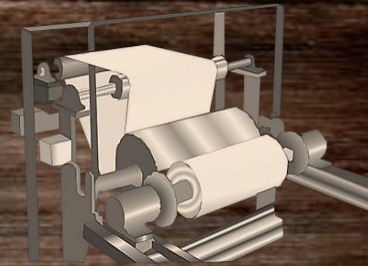


Genus Paper & Boards Ltd

Investor Presentation
June 2018



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**One of the Leading
Manufacturers of Kraft
Paper in India**

**Dominant Player in
North India**

**Preferred Vendor
for Large FMCG Clients**

**Preferred Supplier for
Corrugated Box
Manufacturers**

**Reusing & Redefining
Waste Paper**



1996

**Incorporated as
'DSM Papers
Limited'**

2002

**Name changed
to Kailash Paper
Products Limited**

2006

**Name changed to
Genus Paper
Products Limited**

2011

**Approval for the
Demerger of Non
Power Infrastructure
Business**

2013

**Post the scheme of
Arrangement, Genus
Paper & Boards Limited
was formed as a public
limited company and
listed on the NSE & BSE**

2015

**Enhance Production
capacity from
100,000 to 140,000
MTPA**

2018

**Leased
Manufacturing
plant in Kashipur
with a capacity of
75,000 MTPA**

Mr. Ishwar Chand Agarwal,

Non Executive Director

Ventured into business at early age and now has more than four decades of rich experience in diverse businesses of Power, Electronics, Coke, Coal, Sugar, Finance, Leasing, Cement, Paper, Agro processing etc

He is the founder of progressive and reputed Kailash Group. He is the driving force behind the success achieved by the Group. He is an active philanthropist and is involved in various social welfare activities

Mr. Kailash Chandra Agarwal,

MD

He has rich experience of around two decades in the business of power infrastructure, electronics, paper products, iron ingots, coal, coke, sugar, cement and apparels

He has vast experience and proficiency in strategic and organizational planning, global tax structure, risk management, creating long-term sustainable shareholder value through proactive investor relation, budgeting, corporate finance and accounting

Mr. Bhairon Singh Solanki,

Non Executive Director

B.E. (Hons.) from BITS, Pilani and M.Sc. (Engg.) from Cranfield Institute of Technology, Cranfield, Bedfordshire, England

He looks after the formulation and implementation of company's policies of technology up-gradation and development, corporate governance, social responsibility, and auditing etc.

Mr. Rameshwar Pareek,

Non Executive Director

He has extensive experience of more than 36 years in implementation of Government policies and their governance. He has worked as Senior Executive of Rajasthan Financial Corporation, Jaipur and also served on deputation to Bureau of Industrial Promotion (BIP), Jaipur

He has vast industrial exposure and in-depth knowledge of trade policies and their implications. He has also considerable experience and immense knowledge in varied fields like finance, accounting, auditing, corporate affairs and allied legal and taxation matters

Experienced Board of Directors

Mr. Surya Prakash Sinha, Executive Wholtime Director

He has been in the employment of the Company since its inception

He has a vast experience of 40 years in the field of human resources and administration and currently serving as Director in Human Resources

Mr. Udit Agarwal, Non Executive Director

He belongs to a reputed business house 'Saran Group' and has over one and a half decade experience in the development and exports of handicraft items

He is a young and energetic businessman with strong ability to provide insightful analysis and recommendations

Mrs. Anu Sharma, Non Executive Director

She has a rich experience of insurance business management and worked as an insurance consultant in the reputed insurance company Max Bupa Life Insurance

Mr. Himanshu Agarwal, Executive Wholtime Director

He has started his carrier by joining Genus Paper in the year 2004 and has been involved in family business for over 12 years

He has gained extensive experience in the Paper Industry Sector and has developed understanding of risk management, efficient processes and operational excellence

Mr. Rajendra Aggarwal, Non Executive Director

He is having a vast experience in the field of business management

He is a non executive Independent director on the Board of Company

Mr. Yash Todi, Additional Non Executive Director

Before Genus, he was working as an Operations Analyst at Goldman Sachs & Co. and has played a pivotal role in driving the operational functions of the organization

He looks after the formulation and implementation of Co's operational policies

Mr Kailash Agarwal
MD

Mr Sanjay Agarwal
Chief Financial Officer

Mr Jitender Singh
Head- Technical

Mr O D Sharma
Head- Projects

Mr G C Kothari
Head - Commercial

Mr Anuj Gupta
Head- Marketing

Mr. Anuj Ahluwalia
CS & Compliance Officer

Awards

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8



Business Overview

Kraft Paper

Kraft paper is a type of industrial paper and used by packaging industry for manufacturing corrugated boxes and liners, corrugated sacks and composite containers

Specification:

Range from 100 GSM to 400 GSM

Burst Factor (BF) range from 18 to 40

**~90% Used by
corrugated box
manufacturer**

Growing Industry Demand

Industry Served

FMCG
Consumer Durables
Pharmaceuticals
Garments, Textiles & Footwear
E-Commerce



Catering to Diversified Industry Needs from FMCG to Industrials to E-Commerce

Mild Steel Ingot

Contribute less than 5% of the total business

Steel ingot is manufactured by using the **excess power** generated in our cogeneration plant after meeting our requirement for Kraft paper

Steel ingots are used for manufacturing various types of steel bars by rolling mills



Manufacturing Capabilities

Owned 140,000 MTPA at Moradabad (UP)



Leased 75,000 MTPA at Kashipur
(Uttarakhand)



Total : 215,000 MTPA



Two Waste paper based manufacturing plant of Kraft Paper within the factory premises of Moradabad (UP)

Multi Layered Kraft paper with High Tear Factor (TF), High Burst Factor (BF) i.e. 25, 28, 30, 32, 35 & 40 BF with GSM ranging from 100-400

100 KG of Waste Paper



92 KG of Kraft Paper

“ZERO Liquid Discharge Plant”



To address the Growing Demand

Leased Plant

- ✓ We have leased an operational manufacturing plant for a period of 5 year
- ✓ The facility is located at Kashipur, Uttarakhand and has manufacturing capacity of 75,000 metric tonnes per annum (MTPA)
- ✓ This plant will cater to demand of existing clients of Genus Paper & Boards Limited and would help to add few more clients in that region

Capitalized on Growth

Asset Light Strategy

- ✓ This strategy will help us to move faster in the long term and build a sustainable business model

Synergy

- ✓ Opportunity to become a Dominant player in North India and increase our market share



On Track to be the Dominant Manufacturer

Current Capacity

Owned 140,000 MTPA at Moradabad (UP)



Leased 75,000 MTPA at Kashipur (Uttarakhand)



Total : 215,000 MTPA

Future Prospect:

Kraft Paper Demand to outpace supply



Strong Presence of FMCG & Consumer Durable Companies in North India

Brownfield Expansion

by 50,000 MTPA at Moradabad (UP)



Leased Plant and Brownfield expansion is in line with Management Vision to further Strengthen their Foothold in Northern India

