

**RPL/CS/BSE/NSE/2018-19/**

**02.08.2018**

**To**

The General Manager,  
Department of Corporate Service,  
Bombay Stock Exchange Limited,  
P. J. Tower, Dalal Street, Fort,  
Mumbai-400 023  
Scrip Code: **532785**

National Stock Exchange of India Limited,  
Exchange Plaza, Plot No. C/1  
G. Block , Bandra Kurla Complex,  
Bandra (E),  
Mumbai 400051  
Trading Symbol: **RUCHIRA EQ**

**SUB: SUBMISSION OF INVESTOR PRESENTATION OF THE COMPANY**

Dear Sir/Madam,

Please find attached copy of the Investor Presentation of Ruchira Papers Limited.

This is for your information, records and action please.

**Thanking You,  
For Ruchira Papers Limited**



**Vishav Sethi  
Company Secretary  
FCS-9300**



**Encl: As above**

RUCHIRA PAPERS LIMITED

CIN-L21012HP1980PLC004336

REGD. OFFICE & WORKS

Trilokpur Road, Kala Amb  
Sirmaur  
Himachal Pradesh - 173030

T: +91-80-53800897 / 53101892

E: info@ruchirapapers.com

ADMIN. OFFICE

21-22, New Professors Colony  
Yamuna Nagar  
Haryana - 135001

T: +91-1732-233799/233140

E: rplynr@ruchirapapers.com

DELHI OFFICE

M-146, 2nd Floor  
Greater Kailash Part 2  
New Delhi - 110048

T: +91-11-29226638/29226639

rpdelhi@ruchirapapers.com



COMMITTED TO THE EARTH

# **RUCHIRA PAPERS LIMITED**

## Investor Presentation July 2018





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**Company Overview**

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# Company Overview



## About Us

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Incorporated in 1980.  
We take great pride in creating a quality range of **'Tree-Free'** papers for writing, high-volume print and packaging

One of the Largest manufacturers of **'Kraft'** and **'Writing & Printing'** paper in **Northern India** from Agro Residue

**Kraft paper** contributed **43%** to revenues in **2017-18**

**Writing & Printing paper** finds its applications in printing and stationery, comprising note books, writing & publishing material, spiral notebooks, greeting cards, coloring books, colored copier paper, bill books, dairies and calendars etc



Facilities located in Himachal Pradesh for manufacturing of Kraft Paper and Writing and Printing Paper

**Kraft paper** finds its application in manufacturing of corrugated boxes, cartons and other packaging material

**Pan India** presence through strong network of distributors and dealers

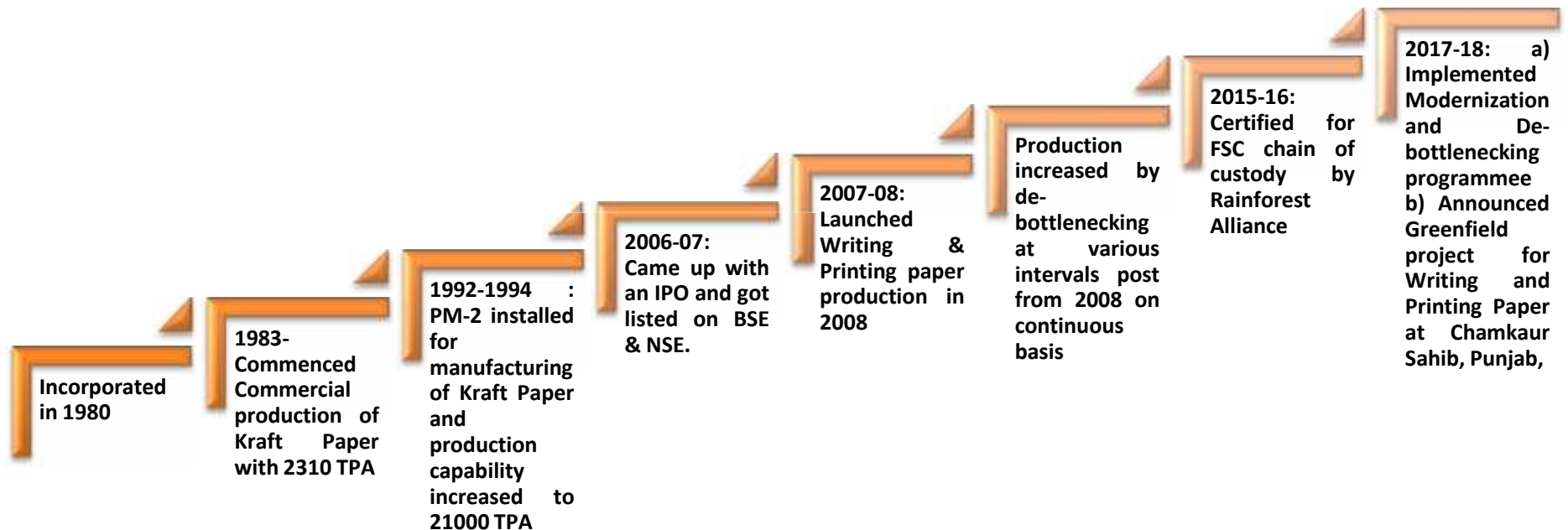
**WPP** contributed **57%** to revenues in **2017-18**

A **low** debt company with **Debt to Equity** ratio at **0.21x**

**PAT** growing at **25.77% CAGR**

# Our Journey

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## Management Team

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***Mr. Jatinder Singh***  
***(Chairman & Whole Time Director)***

•Jatinder Singh, aged 64 years, is an Engineering Graduate from Punjab University. He is one of the Promoters of Ruchira Papers Limited and has been looking after the affairs of the company as a Whole Time Director. Over the years, he has acquired deep insight into the working of Paper Industry. He has been looking after the Finance, Administration and Raw Material Procurement of the company.

***Mr. Subhash Chander Garg***  
***(Co-Chairman & Whole Time Director)***

•Subhash Chander Garg, aged 76 years, is Law graduate and has expertise in field of taxation. He is one of the Promoters of Ruchira Papers Limited and has been looking after the affairs of the company as a Whole Time Director. He has been looking after the Taxation, Marketing and Sales functions of Ruchira Papers Limited since its inception and has acquired rich marketing experience.

***Mr. Umesh Chander Garg***  
***(Managing Director)***

•Umesh Chander Garg, aged 69 years is a Graduate and has been associated with Ruchira Papers Limited right from the conceptual stage. He is controlling day-to-day affairs of the Company as the Managing Director. He has been the key man in the selection of various machineries and all expansion projects were executed under his guidance. He has been looking after the Production, Maintenance and Technical aspects of the company.

***Mr. Vipin Gupta***  
***(CFO & Whole Time Director)***

•Mr. Vipin Gupta, aged 48 Years is working as professional Whole Time Director With the Company. He is heading the Finance and Accounts of the Company. He is associated with the Company for the past 26 Years.. He is a Post Graduate in Commerce.

