

Investor Presentation

July 2021



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Company Overview

At a Glance

TCPL - One of India's leading producers of sustainable packaging solutions for customers across industries



31

YEARS

Of providing an array of packaging solutions



906

(RS. CRORE)

Revenue
(FY21)



99

(RS. CRORE)

Cash Profit*
(FY21)



17.7%

15 years
Revenue
CAGR
(FY07 to FY21)



7

Manufacturing
units



~1,900

Employees
(FY21)

Mission Statement

To be the most admired Indian packaging Company with an objective to:

- Maintain and acquire customers and contribute to their success
- To drive long term profitable growth
- Get it right the first time every time



Business Overview

- One of India's largest Folding Carton manufacturers and convertors of paperboard
- Innovative player in the Flexible packaging industry
- Close-to-Demand Pan-India Footprint to fast-track growth
- Caters to Consumer Goods, Food & Beverage, Tobacco, Liquor, Agro-Chemicals, Pharma, and various other industries
- Accredited with international certifications of quality and implemented Integrated Management System (IMS) for all-round quality assurance



Folding Cartons

**Revenue Mix
(FY21)**

~85%



~15%

Flexible Packaging

Folding Carton Division

- One of India's leading Carton Packaging companies since 1990s driven by adoption of industry-leading technology
- Offers wide-range of innovative, sustainable & unique packaging solutions
- Well-positioned to support diverse customer requirements with PAN India presence and network



MONOCARTONS



SPECIALTY & GIFT PACKAGING



SHELF READY PACKS



FOOD & BEVERAGES PACKAGING



PHARMA PACKAGING

Flexible Packaging Division

- Innovative player providing versatile and sustainable solutions to customers across industry verticals
- Offers a variety of products including Pouches, Laminates, Shrink Sleeves, and Wrap Around Labels