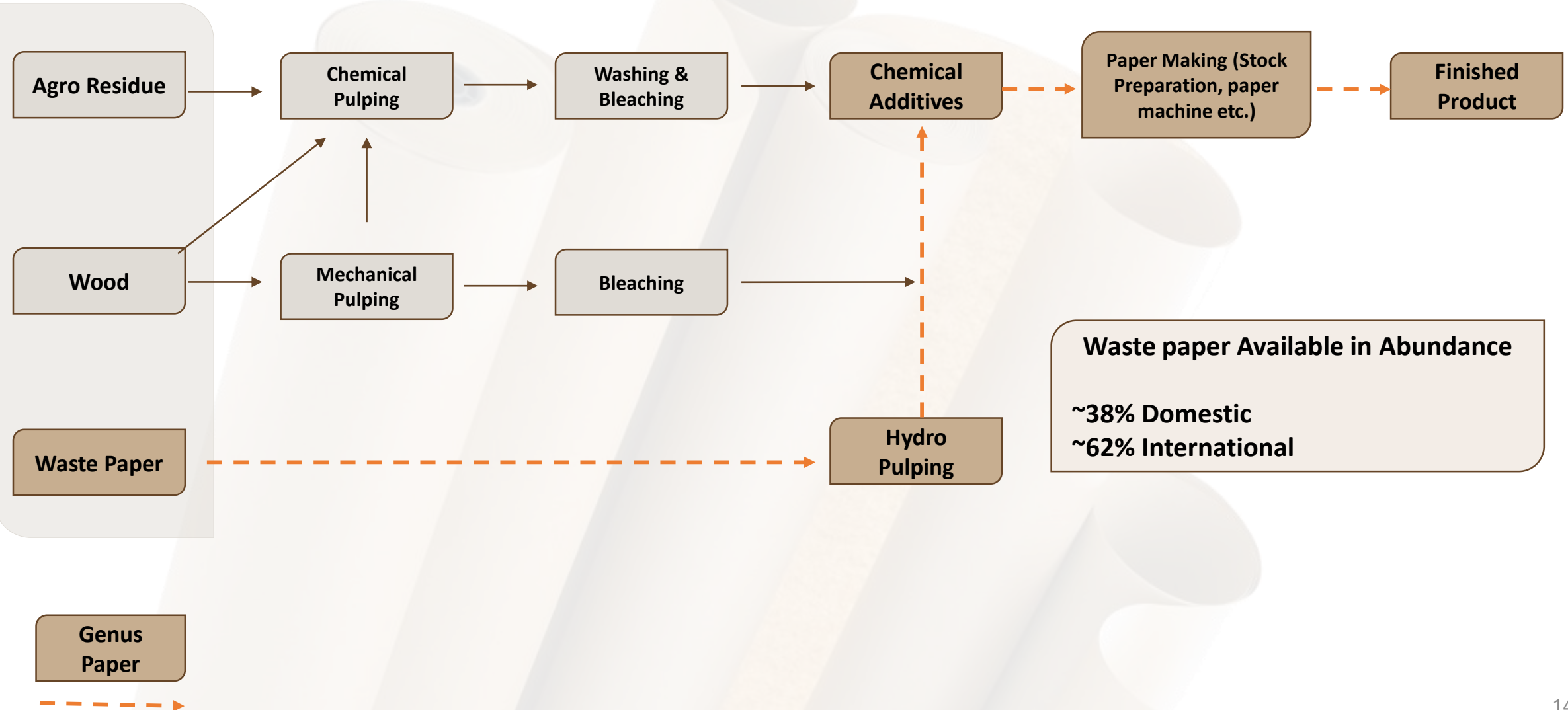
We have entered into Non-Binding MOU's as follows:

- ✓ Government of Maharashtra : Rs 1,050 cr for Setting up Kraft Paper Manufacturing Plant
- ✓ Government of Uttar Pradesh : Rs 600 cr for Expansion of Current Manufacturing Facility



Paper Manufacturing Process

Raw Material



Cater to Packaging Needs of Multiple Industries



Proud to be Green



Technology Advantage

Among the few Manufacturer to have Triple wire Machine

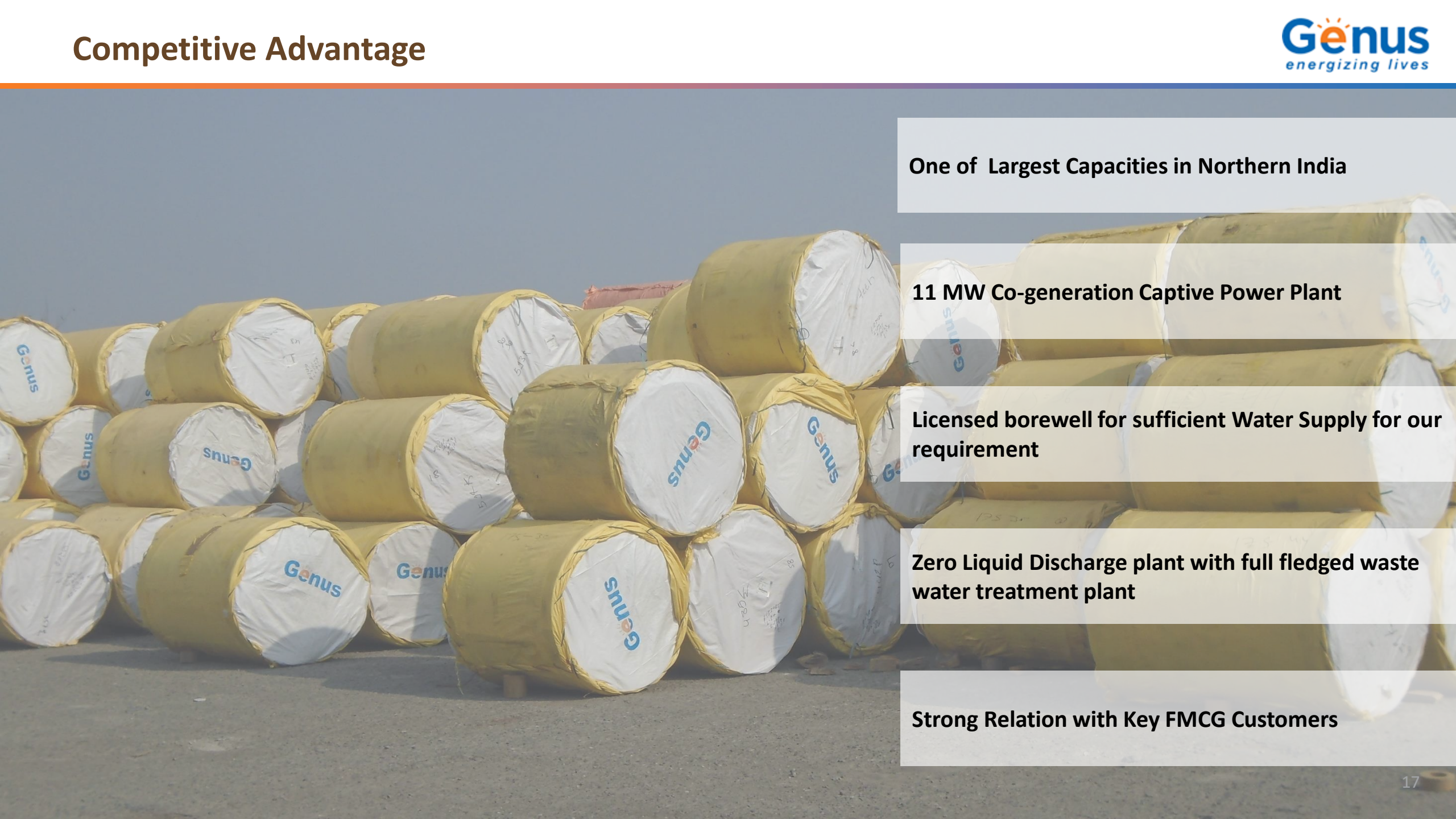
Sweden machine to produce high quality finished paper by using low cost waste paper

Pulp Mill is equipped to process imported mixed waste

Forbes Marshall Steam & Condensate system for steam (power) saving and to improve efficiency of Drying Cylinder

Plant is equipped with state of art Quality Control System





One of Largest Capacities in Northern India

11 MW Co-generation Captive Power Plant

Licensed borewell for sufficient Water Supply for our requirement

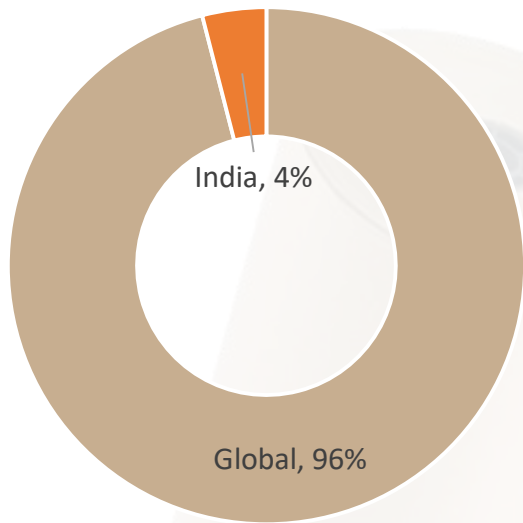
Zero Liquid Discharge plant with full fledged waste water treatment plant

