

JKP/SH/2016

27th May 2016

Electronic Filing

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

Scrip Code No. 532162

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

Symbol : JKPAPER
Series : EQ

Dear Sir/Madam,

Re: Copy of Presentation made to Analyst/Investor 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. 26.05.2016, wherein we had intimated your exchange, in terms of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, of the Analyst/Investor Meeting of the Company to be held on 27th May 2016 at Mumbai, enclosed please find herewith a copy of the Presentation made at the said Analyst/Investor 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)
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

27th May 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	3,891
Revenue	2,568

Agri Genetics



	Rs. Cr.
Mkt Cap	142
Revenue	207

Dairy Products



	Rs. Cr.
Mkt Cap	147
Revenue *	966

* incl. LVP Foods

Education



Paper



JK PAPER LTD.

Creating lasting impressions

	Rs. Cr.
Mkt Cap	762
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	1,841
Revenue	7,987

V-Belts- Oil Seals & Power Transmission Systems



	Rs. Cr.
Revenue	634

Clinical Research



Mkt Cap is as of 6th May, 2016



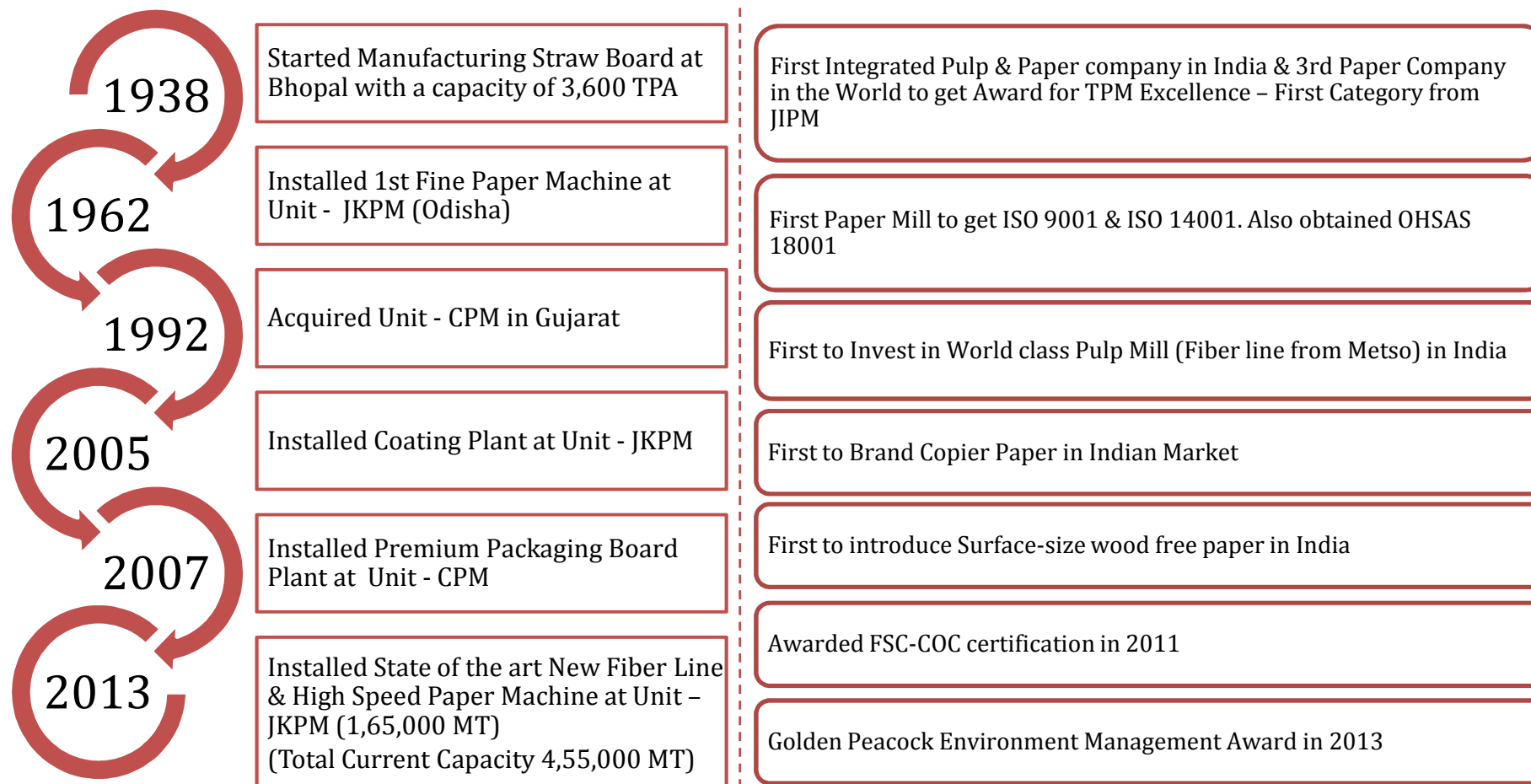
JK PAPERCreating Lasting Impressions

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



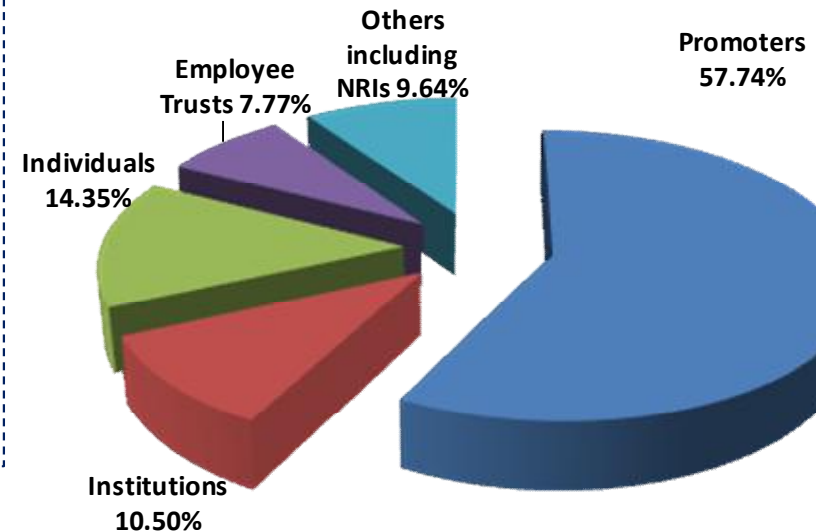
Proparco

GRUPE AGENCE FRANÇAISE DE DÉVELOPPEMENT

KFW DEG

Shareholding Pattern

As on 31st March 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



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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