# Competitive Advantage



## Awards & Recognitions



Udyog Ratna Award by Himachal Pradesh  
in 2005



FSC Certificate (Forest Stewardship Council) from  
Rain Forest Alliance, New York, USA



ISO 9001 : 2015



Appreciation Award from Himachal Pradesh  
Corrugated Box Manufacturers Association in the  
year 2009



Certificate of Excellence  
from INC 500 in 2013



# Business Overview



## Our Products

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Writing & Printing Paper

- Manufactured by using agricultural residues, such as wheat straw, Baggase, sarkanda (80%-85%), Softwood Pulp (4% -5%) and other materials (10%-15%)
- Writing and Printing paper is used in the fabrication of note books and writing & publishing material; coloured paper is used in the fabrication of spiral notebooks, wedding cards, shade cards, children's colouring books, coloured copier paper and bill books
- Contributed 57% of total revenues generated in FY2018
- Writing and Printing paper brands are '**Tarang**', '**Safeda**', '**Kora**', '**Savera**', '**Karigar**', '**Gehua**', '**Mela**', '**Pahari**



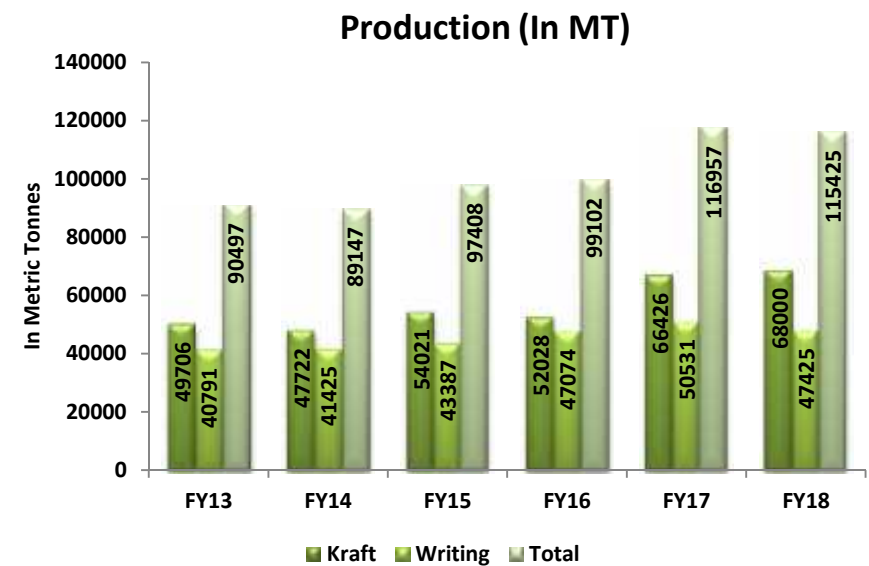
Kraft Paper

- Manufactured by using agriculture residues, such as Bagasse, wheat straw, sarkanda (50%-55%) and indigenous and imported waste paper (45% -50%)
- Used in the packaging industry especially in making corrugated boxes / cartons and other packaging requirements
- Special features of the Company's Kraft Paper are the load bearing capacity and tensile strength, which make it suitable for corrugated packing applications.
- Contributed 43% to the revenue in FY2018
- Kraft paper brands include '**Multani**', '**Maati**', '**Khadi**'.
- Also manufactures special tube grade paper known as **DTY** and **POY**.

## Plant Location & Capabilities



- Plant located at Kala Amb, in District **Sirmaur of Himachal Pradesh** and well connected to state and national highways
- For Writing Paper & Printing unit the Company has set up **8.1 MW** Power Co-generation plant for captive purpose to get uninterrupted power supply for its operations.
- The Company has set up '**Chemical Recovery Plant**' for process of black liquor generated during the process for captive consumption.
- The Company 's water requirement is sourced from ground water through tube-wells.





# Industry Overview



## Industry Highlights



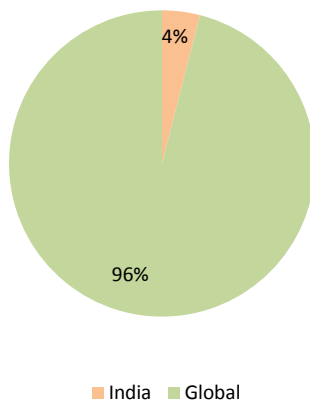
The domestic demand of paper in India has been growing at a CAGR of 6.6% and is likely to touch 18.5 million tonnes in 2018-19.

Of which, Printing and Writing segment demand is expected to grow at a CAGR of 4.2% and reach 5.3 million tonnes in FY19. The Packaging Paper and Board segment is expected to grow at a CAGR of 8.9% and reach 9.7 million tonnes in FY19.

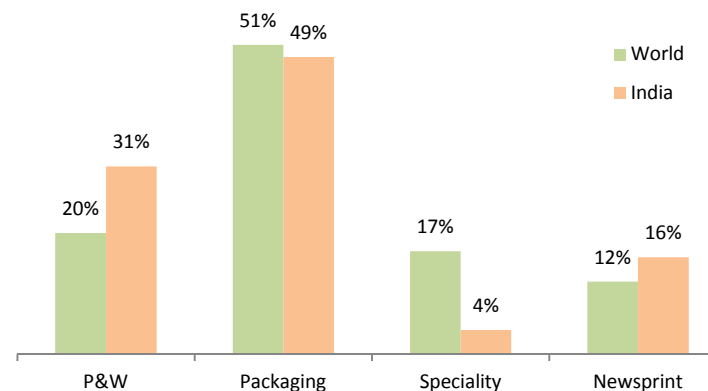
In spite of the sustained growth witnessed by the industry, the per capita paper consumption in India stands at a little over 13 kg which is well below the global average of 57 kg and significantly below 200 kg in North America. This gap is a clear indication of the huge growth opportunity that lies ahead for the paper sector in India.

As per IPMA's (Indian Paper Mills Association) estimates, this industry contributes approximately Rs 4,500 crore to the exchequer and provides employment to over 5 lakh people across approximately 750 paper mills.

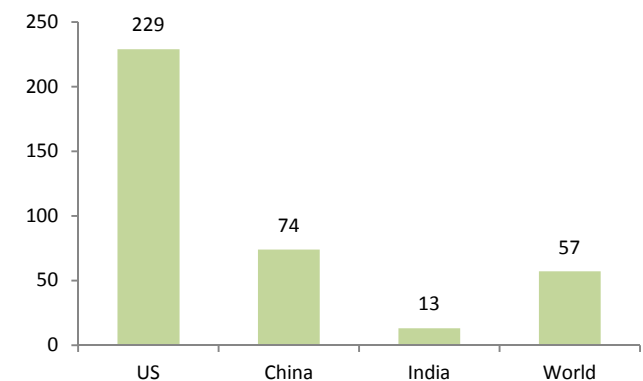
India's share of the Global Paper Market



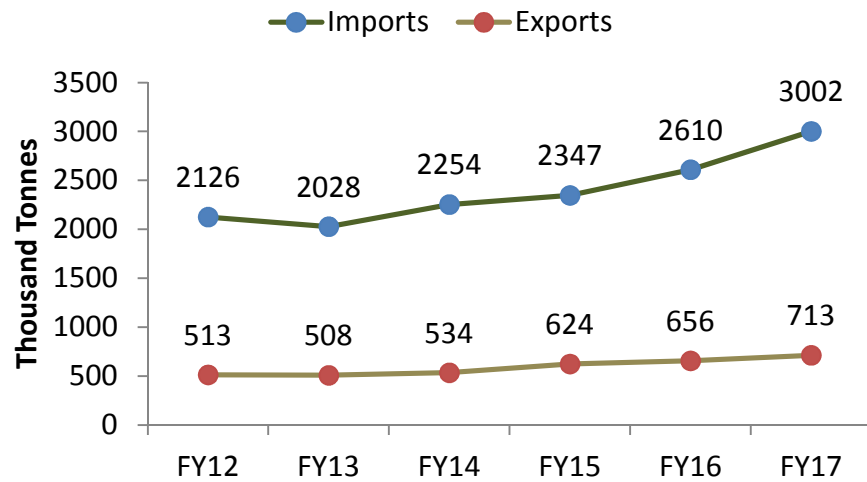
India vs. World - Segment wise consumption



