

JKP/SH/2024

13th December 2024

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: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ('Listing Regulations') - Composite Scheme of Arrangement between JK Paper Limited, JKPL Utility Packaging Solutions Private Limited (Formerly Manipal Utility Packaging Solutions Private Limited), Securipax Packaging Private Limited, Horizon Packs Private Limited, Enviro Tech Ventures Limited and PSV Agro Products Private Limited and their respective Shareholders, under Sections 230 – 232 read with Section 66 and other applicable provisions of the Companies Act, 2013.

Pursuant to the above Regulation, we wish to inform you that the Board of Directors of the Company at its meeting held today i.e., on Friday, 13th December, 2024, which commenced at 12.30 P.M. and concluded at 4.30 P.M, has accorded its approval to the draft Composite Scheme of Arrangement, after considering the recommendations of Audit Committee and Committee of Independent Directors.

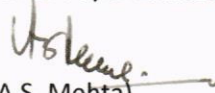
The Scheme, as above, will be subject to regulatory and other approvals, as may be required.

The details as required under Regulation 30 of the Listing Regulations read with the relevant SEBI Circular are given in Annexure-I hereto.

Submitted for your kind reference and records.

Thanking you

Yours faithfully
For JK Paper Limited


(A.S. Mehta)
President & Director
Encl: a/a

Annexure I
Brief details of the Composite Scheme of Arrangement

<p>a) Name of the entities forming part of the Scheme, details in brief such as size, turnover, etc.</p>	<p>The Composite Scheme of Arrangement is between JK Paper Limited (“Transferee Company”), JKPL Utility Packaging Solutions Private Limited (Formerly Manipal Utility Packaging Solutions Private Limited) (“Transferor Company 1”), Securipax Packaging Private Limited (“Transferor Company 2”), Horizon Packs Private Limited (“Transferor Company 3”), Enviro Tech Ventures Limited (“Demerged Company for Part ‘E’ of the Scheme” and “Transferor Company 4 for Part ‘F’ of the Scheme”) and PSV Agro Products Private Limited (“Resulting Company”) and their respective Shareholders under Sections 230-232 read with Section 66 and other applicable provisions of the Companies Act, 2013 (‘Scheme’).</p> <p>Brief details of the companies involved in the Scheme are as under:</p> <p>i. JK Paper Limited is a listed company incorporated under the laws of India and having Corporate Identity Number: L21010GJ1960PLC018099, and registered office at P.O. Central Pulp Mills, Fort Songadh, District - Tapi, Gujarat, India - 394660. The Company is engaged in the business of manufacturing and distribution of a wide range of paper products, including office paper, writing & printing, packaging boards, coated paper, specialty paper and other paper-related products.</p> <p>ii. JKPL Utility Packaging Solutions Private Limited (Formerly Manipal Utility Packaging Solutions Private Limited) incorporated under the laws of India and having Corporate Identity Number: U21014KA2008PTC045299 and registered office at Plot No. 19B, Shivalli Industrial Area, Manipal, Udupi, Karnataka, India - 576104. JKPL Utility Packaging Solutions Private Limited is a wholly owned subsidiary of JK Paper Limited. JKPL Utility Packaging Solutions Private Limited is engaged in the business of manufacturing folding cartons, corrugated boxes and labels and pre-press activities.