

JKP/SH/2016

29th July 2016

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: Copy of Presentation made to Analysts/Investors Meeting pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015

Further to our letter bearing reference no. JKP/SH/2016 dt. 28.07.2016, wherein we had intimated your exchange, in terms of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, of the Analysts/Investors Meeting of the Company to be held on 29th July 2016 at Mumbai, enclosed please find herewith a copy of the Presentation made at the said Analysts/Investors Meeting held as on date at Mumbai.

Submitted for your kind reference and records.

Thanking you,

Yours faithfully
For JK Paper Limited



(Suresh Chander Gupta)
Vice President & Company Secretary

Encl: a/a





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

JK Paper Today

Investor Presentation

An Industry benchmark with Power Packed Brands

29th Jul 2016

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.
Mkt Cap	4,970
Revenue	2,955

Agri Genetics



	Rs. Cr.
Mkt Cap	156
Revenue	186

Dairy Products



	Rs. Cr.
Mkt Cap	152
Revenue *	919

* incl. LVP Foods

Education



Paper



JK PAPER LTD.

Creating lasting impressions

	Rs. Cr.
Mkt Cap	854
Revenue	2,881

J.K. ORGANISATION

USD 4 Billion

23 manufacturing plants

Present in 100 countries

More than 30,000 employees

Defence Electronics



Hospital & Health services



Tyre



	Rs. Cr.
Mkt Cap	2,064
Revenue	7,562

V-Belts- Oil Seals & Power Transmission Systems



	Rs. Cr.
Revenue	672

Clinical Research



Market Capitalisation (Mkt Cap) is as of 27th July, 2016



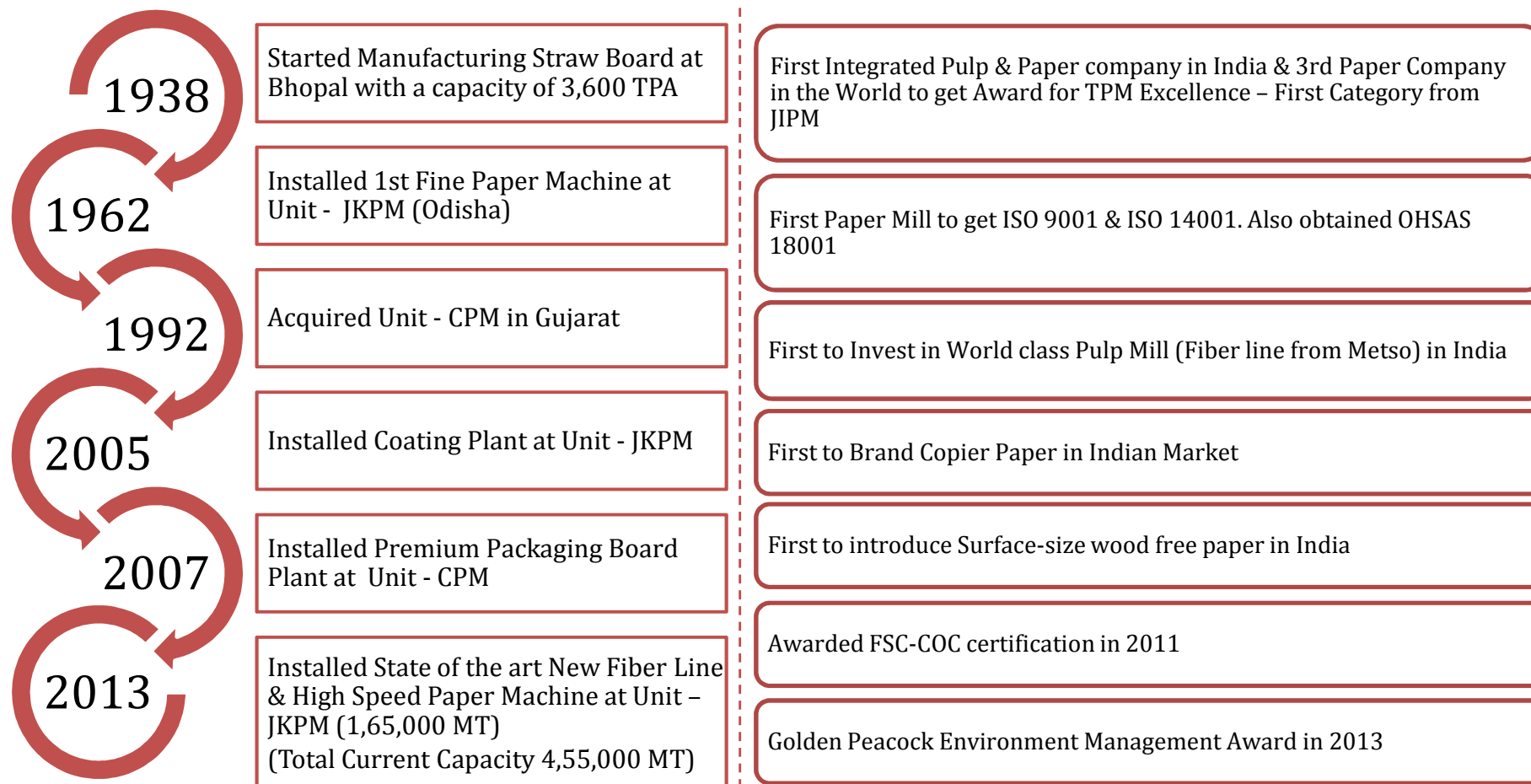
J K PAPER Creating Lasting Impressions

Slide No.2



JK Paper - History & Milestones

75 YEARS JOURNEY OF JK PAPER



JK Paper – Shareholding Pattern

Major Institutional Investors



भारतीय जीवन बीमा निगम
LIFE INSURANCE CORPORATION OF INDIA



आपका हमारे रक्षित्यामि
GIC Re

General Insurance Corporation of India

(Wholly owned by the Government of India)

Global Reinsurance Solutions

FCCBs Holders

FMO

Entrepreneurial
Development
Bank



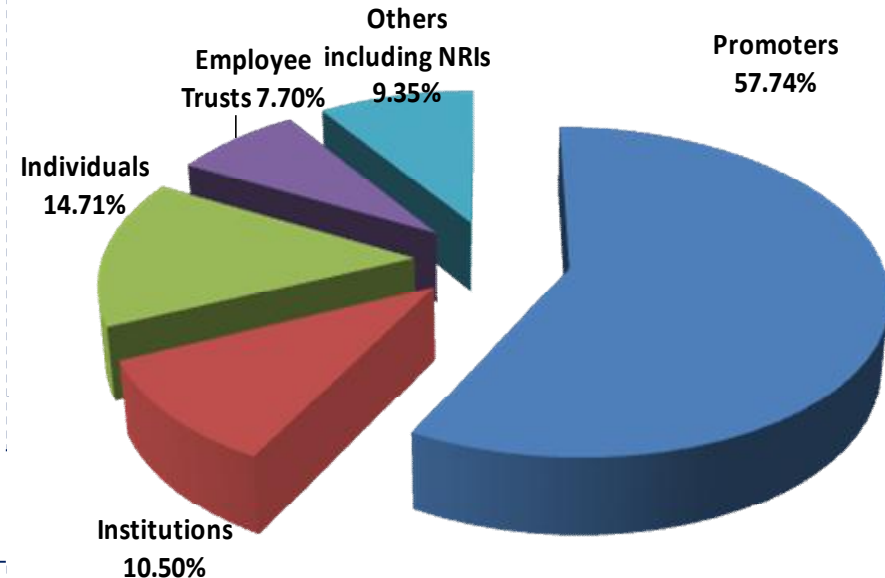
Proparco

GRUPE AGENCE FRANÇAISE DE DÉVELOPPEMENT

KFW DEG

Shareholding Pattern

As on 30th June 2016



JK'S Brands are Industry Benchmarks In Respective Products Categories
Plants with state of the art technology and minimal environmental impact

Copier Paper (Market Leader – Current Mkt. Share is 27%)



**Coated Paper (Amongst top Two
– Current Mkt. Share is 12%)**



**Packaging Board
(Amongst top Two
Current Mkt. Share is 16%)**



Panoramic view of the Unit JKPM (Orissa) -295,000 tpa)