Strong Relation with Key FMCG Customers

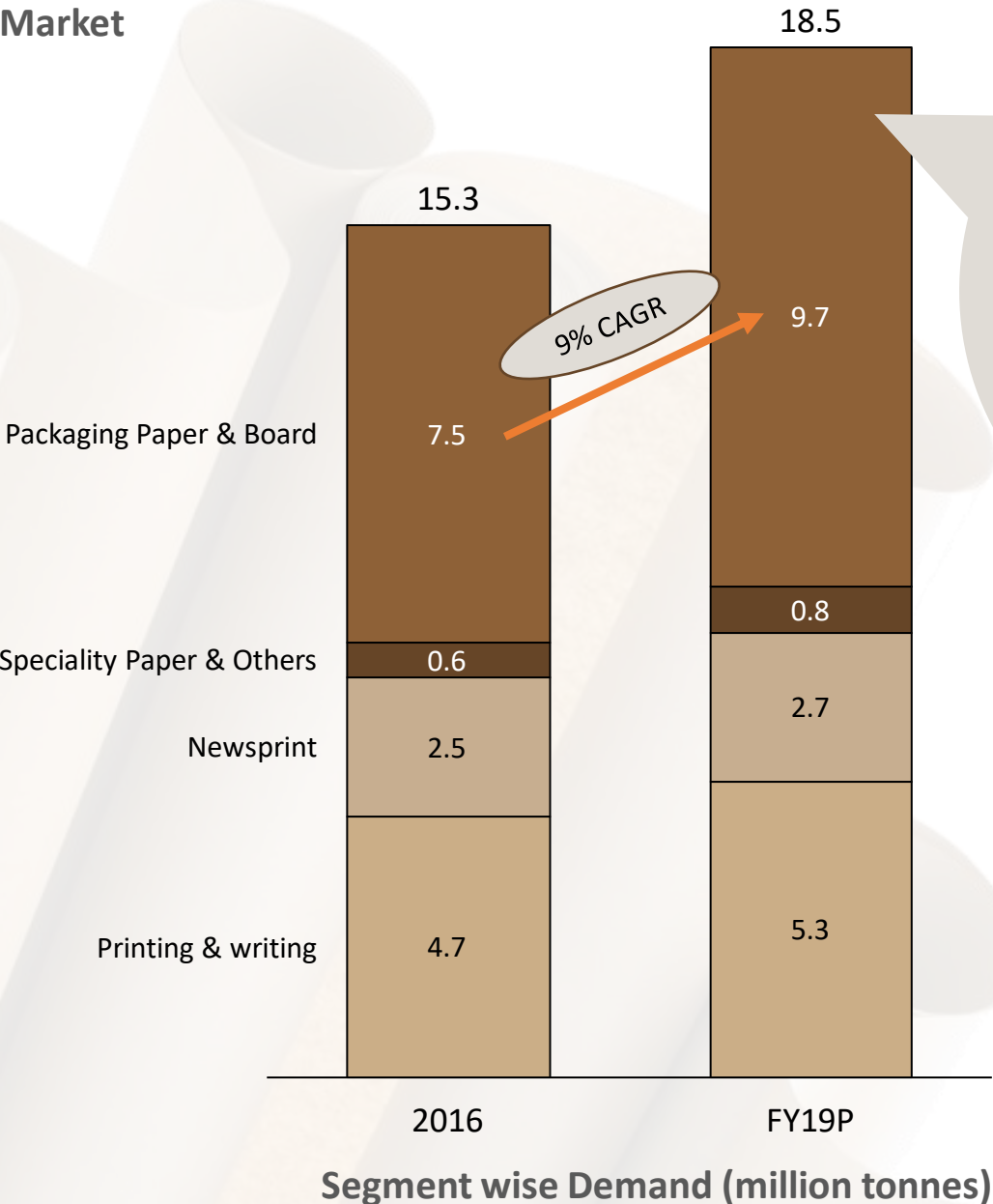
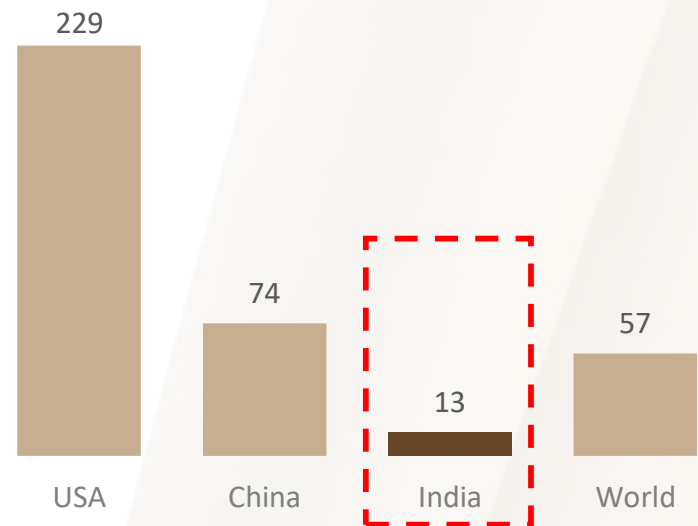


Opportunity for Paper Industry

India's Paper Production share in the Global Market



Per Capita Consumption of Paper (kg)

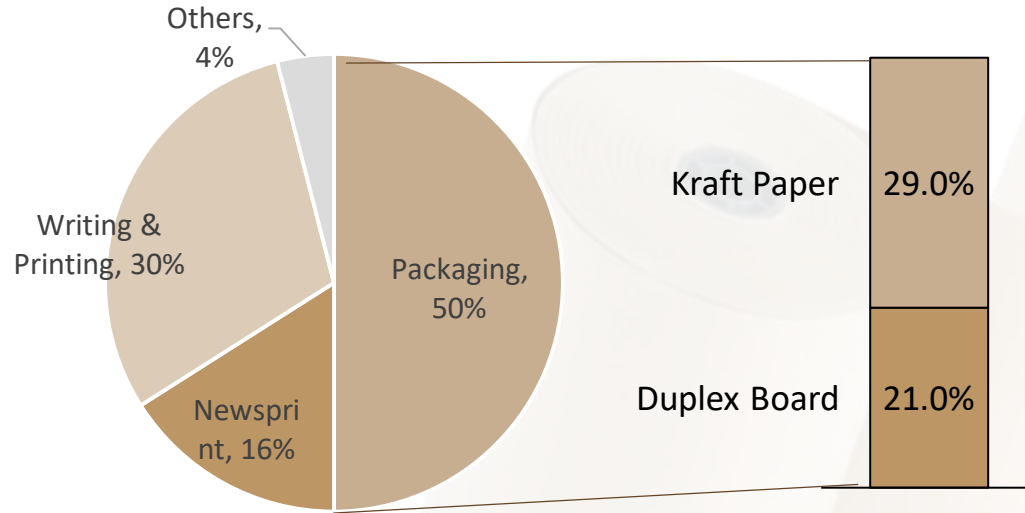


Domestic Demand for Paper is expected to Grow at a Robust Pace

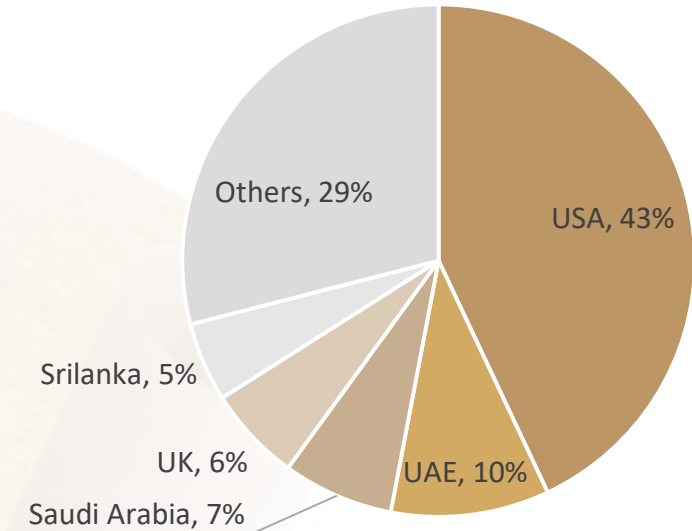
Packaging Paper and Kraft paper to outpace the industry with a CAGR rates of 8.8% and 9% respectively