POUCHES



SHRINK SLEEVES



WRAP AROUND LABELS



LAMINATES

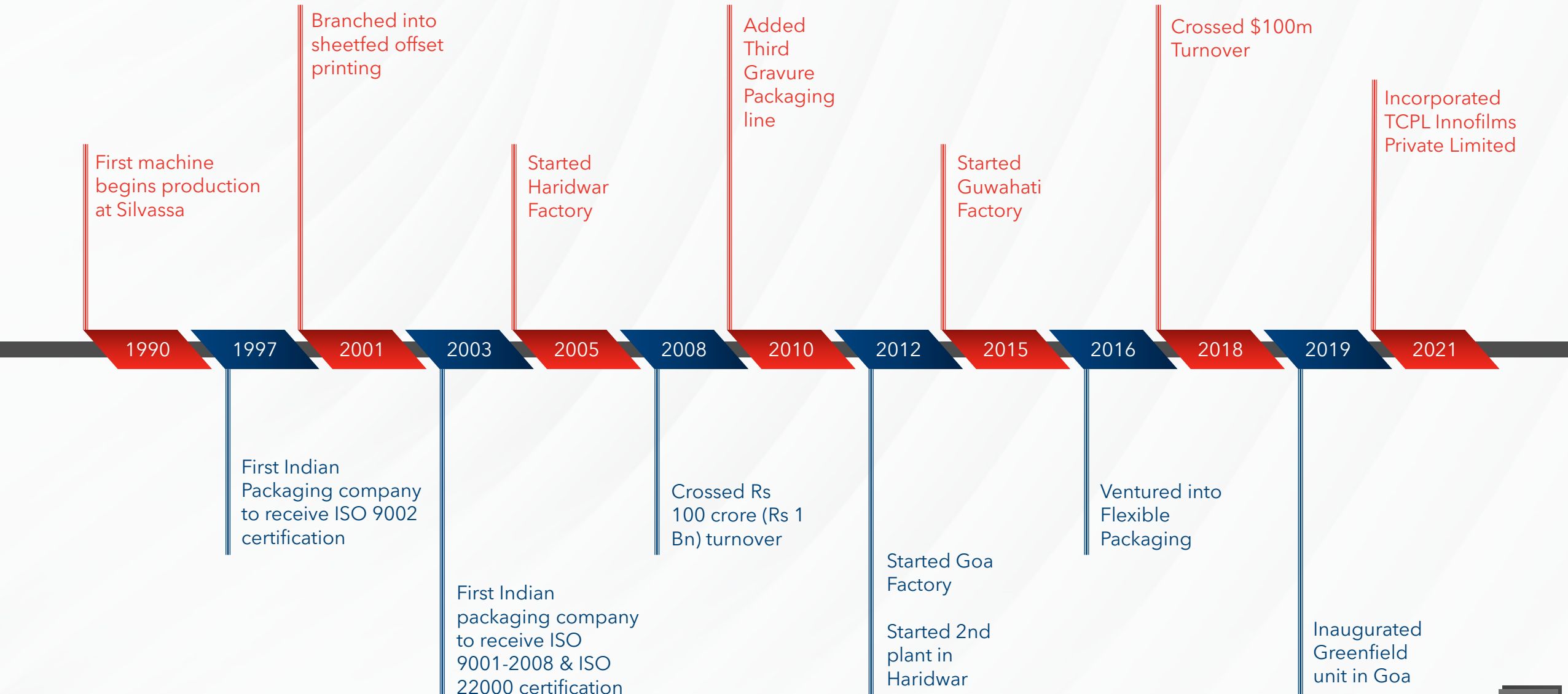


TIPPING PAPER

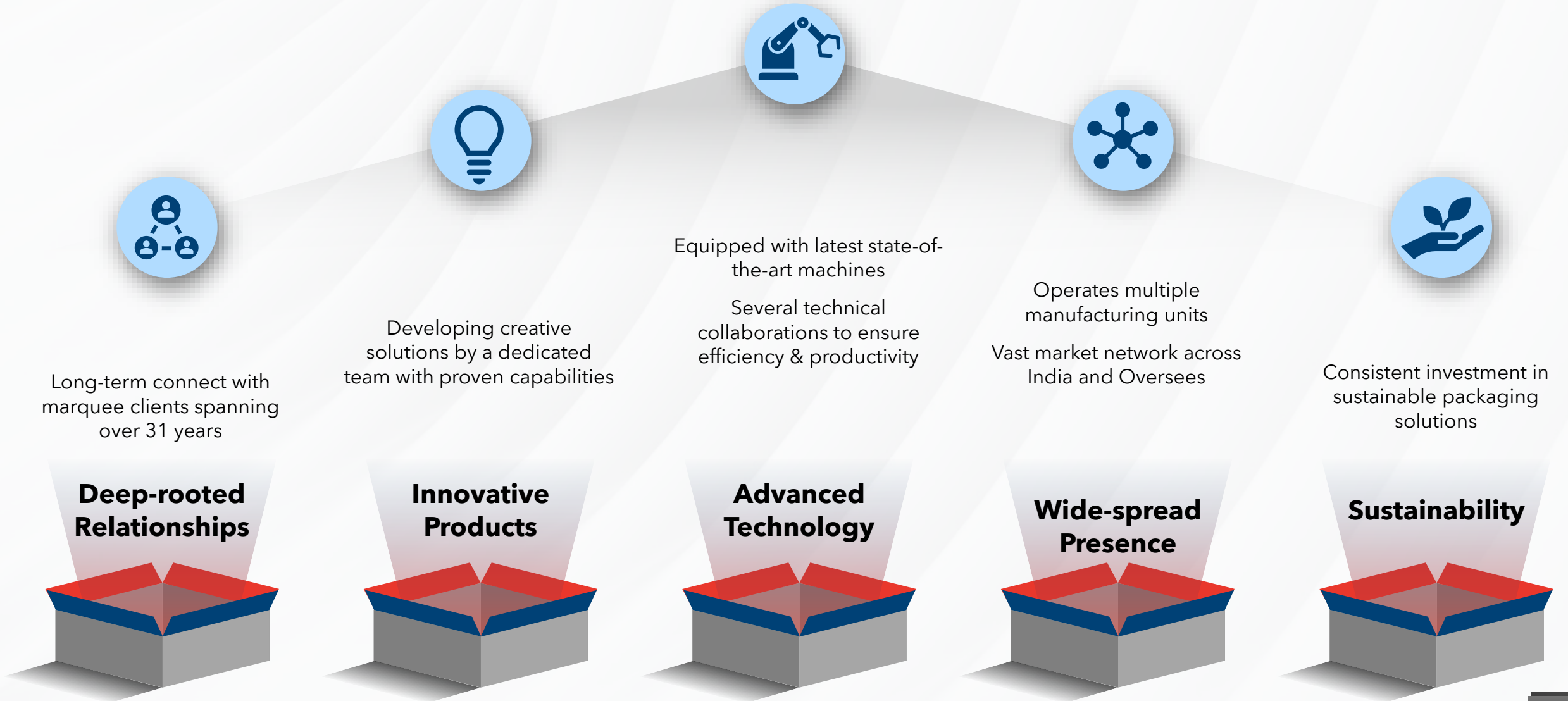


BUNDLE PAPER, INNER FRAMES & SOFT PACKS

Key Milestones - Journey of TCPL Since 1990

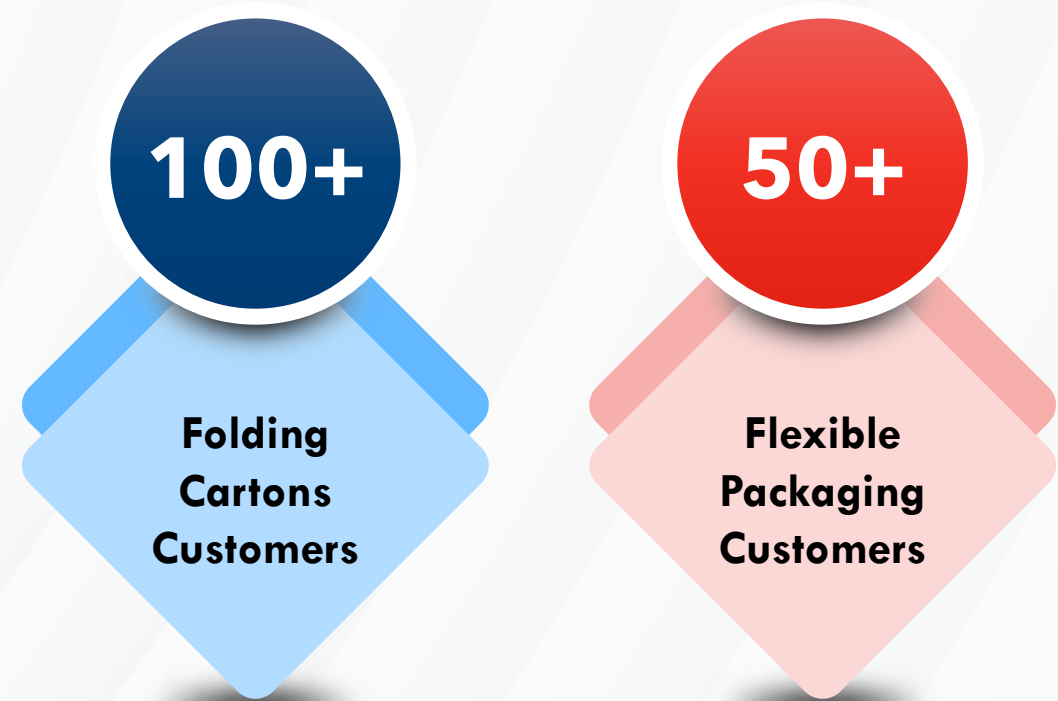


Pillars of Strength



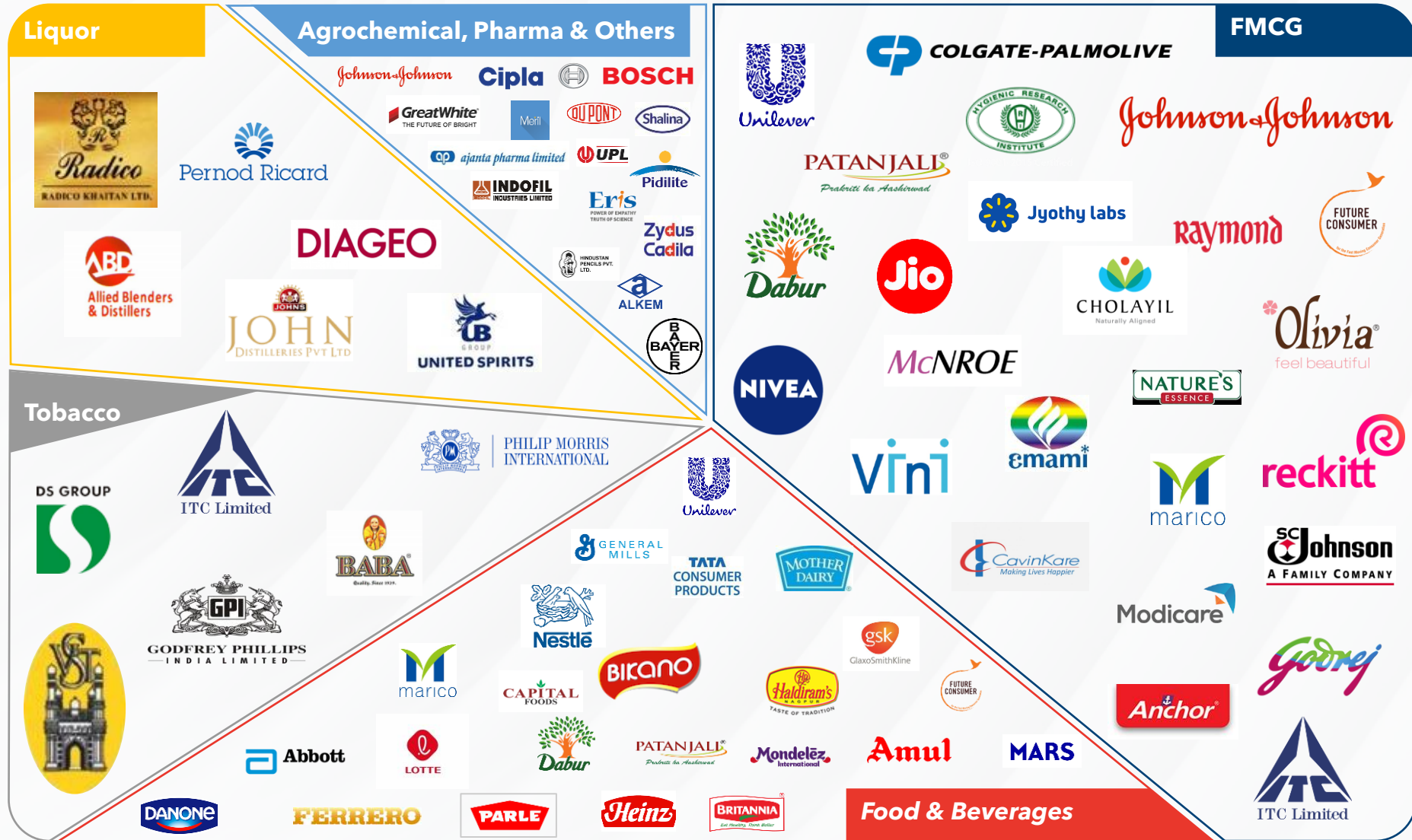
Diversified Customer Base

- Long term relationships with several customers spanning over 31 years
- 100+ customers ranging across large domestic & global corporates
- Delivers innovative & sustainable packaging solutions to customers across various industry verticals such as FMCG, Food & Beverages, Pharmaceuticals, Liquor & Tobacco
- Partners with customers to develop reliable high-quality products



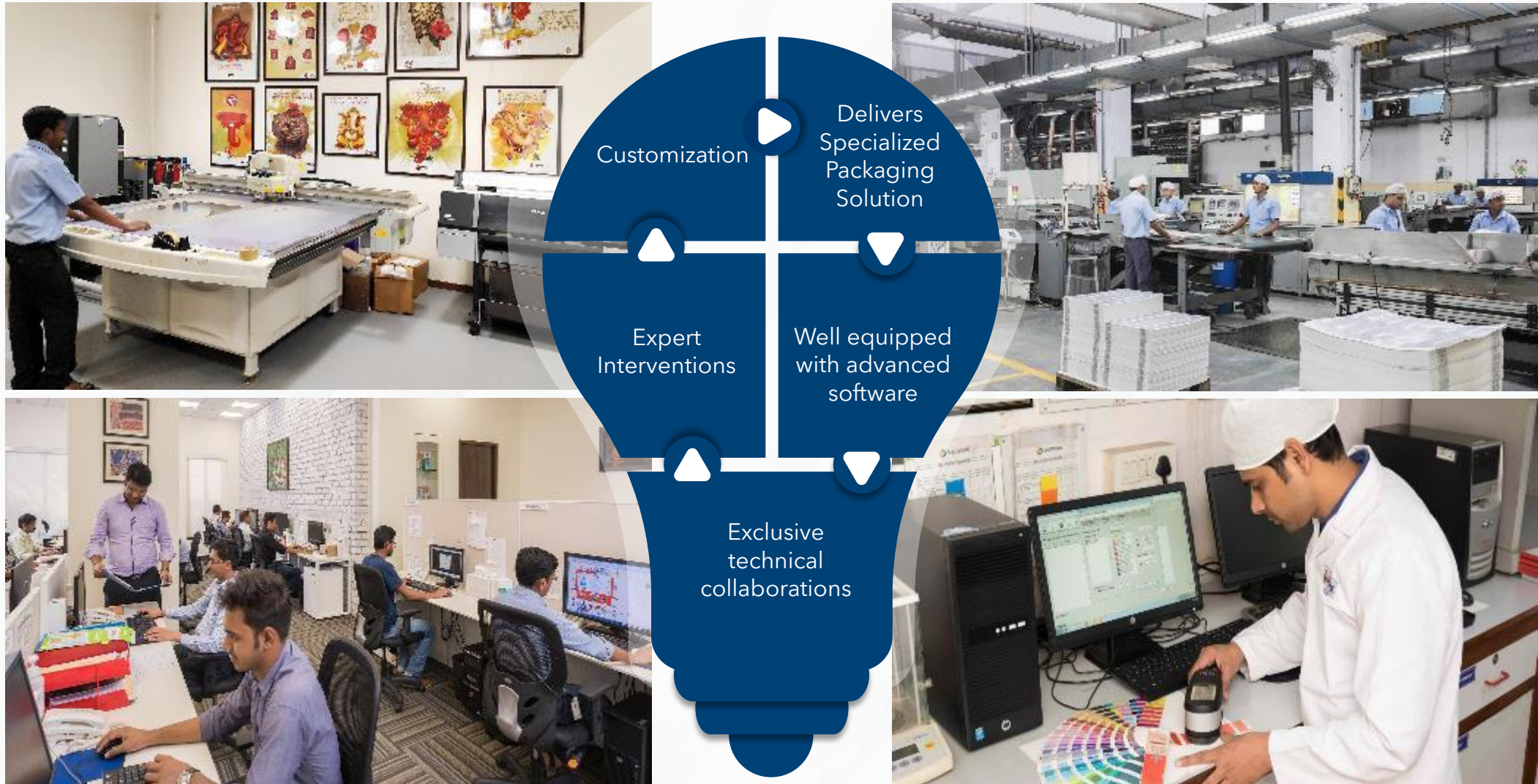
“Deep partnerships with a diverse customer base, built upon a portfolio of sustainable & quality products”