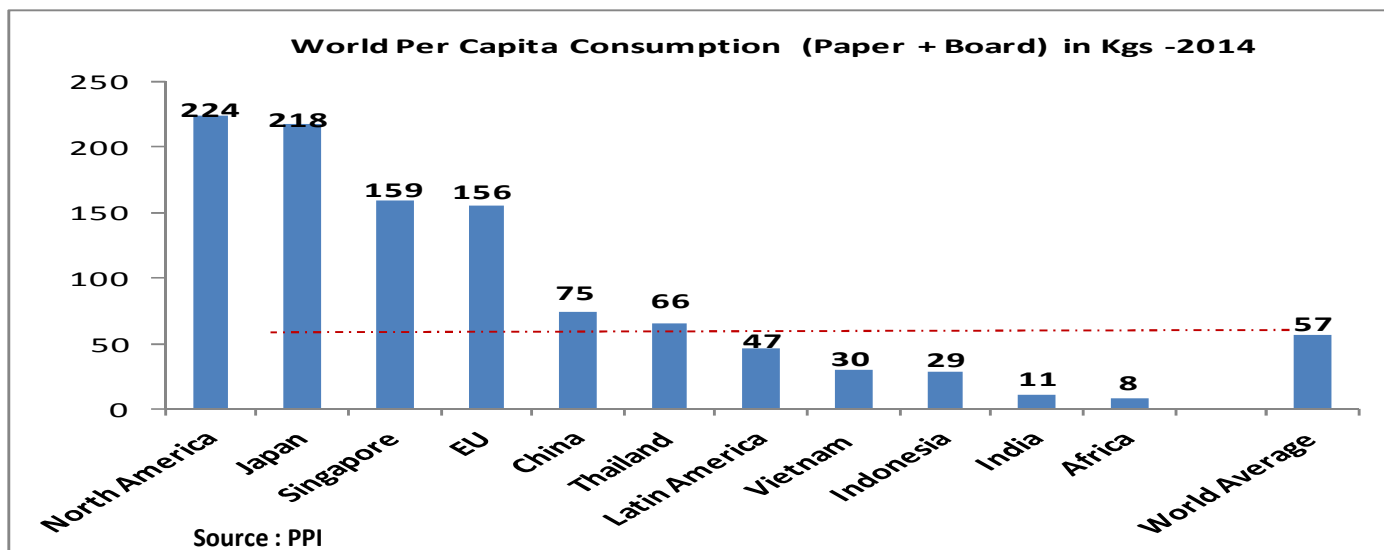
Pulp (tpa)	215,000
Paper (tpa)	291,000

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%
		1	2	last 4 yrs	4	5	last 5 yrs	7	4 Years
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



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Slide No.7



Indian Paper Market & Product Category (Lac MT)

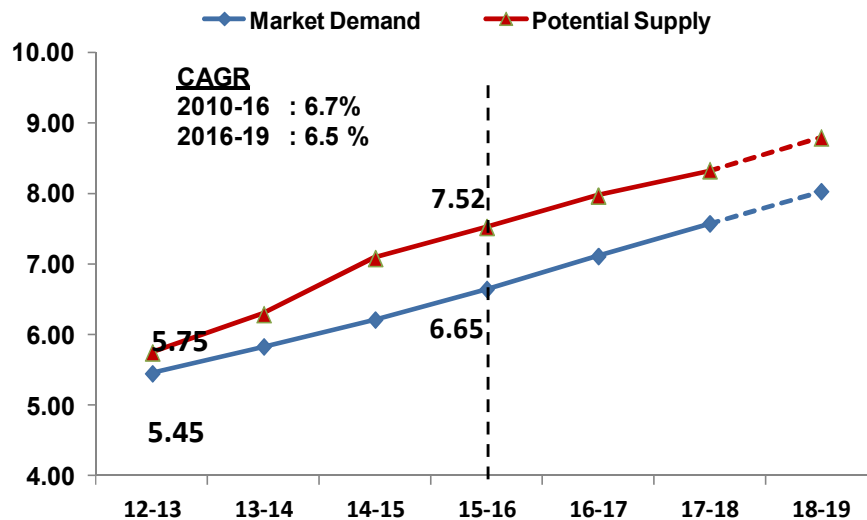
	Category	Market Size (in Lac MT)		Share of Total (14-15)	CAGR (5 Years) 2010-11 Base year	CAGR (14-15 to 18-19) Industry
		14-15	18-19			
	1	2	3	4	5	6
1.0	Writing & Printing Paper	45.0	56.7	31%	5.8%	5.9%
1.1	Creamwove/Maplitho (Low Bright)	18.2	21.5	12%	4.3%	4.2%
1.2	Maplitho (High Bright)	13.7	18.1	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

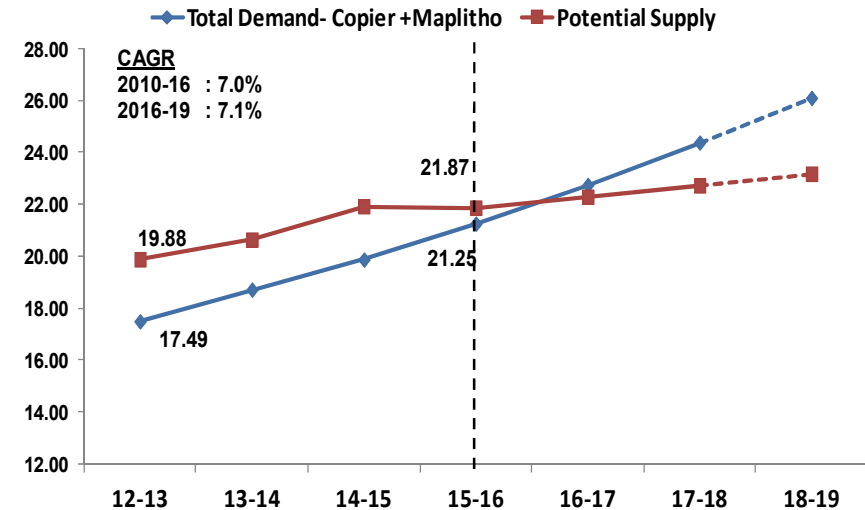


Demand / Supply

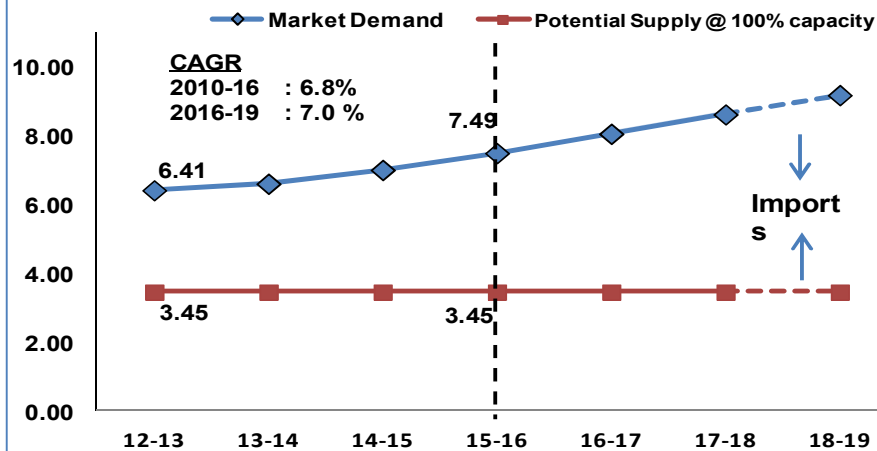
Copier Paper - Lac MT



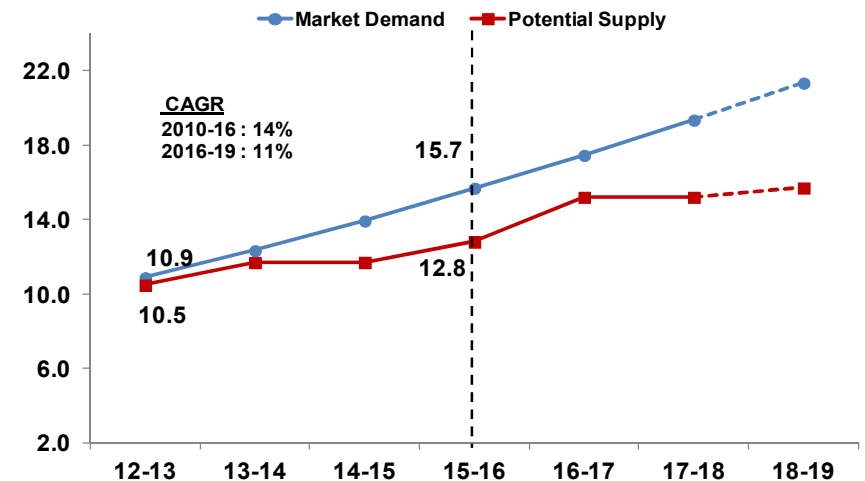
Uncoated Paper (Maplitho + Copier) - Lac MT