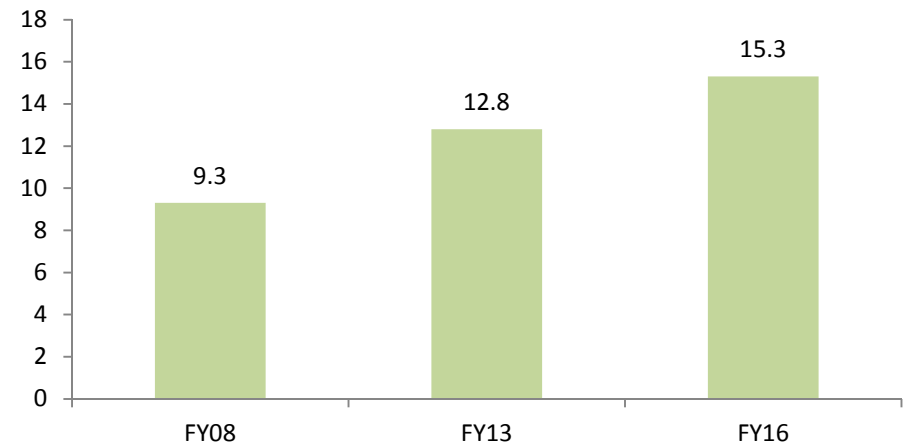
Per Capita Consumption of Paper (kg)



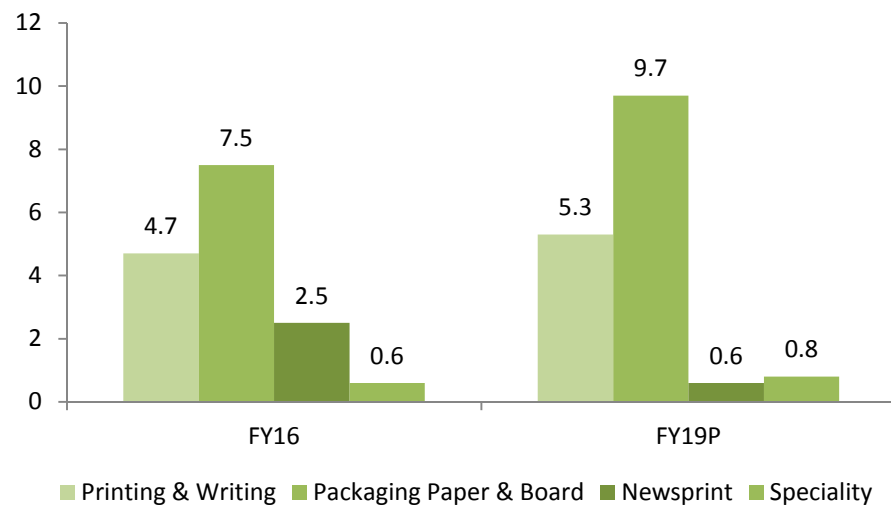
# Paper Industry Financials



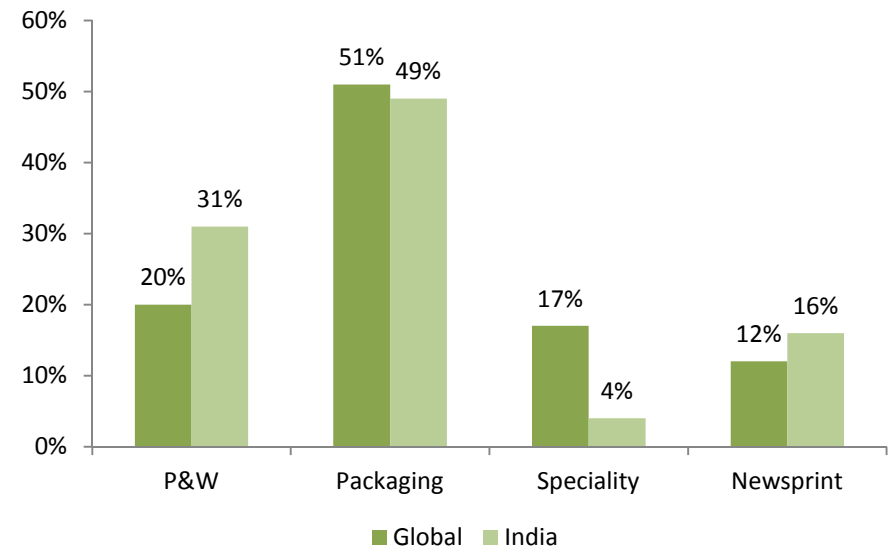
Domestic Paper Demand (In Mn tonnes)



Segment wise Demand for FY19P (In Mn tonnes)



India vs. World - Segment wise consumption



## Demand Drivers-Indian Paper Industry



The per capita personal disposable income surged from Rs 73,476 in FY12 to Rs. 1,19,296 in FY17 at a CAGR of 10.2%. Also, the per capita private final consumption expenditure too rose from Rs 40,250 in FY12 to Rs.68,049 in FY17 at a CAGR of 11.1%. The growth in country's per capita GDP in turn has increased the disposable income of the populace ultimately driving the country's consumption.

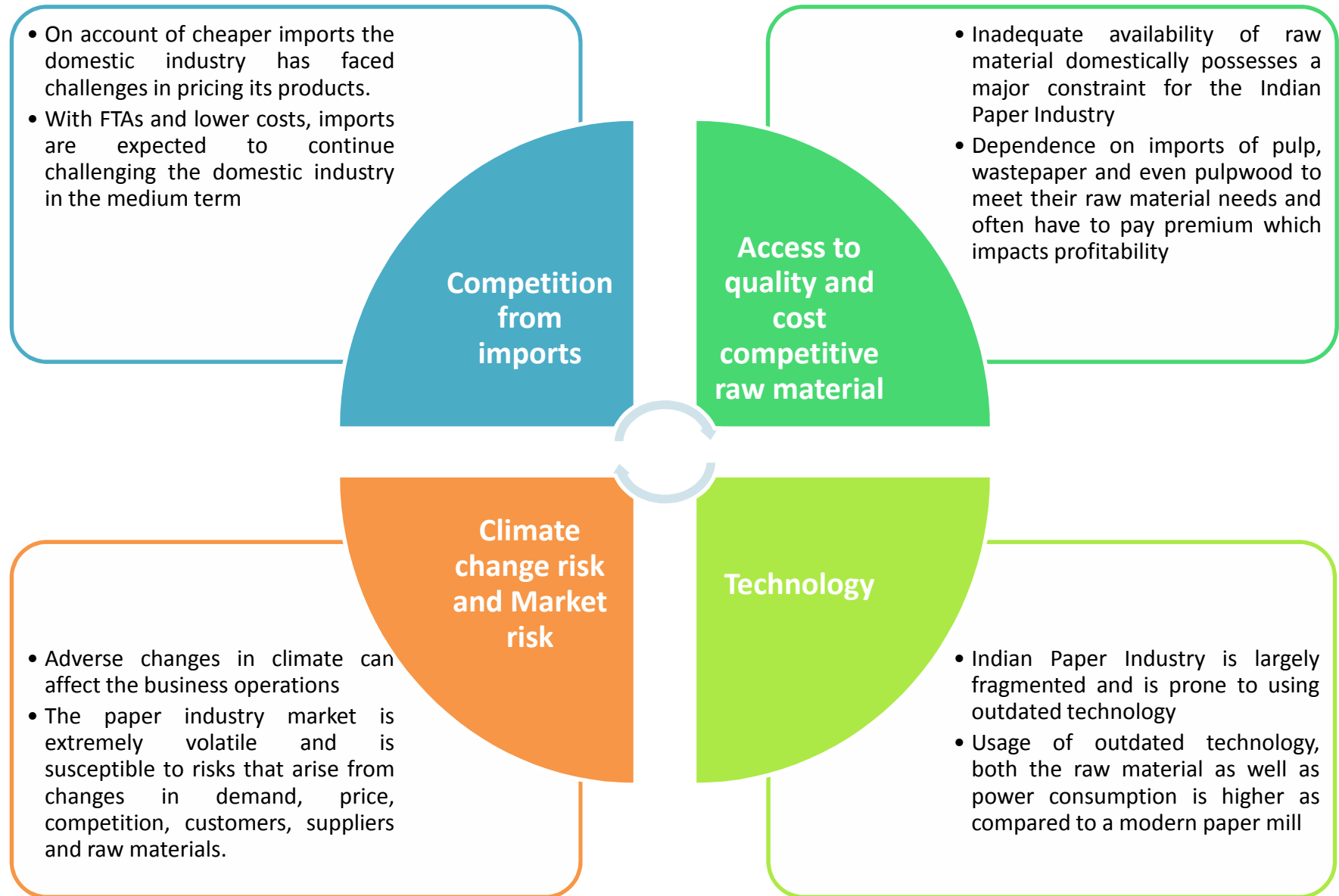
Increase in the number of colleges and institutions, rising enrolment numbers, rising literacy (continued government spending on education through the Sarva Shiksha Abhiyan) is expected to lead to an increased expenditure on textbooks, notebooks and other assorted paper products thereby driving demand.