</p> <p>iii. Securipax Packaging Private Limited incorporated under the laws of India and having Corporate Identity Number U74999DL1980PTC122583, and registered office at Gulab Bhawan, 3rd Floor (Rear Block), 6A, Bahadur Shah Zafar Marg, New Delhi, India - 110002. Securipax Packaging Private Limited is a wholly owned subsidiary of JK Paper Limited. Securipax Packaging Private Limited is engaged in the business of manufacturing of corrugated boxes, corrugated sheet and other packaging related work.</p> <p>iv. Horizon Packs Private Limited incorporated under the laws of India and having Corporate Identification Number: U21014MH2001PTC133116, and registered office at Ashford Centre, 2nd Floor, Shankar Rao Naram Marg, Lower Parel (West), Delisle Road, Mumbai, Maharashtra, India - 400013. Horizon Packs Private Limited is a wholly owned subsidiary of</p>
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		<p>JK Paper Limited. Horizon Packs Private Limited is engaged in the business of manufacturing of corrugated boxes, corrugated sheet and other packaging related work.</p> <p>v. Enviro Tech Ventures Limited incorporated under the laws of India and having Corporate Identification Number: U73100GJ2007PLC075963, and registered office at P.O. Central Pulp Mills, Fort Songadh, District - Tapi, Gujarat, India - 394660. Enviro Tech Ventures Limited is a subsidiary of JK Paper Limited. Enviro Tech Ventures Limited is engaged in the business of trading of all types of goods on wholesale basis in India or elsewhere.</p> <p>vi. PSV Agro Products Private Limited incorporated under the laws of India and having Corporate Identification Number: U01820DL2017PTC325611, and registered office at Patriot House, 3, Bahadur Shah Zafar Marg, North Delhi, New Delhi, India - 110002. PSV Agro Products Private Limited is engaged in the business of agriculture, hunting and related services. The objects of the Resulting Company is also under process of being changed to trading of all types of goods on a wholesale basis.</p> <p>Brief details of the Net Worth, Total Assets as on 30th September, 2024 and Turnover (including other income) for the half-year ended 30th September, 2024, are set out below:</p> <p style="text-align: right;">Amount (Rs. in crore)</p> <table border="1" data-bbox="478 1152 1268 1803"> <thead> <tr> <th>Particulars</th> <th>Net worth</th> <th>Turnover (including other income) for the half year ended 30th September, 2024</th> <th>Total Assets</th> </tr> </thead> <tbody> <tr> <td>JK Paper Limited</td> <td>4,426.86</td> <td>2,962.96</td> <td>7,816.75</td> </tr> <tr> <td>JKPL Utility Packaging Solutions Private Limited</td> <td>57.73</td> <td>68.66</td> <td>101.61</td> </tr> <tr> <td>Securipax Packaging Private Limited</td> <td>10.40</td> <td>42.57</td> <td>83.14</td> </tr> <tr> <td>Horizon Packs Private Limited</td> <td>446.55</td> <td>375.77</td> <td>531.86</td> </tr> <tr> <td>Enviro Tech Ventures Limited</td> <td>298.37</td> <td>13.28</td> <td>351.03</td> </tr> <tr> <td>PSV Agro Products Private Limited</td> <td>0.19</td> <td>0.01</td> <td>0.21</td> </tr> </tbody> </table>	Particulars	Net worth	Turnover (including other income) for the half year ended 30 th September, 2024	Total Assets	JK Paper Limited	4,426.86	2,962.96	7,816.75	JKPL Utility Packaging Solutions Private Limited	57.73	68.66	101.61	Securipax Packaging Private Limited	10.40	42.57	83.14	Horizon Packs Private Limited	446.55	375.77	531.86	Enviro Tech Ventures Limited	298.37	13.28	351.03	PSV Agro Products Private Limited	0.19	0.01	0.21
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b)	Whether the transaction	Yes, the transaction is a related party transaction and the same is being done on an arm's length basis.																												