Kraft Paper: Industry Dynamics

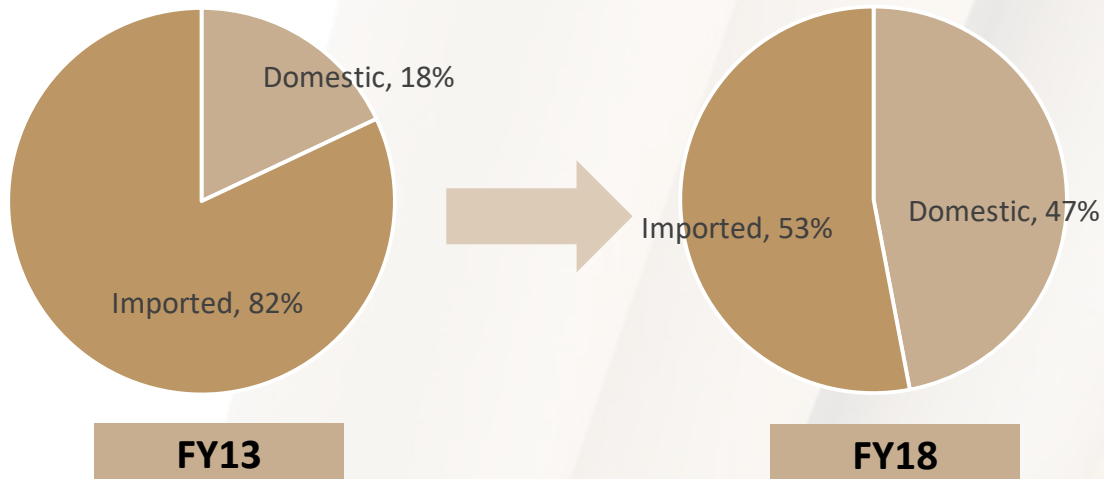
Market Size of Pulp & Paper Industry: Kraft Paper– 4.71 MTPA



Major Sourcing Countries for RM



Balanced mix of imported & Domestic Waste Paper

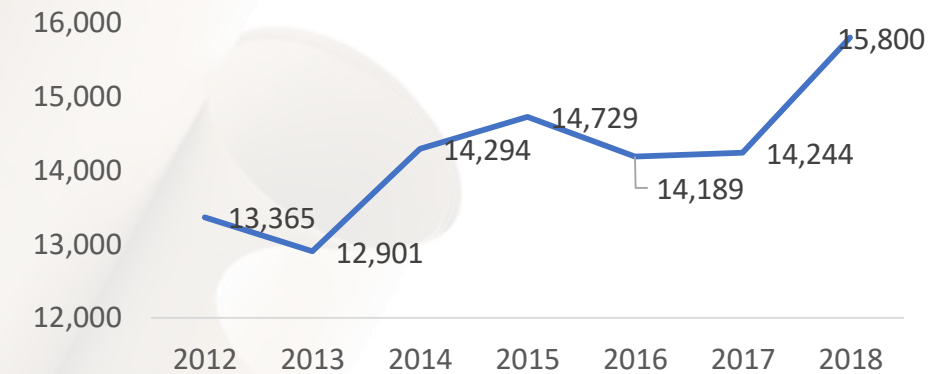


Kraft Paper

Major RM: Waste Paper

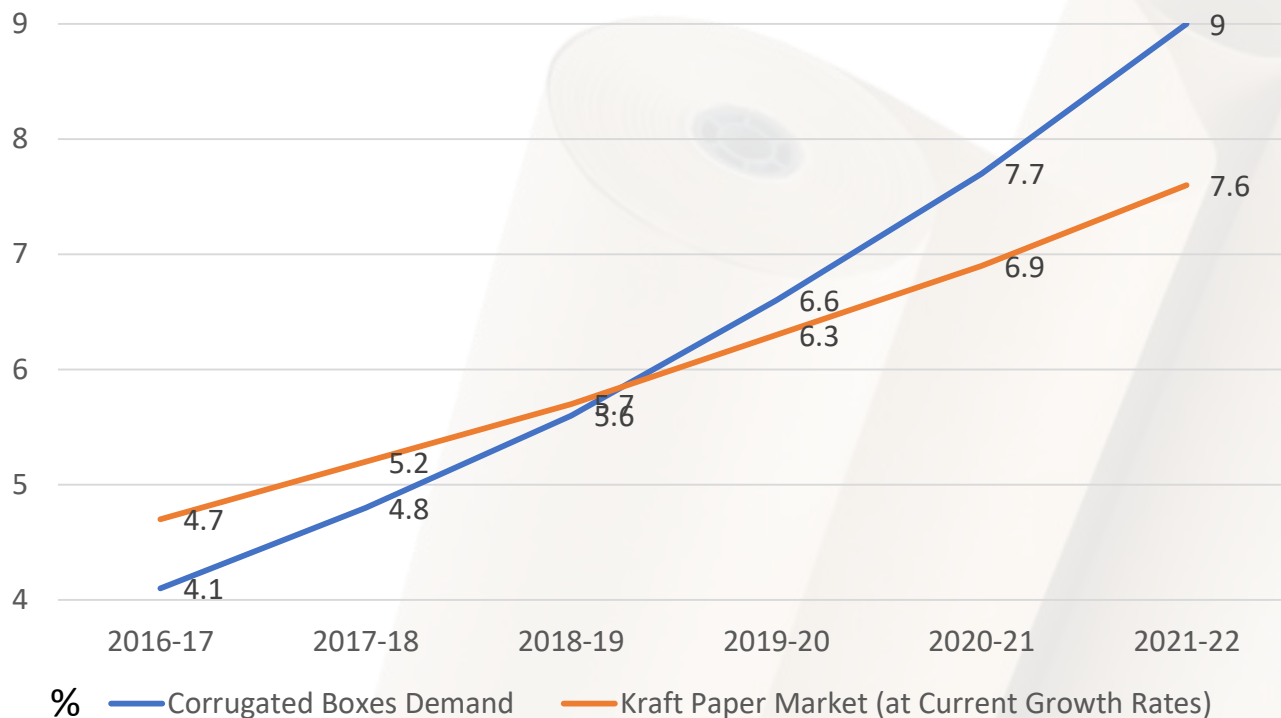
Industry majorly imports the waste paper