Marquee Clients



"Enables leading companies across industries identify the right packaging solutions"

Dedicated Team for Innovative Solutions



"Committed to developing best-in-class, high-quality, and cutting-edge packaging solutions"

Innovative & Diversified Packaging Solution Provider (1)

SPECIALITY INKS



SPECIALISED LENS EFFECT



SECURITY FEATURES - PRINTING, EMBELLISHMENT & CODING



Hidden Text/
Images



Anti-copy feature

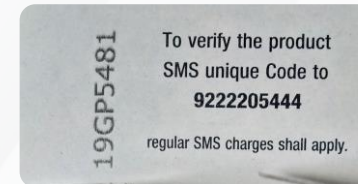


Micro Text

SPECIALTY COATINGS



SUSTAINABLE ALTERNATIVE TO PLASTIC



Random
alphanumeric coding



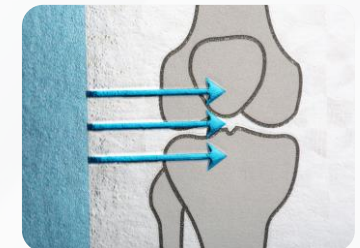
QR code



Auto paste
barcodes /scratch
& read tags



Hologram pasting



Micro - embossing

Innovative & Diversified Packaging Solution Provider (2)

Appealing Print Finish



Lux Valentina - matt/gloss combination, embossing, double pass foil stamping. Glued with hot melt on PE coated board

Appealing Print Finish



Afxigra Lens - Carton 3D hologram lens registered to +/- 0.1mm accuracy

Biodegradable Packaging



Antiquity - 100% biodegradable pack, printing on transfer metallized board, with soft touch and gloss UV finish

Hidden Images, Texture UV, Cast & Cure Holography



Uno Minda - modified the packaging to prevent widespread counterfeiting of their products

Gift Box Printing



Karmiq gift box - Gift boxes innovated and formed by the TCPL team for Future Consumer Limited

Anti-counterfeit Solution

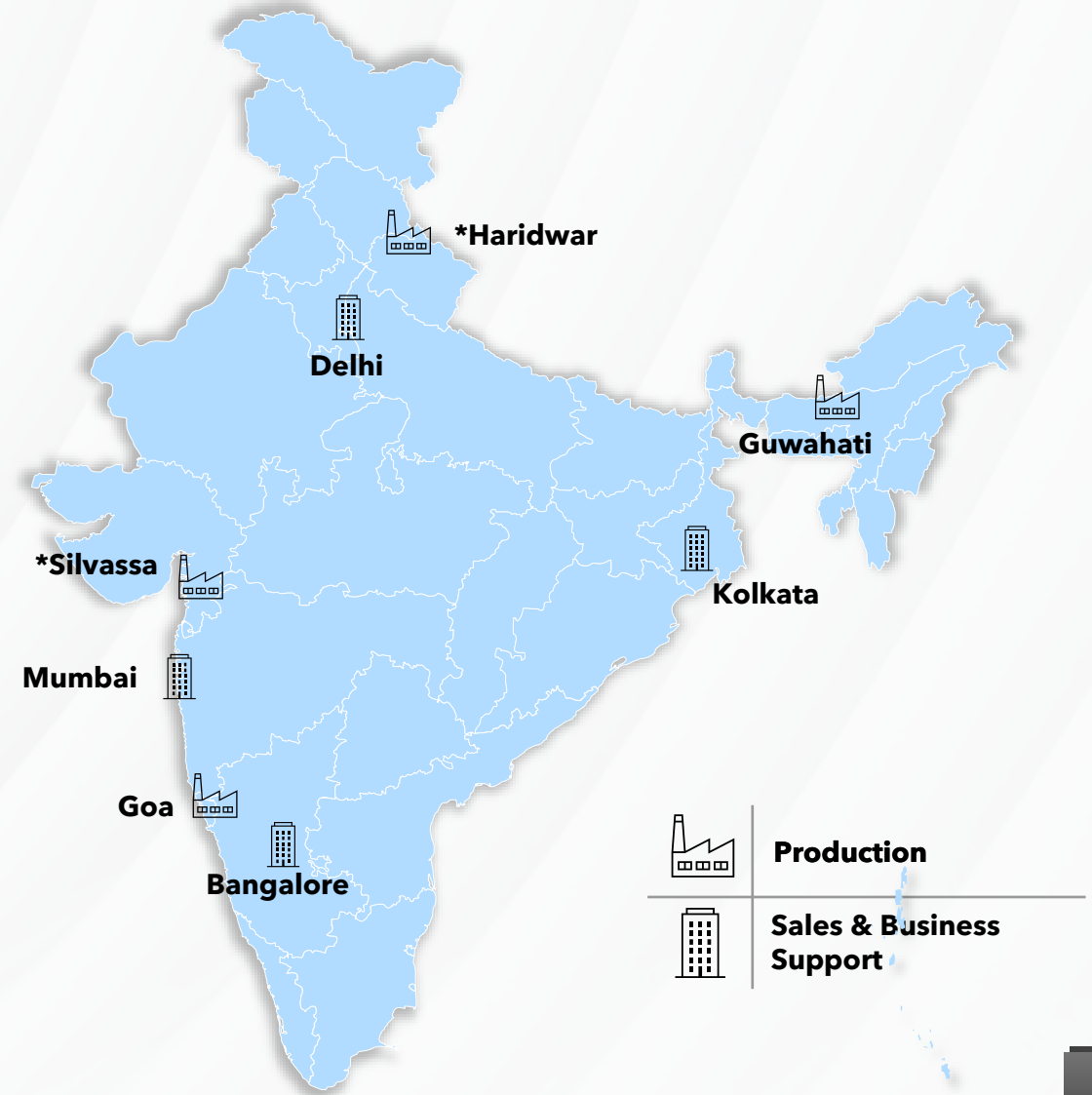


Fair & Handsome Relaunch - Both the carton and flow-wrap laminate were printed with tactile varnish.

Pan-India Presence

Close-to-demand strategy has enabled TCPL to emerge as one of India's leading sustainable packaging solution providers

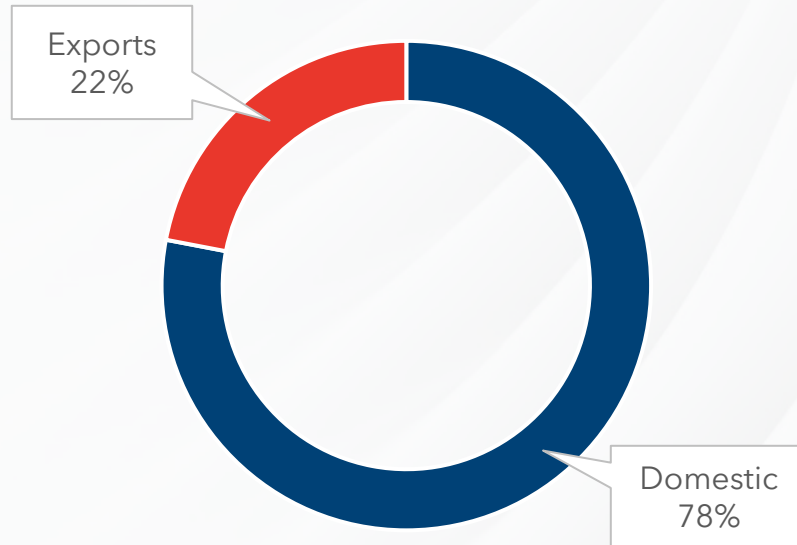
Headquartered in **Mumbai**,
TCPL operates **7** manufacturing
units across **4** locations & has
marketing offices in **key metro
cities**



