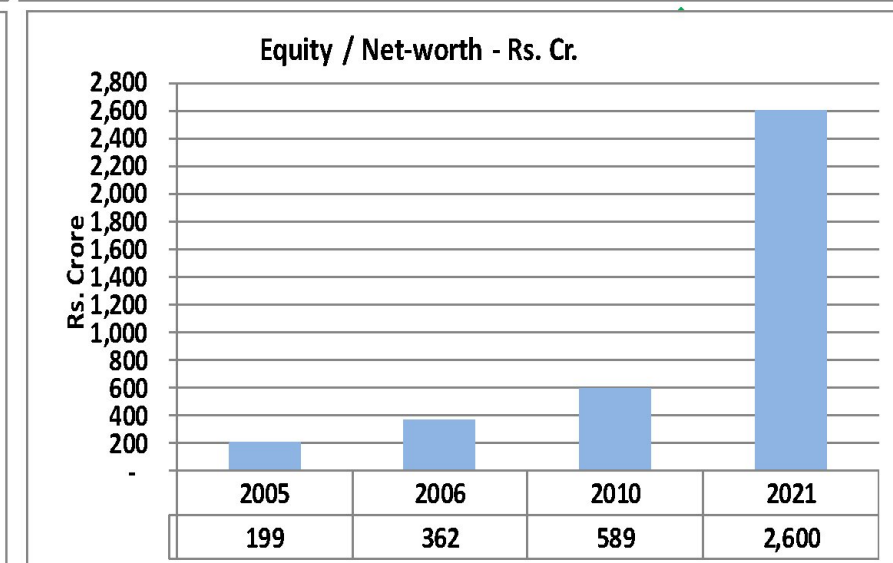
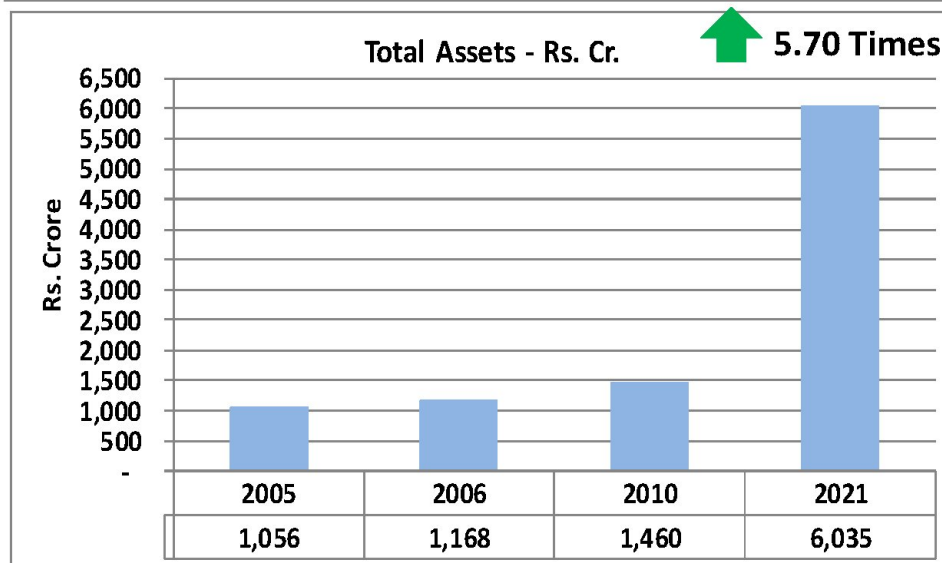
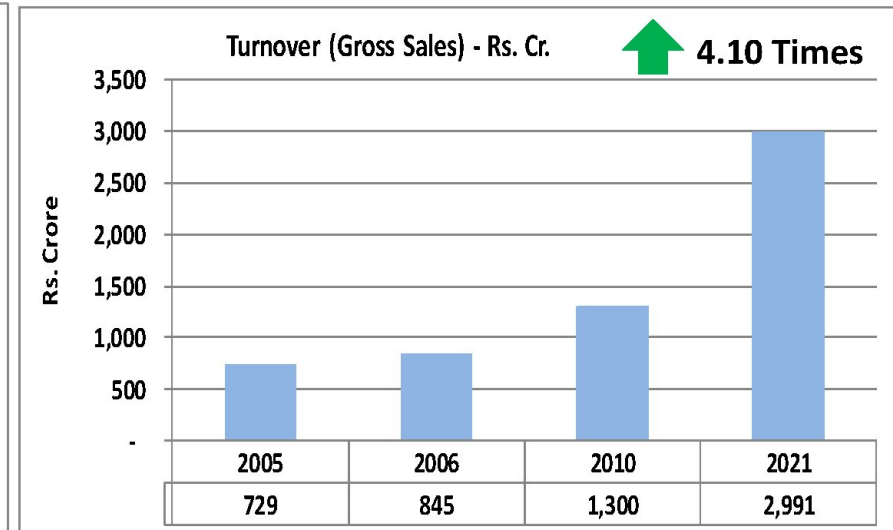
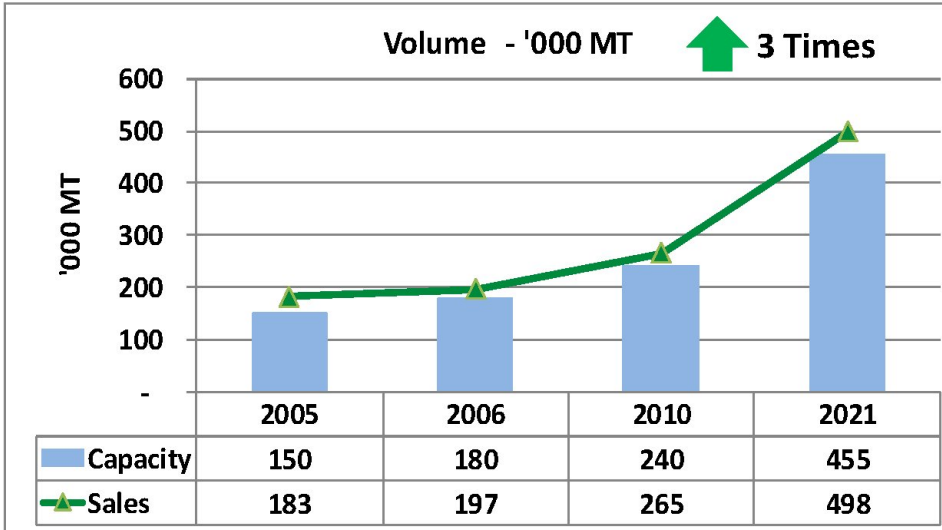
1. Capacity utilisation of about 103% in full year in-spite of unprecedented disruptions post Covid 19 (specially in first half of FY'2020-21)
2. Company focused on reducing costs, enriching product mix and serving its customers better.
3. **Continuous thrust on plantation activities:**
  - i) Company was able to source 100% of the Raw Material from local area at both of its plants
  - ii) Total Plantation during the year: 4.38 (PY4.76) Crores Saplings and 13,078 Ha of additional area covered (PY 13,018 Ha)
4. Company maintained its long-term credit rating of AA-/Stable with CRISIL and India Ratings upgraded it from A+/Stable to AA-/Stable in Sep 2020, in spite of unprecedented situation post Covid and ongoing large project at Unit CPM.
5. Unit - JKPM received the “Energy Efficient Unit” at the 21st National Award for Excellence in Energy Management 2020 organized by CII
6. Also Company got 8th FICCI Quality System Excellence Awards for Industry 2020