	<p>would fall under Related Party Transaction? If yes, whether the same is done at arms' length?</p>	<p>The valuation to determine the consideration under the Scheme, wherever applicable, has been done by BDO Valuation Advisory LLP. In addition, ICICI Securities Ltd. has issued a Fairness Opinion on the consideration determined by the aforesaid valuer.</p> <p>However, it is pertinent to note that in terms of General Circular No. 30/2014 dated 17th July 2014 issued by Ministry of Corporate Affairs (the "MCA Circular"), the transactions arising out of compromises, arrangements and amalgamations under the Companies Act, 2013 (the "Act"), will not attract the requirements of Section 188 of the Act.</p>
<p>c)</p>	<p>Areas of business of the entities</p>	<p>Transferor Company 1 – engaged in the business of manufacturing of folding cartons, corrugated boxes and labels and pre-press activities.</p> <p>Transferor Company 2 – engaged in the business of manufacturing of corrugated boxes, corrugated sheet and other packaging related work.</p> <p>Transferor Company 3 – engaged in the business of manufacturing of corrugated boxes, corrugated sheet and other packaging related work.</p> <p>Transferor Company 4 – engaged in the business of trading of all types of goods on wholesale basis in India or elsewhere.</p> <p>Resulting Company – engaged in the business of agriculture, hunting and related services. The objects of the Resulting Company is also under process of being changed to trading of all types of goods on a wholesale basis.</p> <p>Transferee Company – engaged in the business of manufacturing and distribution of a wide range of paper products, including office paper, writing & printing, packaging boards, coated paper, specialty paper and other paper related products.</p>
<p>d)</p>	<p>Rationale for the Scheme</p>	<p>a) Object and rationale for amalgamation of Transferor Company 1, Transferor Company 2, Transferor Company 3 with and into Transferee Company:</p> <p>The Transferor Company 1, Transferor Company 2, Transferor Company 3 are wholly owned subsidiaries of the Transferee Company. The amalgamation of the Transferor Company 1, Transferor Company 2, Transferor Company 3 with and into the Transferee Company is, inter-alia, expected to yield the following benefits:</p> <ul style="list-style-type: none"> • The Transferor Company 1, Transferor Company 2, Transferor Company 3, and the Transferee Company are engaged in similar line of business, and the Board of the respective companies has decided to consolidate all packaging business, manufacturing, and trading entities under the Transferee Company. The proposed consolidation