Panoramic view of the CPM (Surat, Gujarat) – 160,000 tpa



JK 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
- **Strong distribution reach**
 - 4 regional offices
 - 12 warehouses
 - 190 distributors
 - over 4,000 dealers

Combined strength of ~ 4800 employees at both the locations

Total Production Capacity

Saleable Product : 455,000 tons per annum (tpa)
Pulp : 276,000 tpa (BD)

UNIT : CPM

Pulp (tpa)	61,000
Paper (tpa)	55,000
Pkg. Boards (tpa)	90,000

UNIT : JKPM

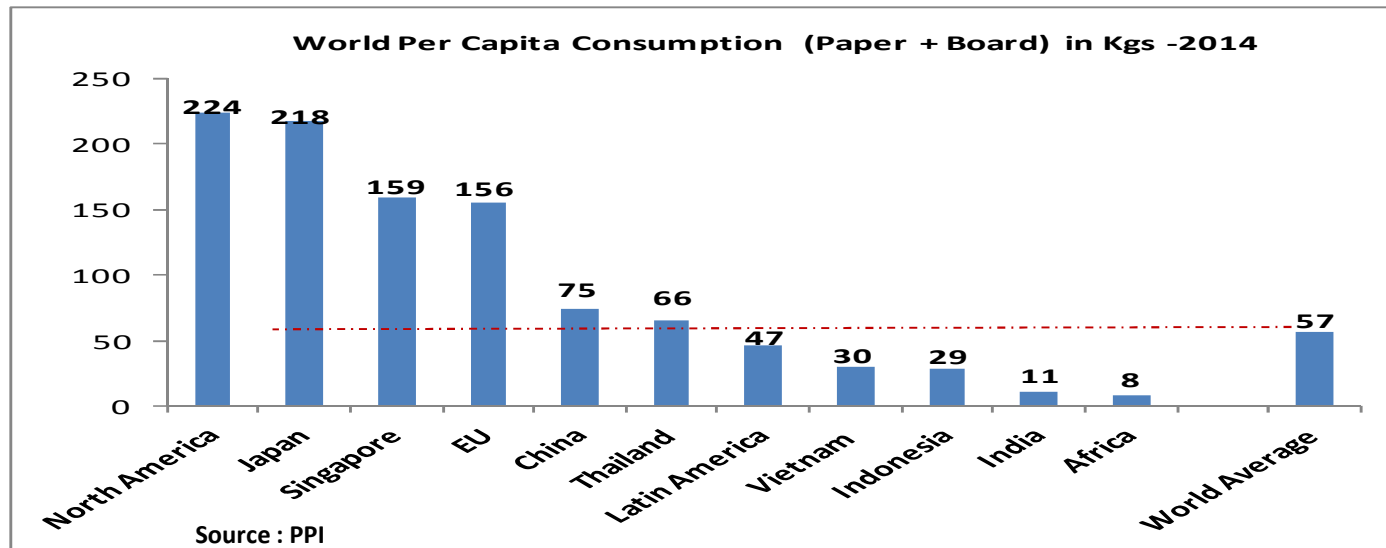
Pulp (tpa)	215,000
Paper (tpa)	291,000

Product Mix

Uncoated paper	2,92,000 MT
Coated Paper	54,000 MT
Packaging Board	90,000 MT
Saleable Pulp	19,000 MT
Total	4,55,000 MT



Global v/s Indian Paper Industry



Sl. No	Product Category	Global - 2014			India 2014-15			India 2018-19	
		Mn Tons	% Share	CAGR %	Mn Tons	% Share	CAGR %	Mn Tons	CAGR%
				last 4 yrs			last 5 yrs		4 Years
		1	2	3	4	5	6	7	8
1	Coated	41	13.2	-2.3	0.7	4.8	6.7	0.9	7.0
2	Uncoated	64	14.2	0.0	3.8	25.9	5.6	4.8	5.7
3	Packaging Board	58	13.7	1.6	3.3	22.2	9.4	4.6	9.1
4	Tissue	33	7.7	4.2	0.1	0.6	12.0	0.2	15.5
5	Industrial incl. Kraft	152	35.7	2.8	3.9	26.5	8.0	5.5	9.0
6	Newsprint	27	8.0	-5.0	2.6	17.6	4.2	2.7	1.0
7	Others	33	7.5	1.6	0.3	2.4	7.5	0.5	8.0
8	Total	408	100.0	0.9	14.7	100.0	7.0	19.1	6.8

Source: FAO/RISI/Company estimates

Packaging & Tissue segments are high growth markets globally



J K PAPER Creating Lasting Impressions

Slide No.7



Indian Paper Market & Product Category (Lac MT)

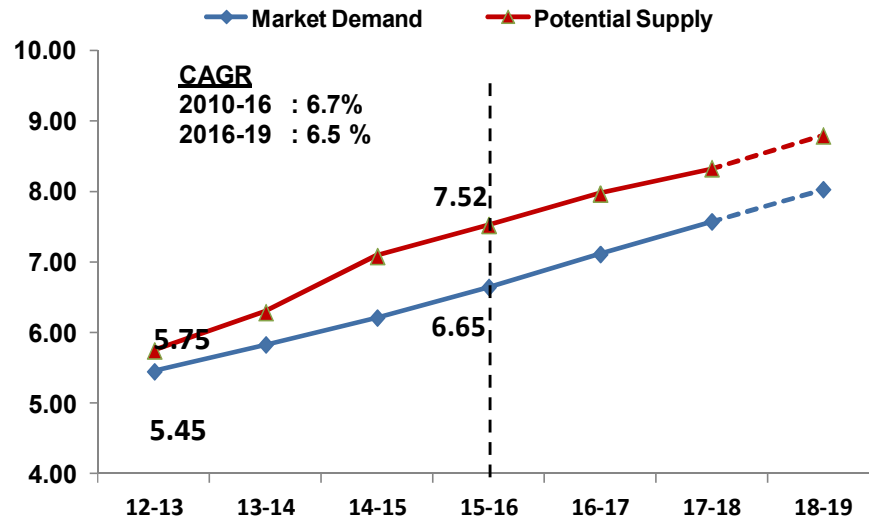
	Category	Market Size (in Lac MT)		Share of Total (14-15)	CAGR (5 Years) 2010-11 Base year	CAGR (14-15 to 18-19) Industry
		14-15	18-19			
	1	2	3	4	5	6
1.0	Writing & Printing Paper	45.0	56.7	31%	5.8%	5.9%
1.1	Creamwove/Maplitho (Low Bright)	18.2	21.5	12%	4.3%	4.2%
1.2	Maplitho (High Bright)	13.7	18.1	9%	7.1%	7.2%
1.3	Copier	6.2	8.0	4%	6.7%	6.6%
1.4	Total Uncoated	38.0	47.6	26%	5.6%	5.7%
1.5	Coated Paper	7.0	9.2	5%	6.7%	7.0%
2.0	Total Packaging Paper & Board	71.4	101.0	49%	8.6%	9.1%
2.1	Recycled Duplex Board (Grey/White back)	26.9	36.9	18%	7.8%	9.0%
2.2	Virgin Boards (FBB/SBS)	5.7	9.3	4%	19.0%	13.0%
2.3	Total Packaging Board	32.6	46.2	22%	9.4%	9.1%
2.4	High end Kraft (35-45 BF)	3.9	6.1	3%	10.0%	12.0%
2.5	Medium & Low end Kraft(Below 35 BF)	34.9	48.7	24%	7.8%	8.7%
2.6	Total Packaging Papers (Kraft)	38.8	54.8	26%	8.0%	9.0%
3.0	Tissue	0.9	1.6	1%	12.0%	15.5%
4.0	Other Speciality	3.5	4.7	2%	7.5%	8.0%
5.0	Newsprint	25.9	26.9	18%	4.2%	1.0%
6.0	Grand Total	146.6	191.0	100%	7.0%	6.8%

