

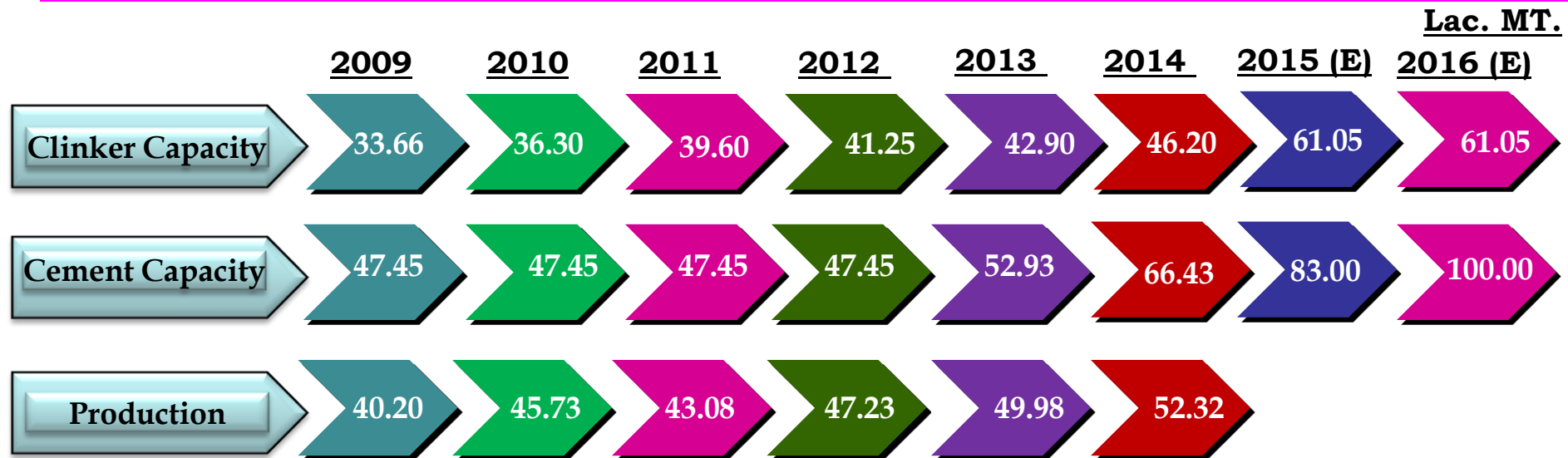


JK LAKSHMI
C E M E N T L t d. 

**Presentation for Investors / Stakeholders
June'14**



GROWTH CHART – CAPACITY & PRODUCTION – JKLC*



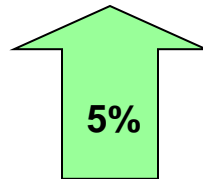
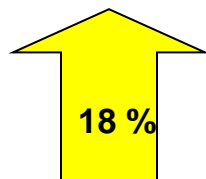
JKLC CAGR during FY'11 to FY'15 – 20%

*Without considering 1.4 Mn. MT of Udaipur Cement Works Ltd., a 75% subsidiary of JK Lakshmi Cement Ltd.

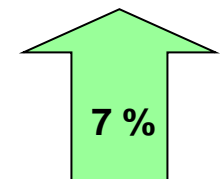
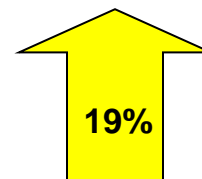
PRODUCTION (Lac. MT)

SALES (Lac. MT)

Qtr Ended		12 Months Ended	
31.03.2014	31.03.2013	31.03.2014	31.03.2013
15.77	13.41	52.32	49.98



Qtr Ended		12 Months Ended	
31.03.2014	31.03.2013	31.03.2014	31.03.2013
17.02	14.30	56.31	52.77



Industry Growth Vs JKLC –Year (Apr.-Mar.)

Demand/Despatches

Particulars	% Growth		
	Apr.11 - Mar.12 (12M)	Apr.12 - Mar.13 (12M)	Apr.13 - Mar.14 (12M)
All India	6%	5%	3%
Our Zone	11%	4%	-
JK Lakshmi Cement	14%	8%	7%



Capacity Utilisation – Year (Apr.-Mar.)