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		<p>of business operations through amalgamation will therefore lead to more efficient utilization of capital assets, supply chain, and customer relationships, thereby creating a stronger base for future growth;</p> <ul style="list-style-type: none">• Facilitate flexibility in funding the capex of the Transferor Company 1, Transferor Company 2, Transferor Company 3, eliminate intra-group transactions and consequent cash flow blockages which shall result in efficient utilization of capital at a group level;• Assist in rationalizing the corporate structure and reduction of shareholding tiers;• Reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by the Transferor Company 1, Transferor Company 2, Transferor Company 3 and Transferee Company;• Result in savings of administration and other costs associated with managing separate entities <p>b) Object and rationale for reduction and conversion of Redeemable Preference Shares held by the Transferee Company in the Transferor Company 4 into unsecured loan:</p> <p>The reduction and conversion of preference share capital of the Transferor Company 4 into unsecured loan, would, inter alia, entail the following benefits:</p> <ul style="list-style-type: none">• The reduction and conversion of Redeemable Preference Shares (RPS) in the manner proposed in the Scheme would enable the Transferee Company to reflect the true nature of investment in the Transferor Company 4 i.e., as a liability, and thereby, facilitate the demerger from the Transferor Company 4 (as a part of this Scheme);• The RPS issued by Transferor Company 4 (or the Demerged Company) shall, upon the effectiveness of Part D of the Scheme, be converted into an unsecured loan. Furthermore, upon the effectiveness of Part F of the Scheme, whereby Transferor Company 4 is merging with the Transferee Company, such unsecured loan, previously arising from the conversion of the RPS, shall stand cancelled without any further act, deed, or instrument;• Facilitate support for organic growth opportunities and eliminating intra-group transactions and consequent cash flow blockages which shall result in efficient utilization of capital at a group level;• The Scheme would not affect the ability or liquidity of the Transferor Company 4 to meet its obligations / commitments in the normal course of business upon effectiveness of the Part D of the Scheme.
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	<p>c) Object and rationale for demerger of Demerged Undertaking into Resulting Company:</p> <p>The following benefits would, inter alia, accrue to the Demerged Company and the Resulting Company:</p> <ul style="list-style-type: none">• Facilitate segregation of the Demerged Undertaking from the Demerged Company so that the Resulting Company may focus and expand the business of the Demerged Undertaking subsequent to the demerger;• The demerger shall allow the Demerged Company to merge the residual business (related to paper and packaging business) with the Transferee Company in Part F of the Scheme, thereby consolidating paper and packaging business, manufacturing, and trading entities under the Transferee Company as part of the overall objective of the restructuring scheme. <p>d) Object and rationale for merger of Transferor Company 4 into Transferee Company:</p> <ul style="list-style-type: none">• Upon effectiveness of Part E of the Scheme, Transferor Company 4 would be left with paper and packaging business and management of Transferor Company 4 and Transferee Company are engaged in the same line of business, and so the Board of the respective companies have decided to consolidate all paper and packaging business, manufacturing, and trading entities under the Transferee Company;• Assist in rationalizing the corporate structure and reduction of shareholding tiers;• Reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by both the Transferor Company 4 and Transferee Company;• Result in savings of administration and other costs associated with managing separate entities. <p>e) Rationale for re-organization of reserves of the Transferee Company in the manner set out in this Scheme:</p> <ul style="list-style-type: none">• The Scheme proposes to set off the debit balance of Credit Reserve arising out of effectiveness of the Scheme as on the Appointed Date against the existing credit balance lying under Transferee Company, in order to right-size the balance sheet;• The proposed reorganization of the reserves is in the interest of the Transferee Company, shareholders, creditors, and all concerned stakeholders. If the Scheme is approved, the books of the Company would present a fair representation of the financial position of the Transferee Company.
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		<p>Accordingly, the Management of respective companies, have formulated this Scheme to undertake various steps as envisaged under Part C, D, E, F and G of this Scheme pursuant to the provisions of Sections 230-232 read with Section 66 and other applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactment or amendment thereof).</p> <p>There is no likelihood that interests of any shareholder(s) or creditor(s) of the respective companies would be prejudiced as a result of the Scheme. The Scheme does not affect the rights of the creditors of the respective companies. There will not be any reduction in amounts payable to the creditors, nor shall there be any change in terms with creditors which is averse to their interests, pursuant to the sanctioning of this Scheme. Without prejudice to the above, the Scheme is an arrangement between the respective Companies and their respective shareholders, as contemplated under Section 230(1)(b) of the Companies Act, 2013 and not a Scheme envisaged under Section 230(1)(a) of the Companies Act, 2013.</p>
e)	Brief details of the division to be demerged	Since JK Paper Limited ("Transferee Company") is not directly involved in the demerger under the Composite Scheme, this point is not applicable. However, its subsidiary, Enviro Tech Ventures Limited, is demerging its undertaking into PSV Agro Products Private Limited.
f)	Turnover of the demerged division and as a percentage to the total turnover of the listed entity in the immediately preceding financial year/ based on financials of the last financial year.	As the Listed Company ("Transferee Company") is not involved in the demerger under the Composite Scheme, this point is not applicable.
g)	In case of cash consideration amount or otherwise share exchange ratio	<p><u>Part C of the Scheme:</u></p> <p><u>Consideration for Equity Shareholders:</u></p> <p>The Transferor Company 1, Transferor Company 2 and Transferor Company 3 are wholly owned subsidiaries of the Transferee Company and therefore there shall be no issue of shares as consideration for the amalgamation of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 with the Transferee Company.</p>

Part E of the Scheme:

Consideration for Existing Equity Shareholders of Resulting Company:

• **Reduction In the Existing Paid up Share Capital of Resulting Company:**

With effect from the Appointed Date 2 and upon Part D of this Scheme coming into effect and with effect from the Record Date immediate prior to issuance of shares to the shareholders of the Demerged Company, the existing share capital of the Resulting Company shall stand cancelled without any further application, act, instrument or deed, as an integral part of this Scheme, for a consideration equal to the net asset value as on the Appointed Date 2 to the existing shareholders subject to availability of cash and bank balance.