Source: RISI/Poyry/Company Estimates

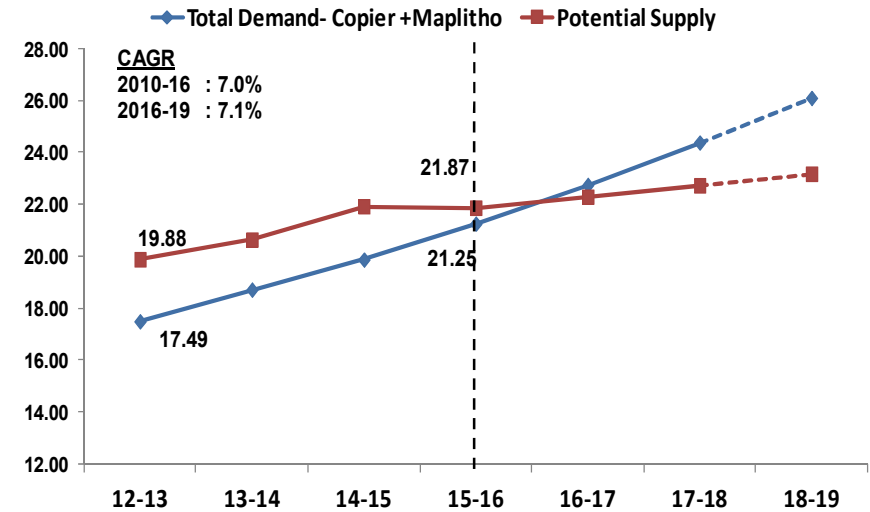


Demand / Supply

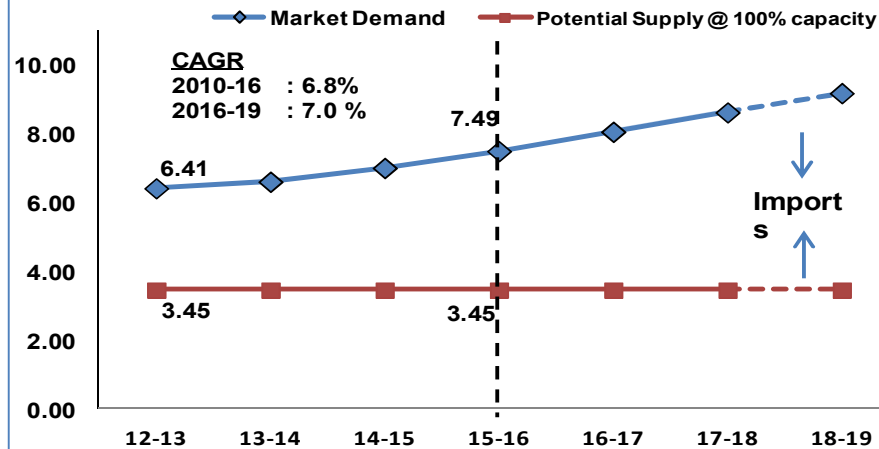
Copier Paper - Lac MT



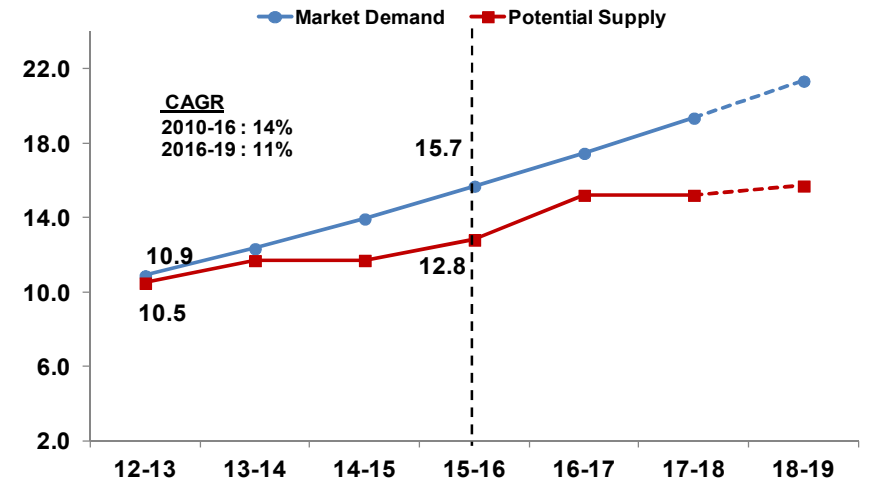
Uncoated Paper (Maplitho + Copier) - Lac MT



Coated Paper - Lac MT



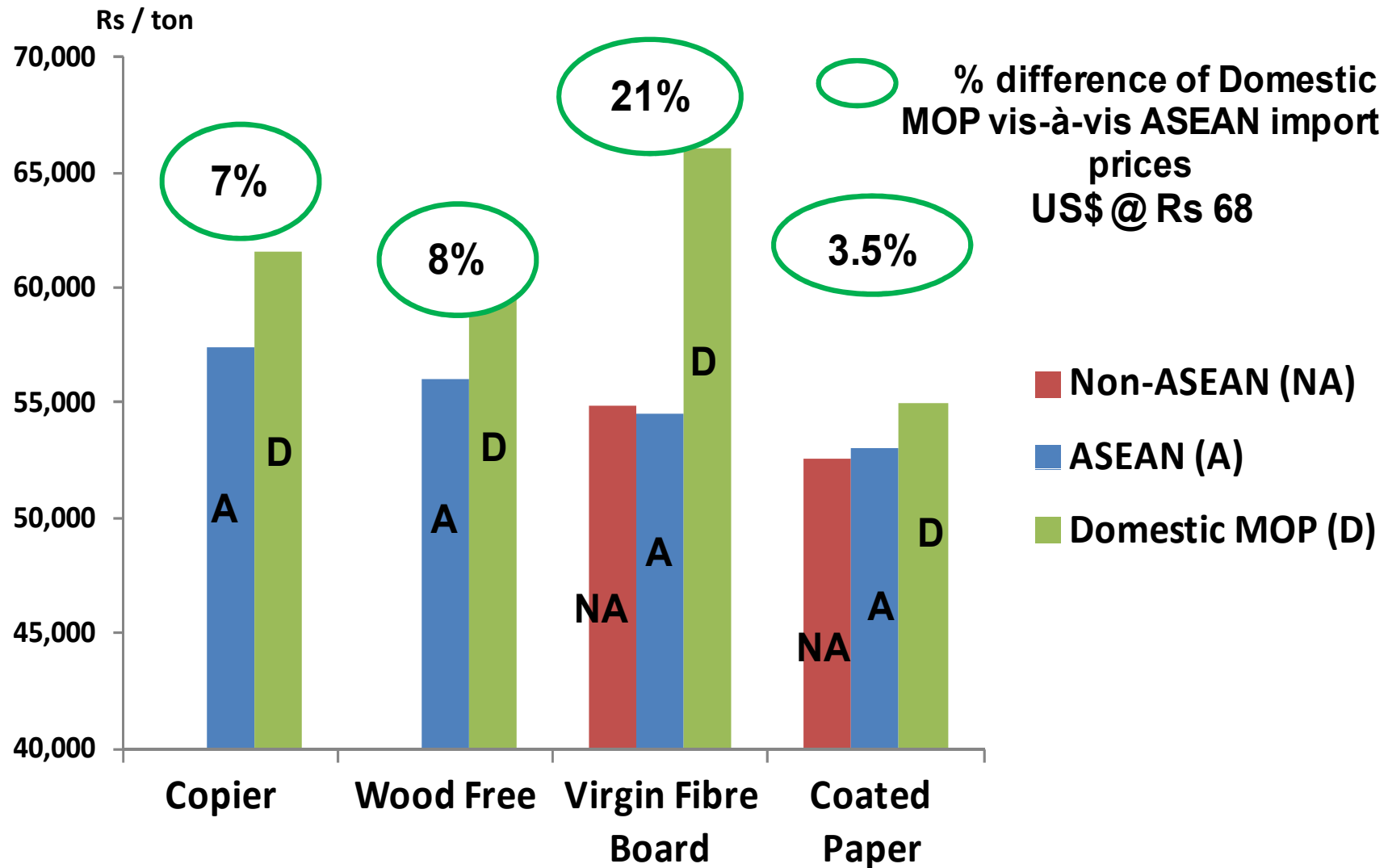
Virgin Fibre + High End Duplex Board - Lac MT



Source: Company Estimates



FTA with ASEAN - Import Price Parity



Source: Company Estimates



New Project at Unit - JKPM.....(I)