Aspirations of higher income, higher standard of living etc. has drawn more and more people from villages to settle in towns and cities. This transition from rural to urban areas has led to an increase in the demand. Earning populations has grown from 55.4% to 66.2% which will drive consumption going forward

Packaging needs of industries such as FMCG, Pharmaceuticals, Food & beverages, textiles etc. has shown consistent growth over the last few years which has led to increased demand for packaging paper.

As per the Audit Bureau of Circulation (ABC), the circulation of print media reached 62 million copies a day in 2016, implying a 10 year CAGR of nearly 5%.

# Key Challenges-Indian Paper Industry





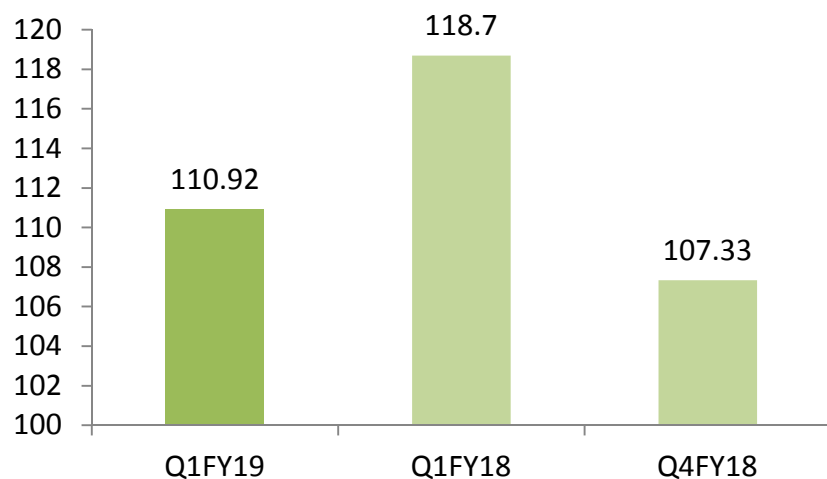
# Financial Overview



## Quarterly Highlights

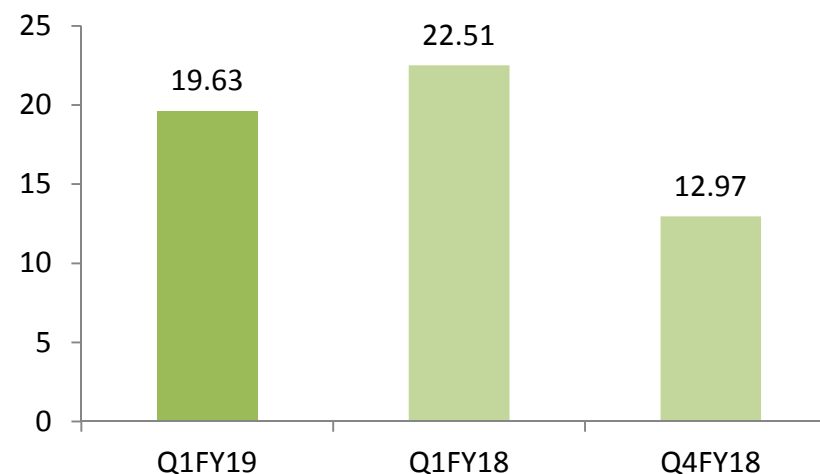


**\*Revenue from Operations (Rs. In cr)**

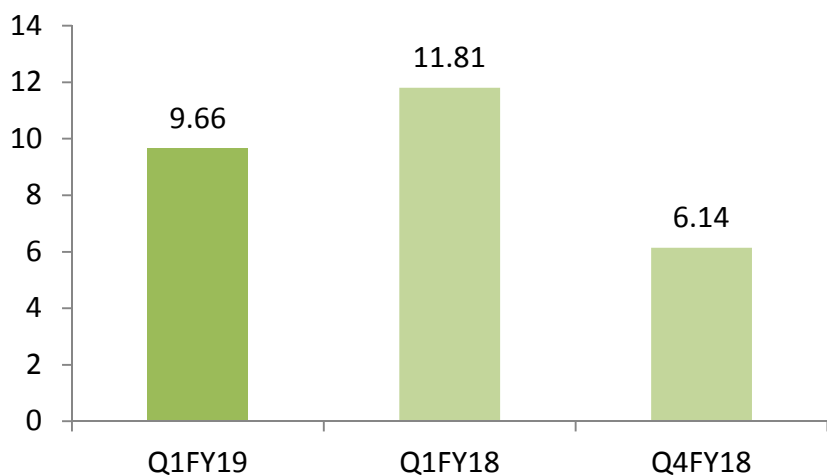


\* Net of Excise

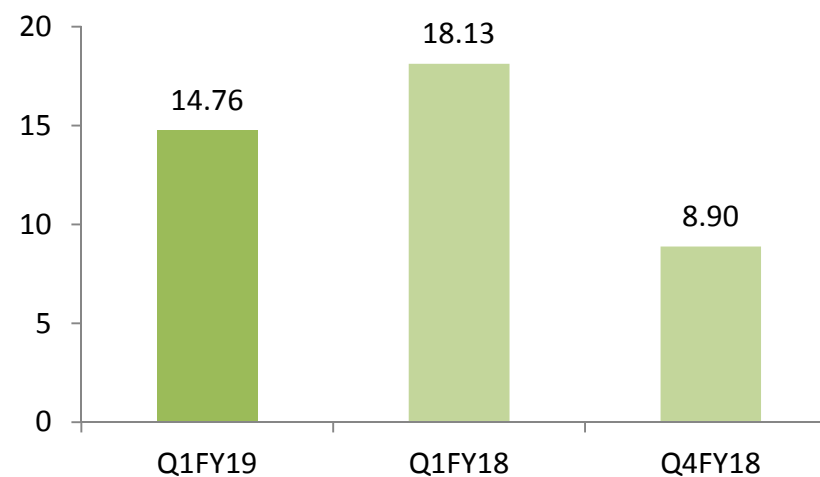
**EBIDTA (Rs. In cr)**



**PAT (Rs. In cr)**



**PBT (Rs. In cr)**



## Q1FY19 Performance Highlights



### Q1FY19 Performance Overview

- Revenue from operations stood at Rs. 110.92 cr;
- EBIDTA at Rs. 19.63 cr; EBIDTA margins stood at Rs. 17.69 %
- PAT at Rs. 9.66 cr; PAT margins stood at Rs. 8.71%
- EPS stood at Rs. 4.30