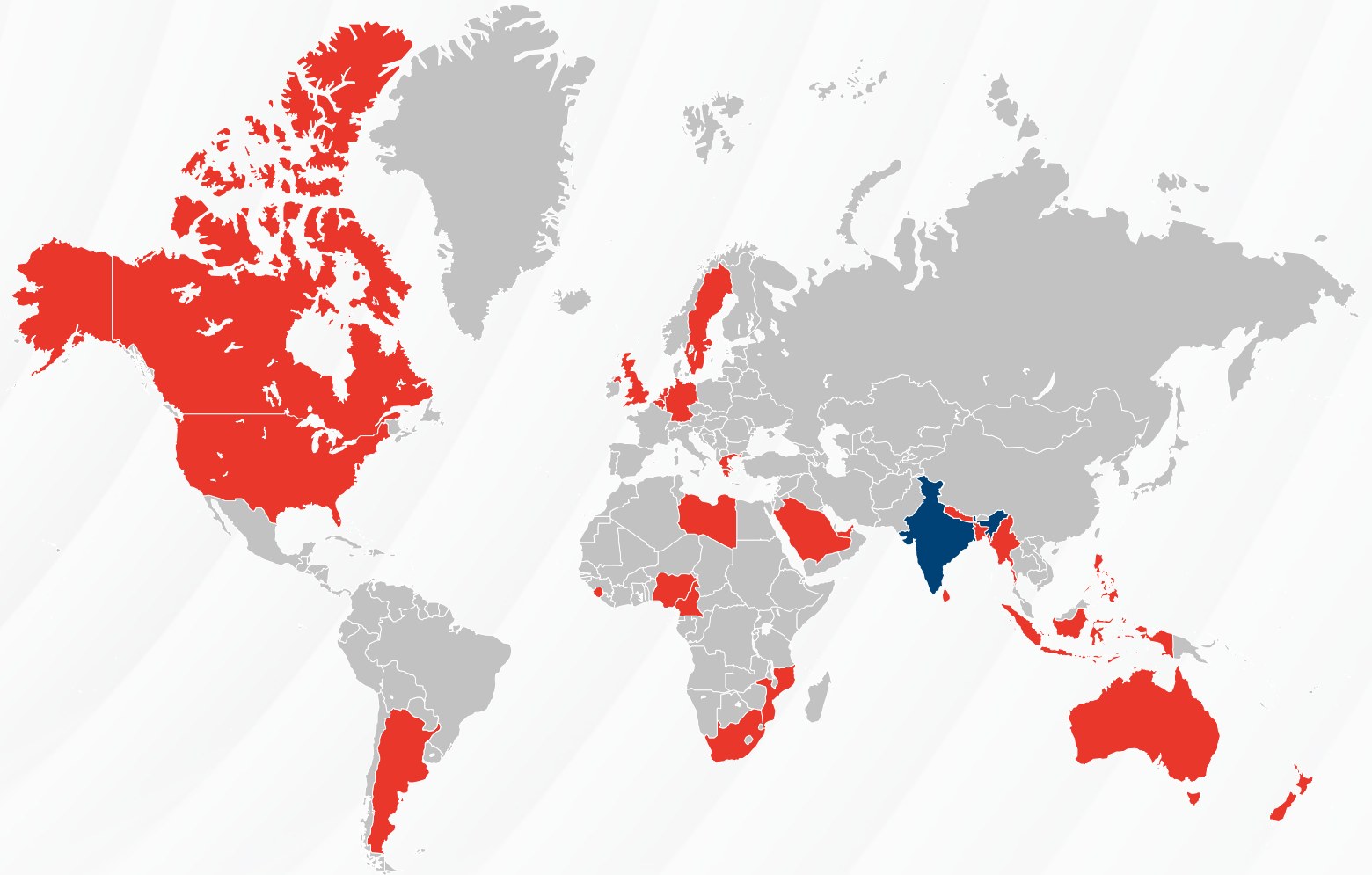
Note: Silvassa and Haridwar have 3 & 2 manufacturing units, respectively

Expanding Global Footprint

Revenue Break-Up



Export Revenue stood at
Rs. 198.9 crore for FY21



"As a 'Star Export House', TCPL offers exemplary value to its clients along with world-class quality and service"

Manufacturing Excellence

- Focus on achieving operational excellence by adopting latest technology and practices
- Established best-in-class equipment across facilities
- State-of-the-art laboratories at all plants to ensure high quality
- Ink management systems installed as per international standards
- Leveraging latest digital technology to improve process control and minimize errors



GRAVURE PROCESS



OFFSET PROCESS



QUALITY CONTROL PROCESS



FLEXIBLE PACKAGING

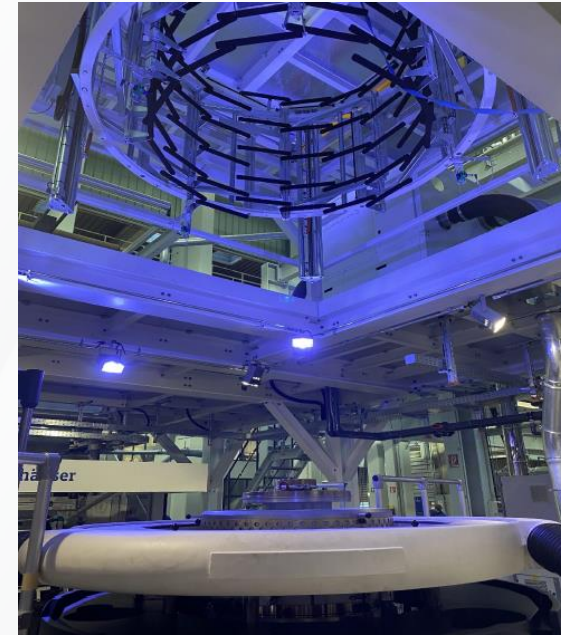
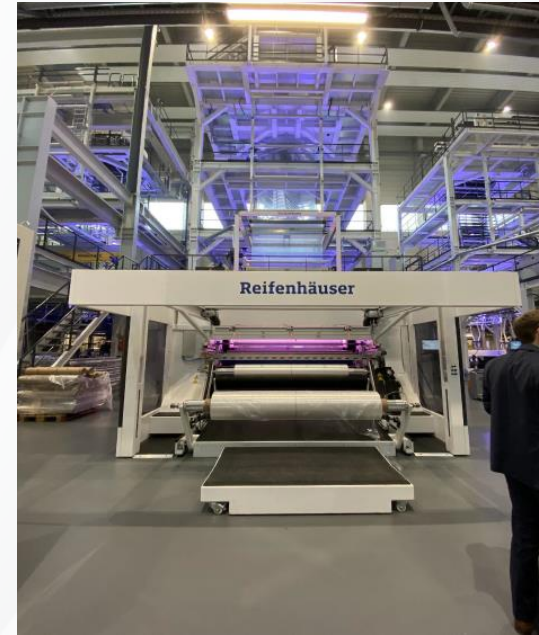
Sustainable Packaging - Renewable, Recyclable and Compostable

- Growing global trend towards eco-friendly packaging solutions fueled considerable growth over the last decade
 - Ever increasing end-consumer awareness and demand for eco-friendly & recyclable offerings
- Paperboard is a naturally Renewable, Recyclable and Compostable material
 - TCPL utilizes a mix of virgin (renewable) & recycled paperboard as raw material
- TCPL is continuously working with potential and existing clients to transition from plastic to paper-based packaging
 - Most of the Company's packaging solutions are 100% Renewable, Recyclable and Compostable



Investments towards driving higher sustainability in Flexible packaging

- Considering the plastic waste disposal crisis, there is increasing pressure on brand owners to use recyclable packaging solutions
- To meet this growing demand, *TCPL Innofilms Private Limited*, a wholly owned subsidiary of TCPL, is setting up a Poly-ethylene (PE) blown film line from *Reifenhäuser* (Germany) to produce film to be used in packaging applications
 - Facility is expected to be commissioned in FY2022
- Currently, most flexible packaging consists of multiple polymer usage, which renders it non recyclable
 - TCPL aims to use a single polymer and still fulfill all required parameters, helping the switch to recyclable packaging
- Environment friendly product anticipated to garner robust traction given recent consumer preference for sustainable and recyclable offerings



Environment



- TCPL has framed a policy on Business Responsibility aimed to fulfil its Social, Environmental and Economical responsibilities. It covers procedures relating to environment protection in detail and is available on TCPL's website: [TCPL - Business Responsibility Policy](#)
- Invested in roof top solar at two of its facilities at Silvassa - plans to take up similar projects at all units in the future
- Majority of the Company's products are renewable, recyclable, and compostable in nature - limiting the overall carbon footprint
 - In addition, TCPL is in the process of establishing its own PE film line, which will aid its flexible packaging division manufacture fully recyclable solutions



Social

- Established "TCPL Foundation" to facilitate implementation of CSR activities. A detailed note on the Company's CSR policy is available on its website: [TCPL - CSR Policy](#)
- Kanoria Seva Kendra, a charitable trust managed by Chairman K K Kanoria runs Schools & colleges in Rajasthan and also supports Kanoria Centre for Arts & Kanoria Hospital, Research Centre and Centre for Medical Education in Gujarat

Governance



- TCPL has laid strong emphasis on ethical corporate citizenship and establishment of good corporate culture. The Company has always believed in adhering to the best governance practices to ensure protection of interests of all stakeholders of TCPL in tandem with healthy growth of the business
 - The Business Responsibility Policy covers the key principals in detail and is available on the Company's website: [TCPL - Business Responsibility Policy](#)



Committed Management Team



K. K. Kanoria
Executive Chairman

Graduate from Kolkata University with Hons. in Economics and Political Science.