Particulars	Apr.11 - Mar.12 (12M)	Apr.12 - Mar.13 (12M) Est.	Apr.13 - Mar.14 (12M) Est.
All India	72%	74%	72%
Our Zone	84%	84%	80%
JK Lakshmi Cement	100%	94%	99%



Markets

Split Grinding Unit of 1.30 Mn MT at Jhajjar, Haryana

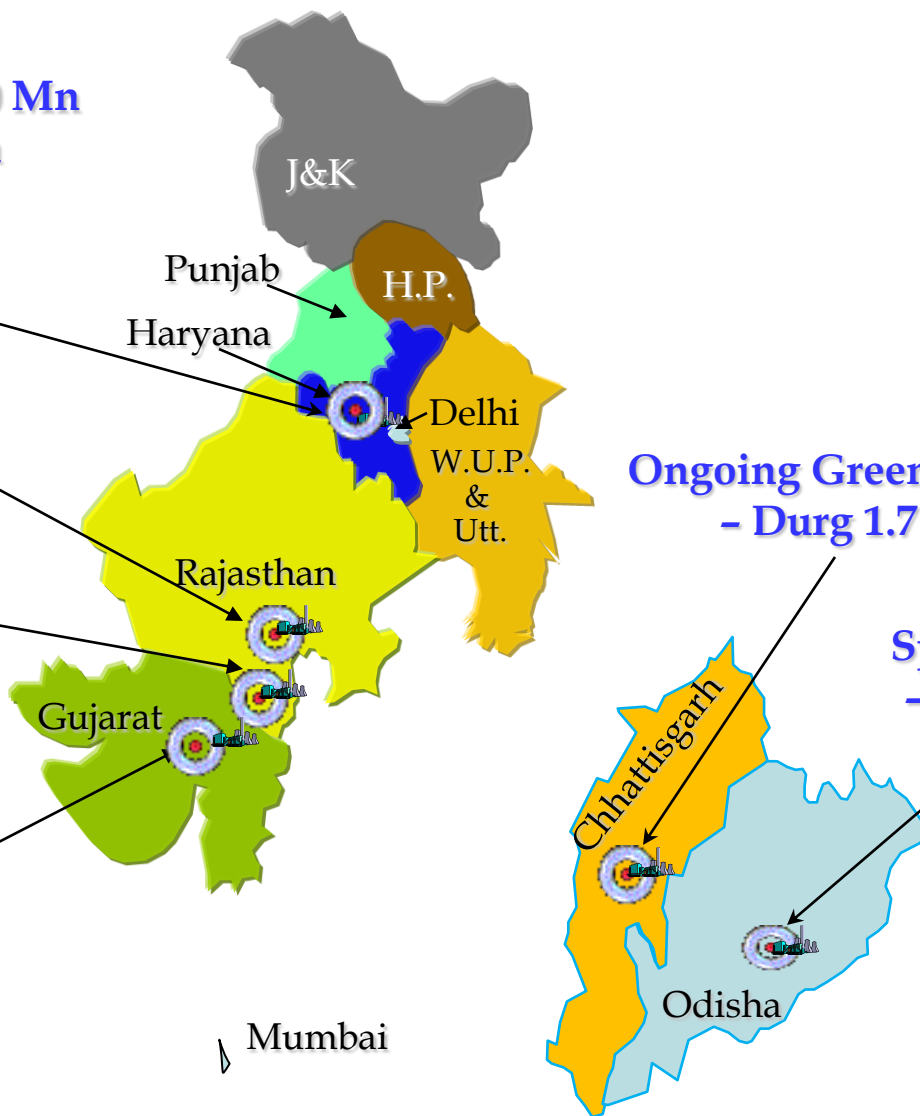
UCWL Plant 1.4 Mn MT

Jaykaypuram Plant 4.64 Mn MT

Kalol Grinding Unit 0.70 Mn MT

Ongoing Greenfield Project - Durg 1.7 Mn MT

Split Grinding Unit - Cuttak 1 Mn MT



Financial Highlights – For the Quarter ended Mar.14

Sr. No.	Particulars	Unit	For the IV th Qtr. ended			
			31.03.14	31.03.13	Incr. / Decr. (-) in Figures	%