#### Production highlights:

**WPP:** Production during Q1FY19 was 12392 MT.

**Kraft Paper:** Production during Q1FY19 was 17785 MT

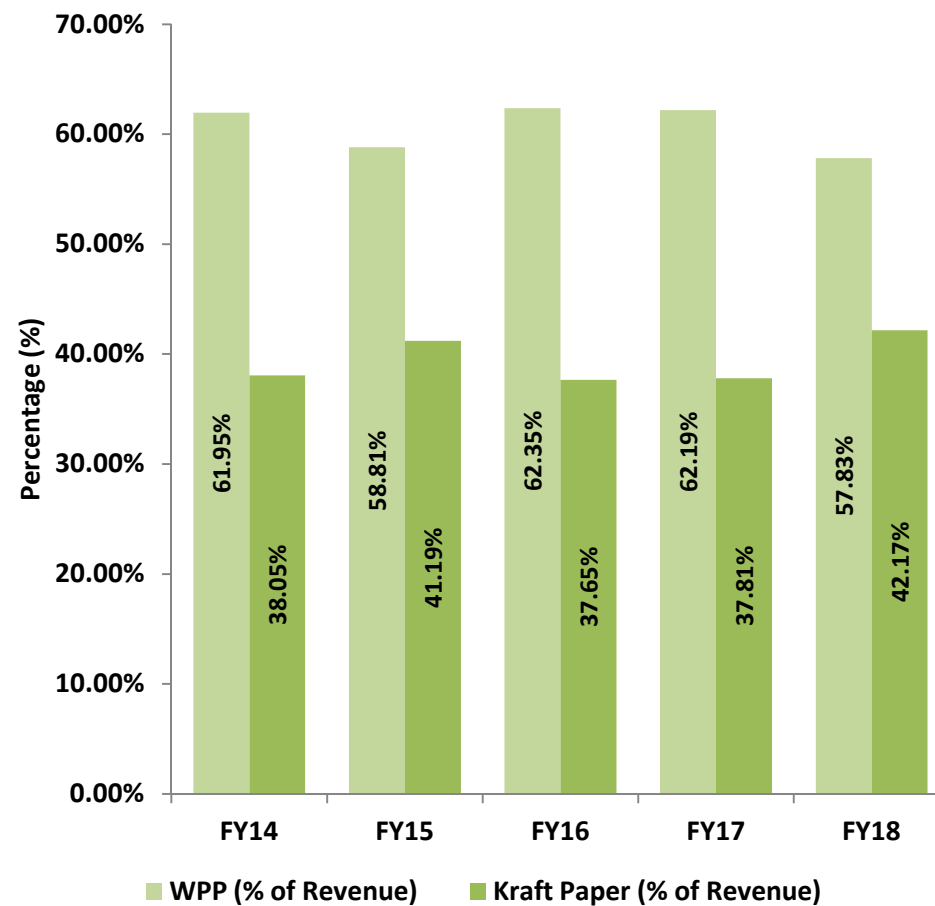
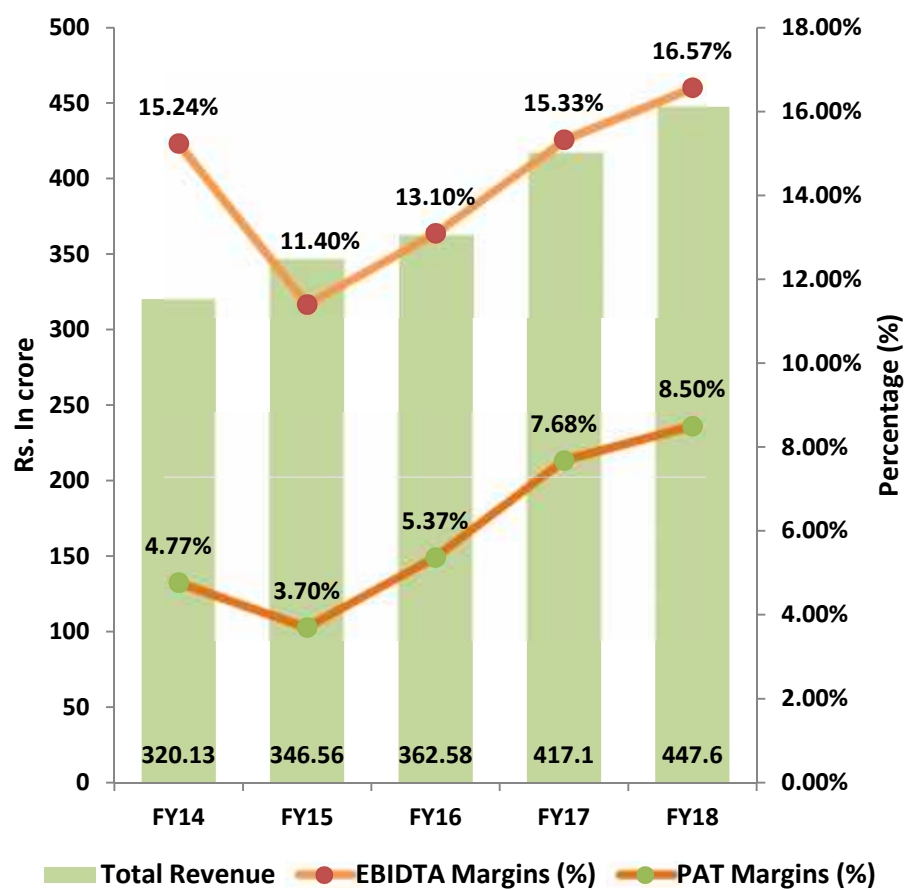
#### Net Sales Realization:

**WPP:** NSR was Rs. 55766/- PMT.

**Kraft Paper:** NSR was Rs. 25435/- PMT

Commenting on the financial performance of the company **Mr. Jatinder Singh, Chairman & Whole Time Director, Ruchira Papers Limited, said,** "We are back on the track after the successful implementation of modernization programme undertaken during Q4 of FY18. Further in Kraft paper unit we have stabilized our capabilities to manufacture the products which we had proposed during implementation of modernization and upgradation programme and have received good response for these value added products manufactured by us. The quality of product of paper has been accepted in the market. We are hopeful to get the same reflected in topline and bottom-line of Q2 of FY19 onwards. It was a tough quarter no doubt however with value additions successfully implemented we are well on track"