Supervises the day to-day activities of the Company mainly related to policy decisions and financial matters



Saket Kanoria
Managing Director

MBA-Finance from George Washington University, USA, supervises and controls the day-to-day activities of the Company



Rishav Kanoria
Director

Graduate from University of Pennsylvania, USA and Post-Graduate from Cornell University, NY, USA



S. G. Nanavati
Executive Director

Chartered Accountant & Company Secretary, looks after Finance, Legal and General Administration matters



Akshay Kanoria
Executive Director

Graduate from University of Pennsylvania, USA

Supervises the day-to-day activities of the Company & Plants

Assists the MD on various policies / initiatives & strategy of TCPL

Strong Independent Directors



Sunil Talati
Independent Director

Senior Partner of M/s.Talati & Talati LLP, CA, specialised in Taxation, Auditing & other professional services

Past President of I.C.A.I.



Sudhir Merchant
Independent Director

An Industrialist having more than 40 years of experience

Chairman of Encore Natural Polymers Pvt. Ltd.



Atul Sud
Independent Director

An IIM Ahmedabad alumnus

He is a senior financial services specialist and businessman entrepreneur



Rabindra Jhunhunwala
Independent Director

Partner at Khaitan & Co, a leading law firm.

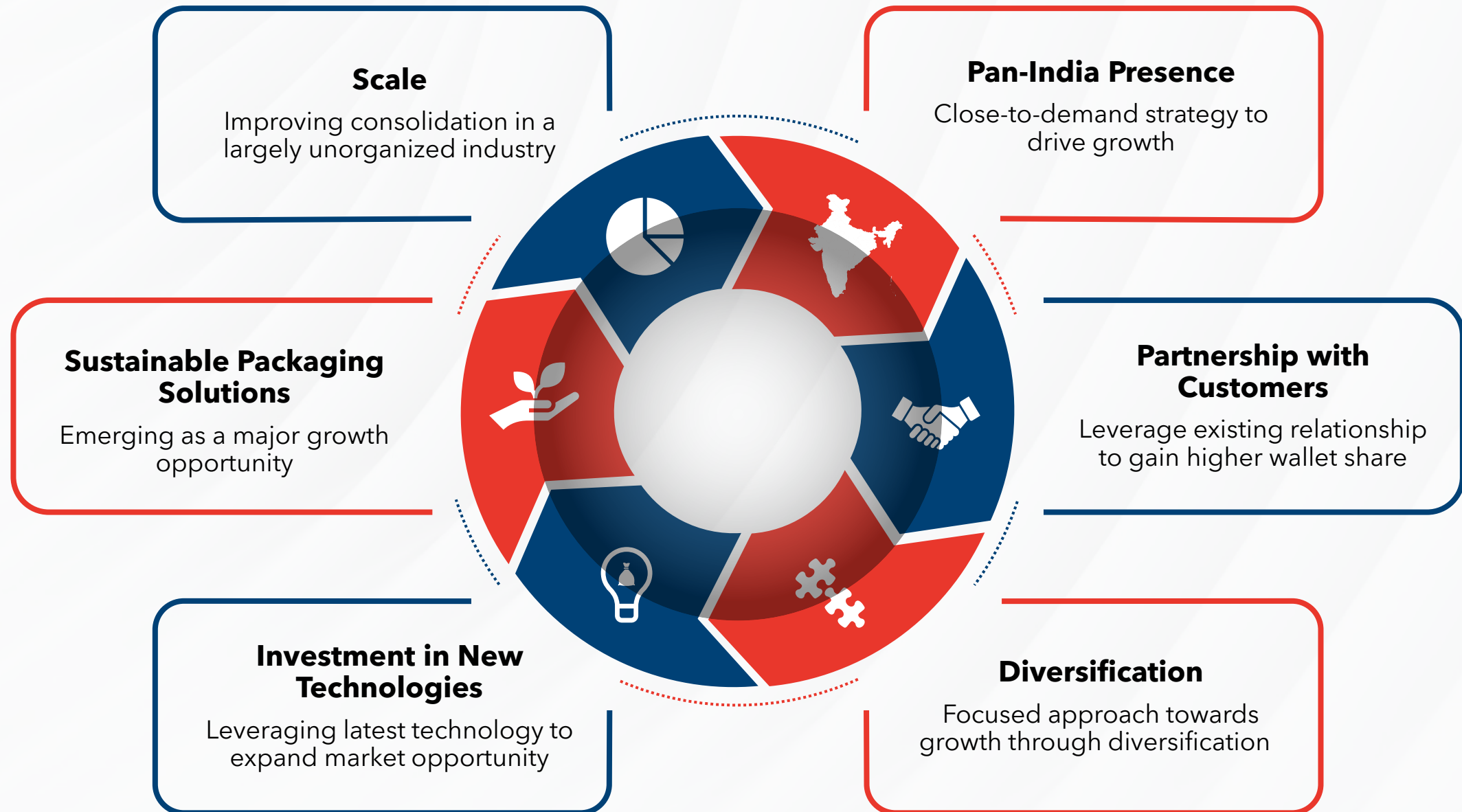


Deepa Harris
Independent Director

Have over 3 decades of experience in escalating brands to leadership positions at Taj Group

CEO of BrandsWeLove LLP, a firm specialized in branding & marketing consultancy

Key Growth Levers





Industry Overview

India: Folding Cartons & Flexible Packaging Industry



India is one of the fastest growing consumers of packaging solutions in the world due to growing domestic consumption trends

Paperboard industry is expected to grow at a healthy rate led by significant demand from Consumer, Food & Beverage, Liquor, Agro-Chemicals, Pharma, Retail, among other industries

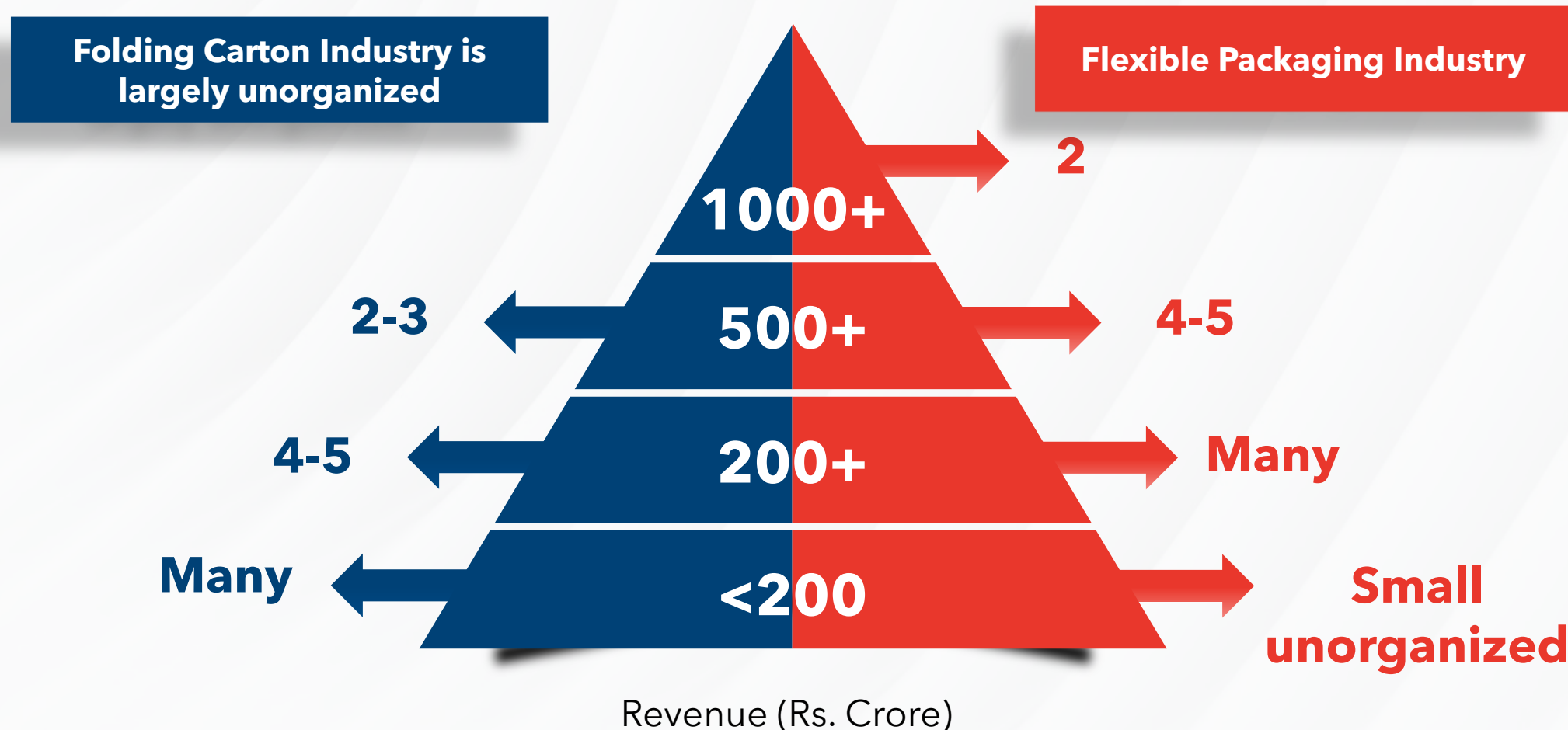
Reduction in single-use plastic to provide notable impetus to the paperboard-based industry

Shift towards flexible packaging owing to its multi-fold energy & environmental benefits

Some of the key trends include use of biodegradable packaging, invention of smart packaging & next-generation technology