# Quantum Jumps through continuous expansions since in last 15 Years

## Standalone Financial

2005 - Expansion in Coated Paper, 2007 - Expansion in Packaging Board and 2013 - Expansion in Uncoated Paper



# Farm Forestry and Raw Material Security Initiatives

## Clonal Development Centre

- Started in 1991-92
- 13,018 Ha area planted in 2019-20
- Overall > 1.60 Lac Ha till date



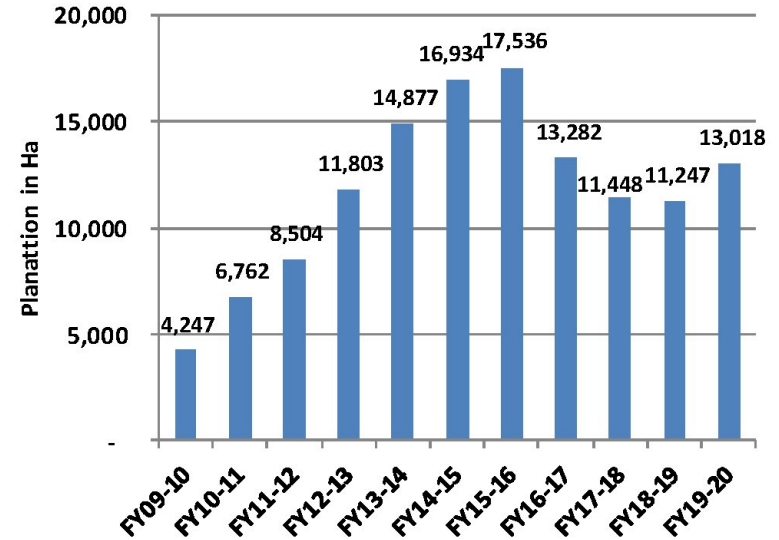
## Carbon Positive

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%

## Plantation under Farm Forestry by JKPL – in Hectare



## 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 (CPM U283 turbo) with wood productivity of 50-65 cubic meters per ha per year (under irrigated conditions)
- Focus on training & development to farmers and staffs
- Arrangement of loans to Farmer's or Co-operative