Coated Paper - Lac MT



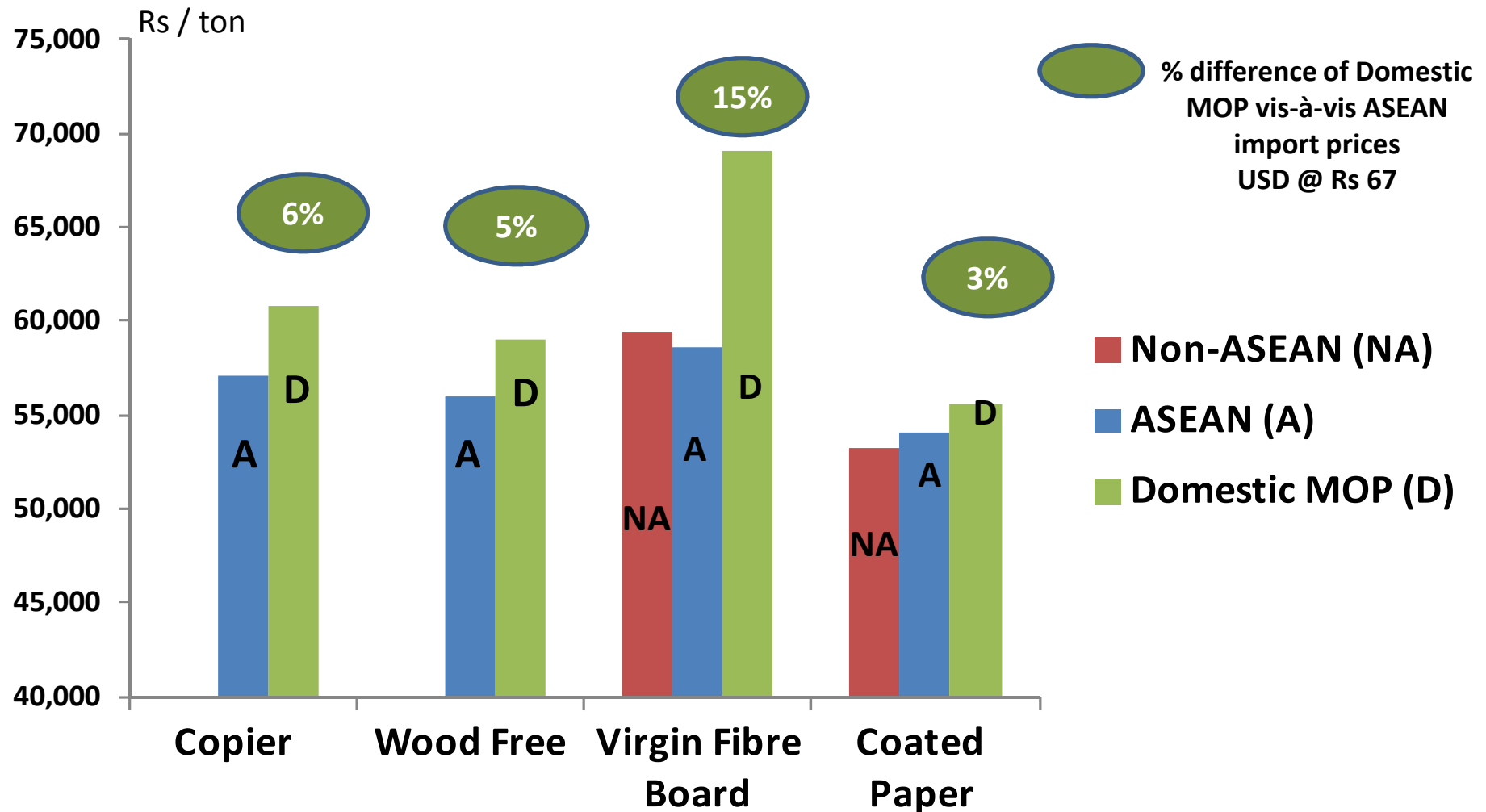
Virgin Fibre + High End Duplex Board - Lac MT



Source: Company Estimates



FTA with ASEAN - Import Price Parity



Source: Company Estimates



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Slide No.10



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



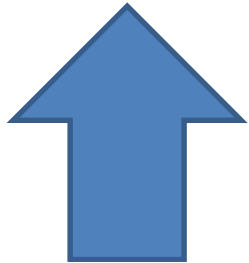
Robotic Palletizer



Performance Highlights – Q4 FY 2015-16

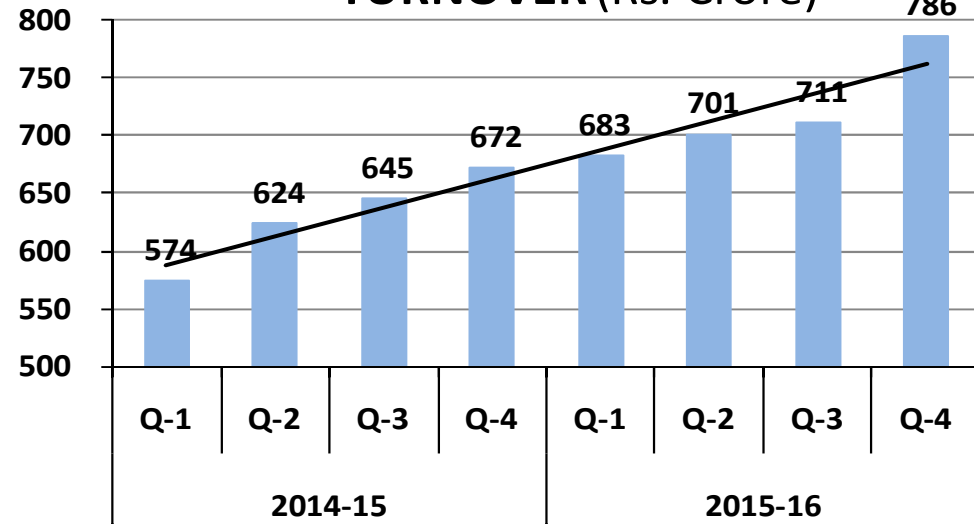
Turnover

UP BY
17%*



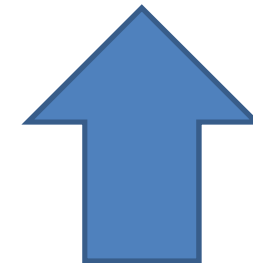
* Over corresponding quarter last year

TURNOVER (Rs. Crore)