1	Production (Incl. Clinker Sale)	Lac MT	15.77	13.41	2.36	18%
2	Sales	Lac MT	17.02	14.30	2.72	19%
3	Turnover	Rs. Cr.	722	598	123	21%
4	Net Sales	Rs. Cr.	648	536	112	21%
5	PBIDT (before other Income)	Rs. Cr.	112	95	17	18%
6	PBIDT (after other Income)	Rs. Cr.	137	119	18	15%
7	Interest	Rs. Cr.	19	18	1	4%
8	PBDT	Rs. Cr.	118	100	17	17%
9	Depreciation	Rs. Cr.	31	49	-18	-37%
10	Exceptional Items	Rs. Cr.	19	16	2	13%
11	PBT	Rs. Cr.	68	35	33	96%
12	PAT	Rs. Cr.	53	33	20	59%
13	Basic EPS (After Tax)	Rs.	4.49	2.78	1.71	62%
14	OPM (On Net Sales)	%	17%	18%	-1%	

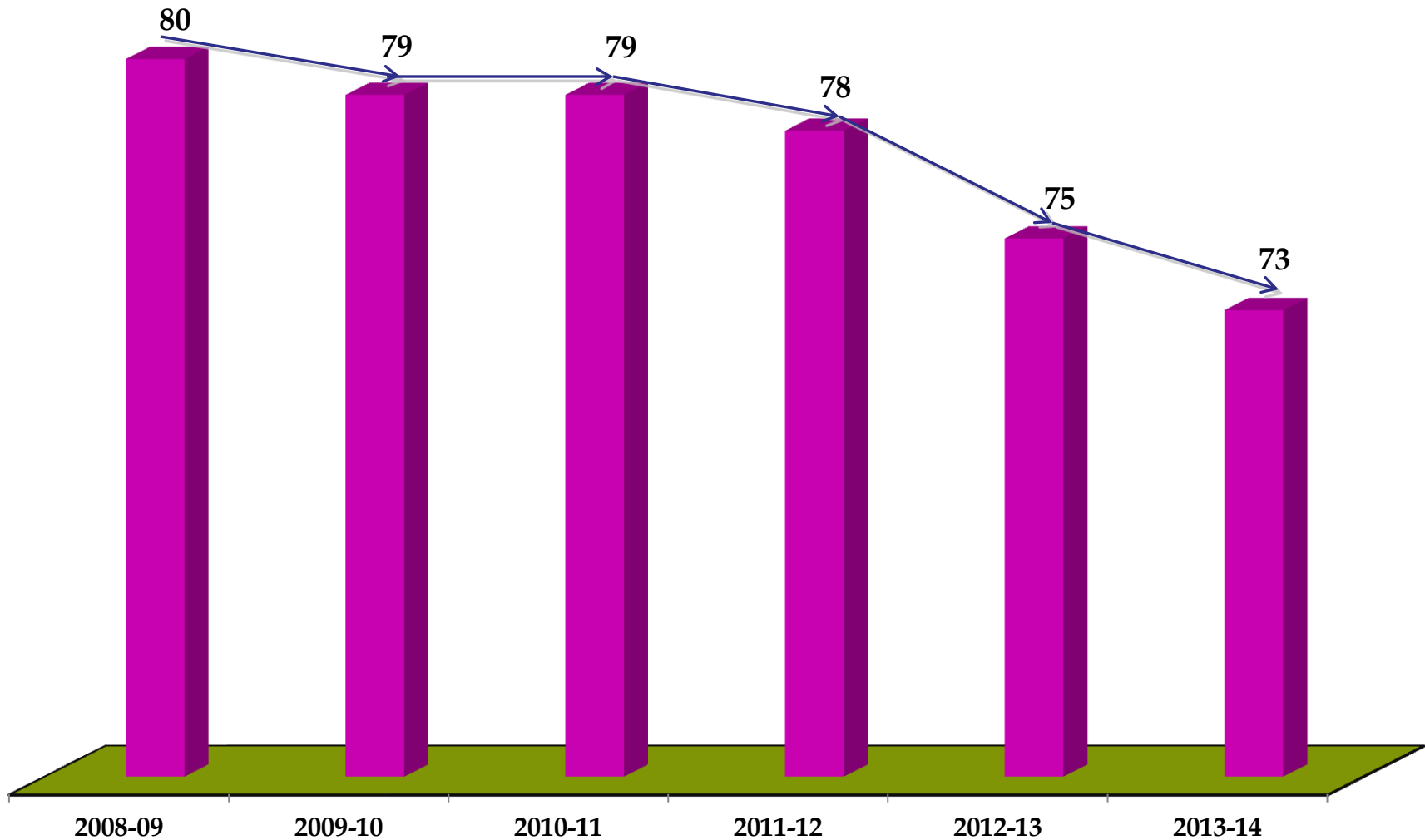
Financial Highlights – For Twelve Months ended Mar.14