"Multiple tailwinds in the Folding Cartons & Flexible Packaging Industry expected to drive robust growth"

India: Folding Cartons & Flexible Packaging Industry

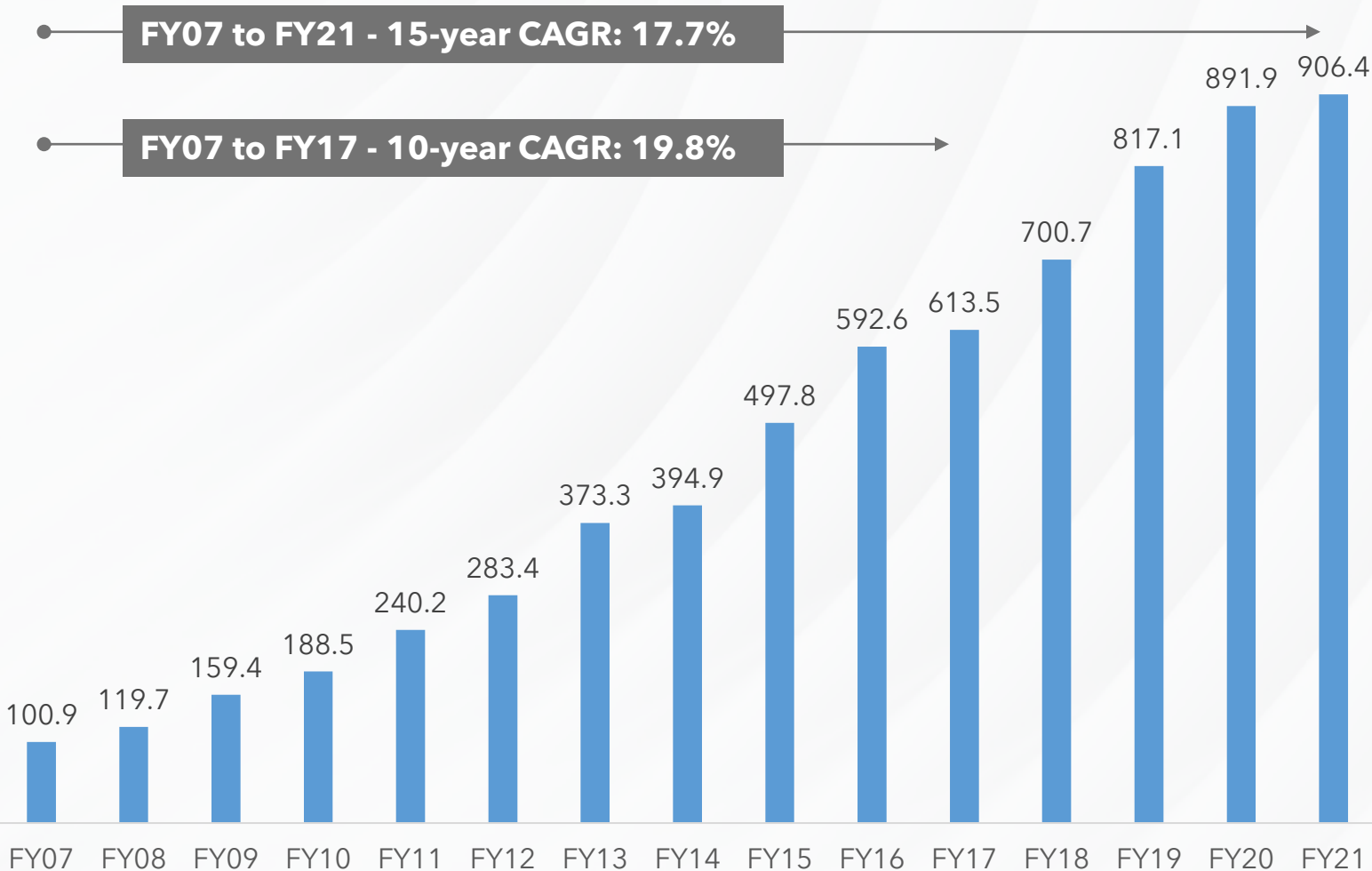




Financial Highlights

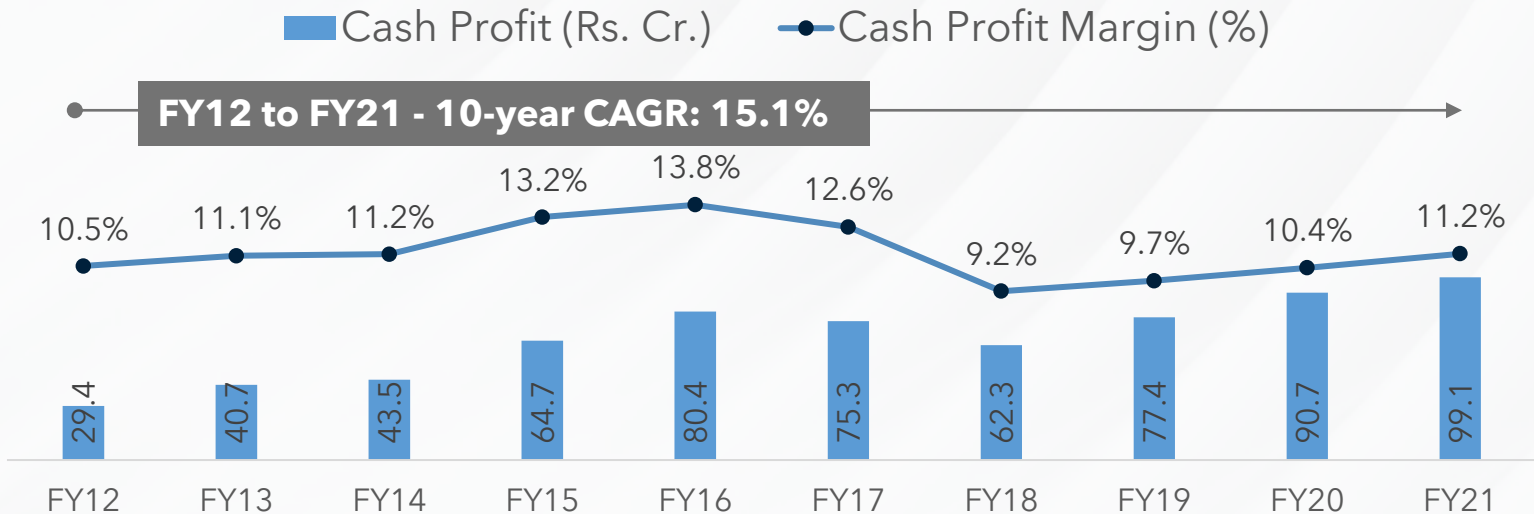
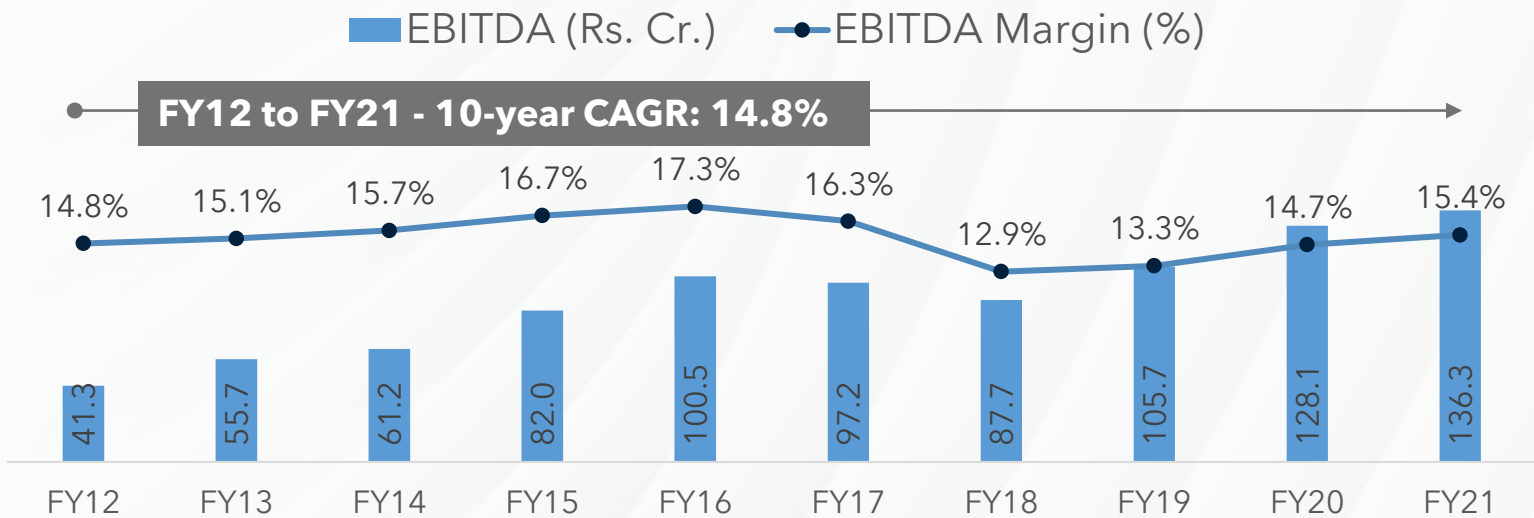
Robust Financial Trend - Revenue

Revenue (Rs. Cr.)