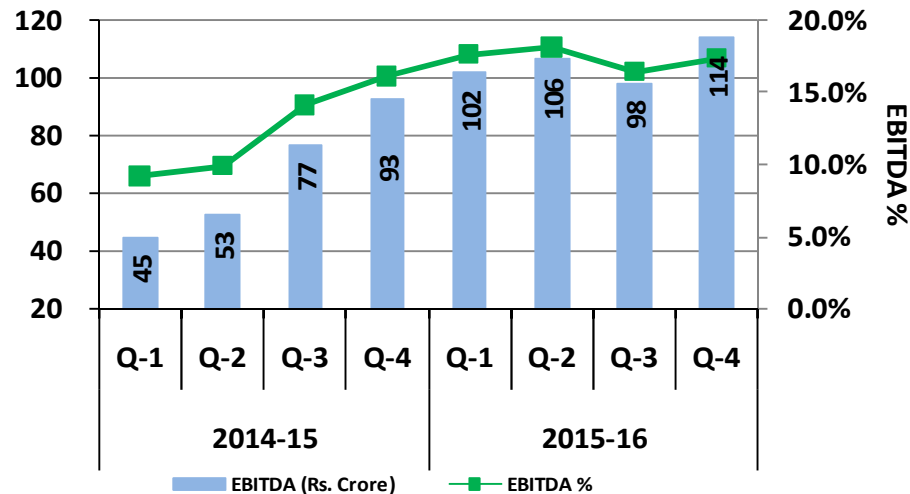


EBITDA

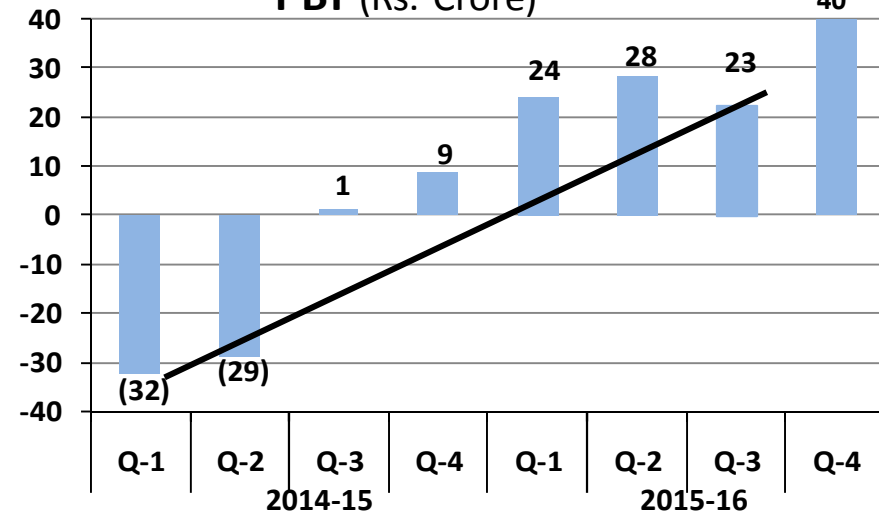
UP BY
23%*



EBITDA (Rs. Crore)



PBT (Rs. Crore)



JK Paper - Key Financials for Q4 & 12 Months (2015-16 vs 2014-15) Rs. Cr.

	Unit	4th Quarter		12 Months		% Growth	
		2015-16	2014-15	2015-16	2014-15	Q4	12 M
Sales Volume	MT	1,26,236	1,07,147	4,59,977	3,98,387	17.8	15.5
Uncoated Paper	MT	80,812	71,922	2,91,138	2,51,239	12.4	15.9
Coated Paper	MT	23,178	13,955	80,061	59,348	66.1	34.9
Virgin Fibre Board	MT	22,246	21,270	88,778	87,800	4.6	1.1
Gross Sales	Rs. Cr	786	672	2,881	2,515	17.1	14.6
Net Sales	Rs. Cr	658	575	2,422	2,139	14.4	13.2
EBITDA	Rs. Cr	114	93	421	266	23	58
EBIT	Rs. Cr	87	64	314	153	37	105
PBT	Rs. Cr	40	9	115	(51)		
PAT	Rs. Cr	27	18	80	(13)		
EBITDA Margin	%	17.3%	16.1%	17.4%	12.5%	1.2%	4.9%



Profitability in last 3 years (Total Company)

Rs. Cr.

S.N.	Description	2013-14	2014-15	2015-16				
		12 Months	12 Months	Q1	Q2	Q3	Q4	12 Month
1	Net Sales	1,721	2,139	579	589	597	658	2,422
1.1	Other Operating Income	17	20	7	9	7	10	33
1.2	Total Income from Operations	1,738	2,159	585	597	604	668	2,455
2	Cost of Materials Consumed	1,079	1,295	320	339	308	326	1,293
2.1	(Increase)/Decrease in Stock	(58)	(25)	(4)	(19)	19	22	19
2.2	Power, Fuel & Water	200	211	55	54	51	54	214
2.3	Staff Costs	159	166	42	45	43	53	182
2.4	Purchase of Traded Goods	93	66	32	38	50	51	171
2.5	Other Expenditure	142	192	40	39	37	52	168
2.6	Total Expenses	1,614	1,904	485	496	509	558	2,049
3	Other Income	15	12	2	5	3	4	15
4	EBITDA	139	266	102	106	98	114	421
4	Finance Costs	122	204	51	51	48	47	198
5	PBDT (3 + 4 - 5)	31	63	51	55	50	67	222
6	Depreciation	122	114	27	27	27	27	107
6	PBT	(91)	(51)	24	28	23	40	115
7	PAT	(77)	(13)	17	20	16	27	80

% to Net Sales

1	Materials Consumed (2 + 2.1)	59.3	60.6	54.6	54.4	54.9	53.0	54.2
2	Power, Fuel & Water	11.6	9.8	9.5	9.2	8.6	8.3	8.9
3	Staff Costs	9.2	7.8	7.2	7.6	7.2	8.0	7.5
4	EBITDA	8.0	12.5	17.7	18.1	16.4	17.3	17.4

Significant reduction in Conversion Cost post expansion at Unit JKPM



Industry Turnaround... (I)

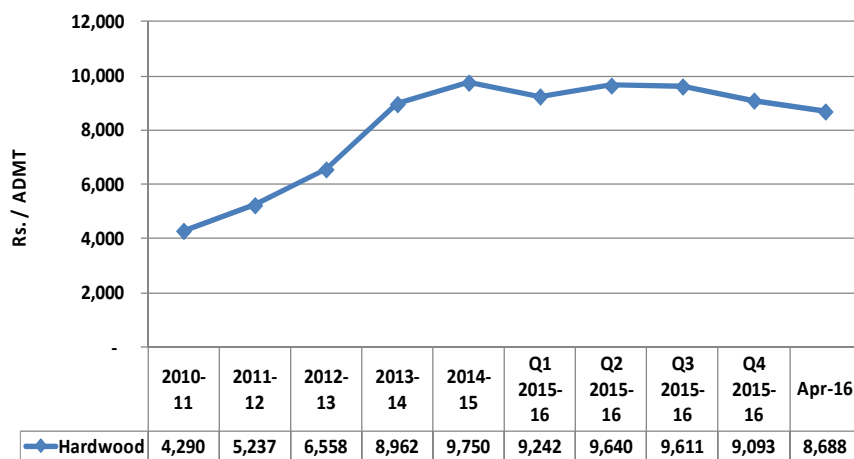
1. **Stabilisation / Moderation in Raw Material Price**
2. **Moderation in Chemical Prices**
3. **Stability in Coal Prices**
4. **Gradual uptick started in output price after capacity absorption**
5. **Closure of Unviable Capacities**