• **Demerger of Demerged Undertaking from Demerged Company to Resulting Company:**

Upon coming into effect of the Scheme, the Shareholders of the Demerged Company, shall, without any further act, deed or thing be issued and allotted as under:

To Equity Shareholders:

1 fully paid equity share of Rs. 10 each of Resulting Company, for every 1 equity share of Rs. 10 each held in the Demerged Company.

To Compulsorily Convertible Preference Shareholders:

- 2,50,00,000 fully paid equity shares of Rs. 10 each of Resulting Company, for every 30,00,000 fully paid Series 1 Compulsorily Convertible Preference Share of Rs. 100 each held in the Demerged Company.
- 83,33,333 fully paid equity shares of Rs. 10 each of Resulting Company, for every 10,00,000 fully paid Series 2 Compulsorily Convertible Preference Share of Rs. 100 each held in the Demerged Company.
- 1,10,57,692 fully paid equity shares of Rs. 10 each of Resulting Company, for every 23,00,000 fully paid Series 3 Compulsorily Convertible Preference Share of Rs. 100 each held in the Demerged Company.

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		<p><u>Part F of the Scheme:</u></p> <p>Upon the Scheme taking effect and as consideration for the amalgamation of Transferor Company 4 with the Transferee Company, the Transferee Company shall, without any further application, deed, or payment, issue and allot shares of the Transferee Company as under:</p> <ul style="list-style-type: none"> • To Equity Shareholders: <ul style="list-style-type: none"> ○ 2635 fully paid equity share of Rs. 10 each of Transferee Company, for every 10,000 equity share of Rs. 10 each held in the Transferor Company 4. • To Compulsorily Convertible Preference Shareholders: <ul style="list-style-type: none"> ○ 21,958 fully paid equity share of Rs. 10 each of Transferee Company, for every 10,000 Series 1 Compulsorily Convertible Preference Share of Rs. 100 each held in the Transferor Company 4. ○ 21,958 fully paid equity share of Rs. 10 each of Transferee Company, for every 10,000 Series 2 Compulsorily Convertible Preference Share of Rs. 100 each held in the Transferor Company 4. ○ 12,668 fully paid equity share of Rs. 10 each of Transferee Company, for every 10,000 Series 3 Compulsorily Convertible Preference Share of Rs. 100 each held in the Transferor Company 4. 																								
h)	Whether listing would be sought for the resulting entity.	Listing will not be sought for the Resulting Company under the Composite Scheme of Arrangement.																								
i)	Brief details of change in shareholding pattern of listed entity	<p>Pursuant to the Scheme, pre and post shareholding pattern of the Company will be as follows:</p> <table border="1" data-bbox="496 1537 1398 1936"> <thead> <tr> <th rowspan="2">Particulars</th> <th colspan="2">Pre- Scheme</th> <th colspan="2">Post -Scheme</th> </tr> <tr> <th>No. of equity shares</th> <th>% of holding</th> <th>No. of equity shares</th> <th>% of holding</th> </tr> </thead> <tbody> <tr> <td>Promoter and Promoter group</td> <td>8,40,80,211</td> <td>49.63</td> <td>9,59,96,638</td> <td>52.94</td> </tr> <tr> <td>Public</td> <td>8,53,22,133</td> <td>50.37</td> <td>8,53,22,133</td> <td>47.06</td> </tr> <tr> <td>TOTAL</td> <td>16,94,02,344</td> <td>100</td> <td>18,13,18,771</td> <td>100</td> </tr> </tbody> </table>	Particulars	Pre- Scheme		Post -Scheme		No. of equity shares	% of holding	No. of equity shares	% of holding	Promoter and Promoter group	8,40,80,211	49.63	9,59,96,638	52.94	Public	8,53,22,133	50.37	8,53,22,133	47.06	TOTAL	16,94,02,344	100	18,13,18,771	100
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