



SMART RECOVERY BY JKLC IN THE IVth QUARTER

JK Lakshmi Cement reported production and sales growth of 42% and 39% in January-March 16 over January-March 15 aided largely due to commissioning of Durg Plant in March 2015. Company's sales at Rs. 824.73 crore in January-March 16 were up by 28%, lower than the growth percentage recorded in the production due to lower cement prices in this quarter compared to the corresponding quarter of the previous year. EBITDA stood at Rs. 120.14 crore, which registered a growth of 35% against Rs. 89.24 crore in January-March 15. Besides lower prices, company's profitability was also affected due to the additional burden of interest and depreciation with the commissioning of the first phase of the Greenfield plant at Durg. Company expressed satisfaction that it has achieved in this quarter over 100% capacity utilisation of its Greenfield project in Durg despite stiff competition in the Eastern part of the country which is the main feeding centre for Durg plant.

Company's steep growth in production and sales alongwith its relentless efforts to improve efficiency and cutting it operation cost has enabled the company to post profitability of Rs. 30.51 crore at PBT level in the quarter January-March 16 after witnessing losses in the previous three quarters. With the recognition of Deferred Tax Asset, company's PAT of this quarter stood at Rs.48.38 crore as against Rs. 6.05 crore in January-March 15.

During twelve months period, April 15-March 16, production and sales grew by 26% and 23% respectively over April14-March15. However, Gross Sales rose only by 14% to Rs. 2939.35 crore (Rs. 2568.49 crore) due to lower cement prices which prevailed in company's market during the entire year.

Company's newly commissioned Surat Grinding Unit has started trial runs indicating extremely good quality of cement. The work at company's subsidiary, Udaipur Cement Works project at Udaipur, is progressing at a very fast pace and is as per schedule. This unit is also likely to commence its production during the current FY.

Expressing satisfaction over the outcome, Mrs. Vinita Singhania, Vice Chairman & MD said, 'It was definitely a good recovery for JK Lakshmi in the last quarter with things taking off to a positive start in 2016. The outlook for the current fiscal looks promising especially with good monsoon forecast and likely announcements of government infra projects. We are confident of strengthening our position further this year".

"Company's Pro+ and Platinum brands have established and been accepted very well in the market commanding premium position", said Dr. Shailendra Chouksey, Wholetime Director of the company.



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