- 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)

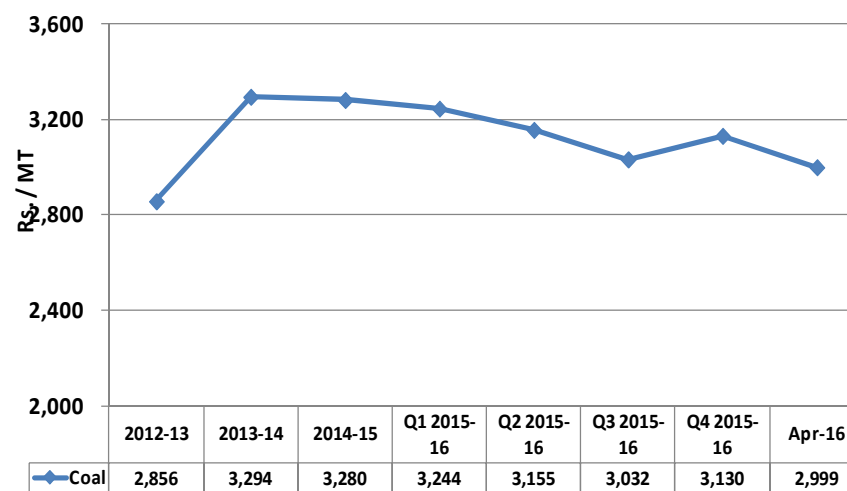


Industry Turnaround... (II)

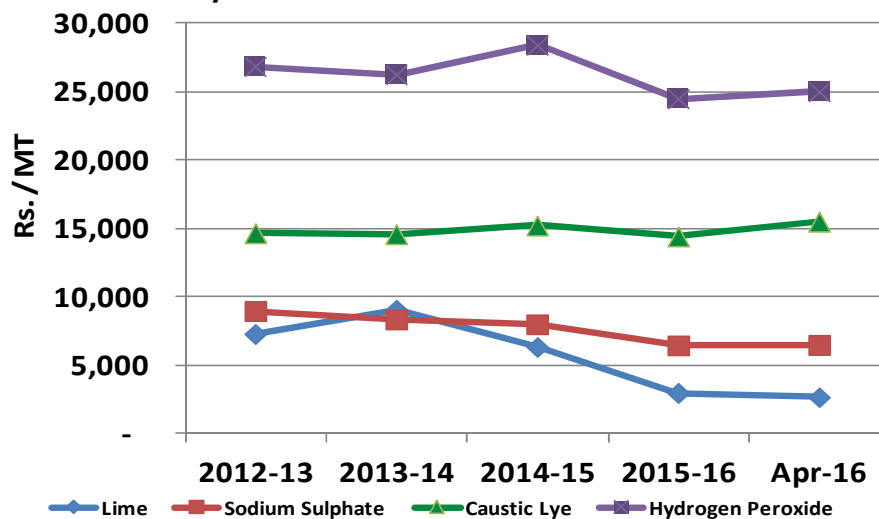
Moderation in Hardwood Prices (Rs./ADMT)



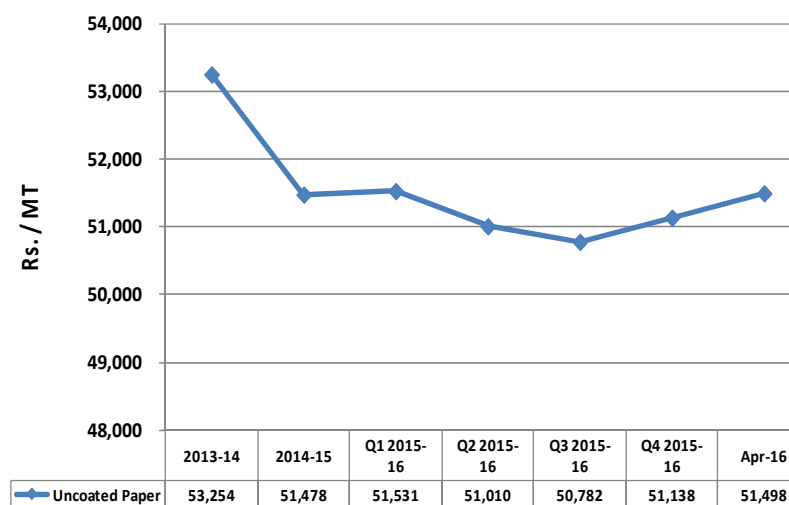
Stability in Coal Price (Rs./MT)



Stability in Chemical Prices - Rs. MT of Chemicals



Gradual uptick in Net Realisation of Uncoated Paper (Rs./MT)



Source: Company Data



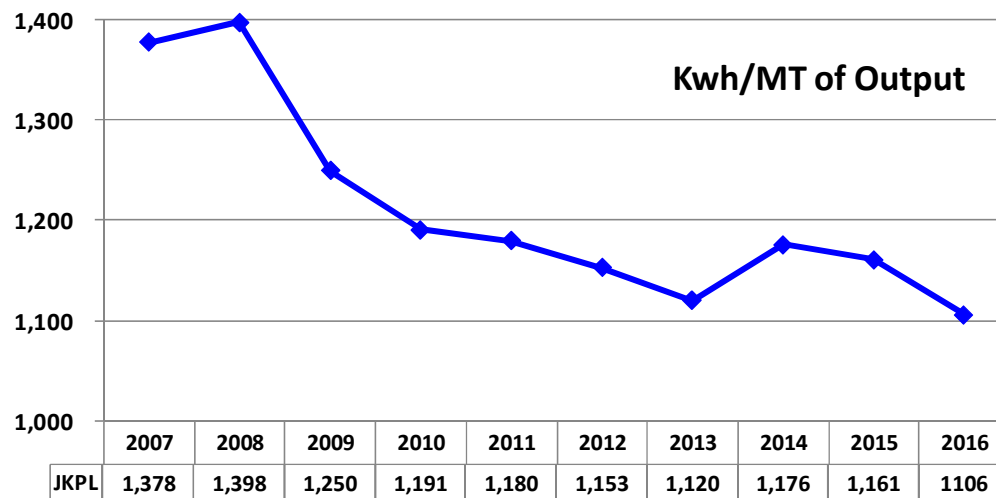
JK Paper Turnaround in FY 2015-16

1. Highest ever Production of 4.48 Lac MT during 15-16 (4.14 Lac MT, 14-15)
2. Increase in Copier Market share to 27 % in Domestic Market from 19 % in FY 2012-13
3. Exports of 48,553 MT in FY 16 compared to 12,900 MT in FY15
4. Unit : JKPM PM-6 achieved over 100% capacity utilisation (Q4 103.2 %).
5. 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.
6. Impact of thrust on plantation :
 - I. 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 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 (8.13 Crore trees on annual basis)
9. Rating upgrade of two notches → BBB+ rating with positive outlook from two rating agencies.