Average price Trends for Waste Paper Imports



Exponential Growth in Demand for Kraft Paper

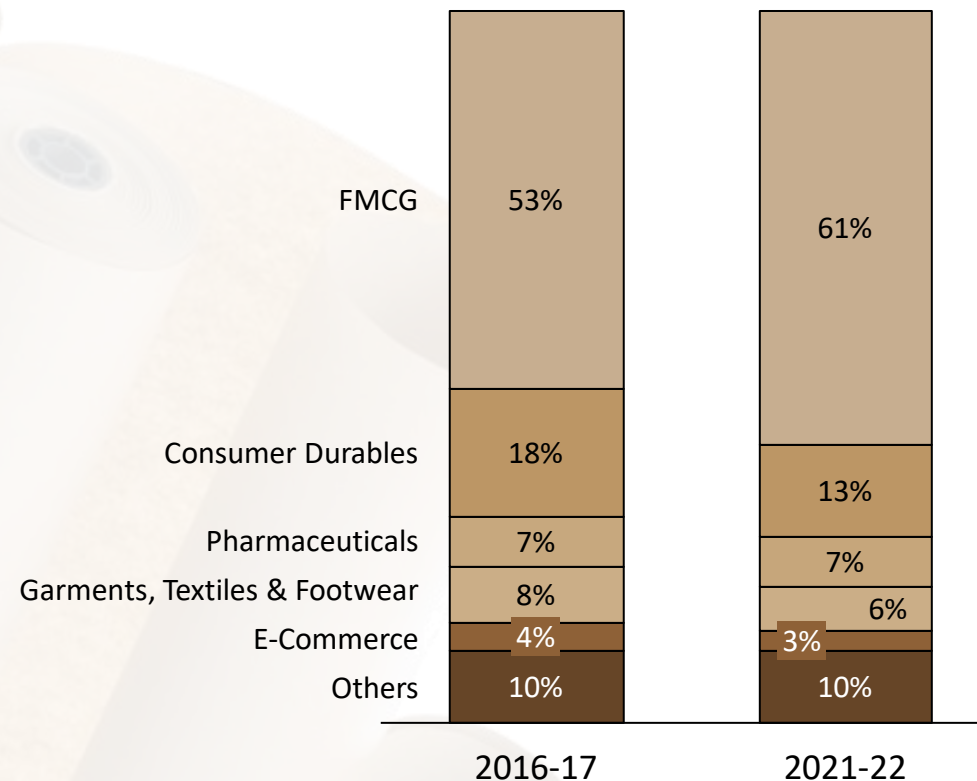
90% of demand for Kraft paper is from Corrugated box manufacturers



Demand for Kraft Paper to outpace the production

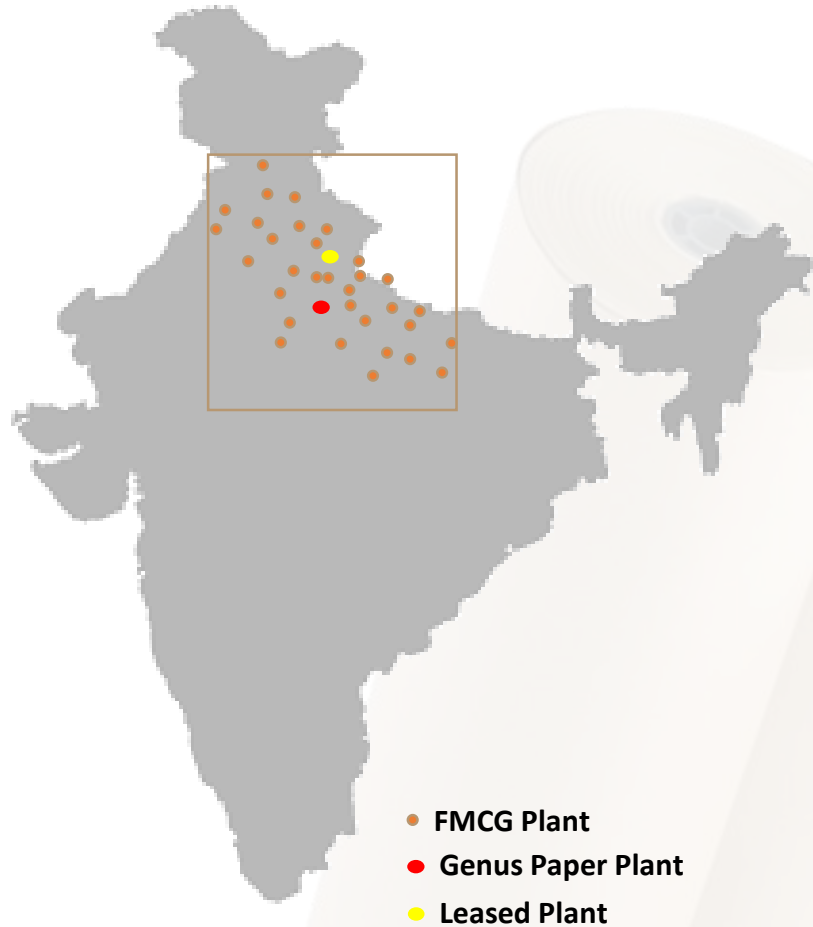
- ✓ Genus Paper has recently expanded its capacity by ~50% by leasing a manufacturing plant
- ✓ Looking for other organic and inorganic means of capacity expansions

End Users of Corrugated Boxes



FMCG Clients contribute Large Share of Genus Paper's Revenue

Priority to End Customer is Key



There is a concentrated presence of FMCG companies in the northern belt of India

Corrugated Box Manufacturing industry is estimated at ~ Rs 18,000 crore of which ~35% is located at North India

Of all Kraft paper Mill in North India, only 5% have capacities more than 100,000 TPA to cater to demand of large FMCG companies

Genus Paper & Board Ltd has capacity of 215,000 MTPA

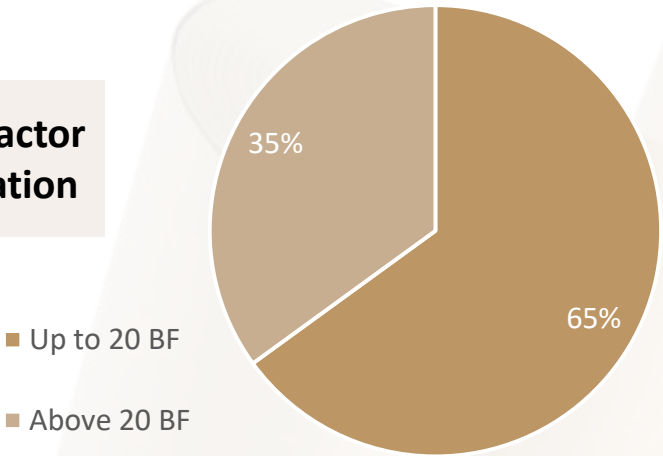
Our quality products approved by all major FMCG Clients

Incremental capacity of leased facility already has demand visibility in Place

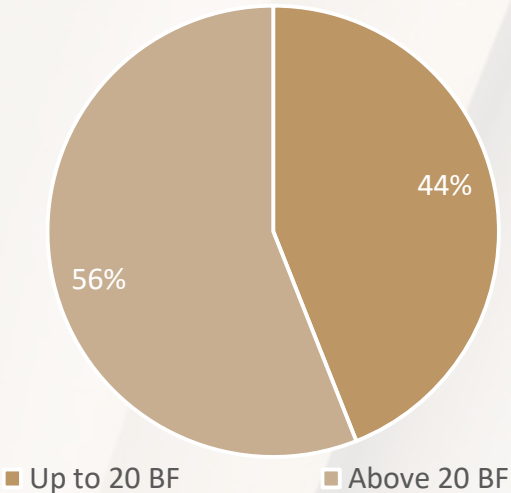
Genus Paper & Boards Ltd will benefit from Growing FMCG requirement