Sr. No.	Particulars	Unit	For 12 Months ended			
			31.03.14	31.03.13	Incr. / Decr. (-) in Figures	%
1	Production (Incl. Clinker Sale)	Lac MT	52.32	49.98	2.34	5%
2	Sales	Lac MT	56.31	52.77	3.54	7%
3	Turnover	Rs. Cr.	2294	2300	-7	0%
4	Net Sales	Rs. Cr.	2057	2055	2	0%
5	PBIDT (before other Income)	Rs. Cr.	302	429	-127	-30%
6	PBIDT (after other Income)	Rs. Cr.	346	484	-138	-28%
7	Interest	Rs. Cr.	77	84	-6	-8%
8	PBDT	Rs. Cr.	269	401	-132	-33%
9	Depreciation	Rs. Cr.	135	149	-14	-9%
10	Exceptional Items	Rs. Cr.	19	16	2	-
11	PBT	Rs. Cr.	115	235	-120	-51%
12	PAT	Rs. Cr.	93	176	-83	-47%
13	Basic EPS (After Tax)	Rs.	7.90	14.88	-6.98	-47%
14	OPM (On Net Sales)	%	15%	21%	-6%	



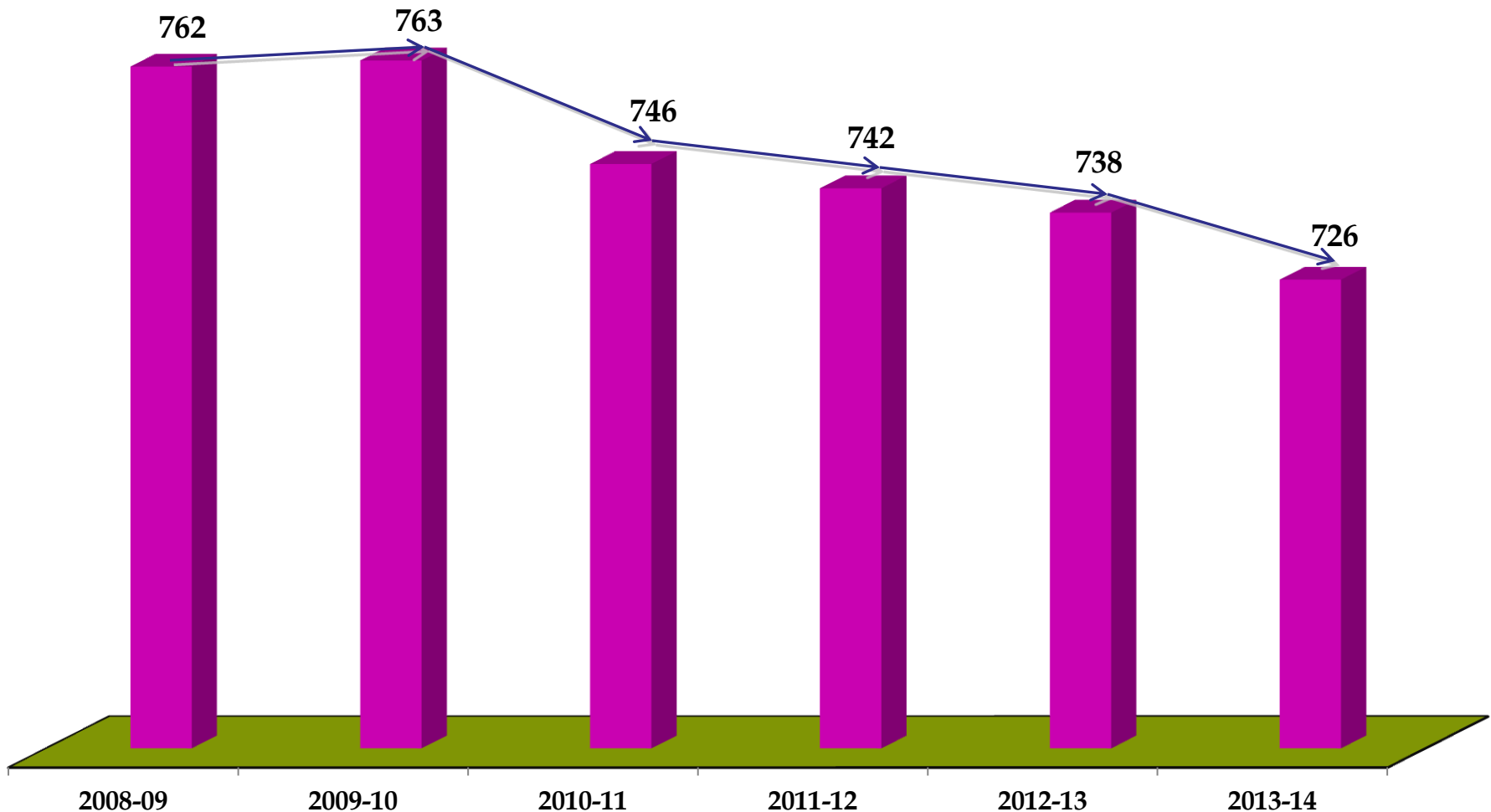
Major Performance Indicators

Power Consumption (Kwh./ MT of cement)



Major Performance Indicators

Fuel Consumption (K.Cal./Kg.of clinker)



Greenfield Cement Plant – Durg (Chhattisgarh)

S.No.	Particulars	Rs. Cr.
1	Capacity (Lac. MT)	27.00
2	Project Cost	1,750
3	Debt	1,200
4	Internal Accruals	550