Fibreline (215,000 TPA)



Paper Machine (165,000 TPA)



New Project at Unit - JKPM.....(II)

Power Plant



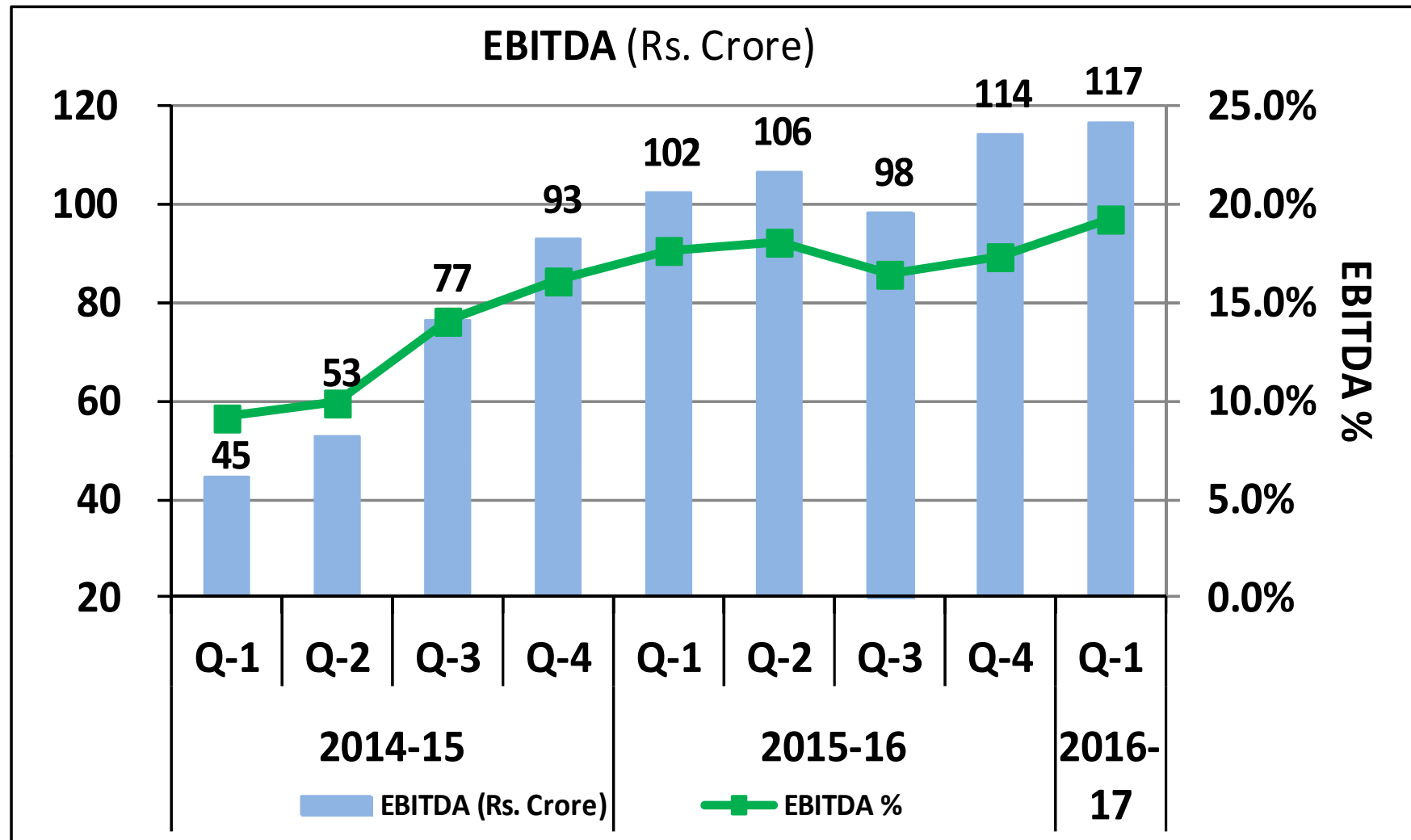
A4 Cutting Line



Robotic Palletizer



JKPL Performance



Note: Current Quarter Q1 (FY 2016-17) is as per Ind AS which is effective from 1st April 2016, so not comparable with previous periods



JK Paper - Key Financials for Q1 (FY 2016-17 vs FY 2015-16)

Rs. Cr.

	Unit	1st Quarter		% Growth
		2016-17	2015-16	Q1
Sales Volume	MT	1,14,368	1,08,435	5.5
Uncoated Paper	MT	72,216	69,598	3.8
Coated Paper	MT	19,996	17,009	17.6
Virgin Fibre Board	MT	22,156	21,828	1.5
Gross Sales	Rs. Cr	711	683	4.1
Net Sales	Rs. Cr	606	579	4.7
EBITDA	Rs. Cr	117	103	13.6
EBIT	Rs. Cr	87	74	18.1
PBT	Rs. Cr	39	21	81.4
PAT	Rs. Cr	27	15	79.0
EBITDA Margin	%	19.3%	17.7%	1.5%



JKPL - Profitability

Rs. Cr.

S.N.	Description	2013-14	2014-15	2015-16	2016-17
		12 Months	12 Months	12 Month	Q1
1	Net Sales	1,721	2,139	2,422	606
1.1	Other Operating Income	17	20	33	1
1.2	Total Income from Operations	1,738	2,159	2,455	607
2	Cost of Materials Consumed	1,079	1,295	1,293	315
2.1	(Increase)/Decrease in Stock	(58)	(25)	19	(37)
2.2	Power, Fuel & Water	200	211	214	52
2.3	Staff Costs	159	166	182	48
2.4	Purchase of Traded Goods	93	66	171	68
2.5	Other Expenditure	142	192	168	48
2.6	Total Expenses	1,614	1,904	2,049	493
3	Other Income	15	12	15	3
4	EBITDA	139	266	421	117
4	Finance Costs	122	204	198	48
5	PBDT (3 + 4 - 5)	31	63	222	69
6	Depreciation	122	114	107	30
7	PBT	(91)	(51)	115	39
8	PAT	(77)	(13)	80	27

% to Net Sales

1	Materials Cost (2 + 2.1 + 2.4)	64.7	62.5	61.3	56.9
2	Power, Fuel & Water	11.6	9.8	8.9	8.5
3	Staff Costs	9.2	7.8	7.5	8.0
4	EBITDA	8.0	12.5	17.4	19.3

Note: Current Quarter Q1 (FY 2016-17) is as per Ind AS which are effective from 1st April 2016, so not comparable to previous periods