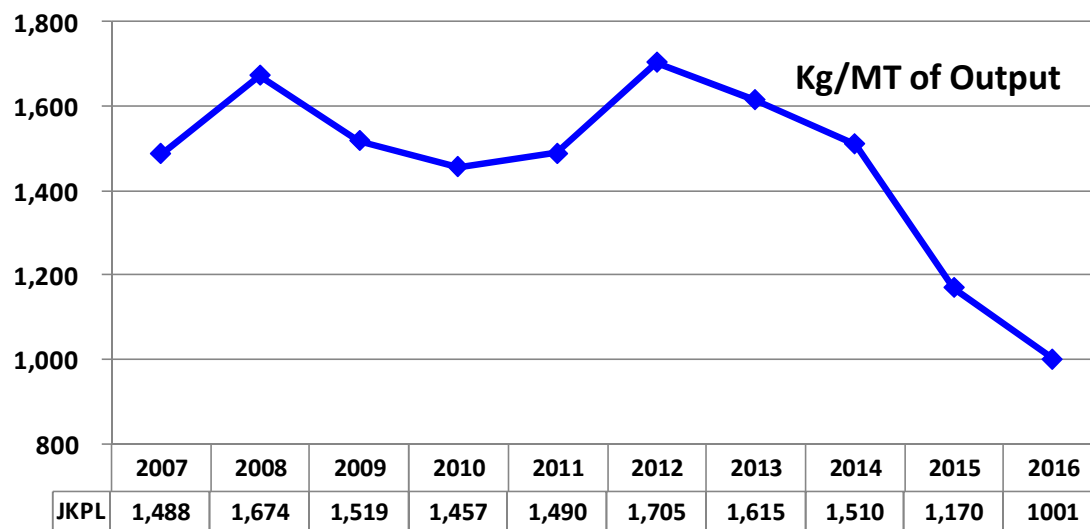


JK Paper (Total Company) Consumption – Electricity & Coal

Electricity Consumption - Per MT of Paper & Board

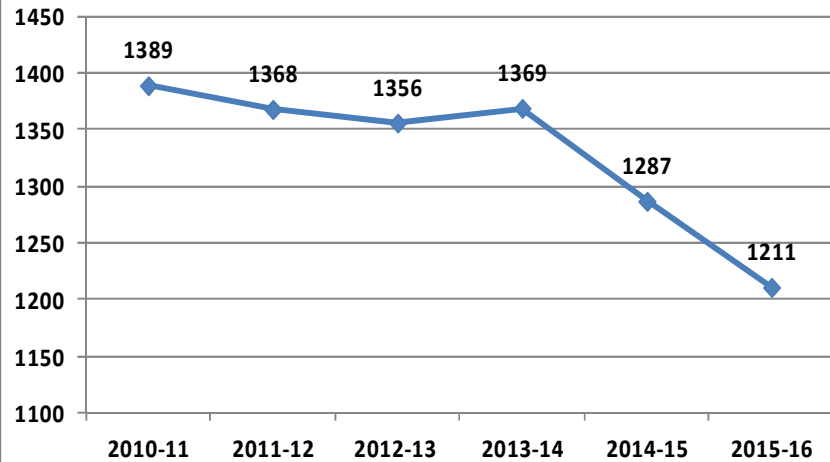


Coal Consumption - Per MT of Paper & Board

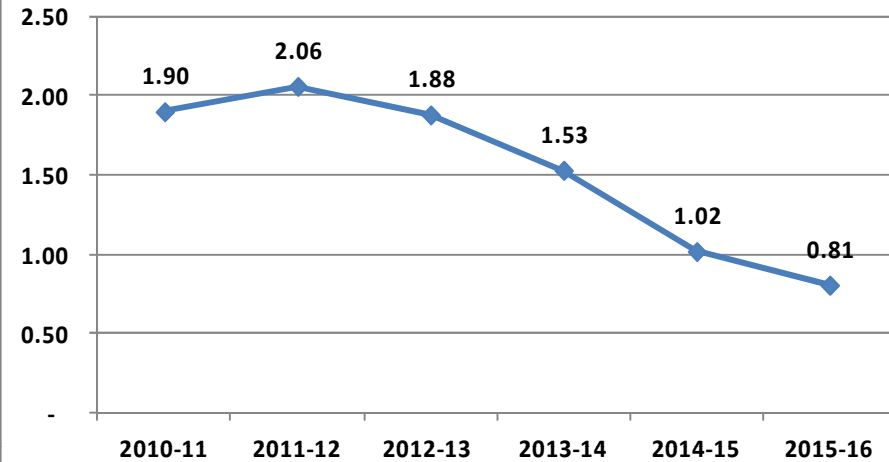


JK Paper (Unit – JKPM) Consumption –Utilities & Furnish /T Paper