5	Debt : Equity Ratio	2.18
6	CAPEX upto Mar.'14	1,116



Greenfield Cement Plant – Durg (Chhattisgarh) Raw Mill Building



Greenfield Cement Plant – Durg (Chhattisgarh) Raw Mill



Greenfield Cement Plant – Durg (Chhattisgarh) Kiln



Greenfield Cement Plant – Durg (Chhattisgarh) Raw Mill Silo & Preheater



Augmentation of Kiln-I Capacity from 3000 TPD to 4000 TPD

S.No.	Particulars	Rs. Cr.
1	Capacity (Lac. MT)	3.30
2	Project Cost	135
3	Debt	100
4	Internal Accruals	35
5	Debt : Equity Ratio	2.86

Kiln - Commissioned in Feb'14.

2MW WHR to be commissioned by Jun'14.



Grinding Unit – Jhajjar Expansion

S.No.	Particulars	Rs. Cr.
1	Capacity (Lac. Tons)	6.50
2	Project Cost	130
3	Debt	90
4	Internal Accruals	40
5	Debt : Equity Ratio	2.25

Cement Mill Commissioned in Mar'14

Packing Plant to be Commissioned by Jun'14



Split Grinding Unit - Surat

SI No.	Particulars	Rs. Cr.
1	Capacity (Lac. MT)	6.50
2	Project Cost	150
3	Debt	100
4	Internal Accruals	50
5	Debt : Equity Ratio	2.00
6	CAPEX upto Mar.'14	65