Significant reduction in Conversion Cost post expansion at Unit JKPM



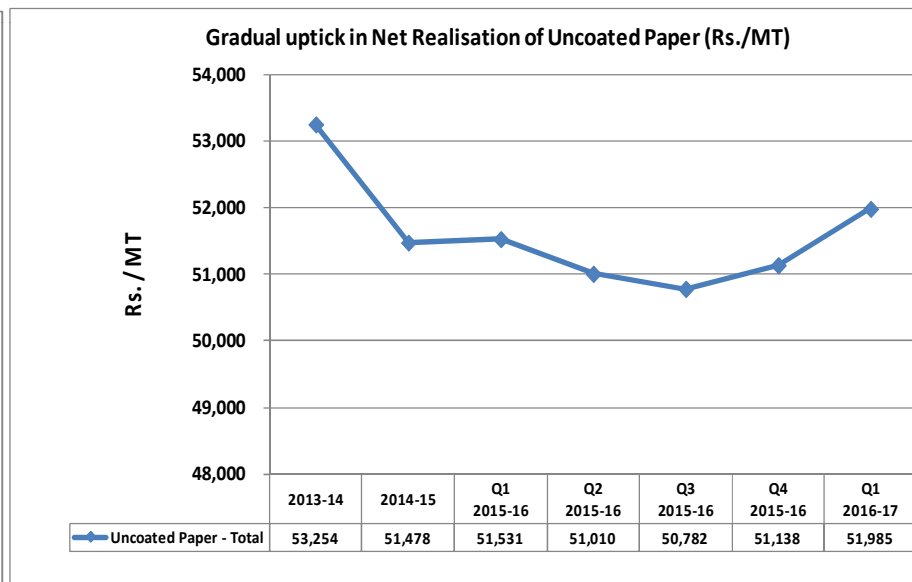
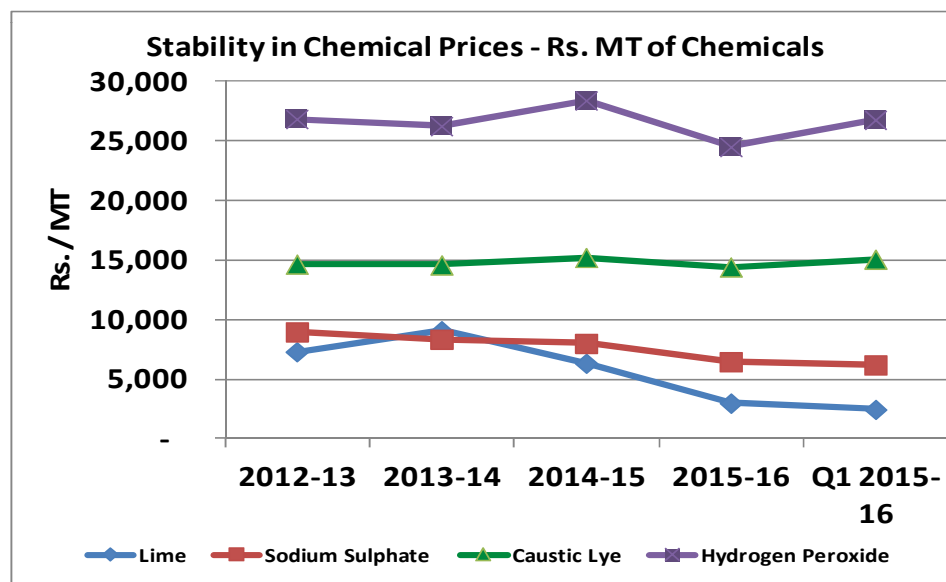
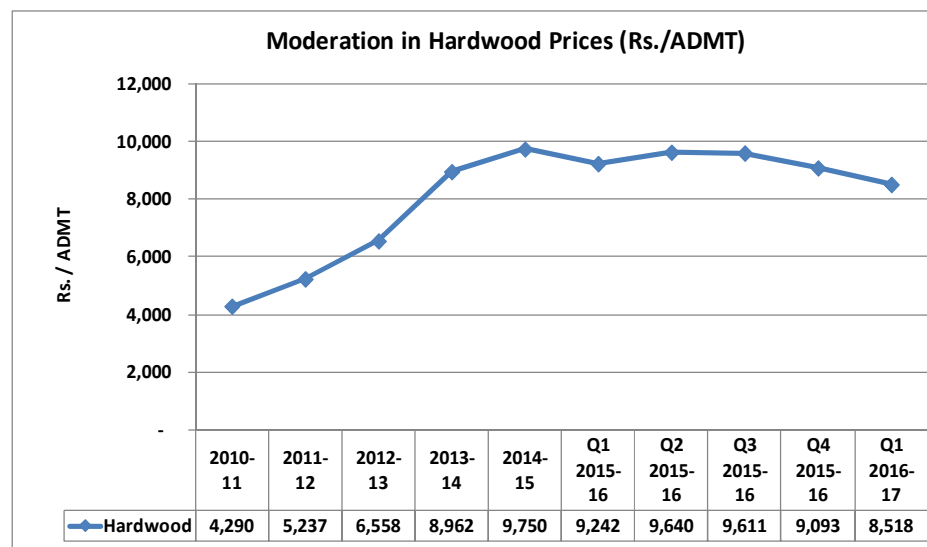
Industry Turnaround... (I)

1. **Stabilisation / Moderation in Raw Material Price**
2. **Moderation in Chemical Prices**
3. **Stability in Coal Prices**
4. **Gradual uptick started in output price after capacity absorption**
5. **Closure of Unviable Capacities**

- Closer of Capacities	Unit – 1	1,38,300 TPA
	Unit – 2	72,000 TPA (temporary closers in between)
	Unit – 3	55,000 TPA (temporary closers in between)
	Unit – 4	2,50,000 TPA (temporary closers in between)



Industry Turnaround... (II)



Source: Company Data

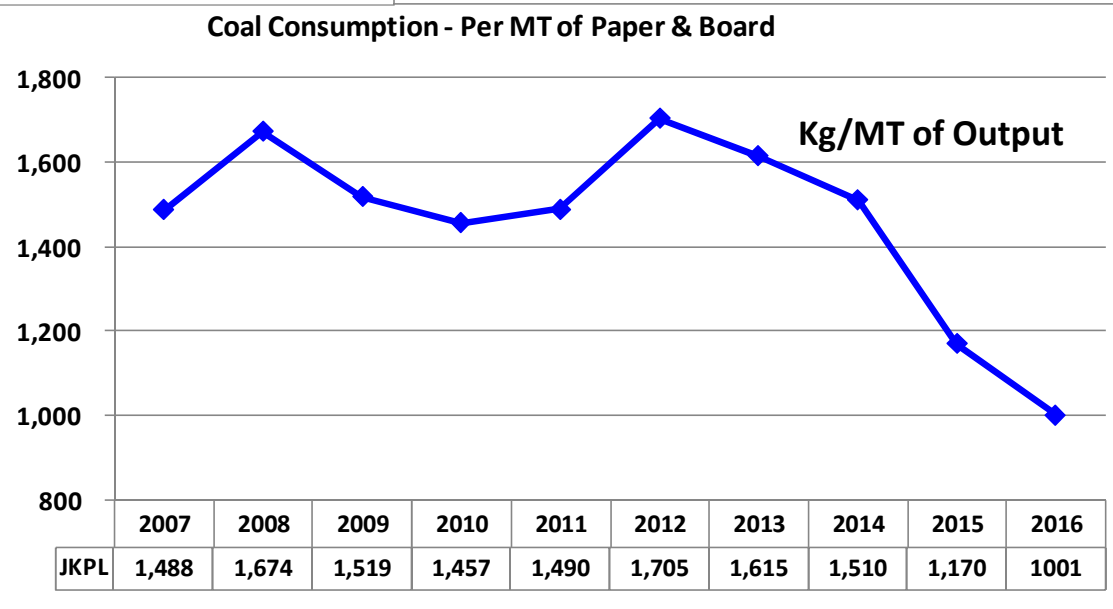
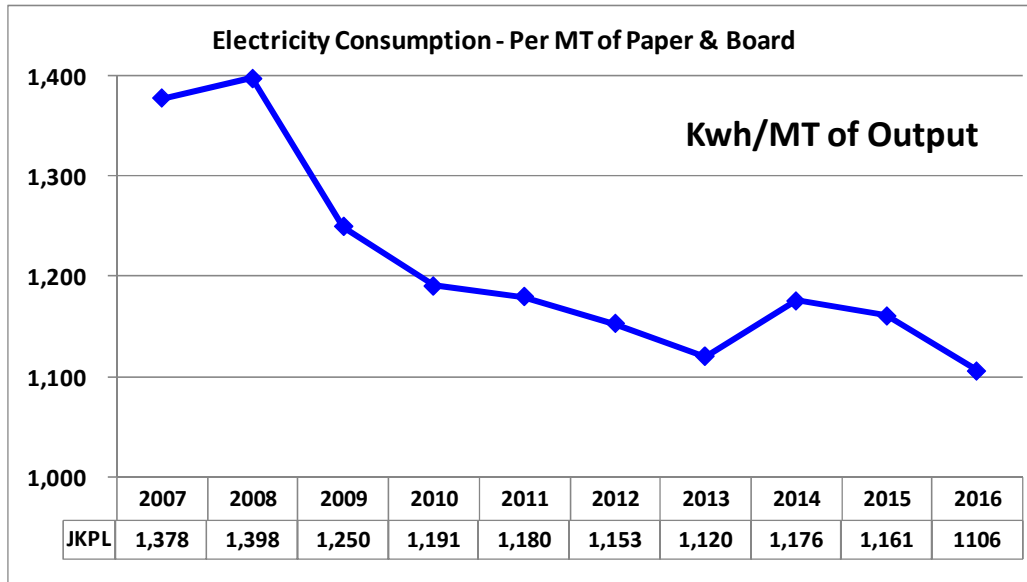