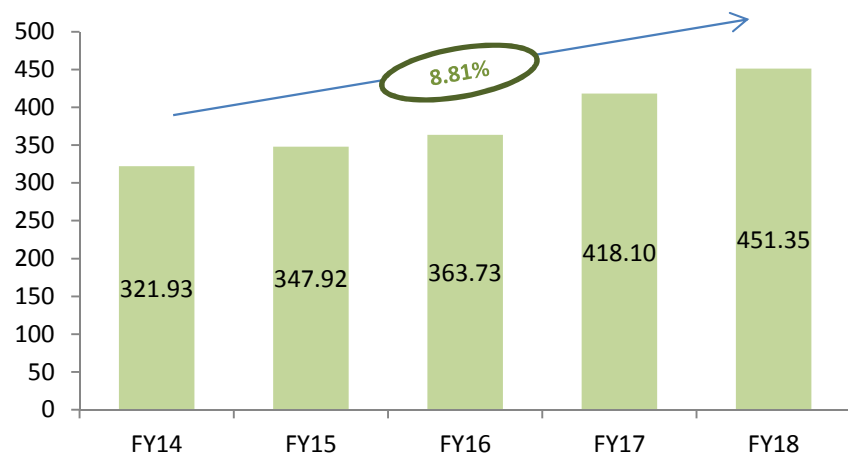
## Revenue Break-up & Margins



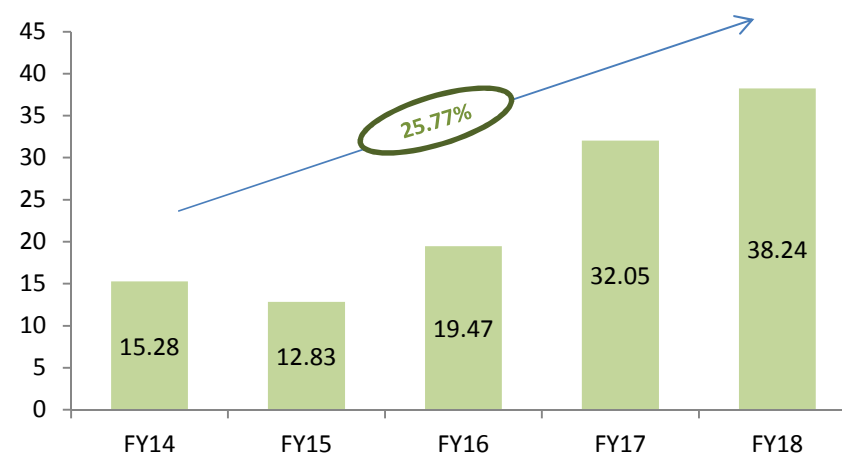
# Financial Performance



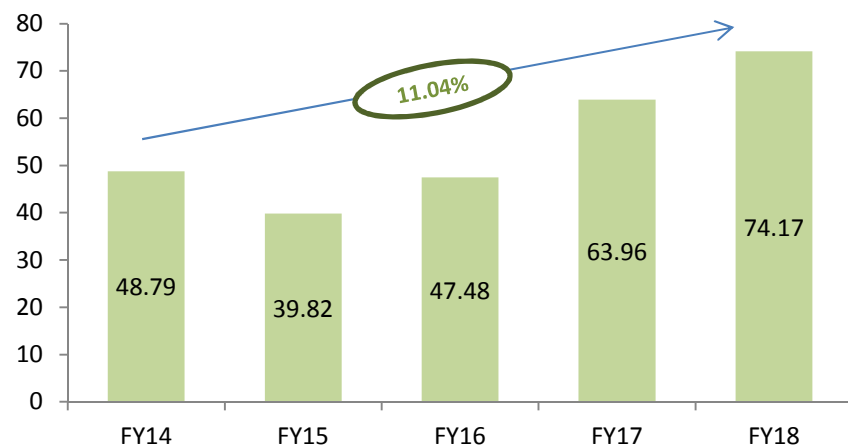
**Total Income (Rs. In cr)**



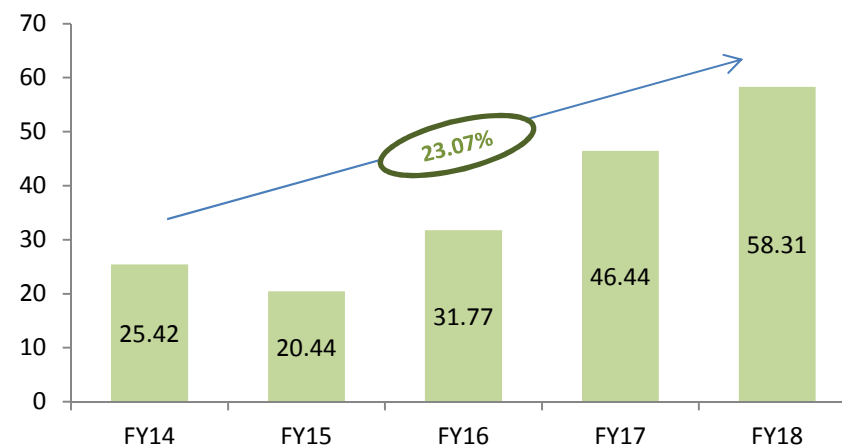
**PAT (Rs. In cr)**



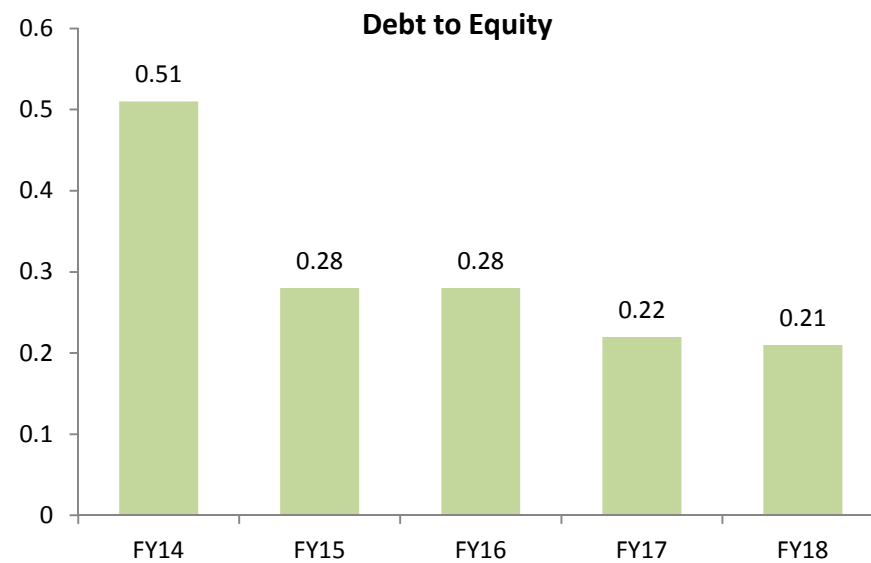