Demand For Kraft Paper in India

Higher the Burst Factor (BF) better the realization



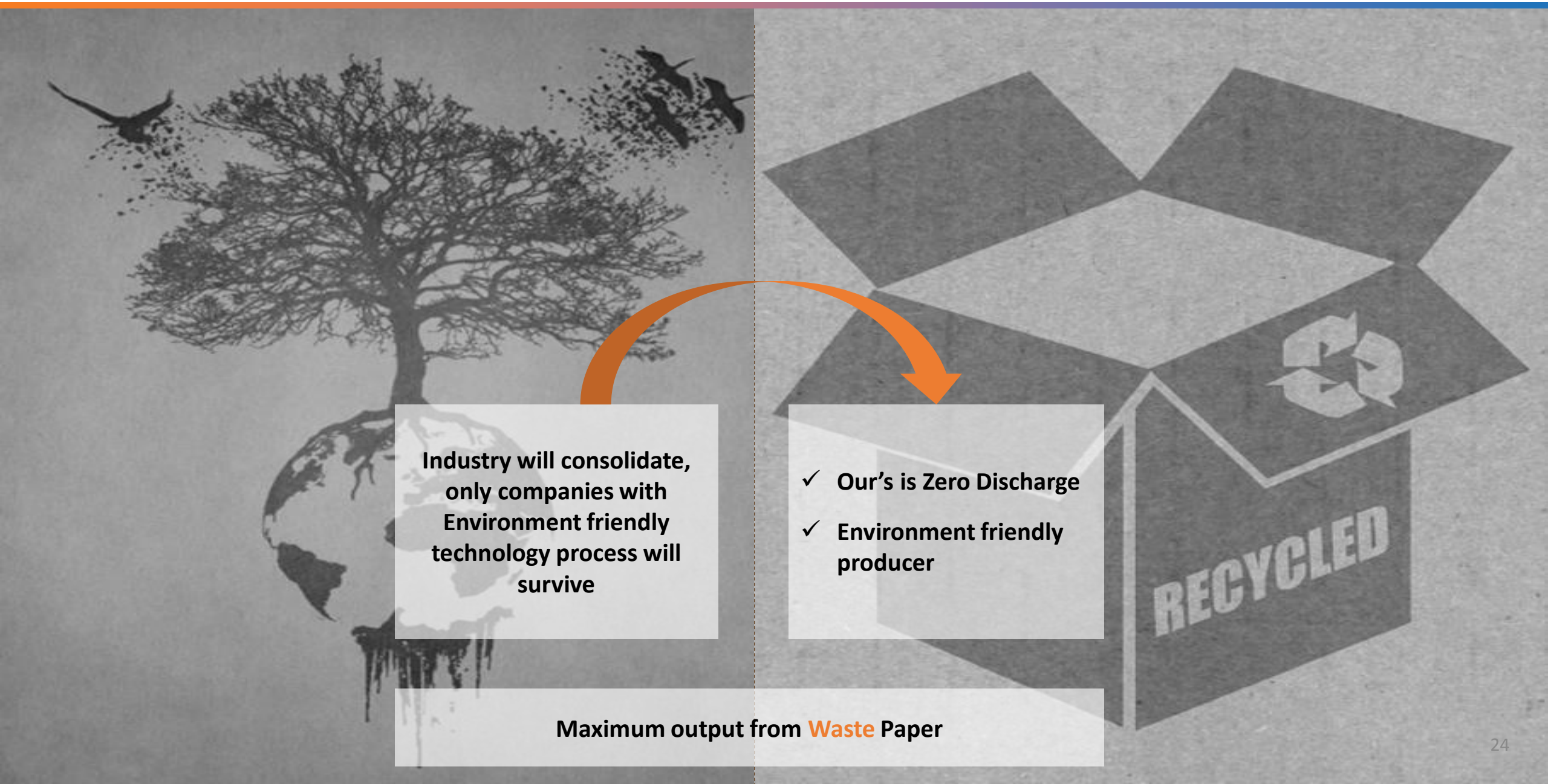
FY18 – Revenue Break up



Way Forward

- ✓ Add new capacities via organic and inorganic modes
- ✓ Higher sales of Kraft Paper with Bursting Factor (BF) greater than 22
- ✓ Focused towards increasing asset productivity, operating efficiencies and strengthening the competitive position
- ✓ Increased product offering of better quality to customers
- ✓ Better Realization
- ✓ Improved operating efficiencies

Recycle & Reuse of Waste Paper



**Industry will consolidate,
only companies with
Environment friendly
technology process will
survive**

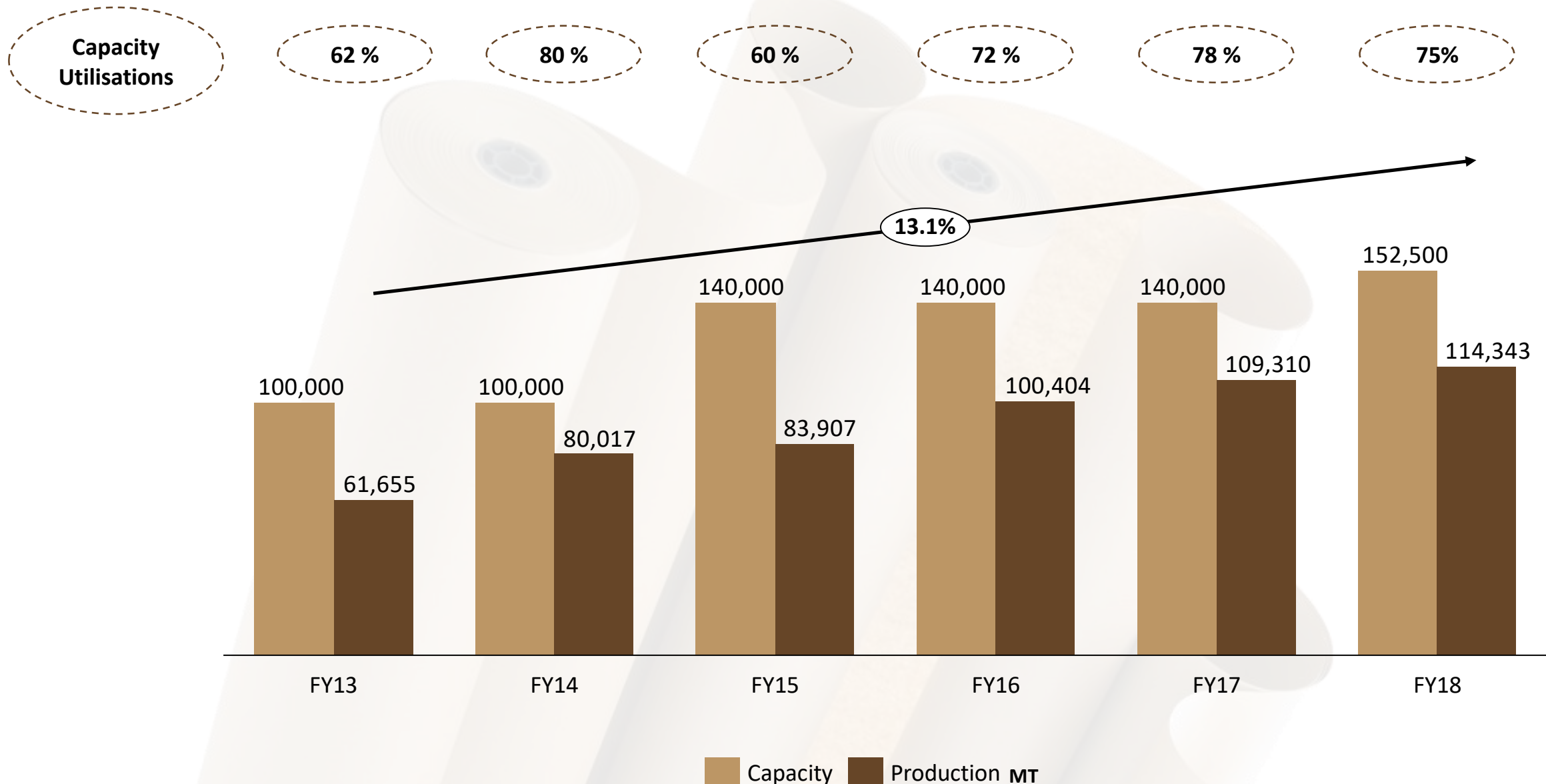
- ✓ **Our's is Zero Discharge**
- ✓ **Environment friendly
producer**