JK Paper - Performance Highlights

1. Increase in Copier Market share to 27 % in Domestic Market from 19 % in FY 2012-13
2. Exports of 48,553 MT in FY 16 compared to 12,900 MT in FY15
3. Unit : JKPM PM-6 achieved over 100% capacity utilisation (Q4 103.2 %).
4. Unit : JKPM achieved best in the class of industry Power consumption (1203 Kwh/MT), Coal Consumption (0.80 T/MT), Water Consumption (40 M3/MT) of Paper.
5. Impact of thrust on plantation :
 - I. Unit - CPM able to source 100% of its Raw Material from area within a radius of 200 K.M. Cost reduced from Rs. 8102/ADMT in 2014-15 to Rs. 7235/ADMT in 2015-16. Reduction by 10.7% (Impact of Rs 14 Cr).
 - II. At Unit - JKPM focus on plantation within 200km. During FY 14-15 & 15-16, 87% was planted within 200km (out of around 9000 Ha planted).
7. Total Plantation 17,796 Ha in FY 16 (cumulatively till FY 16 over 1.44 Lac Ha)
8. Continuous farm forestry programme has resulted becoming JK Paper a net green company i.e. it plants more trees than it uses (planted 8.13 Crore trees in FY 15-16 compared to 7.74 Cr. trees consumed)
9. Rating upgrade of two notches → BBB+ rating with positive outlook.