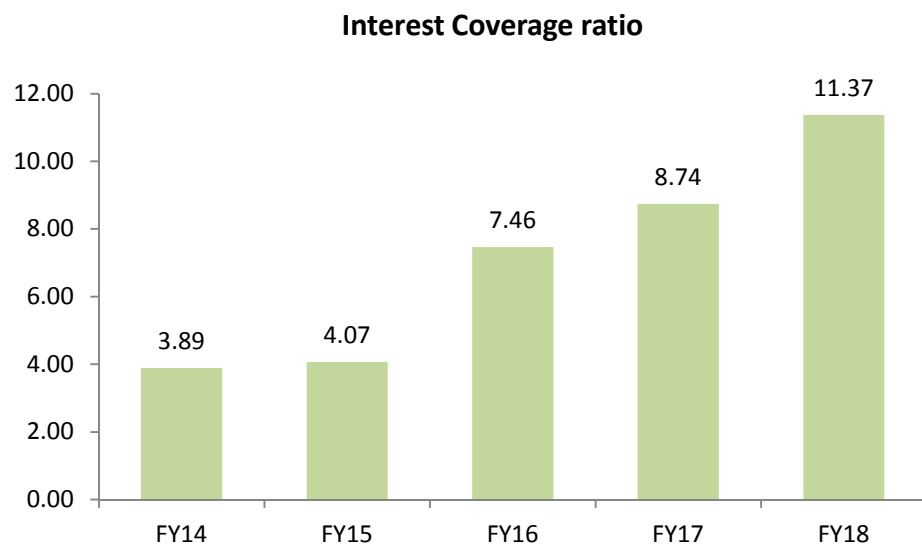
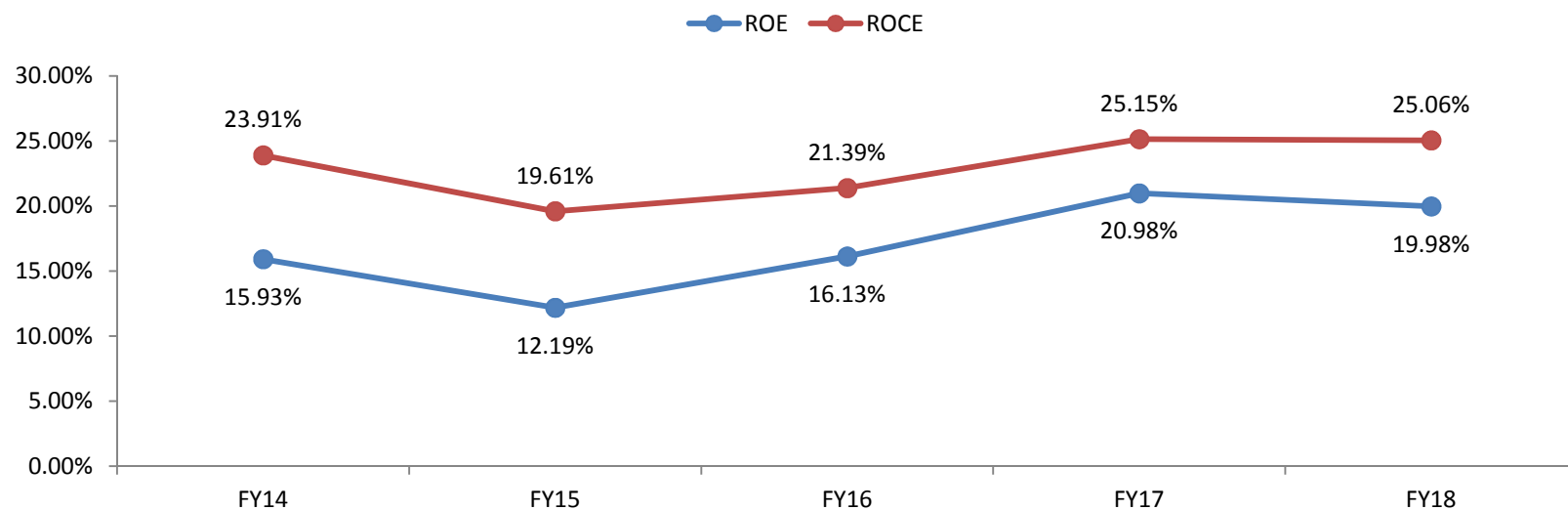
**EBIDTA (Rs. In cr)**



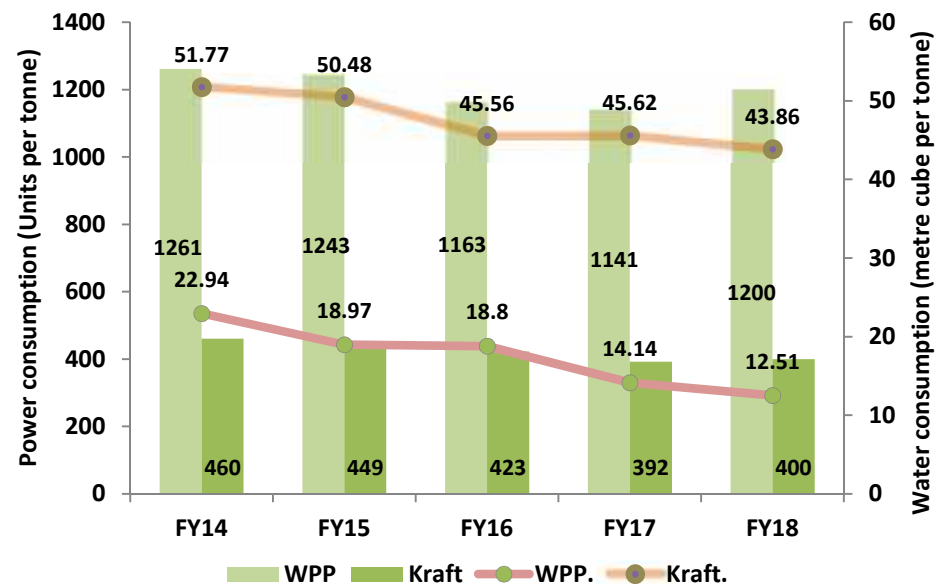
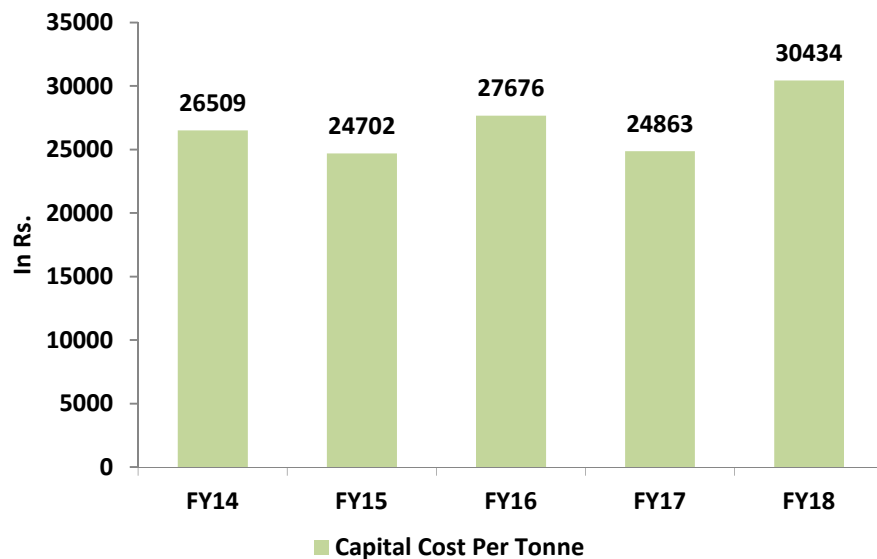
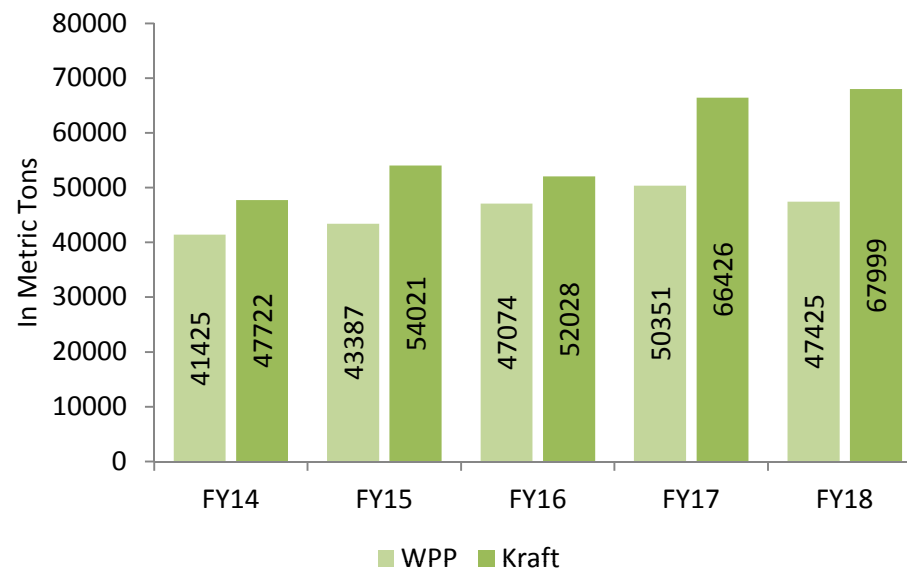
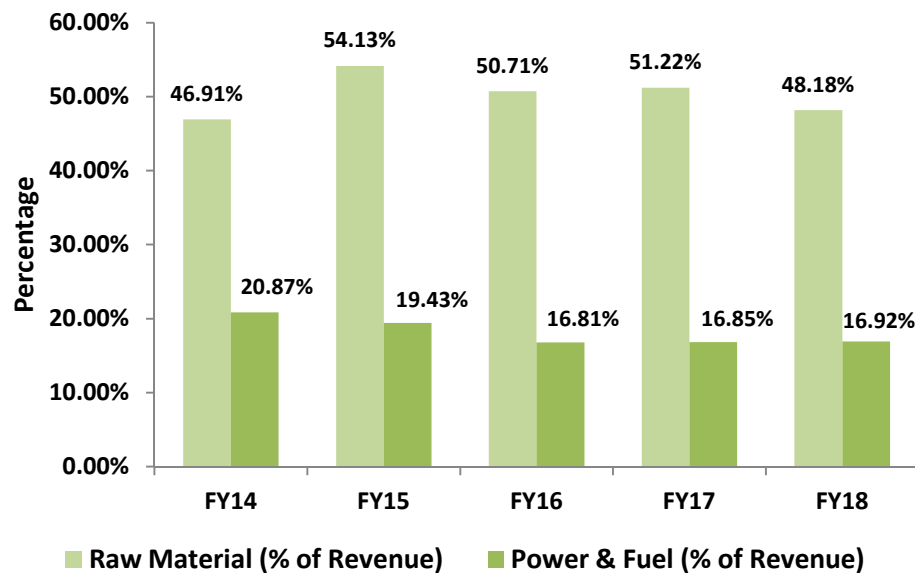
**PBT (Rs. In cr)**