# 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



578 Villages



4,00,000+ direct beneficiaries



Beneficiary Focus  
Youth, Women and  
Farmers

Total Spend (FY21) - **10.35 Cr** (17% on Covid-19 Relief)



## COVID19 Response

In response to the prevailing Pandemic our CSR activities reached out to the most vulnerable communities in our project area to support them with information and awareness and build their capacity to overcome the threats. We are currently working to support the local administration in their efforts to reach out to the vulnerable communities

- Awareness Generation
- Preventive Health Camps
- Sanitization Drive of common local areas
- Sanitization and Ration Kit distribution
- Support to Covid Care Center, PHC/CHC

## Our Reach

5021 households reached

25000+ individuals supported



# Financial Highlights – Profitability

Standalone Financial

Sl. No.	Financial Year >>>	2017-18	2018-19	2019-20	2020-21	2021-22 Q1
<b>1</b>	<b>Quantity</b>					
1.1	Production	4,78,158	4,94,603	5,05,435	4,67,055	1,21,451
1.2	Capacity Utilisation	105%	109%	111%	103%	104%
1.3	Sales Volume	5,01,543	5,22,815	5,09,220	4,98,434	1,04,841
<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>721</b>
2.2	Net Revenue from Operations	2,877	3,256	3,054	2,742	662
<b>2.3</b>	<b>Operating Profit (EBITDA)</b>	<b>639</b>	<b>926</b>	<b>985</b>	<b>701</b>	<b>203</b>
2.4	Cash Profit (PBDT)	496	804	862	607	179
2.5	Profit / (Loss) Before Tax (PBT)	375	678	719	453	141
<b>2.6</b>	<b>Profit / (Loss) After Tax (PAT)</b>	<b>260</b>	<b>437</b>	<b>493</b>	<b>322</b>	<b>98</b>
2.7	Earning per Share (Rs.)	15.29	24.57	27.64	18.68	5.77
<b>3</b>	<b>Key Ratios</b>					
3.1	EBITDA as % to Net Sales	22.2%	28.4%	32.2%	25.6%	30.7%
3.2	Equity (Net Worth) - Rs. Cr.	1,646	2,041	2,368	2,600	2,698
3.3	Return on Equity (ROE) *	17.5%	23.7%	22.3%	13.0%	15.4%
3.4	Market Cap. - Rs. Cr.	2,374	2,547	1,896	2,539	3,596

\* Based on Average Net Worth





# Financial Highlights – Balance Sheet

Standalone Financial

Rs. Cr.

Year End >>>	31st March					
	2016	2017	2018	2019	2020	2021
<b>Total Assets</b>	<b>3,081</b>	<b>3,117</b>	<b>3,095</b>	<b>3,626</b>	<b>4,073</b>	<b>5,291</b>
<b>Net Fixed Assets</b>	2,751	2,636	2,603	2,568	2,522	2,418
<b>CWIP</b>	20	16	34	52	349	1,563
<b>Non Current Investments</b>	31	28	37	276	318	339
<b>Net Working Capital (excl. cash)</b>	255	168	172	78	472	436
<b>Cash &amp; Bank balance (incl. Curr. Inv.)</b>	25	270	249	652	413	535
<b>Capital Employed</b>	<b>3,081</b>	<b>3,117</b>	<b>3,095</b>	<b>3,626</b>	<b>4,073</b>	<b>5,291</b>
<b>Equity Capital</b>	149	156	176	178	178	169
<b>Reserves</b>	962	1,166	1,470	1,863	2,190	2,431
<b>Net Worth</b>	1,111	1,322	1,646	2,041	2,368	2,600
<b>Total Borrowings</b>	1,892	1,698	1,310	1,350	1,370	2,302
<b>Deferred Tax Liability</b>	78	98	139	235	336	389
<b>Ratios - Times</b>						
<b>Net Debt / Equity *</b>	1.68	1.08	0.64	0.34	0.40	0.68
<b>Net Long-term Debt / Equity *</b>	1.57	0.98	0.60	0.33	0.37	0.61
<b>Net Debt / EBITDA *</b>	4.65	2.65	1.66	0.75	1.36	2.52
<b>FACR</b>	1.92	1.91	2.24	1.99	2.41	1.93

\*Debt is net of cash & liquid / current





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*For further information, please contact to :*

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*Mr. V. Kumaraswamy, Chief Finance Officer at 91-11-68201510, Email: [vkmr@jkmail.com](mailto:vkmr@jkmail.com)*



# THANK YOU