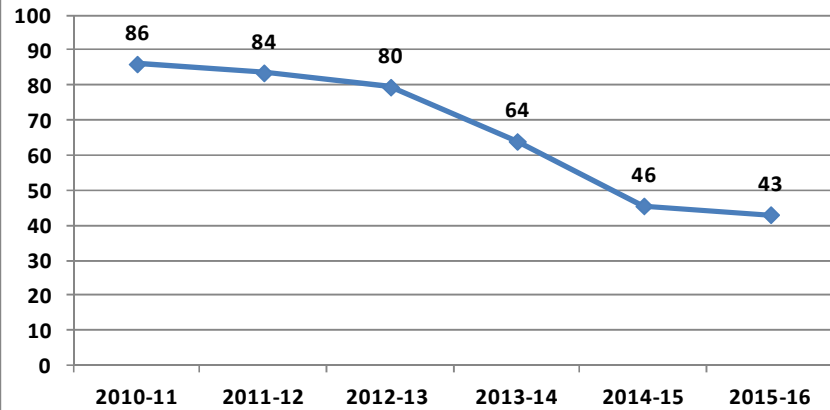
Power Kwh/T Paper



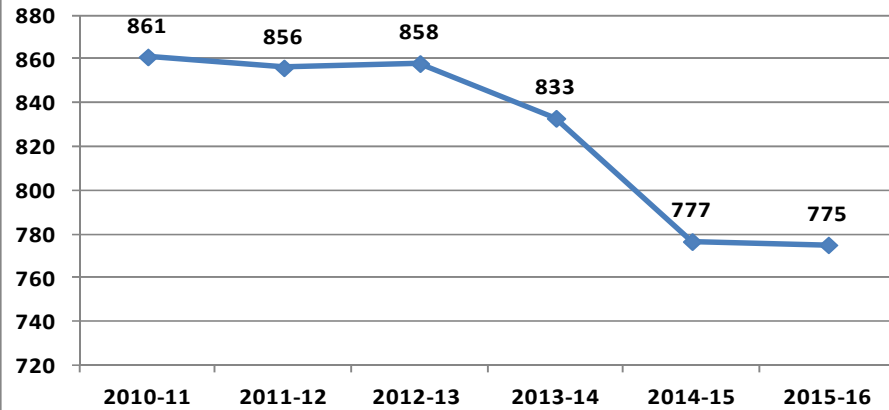
Coal T/T Paper



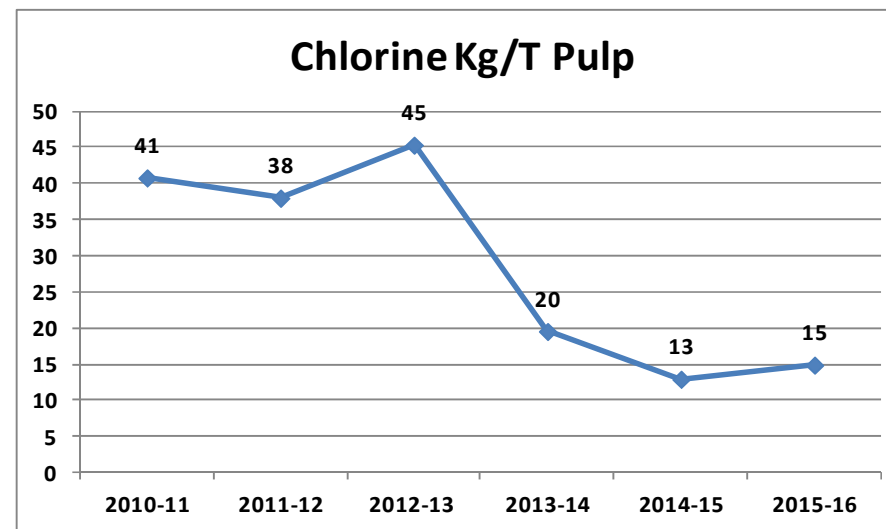
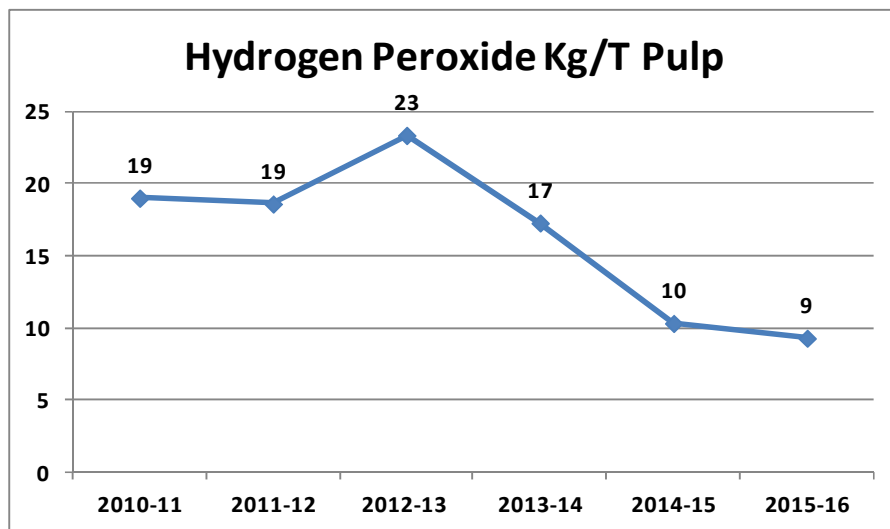
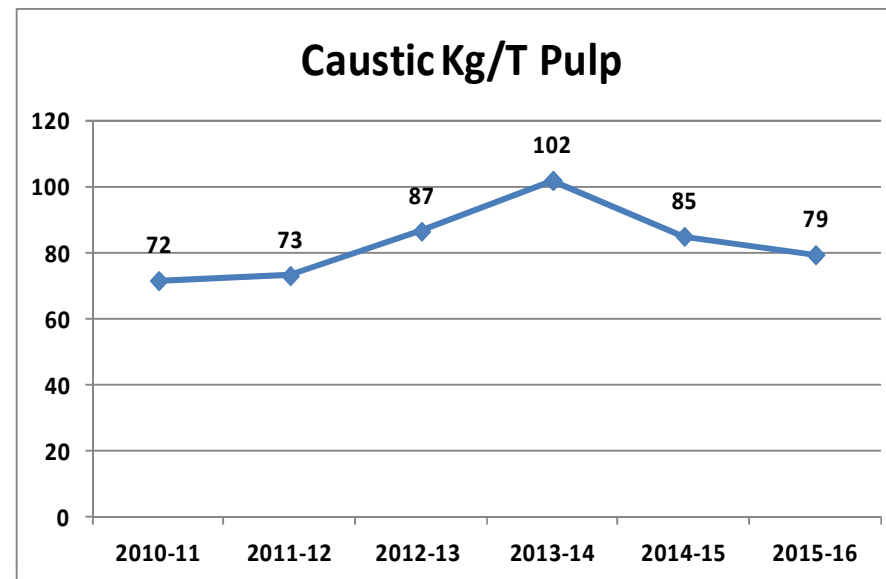
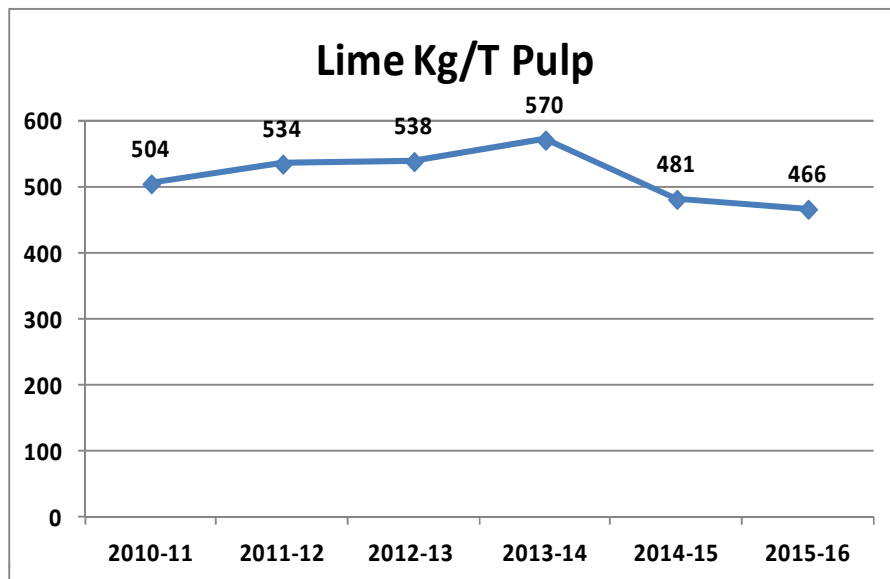
Water M3/T Paper