# Key Ratios



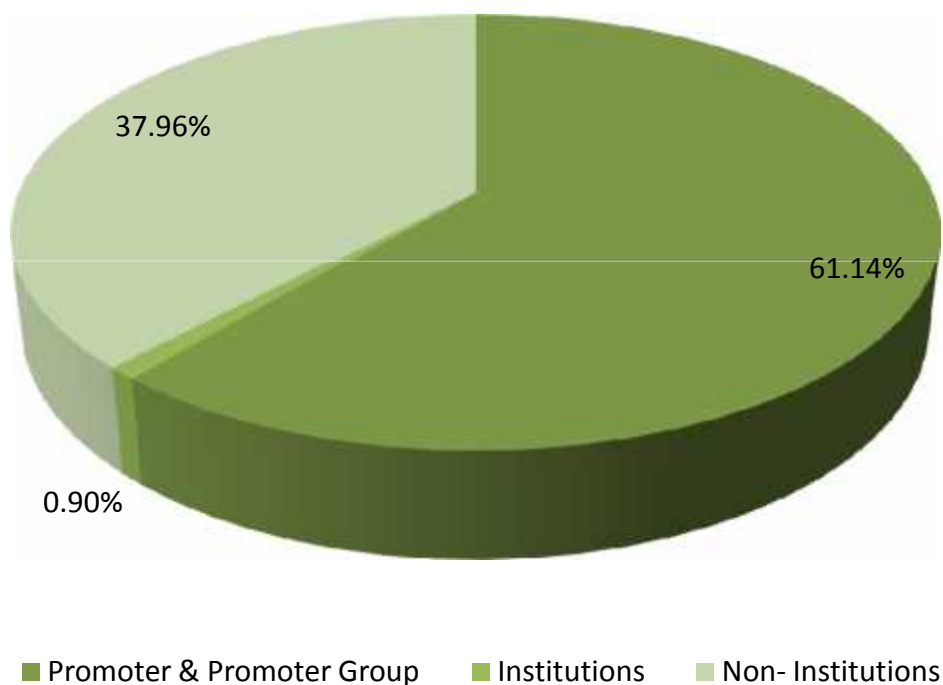
# Production Highlights



## Key Statics & Shareholding as on 30<sup>th</sup> June, 2018



Shareholding (%)



### Key Investors (%) holding

#### Non Institutions::

|              |      |
|--------------|------|
| Dolly Khanna | 1.51 |
|--------------|------|

| Key Statistics                    | As on 31 <sup>st</sup> July, 2018 |
|-----------------------------------|-----------------------------------|
| CMP (Rs.)                         | 117.70                            |
| Market Cap (Rs. In crore)         | 263.90                            |
| No. of outstanding shares (Crore) | 2.24                              |
| Face Value                        | 10.00                             |
| BSE Code                          | 532785                            |
| NSE Code                          | RUCHIRA                           |

This presentation and the following discussion may contain “forward looking statements” by Ruchira Papers Limited (“Ruchira” or “RPL” or the “Company”) that are not historical in nature. These forward looking statements, which may include statements relating to future results of operations, financial condition, business prospects, plans and objectives are based on the current beliefs, assumptions, expectations, estimates and projections of the management of RPL about the business, industry and markets in which RPL operates.

These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors, some of which are beyond RPL’s control and difficult to predict, that could cause actual results, performance or achievements to differ materially from those in the forward looking statements.

Such statements are not and should not be construed as a representation of future performance or achievements of RPL. In particular, such statements should not be regarded as a projection of future performance of RPL. It should be noted that the actual performance or achievements of RPL may vary significantly from such statements.

## Contact Details

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### **Ruchira Papers Ltd.**

Mr. Vipin Gupta

(CFO & Executive Director)

Email: [vipingupta@ruchirapapers.com](mailto:vipingupta@ruchirapapers.com);

Mr. Vishav Sethi

(Company Secretary)

Email: [cs@ruchirapapers.com](mailto:cs@ruchirapapers.com)

Website : [www.ruchirapapers.com](http://www.ruchirapapers.com)

### CONCEPT IR

### **Concept Public Relations India Ltd.**

Mr. Pratik Patil

Mobile: 8291510324

Email: [pratik@conceptpr.com](mailto:pratik@conceptpr.com)

Ms. Ankita Verma

Mobile: 8898422588

Email: [ankita@conceptpr.com](mailto:ankita@conceptpr.com)

Website : [www.conceptpr.com](http://www.conceptpr.com)