

## PRESS RELEASE

Kolkata, 29<sup>th</sup> April, 2014

- The Board of Directors of Kesoram Industries met today (Tuesday, 29<sup>th</sup> April, 2014) to announce the Company's Annual Results for the year ended 31<sup>st</sup> March 2014.
- The Company declared an operating profit, at Earnings Before Interest Depreciation Tax and Amortisation (EBIDTA) level of Rs. 411 Crores. The table below shows how operating profits have moved between 2013-14 and 2012-13.

<i>Figs. In Rs. Crores)</i>	2013-14	2012-13
Total Revenue	5206	5842
Operating Profit (EBITDA)	411	443
Operating Profit Margin (EBITDA/Revenue)	7.9%	7.6%

- Overall the year saw challenges. In spite of this the Company was able to maintain and marginally increase its Operating Profit Margin.
- The Company's Tyre Business steadily improved profitability over the year. EBIDTA was at a positive Rs. 212 Crores as compared to EBIDTA of Rs. 73 Crores in the previous year. Operating Profit Margin rose from 2% in 2012-13 to 7% in 2013-14.
- The Cement Business saw a challenging year. EBITDA declined to Rs. 278 Crores in 2013-14 as compared to Rs. 434 Crores in the previous year. This decline was driven by harsh market conditions, with volume offtake and pricing remaining weak. The Cement Business operating parameters continued to compare favourably to competitive benchmarks.
- The Rayon Business made a marginal operating loss at EBITDA level of Rs. 6 Crores. Market conditions remained weak in terms of volume offtake and pricing.
- Looking ahead:
  - The Tyre Business is focusing at increased capacity utilisation of its plants, by targeting increased market presence both domestically and internationally, besides further improvement in internal operations.
  - The Cement Business is poised for growth as the overall market conditions improve. In the meantime, the focus is on improving its market presence by deeper presence in the markets and segments it services as well as by spreading to markets and customer segments beyond its current markets.
  - The Rayon Business is focusing at increasing its value added sales, especially in the fine denier rayon markets, as it completes its implementation of a project to produce rayon yarn using the Continuous Spinning Yarn (CSY) process.

E-mail: corporate@kesoram.net  
CIN - L17119WB1919PLC003429