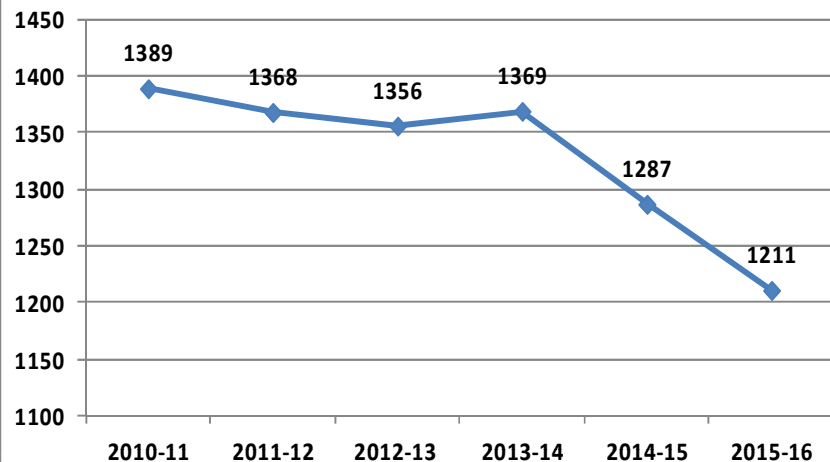


JK Paper (Total Company) Consumption – Electricity & Coal

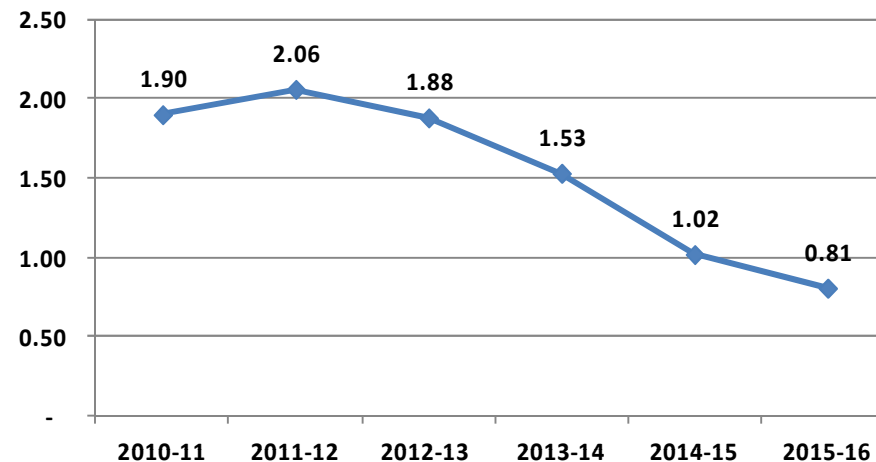


JK Paper (Unit – JKPM) Efficiency Improvements

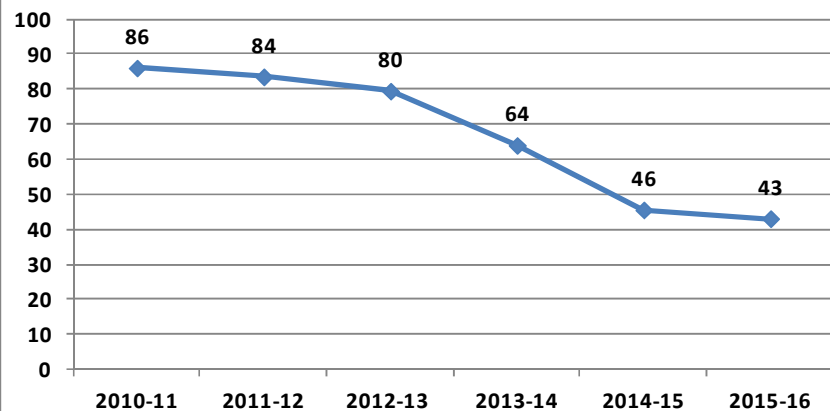
Power Kwh/T Paper



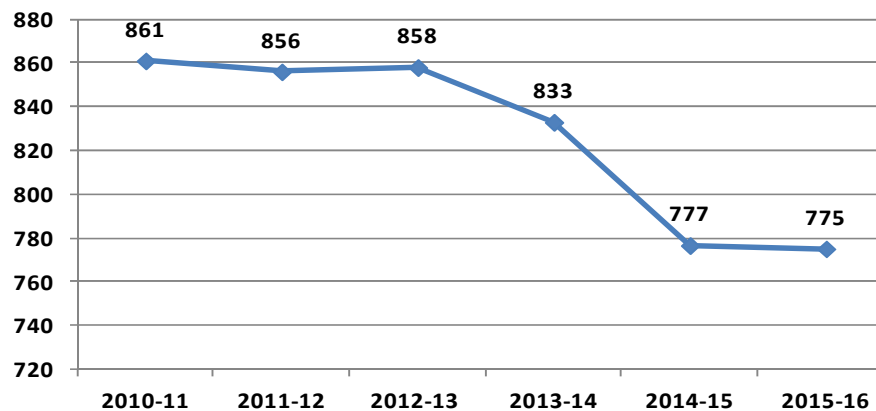
Coal T/T Paper



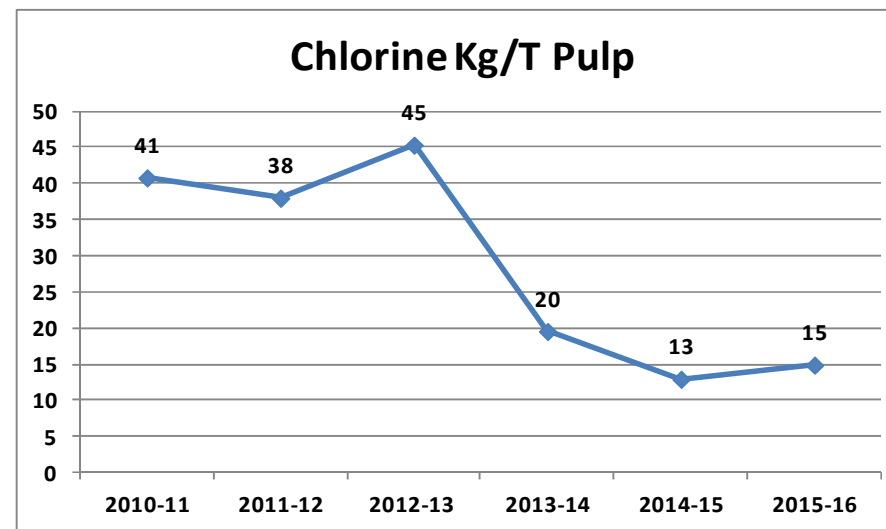
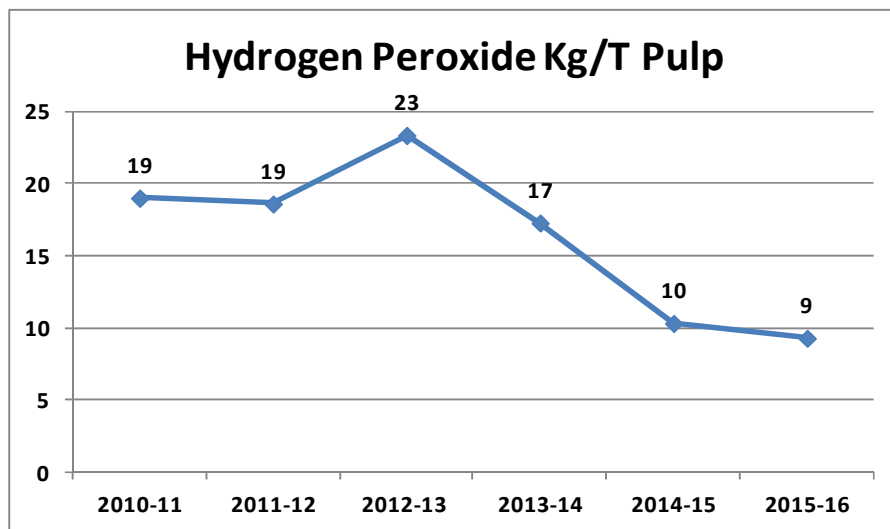
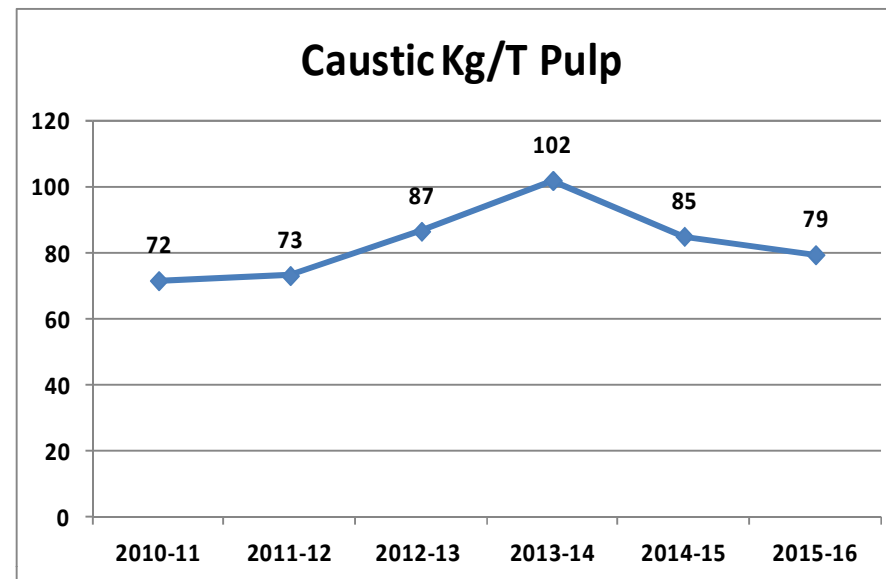
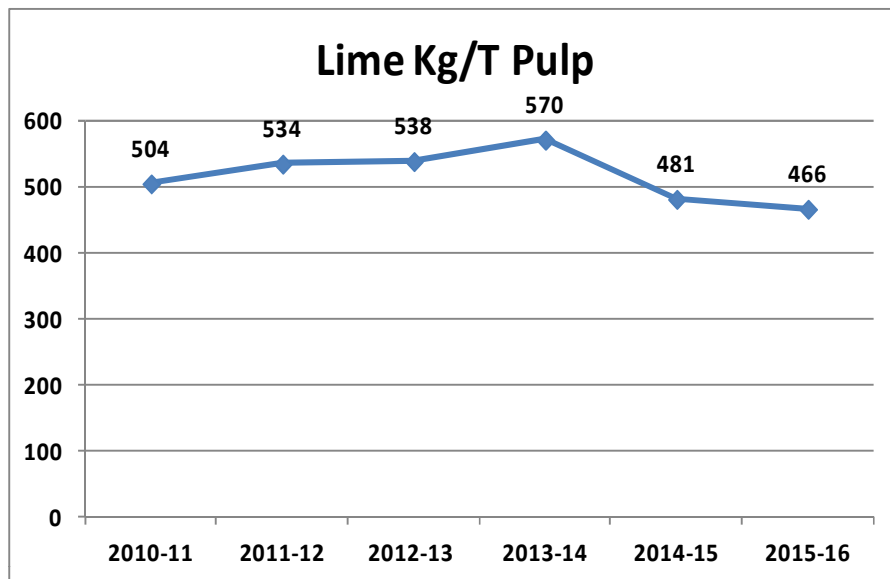
Water M3/T Paper



Furnish Kg Pulp/T paper

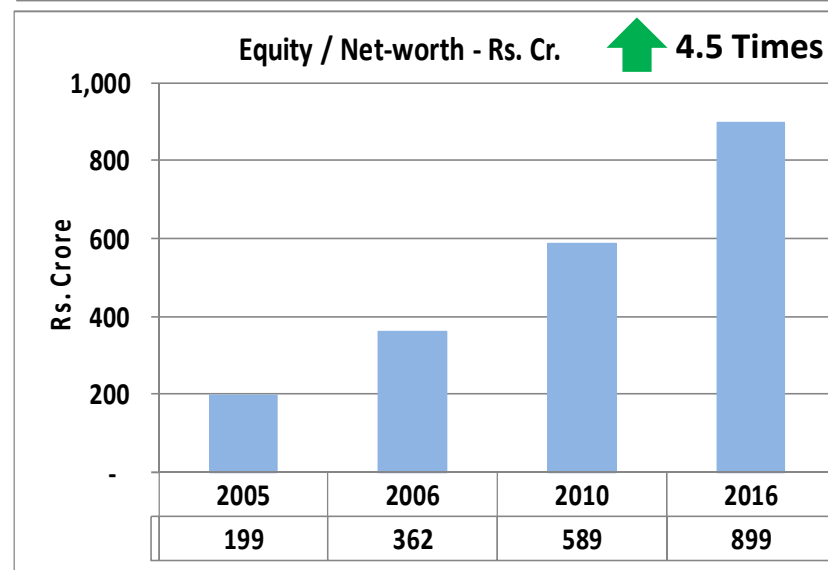
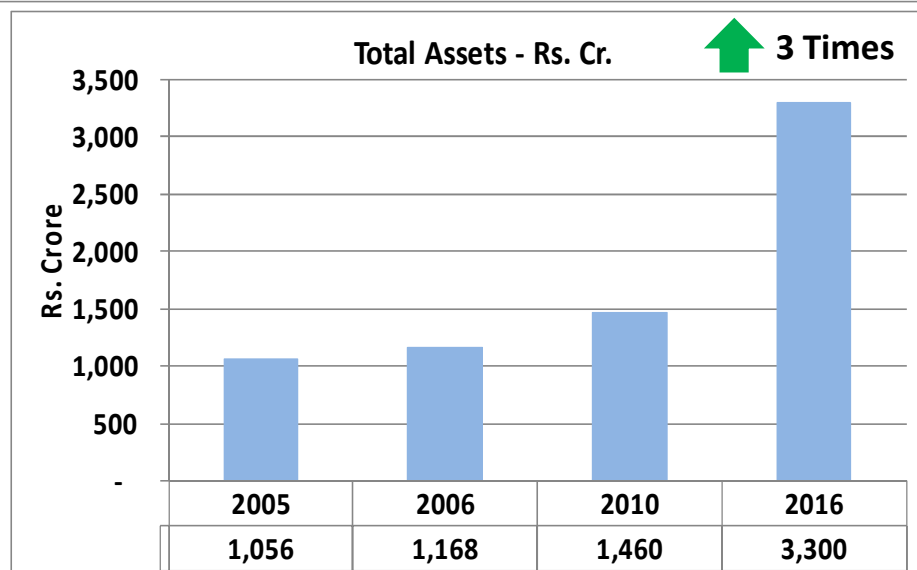
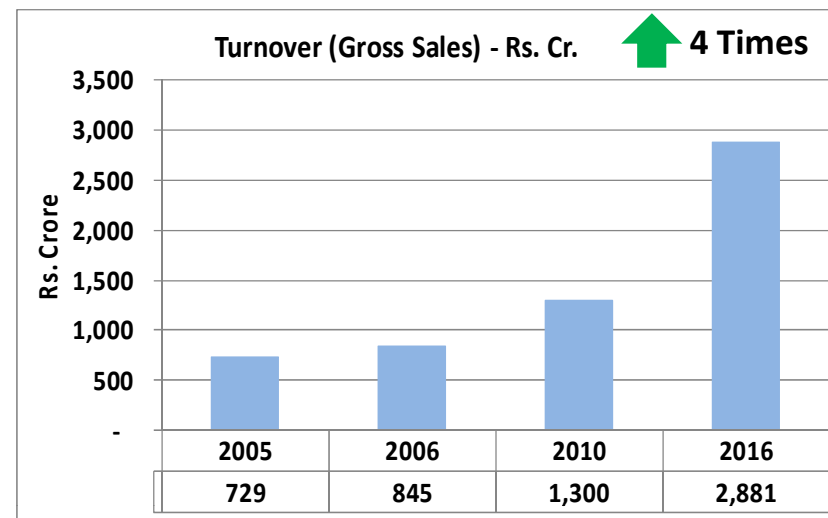
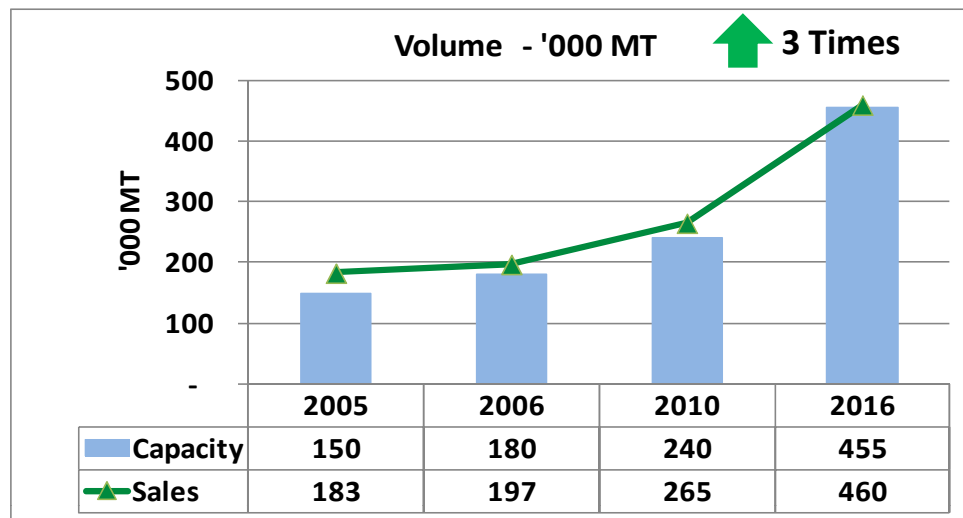