Maximum output from Waste Paper

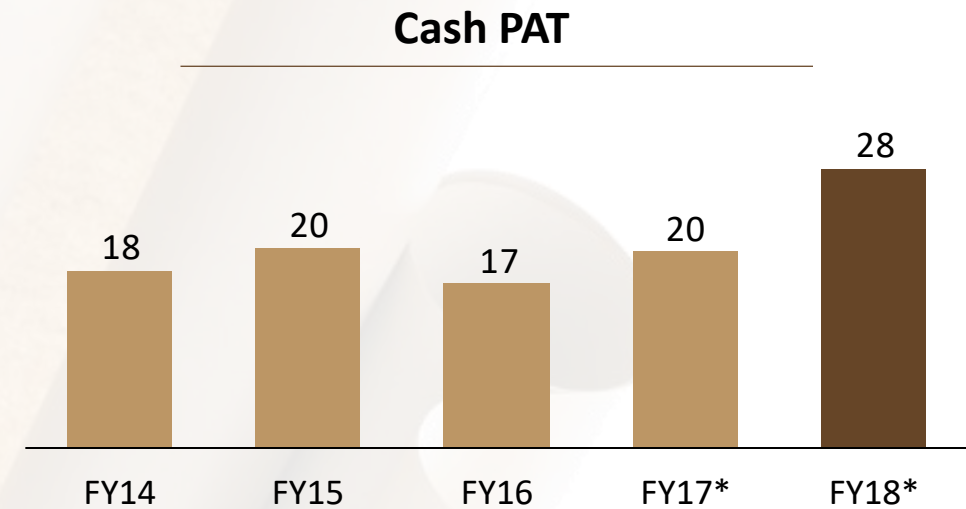
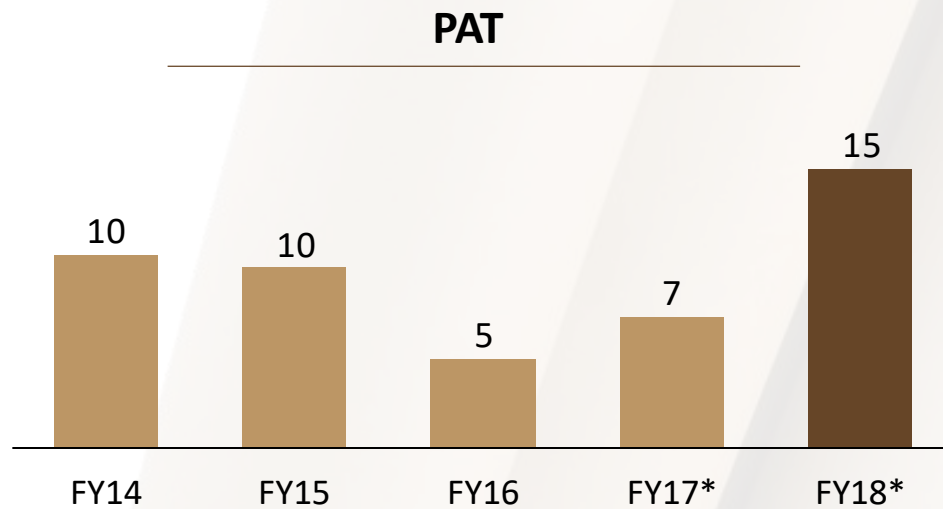
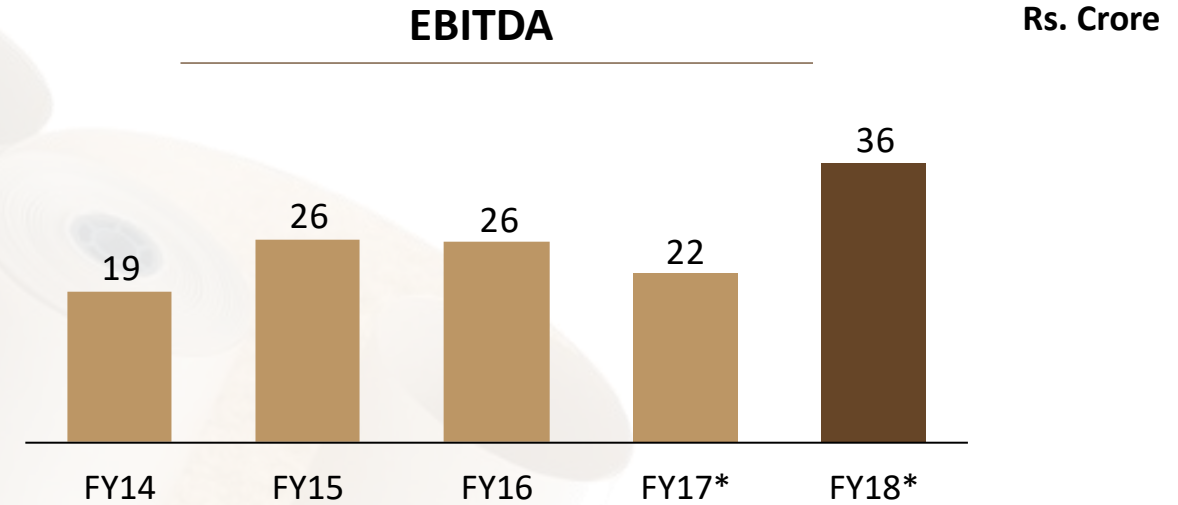
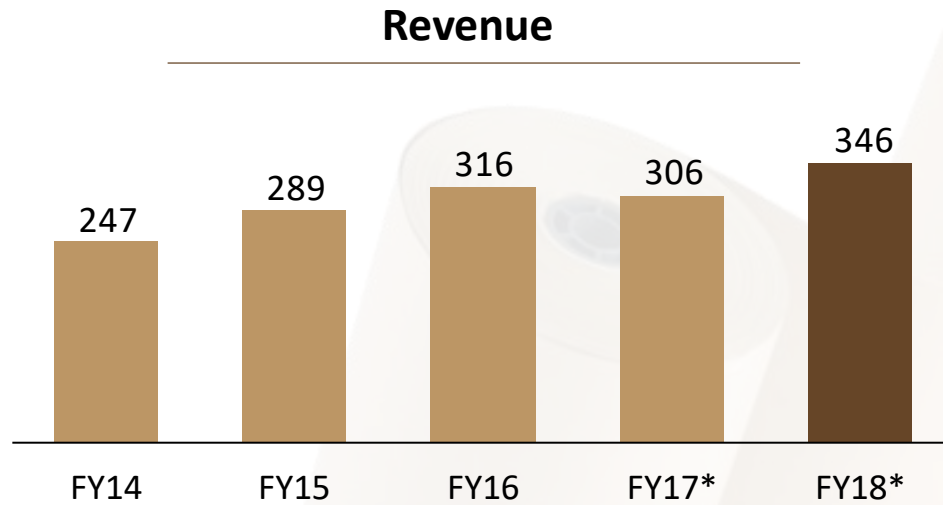


Financials

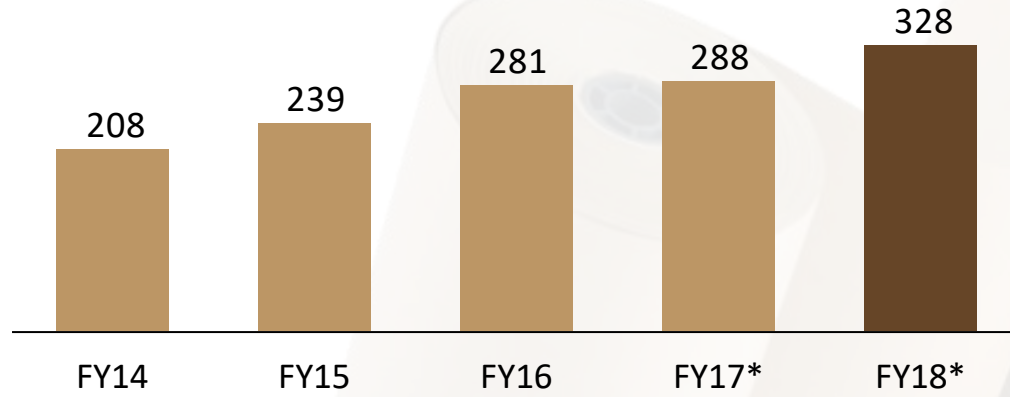
Increasing Utilisation-Improved Operating Leverage



