

Wednesday, July 31, 2013

**Kesoram Industries Ltd.
Press Release on the Occasion of
The 94th Annual General Meeting
&**

**Declaration of Quarterly Results for the First Quarter of the
Financial Year 2013-14**

Kesoram Industries Ltd. has recently concluded a Rights Issue to the tune of Rs. 416 crores. Shares were issued in the ratio of 7 shares for every 5 shares held. The Issue was concluded successfully, and consequent to the Issue, the paid up equity share capital of the company has risen from Rs. 45.74 crores to Rs. 109.77 crores. Promoter holding in the Company prior to the Rights Issue was 27.12%. This has risen to 49.28% after the Rights Issue, with the Promoters having applied for and having been allotted shares in addition to their entitlement.

The Company has also declared its First Quarter results for the Financial Year 2013-14 today. The Company comprises three principal business divisions - Cement, Tyres and Rayon. The table below shows the results, by business division for the first quarter of this year as compared to the same quarter of the last year.

KESORAM INDUSTRIES LIMITED

Regd. & Corporate Office : 9/1, R. N. MUKHERJEE ROAD, KOLKATA - 700 001



B K BIRLA GROUP OF COMPANIES

RESULTS (RS. CRORES)	First Quarter 2013-14					First Quarter 2012-13				
	Tyre	Cement	Rayon	Others	Total	Tyre	Cement	Rayon	Others	Total
Revenue From Operations	805	408	66	-	1,279	925	514	74	-	1,513
Earnings Before Interest, Tax, Depreciation & Amortisation (EBITDA)	80	76	1	-18	139	-20	156	-2	-22	112
EBITDA/Sales (%)	9.9%	18.6%	1.6%		10.9%	-2.1%	30.3%	-2.4%		7.4%
Interest					134					124
Earnings Before Depreciation & Tax (Cash Profit)					5					-12
Depreciation					77					77
Foreign Exchange Loss on Reinstatement of Foreign Currency Loans					28					21
Profit Before Tax					-100					-110

In summary:

- Operating profit in the tyre business has risen by Rs. 100 crores in the current financial as compared to the last year, driven by:
 - Better price realisation
 - Better product and customer mix
 - Better productivity in plant operations
 - Reduction in raw material costs
- The cement business, while still making an EBITDA margin of 18.6%, has seen a decline of Rs. 80 crores in the current financial as compared to the last year. This is on account of the depressed market situation, resulting in lower offtake as well as lower realisation. The last two weeks of June 2013 however have seen a positive move on the realisation front, with prices in the key market of Andhra Pradesh rising by Rs. 80/bag.

While on a PBT basis the Company has reported a loss during the quarter, it remains positive of the outlook. Operational performance having picked up, as the market conditions improve, the Company should see further improvements in its bottom line.