JK Paper (Unit – JKPM) Chemical Consumption – Kg /T Pulp



Quantum Jumps through continuous expansions in last one decade

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

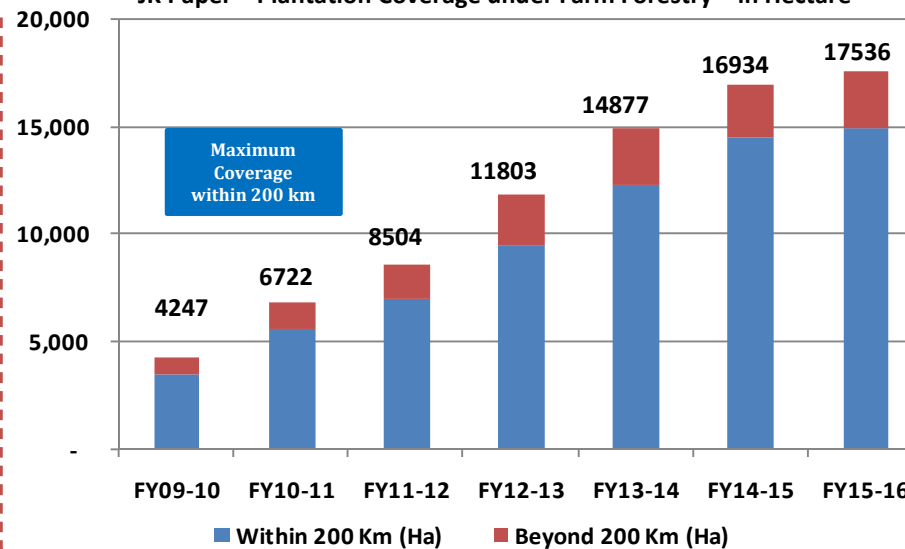
- Started in 1991-92
- 17,536 Ha area planted in 2015-16
- Overall > 1.44 Lac Ha till date



Standing Plantation near Unit CPM



JK Paper – Plantation Coverage under Farm Forestry – in Hectare



JKPL's Efforts to Reduce Cost of Raw Material

- Maximizing plantation coverage within 200 Km radius
- R&D to develop short rotation clones (2-3 years) for improvement of plantation yield and increase return to farmers
- Focus on training & development to farmers and staffs
- Monitoring of plantations for survival & growth rates
- Arrangement of loans to Farmer's or Co-operative



Financial Highlights – Profitability (In Rs. Cr.)

Sl. No.	Financial Year >>>	2012-13	2014-15	2015-16	Q1 (2016-17)
1	Quantity	In MT			
1.1	Production	2,92,582	4,13,835	4,49,918	1,17,528
1.2	Capacity Utilisation	101%	91%	98.9%	102%
1.3	Sales Volume	2,90,421	3,98,387	4,59,977	1,14,368
2	Operating Results	In Rs. Cr.			
2.1	Turnover (Gross Sales)	1,721	2,515	2,881	711
2.2	Net Sales	1,453	2,139	2,422	606
2.3	Operating Profit (EBITDA)	144	266	421	117
2.4	Cash Profit (PBDT)	95	63	222	69
2.5	Profit / (Loss) Before Tax (PBT)	37	(51)	115	39
2.6	Profit / (Loss) After Tax (PAT)	38	(13)	80	27
3	Key Ratios				
3.1	EBITDA as % to Net Sales	9.9%	12.5%	17.4%	19.3%
3.2	Equity (Net Worth) - Rs. Cr.	872	775	896	923
3.3	Return on Equity (ROE)	4.4%	-ve	8.9%	11.6%

Note: Current Quarter Q1 (FY 2016-17) is as per Ind AS which are effective from 1st April 2016, so not comparable to previous periods



Financial Highlights – Balance Sheet (In Rs. Cr.)

Year End	March 2013	March 2015	March 2016
Total Assets	2,738	2,897	2,868
Gross Block	1,516	2,996	3,099
Net block	768	2,294	2,292
CWIP	1,541	27	20
Investments	15	28	35
Net Current Assets (excl. cash)	381	530	507
Cash / Bank balance	34	17	15
Capital Employed	2,738	2,897	2,868
Equity Capital	137	137	149
Reserves	735	638	747
Net Worth	872	775	896
Borrowings	1,746	2,089	1,923
Deferred Tax Liability	120	33	49
Ratios - Times			
Total Debt / Equity	2.00	2.70	2.15
Long-term Debt / Equity	1.86	2.38	2.00
Debt to EBITDA Ratio	12.09	7.84	4.57
FACR	1.70	1.49	1.57



Disclaimer

This presentation (the “Presentation”), which has been prepared by JK Paper Ltd. (the “Company”), has been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever.

This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.

Certain matters discussed in this Presentation may contain statements regarding the Company’s market opportunity and business prospects that are individually and collectively forward looking statements. Such forward looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of various international markets, the performance of the paper industry in India and world-wide, competition, the company’s ability to successfully implement its strategy, the Company’s future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, the Company’s market preferences and its exposure to market risks, as well as other risks. Company is not responsible for any third party statements and projections used in this Presentation .

*For further information, please speak to Mr. V. Kumaraswamy, Chief Finance Officer, JK Paper Limited at 91-11-23724337.
Email: vkmr@jkmail.com*



THANK YOU