*Kashipur Capacity adjusted for 2 months of operations

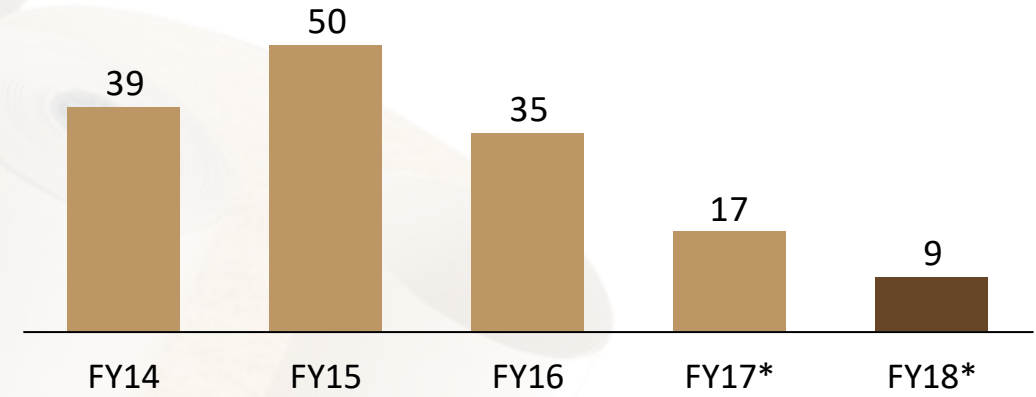


Kraft Paper Revenue

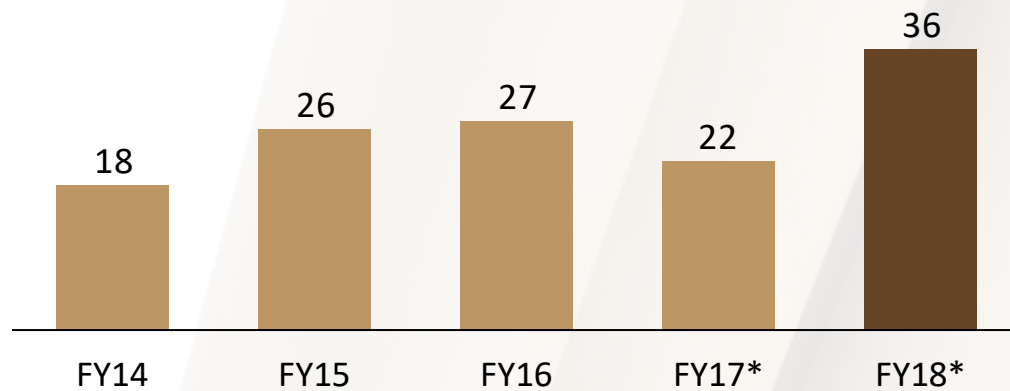


Steel Ingot Revenue

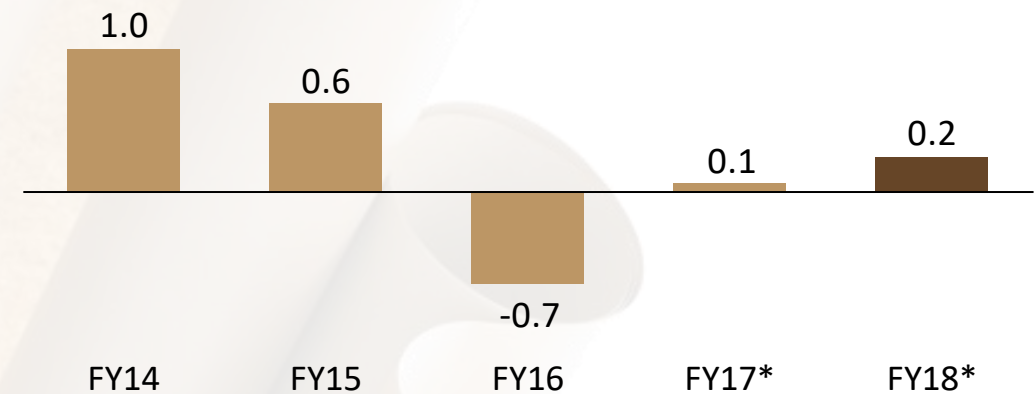
Rs. Crore



Kraft Paper EBITDA



Steel Ingot EBITDA



Profit & Loss Statement- Standalone

Particulars (Rs. Crs)	Q4 FY18	Q4 FY17	YoY	Q3 FY18	QoQ	FY18	FY17	YoY
Revenue from Operations (Net of Excise)	100.1	78.6	27.2%	89.4	12.0%	345.6	305.7	13.0%
Raw Material	55.2	44.8		64.0		234.3	220.7	
Employee Cost	3.7	3.4		3.1		12.7	10.3	
Other Expenses	32.7	23.8		11.4		62.6	52.9	
EBITDA	8.5	6.6	28.0%	10.8	-21.5%	36.1	21.7	65.9%
EBITDA Margin	8.5%	8.4%		12.1%		10.4%	7.1%	
Other Income	1.7	1.5		1.4		5.5	6.0	
Depreciation	3.2	3.0		3.2		12.9	12.4	
EBIT	7.0	5.2	36.2%	9.0	-21.6%	28.6	15.4	86.1%
EBIT Margin	7.0%	6.6%		10.0%		8.3%	5.0%	
Finance Cost	1.6	1.2		1.6		6.1	5.9	
Exceptional Item (Gain) / Loss	0.0	0.8		0.0		0.0	1.7	
Profit before Tax	5.4	4.0	34.6%	7.4	-26.6%	22.5	9.5	138.3%
PBT Margin	5.4%	5.1%		8.2%		6.5%	3.1%	
Tax	1.8	1.2		2.6		7.6	2.4	
PAT	3.6	2.8	27.4%	4.8	-24.5%	14.9	7.0	112.2%
PAT Margin %	3.6%	3.6%		5.4%		4.3%	2.3%	
EPS	0.14	0.11		0.19		0.58	0.27	

Balance Sheet-Standalone

Assets (Rs. Crs)	Mar-18	Mar-17	Liabilities (Rs. Crs)	FY18	FY17
Non-current assets			Equity		
Property, plant and equipment	218.2	229.2	Equity Share capital	25.7	25.7
Capital work-in-progress	2.8		Other equity	329.1	313.8
Financial assets			Sub-total - Shareholders' funds	354.8	339.6
Investments	75.2	42.4	LIABILITIES		
Loans	72.2	69.9	Non-current liabilities		
Deferred tax assets (net)	17.0	17.4	Financial liabilities		
Tax Assets		0.1	Borrowings	21.4	15.0
Sub-total - Non-Current Assets	385.4	359.0	Long Term borrowings		
Current assets			Provisions	0.6	0.6
Inventories	34.4	27.0	Deferred Tax Liability	23.6	21.4
Financial assets			Sub-total - Non-current liabilities	45.5	37.0
Loans	0.0	0.0	Current liabilities		
Trade receivables	76.8	63.9	Financial liabilities		
Cash and cash equivalents	0.5	4.7	Borrowings	35.7	25.5
Bank balances other than Cash & Cash	3.9	4.1	Trade payables	52.6	52.1
Equivalents			Other Liabilities	20.7	11.9
Others	0.4	0.4	Provisions	0.2	0.3
Non Financial Assets	12.4	10.2	Current tax liabilities (net)	3.1	0.0
Sub-total - Current Assets	128.4	110.3	Non Financial liabilities	1.2	2.8
TOTAL – ASSETS	513.7	469.2	Sub-total - Current liabilities	113.4	92.7
			TOTAL - EQUITY AND LIABILITIES	513.7	469.2



Genus Paper & Boards Limited
CIN: L21098UP2012PLC048300

Mr. Lokesh Pareek
AGM- Corporate Finance & IR
lokesh@genuspaper.com

Mr. Anuj Ahluwalia
Company Secretary & Compliance Officer
cs@genuspaper.com

www.genuspaper.com

SGA Strategic Growth Advisors

Strategic Growth Advisors Pvt. Limited
CIN: U74140MH2010PTC204285

Mr. Shrikant Sangani
M: 096195 95686
shrikant.sangani@sgapl.net

Mr. Rahul Agarwal
Rahul.Agarwal@sgapl.net
M: 079770 90416

www.sgapl.net