Expected Commissioning -

Jul - Sept'15



Power Availability

Sl. No.	Source of Power	Capacity MW	Cost/Unit Rs./Kwh
1	Existing Thermal Power Plant	36	3.80
2	Green Power Plant	12	0.45
3	New Thermal Power Plant	18	3.80
4	Supplies from 3rd Party (VS Lignite)	21	3.94
5	Solar Power	6	1.10
5	Total Availability	93	3.23
6	Less : Captive requirement	67	
7	Net Availability for Sale	26	



Growth Opportunity - UCWL

Revival of M/s Udaipur Cement Works Limited (UCWL) with Cement Capacity of 1.4 Mn. MT

Cost of Revival & Rehabilitation :

	Rs. Cr.
<u>Cost</u>	
1.Plant upgradation including Working Capital Margin	484
2. Settlement of Old Dues	<u>116</u>
Total	<u>600</u>

Expected Commissioning of Clinkerisation – Dec'15
(Grinding Unit of 6 Lac. MT p.a. already operational)



Growth Opportunity - UCWL

Revival of M/s Udaipur Cement Works Limited (UCWL)

Means of Financing for Revival & Rehabilitation :

Rs. Cr.

Means of Finance

A. Equity

1. Equity/other instruments from JKLC	150
2. Compulsorily Convertible Debentures	10
3. Internal Accruals	<u>40</u>
Total Equity	<u>200</u>

B. Term Loan from Bank/FI's 400

Total (A+B) 600

Mother Plants and Supplying Markets



Shareholding Pattern as on 31st Mar. 2014

I	Promoters & Promoter Group	45.96%
II	Financial Institutions and Banks	17.52%
III	Public	36.52%
	Total	100.00%
I	Total Share Capital (Rs. Cr.)	58.85
II	Total No. of Shares (Cr.) (Face Value Rs. 5/- each)	11.77



Shareholder's friendly Initiatives

1. Buy-back upto Rs. 97.50 Crore at a Cap of Rs. 70/- per share in Feb'2012.

Cap of Rs. 70/- per share represents :

- 57% Premium over 12 months average price.
 - 68% Premium over 6 months average price.
 - 67% Premium over 3 months average price.
 - 66% Premium over 1 months average price.
 - 43% Premium over 15 days average price.
 - The Company Utilised only Rs. 30.47 Crore for the Buy-back
2. Share Split from - Rs. 10/- per share into 2 Shares of Rs. 5/- each.



Shareholder's friendly Initiatives (Contd..)

3. Consistent Growing Dividend Rate

- 40% for FY 2014.
- 50% for FY 2013.
- 40% for FY 2012.
- 25% for FY 2011.