- Till 2017, the Company had reported a robust 10-year CAGR of 19.8%
- Challenging external environment owing to demonetization, GST and Covid-19 pandemic impacted the Company's topline growth in the previous few years
- Normalizing macro-economic environment combined with optimal utilization of capacities commissioned in the past few years should enable the Company to register healthy revenue growth going forward

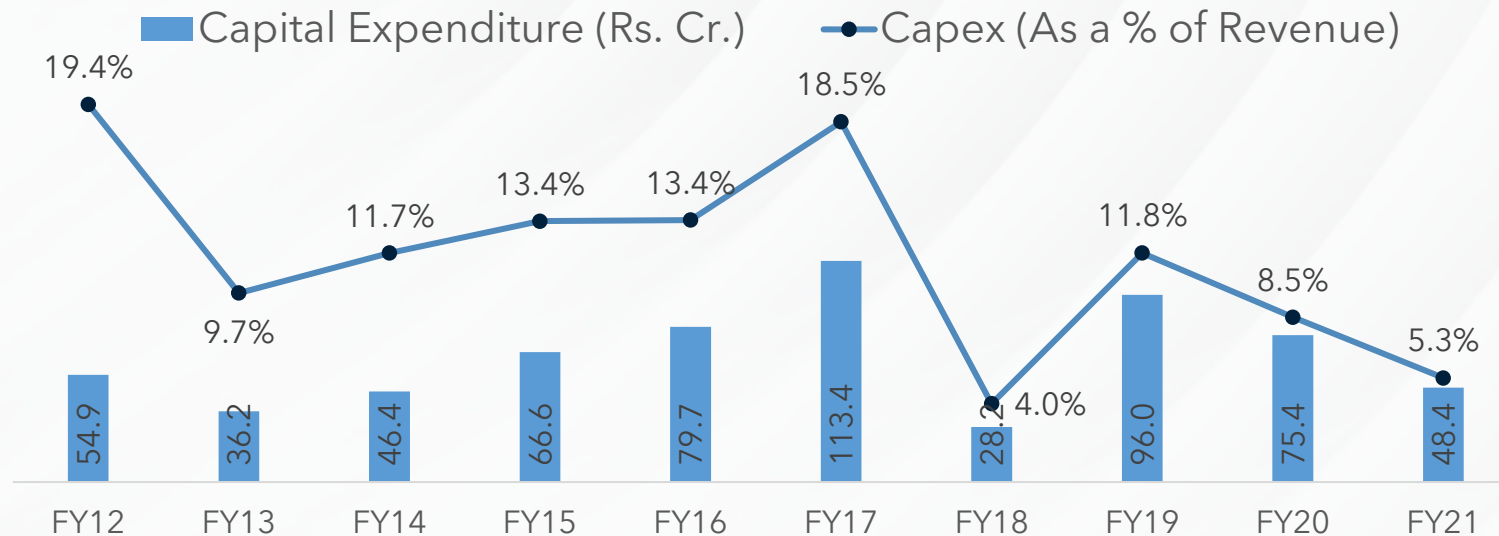
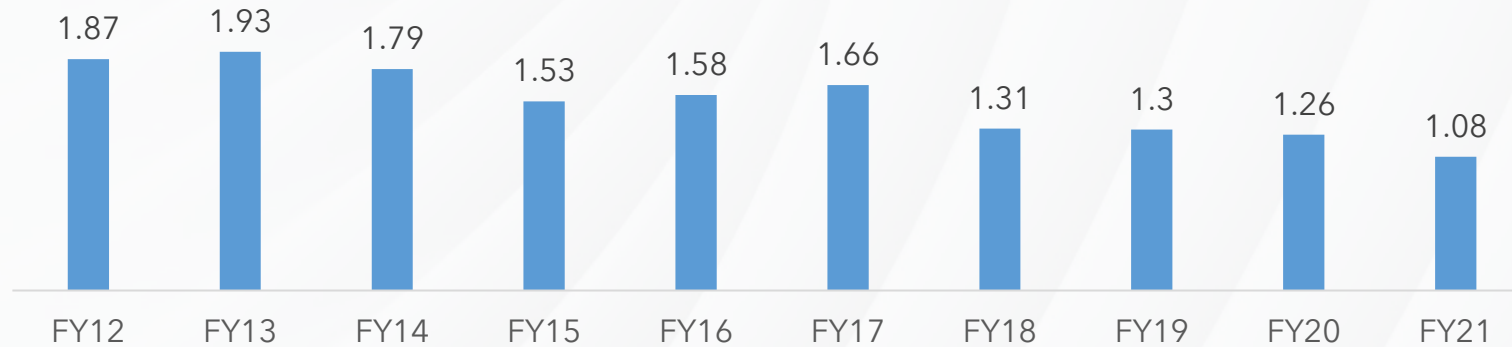
Robust Financial Trend - EBITDA & Cash Profit



- Tough macro environment along with venture into Flexible packaging category significantly impacted TCPL's profitability in FY18 and FY19
- Historically, the Company's EBITDA and Cash Profit margins have remained in a steady range
- On the back of healthy contribution from the Flexible packaging division and normalizing demand scenario, TCPL anticipates achieving higher profitability going ahead

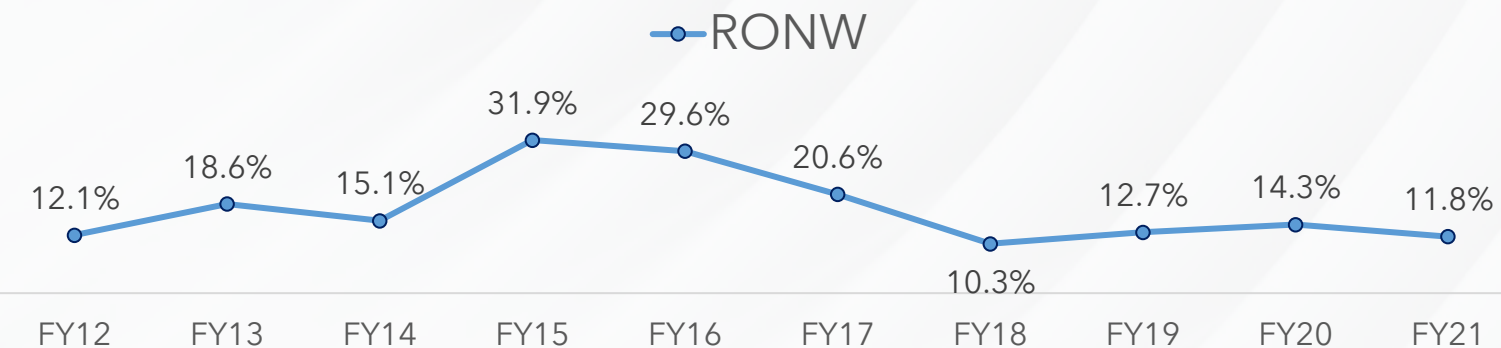
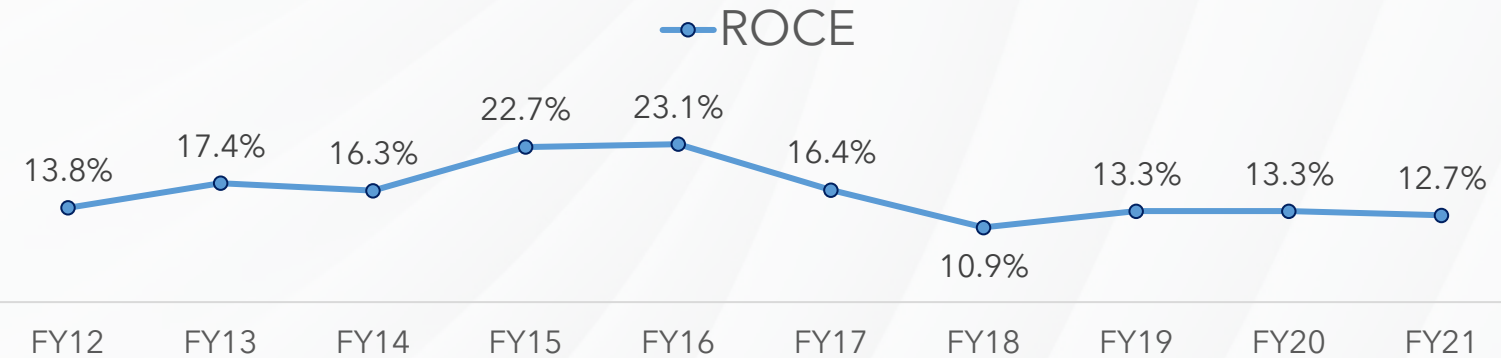
Robust Financial Trend - Net Debt:Equity & Capital Expenditure

Net Debt to Equity



- Investments over the years have enabled TCPL to emerge as one of India's leading packaging manufacturers
- Comfortable Net-Debt position - cash flows prudently utilized towards capacity expansion and reduction in Debt
- Major investments in FY21 & FY22 towards doubling flexible packaging capacity, new MDO line, and upgradation of Folding Carton line
- After achieving optimal utilization levels, incremental capex to support higher returns in the future

