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JK Paper to acquire Manipal Utility Packaging Solutions for Z90 crore

PTI ■ NEW DELHI

JK Paper Ltd on Monday said it will fully acquire Manipal Utility Packaging Solutions Pvt Ltd for nearly Rs 90 crore.

The company has entered into a share purchase agreement (SPA) for the acquisition of 100 per cent shares of Manipal Utility Packaging Solutions Pvt Ltd (MUPSPL), JK Paper said in a regulatory filing.

Under the SPA, JK Paper will acquire 4.07 crore equity shares representing 100 per cent of capital of MUPSPL at Rs 21.80 per equity share of Rs 10 each, subject to adjustments as per terms of agreement, it added.

The acquisition is expected to be completed within six weeks of execution of the SPA with the target entity and its promoters/shareholders, subject to fulfilment of conditions mentioned in the SPA, the company said.

JK Paper Vice Chairman and Managing Director Harsh Pati Singhania said, "This acquisition is in line with the long-term strategic objective of the company in the packaging business and gives us an opportunity to offer combined solution to the customers with respect to secondary and tertiary packaging, improve operational efficiencies and ensure that MUPSPL grows and adds value to stakeholders."

MUPSPL is engaged in the business of manufacturing packaging products like folding cartons, corrugated boxes and labels with four manufacturing plants across India. It had a revenue of Rs 147.77 crore in FY 2022-23, the company said.

Packaging business is amongst the fastest growing segments in the Indian paper and packaging industry driven by growth in end use industries such as food and beverage, and FMCG, it added.