Furnish Kg Pulp/T paper

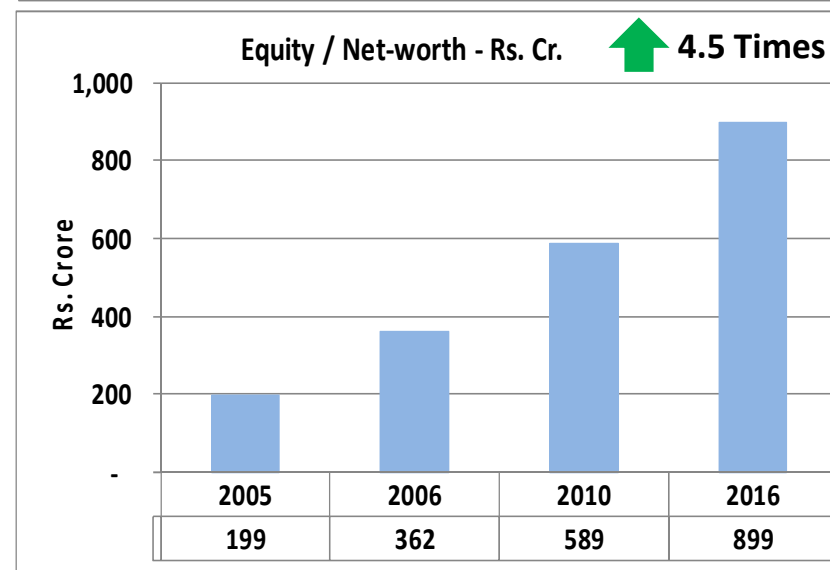
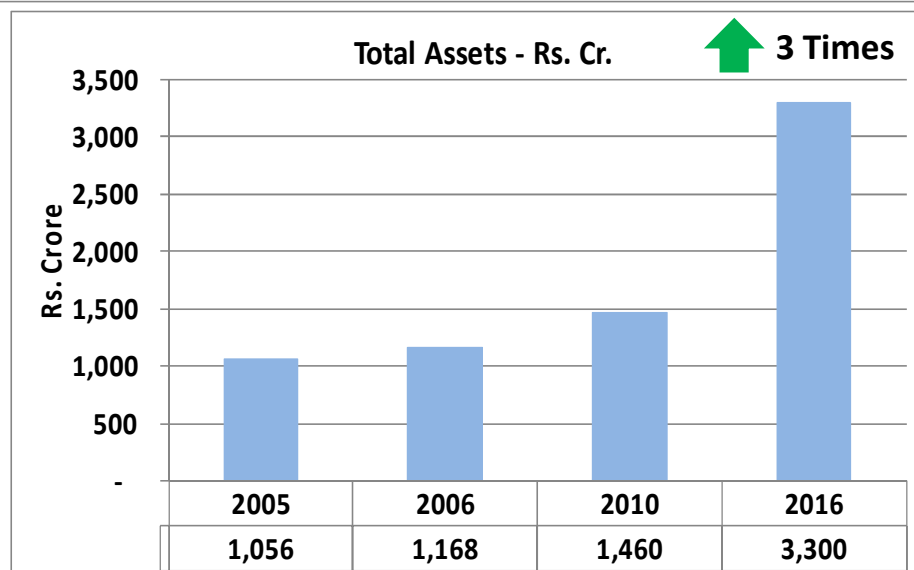
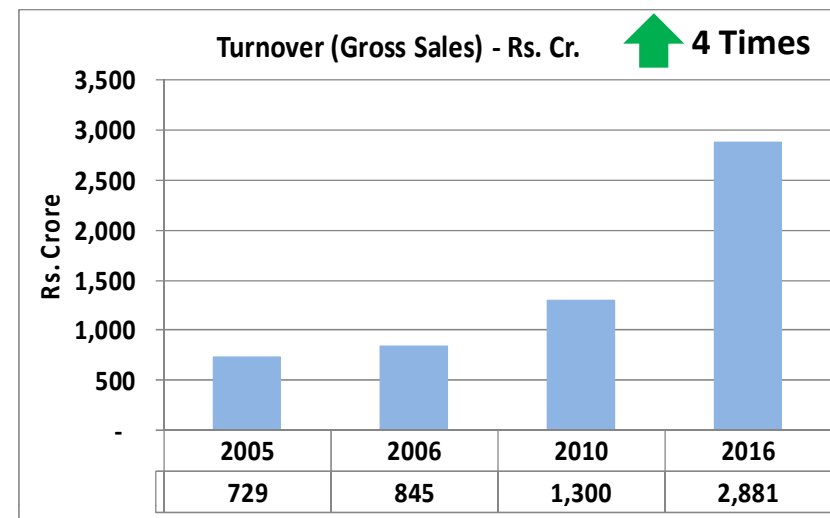
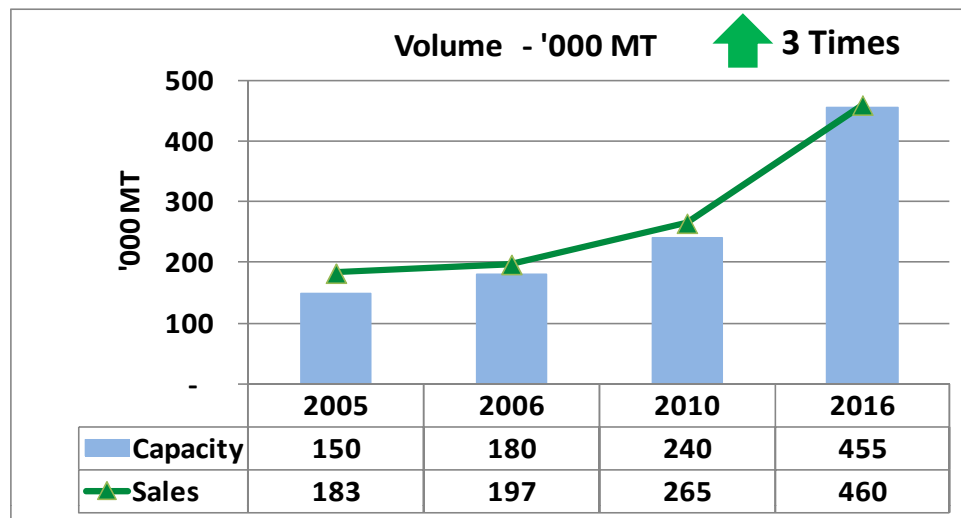


JK Paper (Unit – JKPM) Chemical Consumption – Kg /T Pulp



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

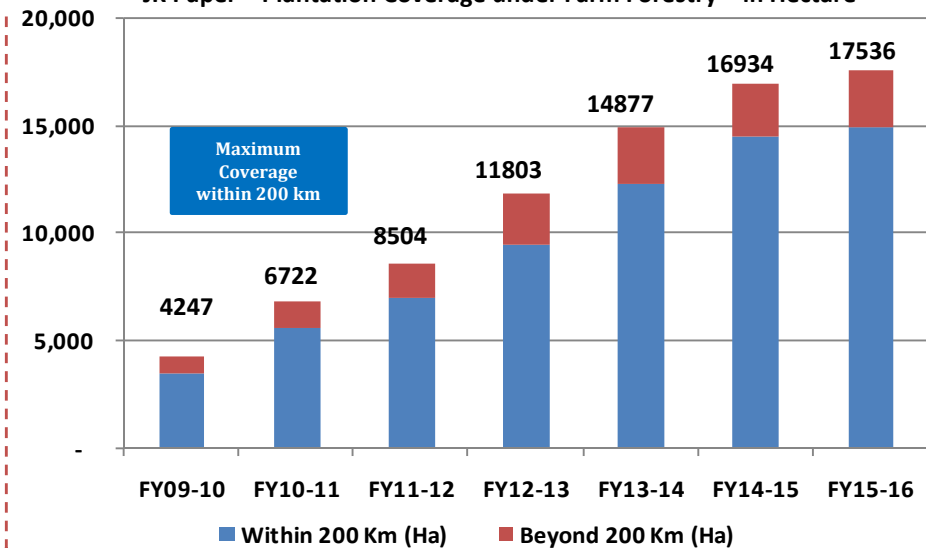
- Started in 1991-92
- 17,536 Ha area planted in 2015-16
- Overall > 1.44 Lac Ha till date



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
1	Quantity	In MT		
1.1	Production	2,92,582	4,13,835	4,49,918
1.2	Capacity Utilisation	101%	91%	98.9%
1.3	Sales Volume	2,90,421	3,98,387	4,59,977
2	Operating Results	In Rs. Cr.		
2.1	Turnover (Gross Sales)	1,721	2,515	2,881
2.2	Net Sales	1,453	2,139	2,422
2.3	Operating Profit (EBITDA)	144	266	421
2.4	Cash Profit (PBDT)	95	63	222
2.5	Profit / (Loss) Before Tax (PBT)	37	(51)	115
2.6	Profit / (Loss) After Tax (PAT)	38	(13)	80
3	Key Ratios			
3.1	EBITDA as % to Net Sales	9.9%	12.5%	17.4%
3.2	Equity (Net Worth) - Rs. Cr.	872	775	896
3.3	Return on Equity (ROE)	4.4%	-ve	8.9%



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



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