Key Financial Ratios



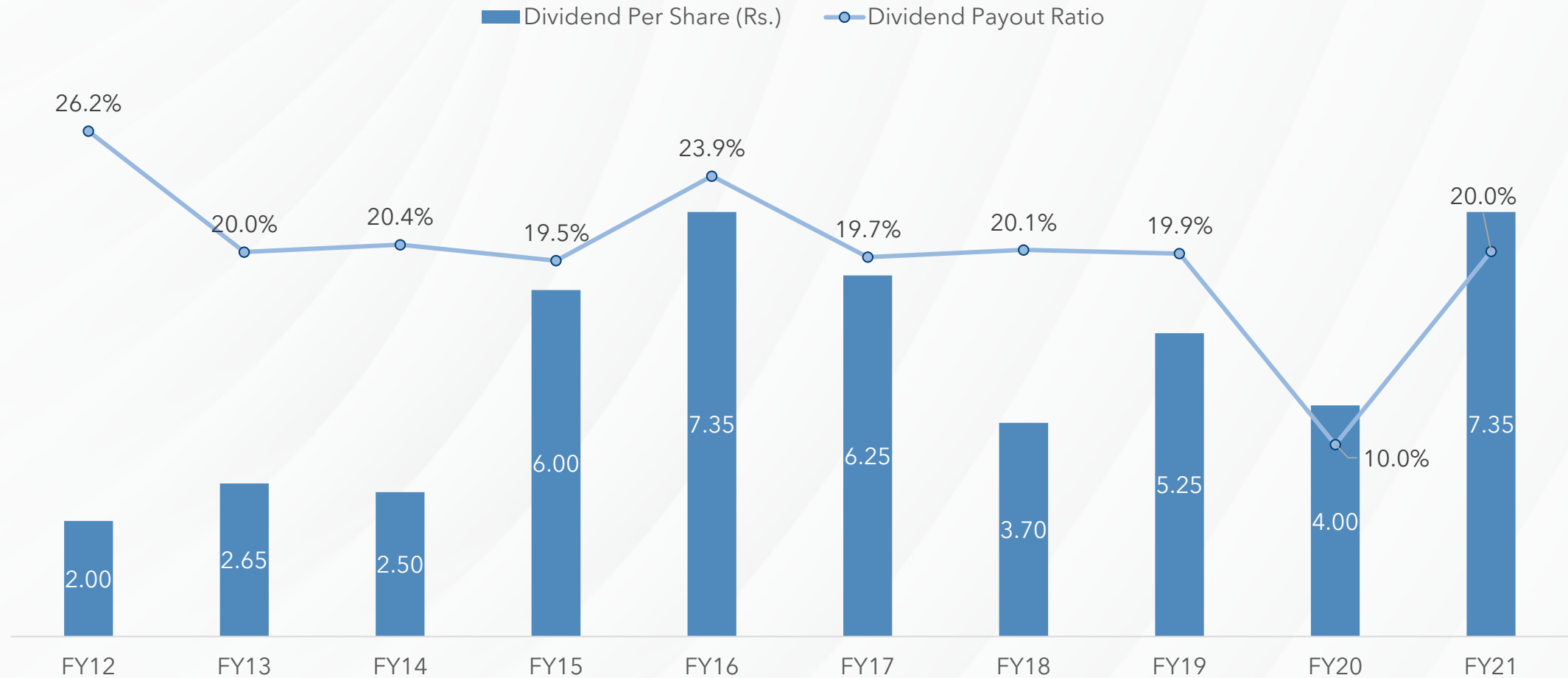
- Over the past few years, return ratios have been below internal expectations due to lower utilization of newly commissioned capacities
- Optimal utilization of capacities to facilitate better returns going forward
- In addition, capex intensity as a % of sales is expected to reduce from FY23 onwards leading to higher return ratios
- Endeavour to achieve 20%+ ROCE and 25%+ RONW over the longer-term

Financial Snapshot

Particulars	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21
Net Worth (Rs. Cr)	67	78	88	114	145	178	216	241	269	301
Gross Block	251*	280*	328*	392*	478*	585*	426	516	595	632
Cash and cash equivalents (Rs. Cr)	1	3	3	6	6	11	15	6	16	6
Capital Employed (Rs. Cr)	195	233	248	297	384	487	519	578	659	581
Book Value (Rs.)	76	90	101	131	166	205	237	265	296	331
Net Debt (Rs. Cr)	125	150	157	174	229	296	283	314	340	325
Net Working Capital Days	92	94	92	100	85	83	113	114	115	91

*Note: FY12 to FY17 gross block value is before IndAS adoption

Consistent Returns to Shareholders



"One of the first companies to announce a dividend policy - Committed to healthy dividend payouts "

Summary

One of India's leading producers of sustainable packaging solutions for customers across industries

Versatile & technologically advanced packaging solution provider with PAN-India presence

Emerging innovative player in the flexible packaging industry

Consistently outperformed growth in underlying industries led by diversification of product portfolio

Paperboard based packaging emerging as a major sustainable solution with focus on: Renewable, Recyclable and Compostable



Annexure

Market Snapshot

Key Market Statistics

As on 30-June-2021

BSE/NSE Ticker	523301 / TCPLPACK
CMP (Rs)	546.3
Market Cap (Rs Crore)	497.1
Number of outstanding shares (Crore)	0.91
Face Value	10.0
52-week High / Low (Rs)	546.3 / 255.9

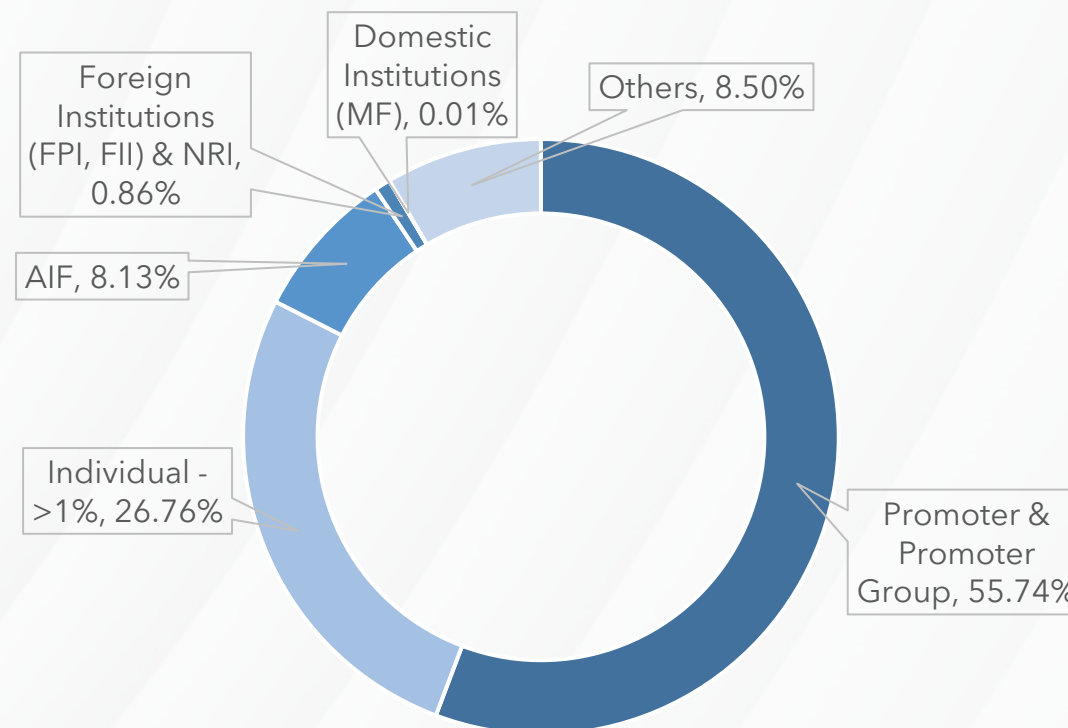
Key Institutional Shareholders

Holding as on
31-March-21

DSP Core Fund	5.35%
VE C*	3.07%

*Note: Holding across funds

Shareholding Pattern*



*Holding as on 31-March-21

About Us



TCPL Packaging Limited (TCPL) (BSE: 523301, NSE: TCPLPACK), is one of India's leading producers of sustainable packaging solutions for customers across industries. The Company partners with customers to provide paperboard-based packaging solutions including folding cartons, printed blanks and outers, litho-lamination, plastic cartons, blister packs, and shelf-ready packaging. TCPL has also ventured into the flexible packaging industry, with capability to produce printed cork-tipping paper, laminates, sleeves, and wrap-around labels.

Headquartered in Mumbai, India, TCPL has a PAN India presence with 7 state-of-the-art manufacturing facilities and marketing offices in key metro cities. Over the years, the Company has effectively diversified and broadened its operations to service a wide range of packaging products, while consistently adding new customers and increasing its share of business in established customers and markets.

For further information, please contact:



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TCPL Packaging Limited



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Email: vivek.dave@tcpl.in



Anoop Poojari / Jenny Rose



CDR India



Tel: +91 98330 90434 / 86899 72124



Email: anoop@cdr-india.com / jenny@cdr-india.com

A dense collage of various Indian consumer products. Visible items include Kellogg's Corn Flakes, Nescafé Classic, Horlicks, Complan, Kinder Joy, Red Label, Nutricia Dexolac, Glucon-D, Knorr Classic Soup, Verka, Toblerone, F&N, and others. A white box with the text 'Thank You' is overlaid in the center.

Thank You