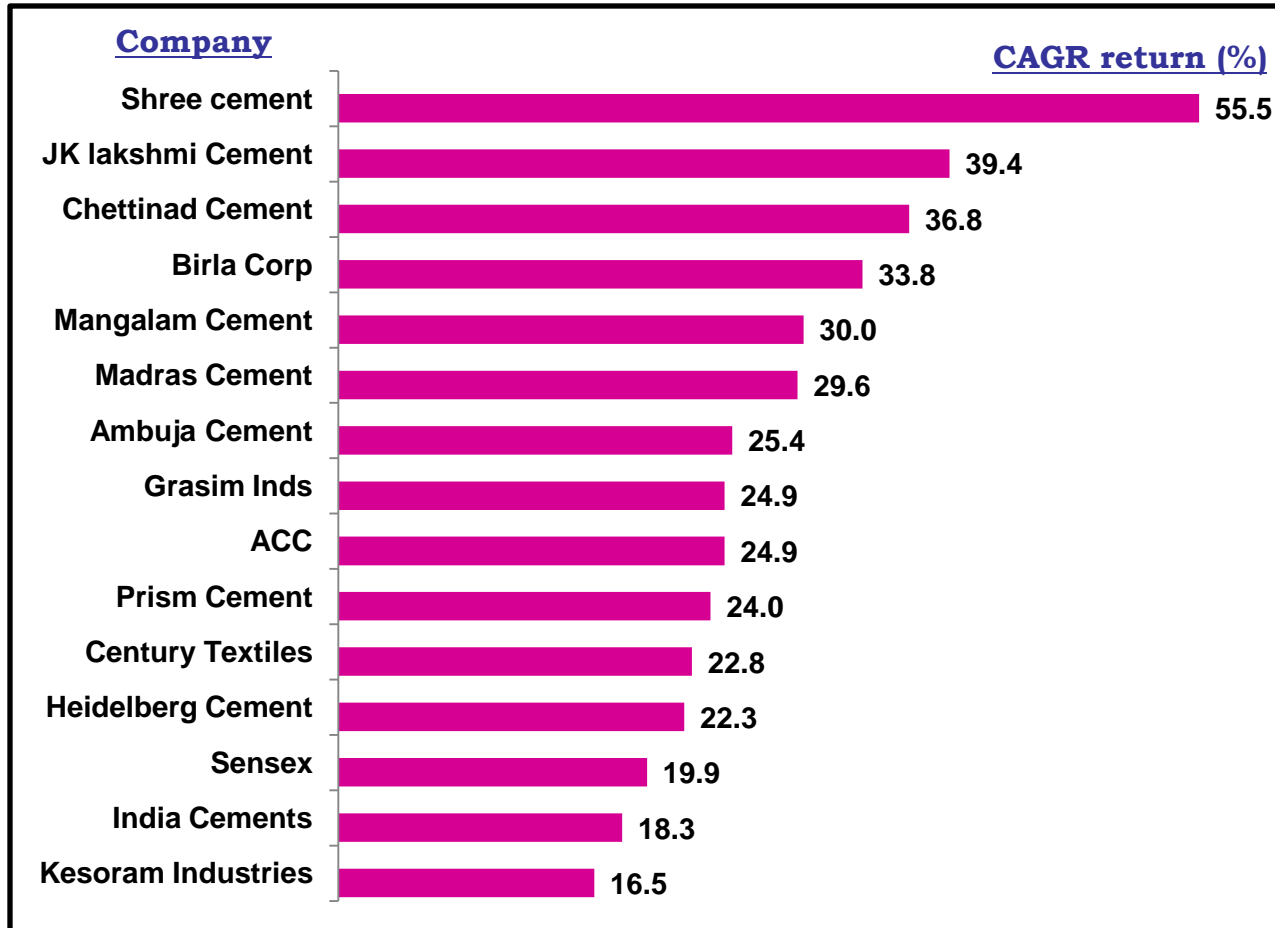
4. High Dividend Payout Ratio

- 30% for FY 2014.
- 20% for FY 2013.
- 25% for FY 2012.
- 30% for FY 2011.



JKLC among Best Performers on the bourses

Annualised Stock Price Return since January 2003



Source : Capitaline, BSE, BCCI Annual Report/Business Standard 30.05.13



Outlook for 2014-15

- Additional low cost power through 12 MW Green Power, 6MW of Solar Power and low cost fuel through use of Bio-mass fuel.
- Full impact of increase in Kiln-I capacity of 3.30 Lac. MT p.a. and IInd Grinding Unit of 6.50 Lac. MT p.a. at Jhajjar will be captured in FY 2014-15.
- Borrowing through CP / Buyers / Suppliers Credit & swapping in higher yield instruments.
- Reduction in Borrowing Cost on LT Loans through annual resetting.
- Further improvement in efficiencies.
- Trading in surplus Power and Purchase of Power at Cheaper rate at Grinding Units through Exchange.
- Return from Treasury operations to be higher than Cost of Funds.



Way Forward

- Focus on Value Added Products : RMC & AAC Blocks
- Increasing volumes through split location Grinding unit and outsourcing Grinding Arrangement.
- Short term rating continues at **PR 1+ (highest possible rating)**.
- JKLC continues to enjoy AA- Rating.
- Would become a 10 Mn Tonne Cement Company by mid 2015.



JKLC to breach 10 Mn MT by Sep'15.

- **JKLC Capacity to go up from 6.6 Mn. MT to 10 Mn. MT.**
- **Surplus Power of 20-25 MW in JKLC, Rajasthan Plant.**
- **Efficiency Parameters amongst best in Business.**
- **Key Financial Ratios well within accepted Norms.**
- **Becoming PAN India Player (Barring South).**

Thank You

