

Kesoram Industries Ltd.
Press Handout

Kesoram Industries Ltd.

Brand Strategy

Objective

- To create a **streamlined** branding communications **platform** for Kesoram
- To show **consistent branding** in the organization to showcase that all the businesses within Kesoram are part of the same entity
- Distill and capture the essence of Kesoram core values in its **corporate identity**
- Create a **coherent** and **consistent** comprehensive style guides to guide future communications

Background

- Kesoram Industries appointed Grey Group Singapore to communicate a new identity representing the Kesoram value-system.

Core Values

Integrity

Social Responsibility

Sustainability

Safety

Quality



Creating a Brand Architecture

Brand Architecture structures and communicates the relationships between the organisation as a whole, its divisions, business units, joint ventures, alliances and its products and services in order to maximise value.

It is how an organisation links its brand to its business activities

Brand Architecture - Previous



Master Brand



Kesoram Rayon

Endorsed



Brand Architecture - New

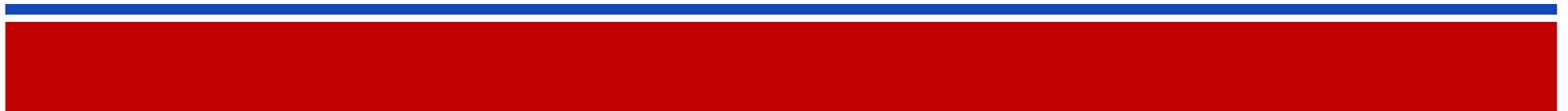


Master Brand



Endorsed

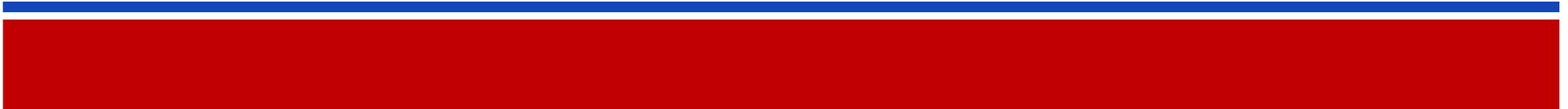




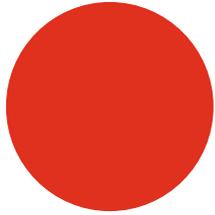
Design Rational

The alphabet K is formed by two stripes that are seemingly in motion, signifying the forward-looking, dynamic nature of the Kesoram group.

Seen together, the bold icon represents the company's ambition to make a mark in the fields in which its businesses operate.

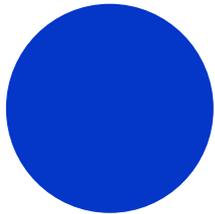


Colour Palette



Red - Energy, Boldness of Vision, Action

Kesoram's leadership within the industries in which it operates is expressed with the usage of the colour red. It is vital for a company to constantly change and innovate, and the energy from the colour red represents Kesoram's ability to adapt and act to changing conditions to stay ahead of the competition.



Blue – Balanced approach, Confidence, Clarity

Kesoram applies a holistic approach in its business to reach its goals and the colour blue represents this perfectly. It draws strength from the calm and quiet confidence of blue in delivering clarity in its communications, thus instilling a sense of assurance in its stakeholders.



Kesoram Industries Ltd.

Business Update

Overall Financial Update - KIL

Key Indicators (Rs. Cr.)	H1 2012	H1 2013	H1 2014
Sales	2811	2936	2506
EBIDTA	-9	222	208
EBIDTA %	-0.32	7.56	8.30

Quick Analysis of Results

- Overall, operating margins (EBITDA/Sales) have risen consistently.
- In absolute terms, operating profit is marginally lower than last year.
- In the first half of the year, operating profits in the Tyre business have risen sharply. In the first half of last year (2012-13), operating margin was - 0.6%. This has risen to 8.9% in the current year (2013-14).
- The Cement business remains profitable, although at a lower level. In the first half of last year (2012-13), operating margin was 28.8%, against 16.4% in the current year (2013-14).
- The Rayon business has also turned the corner and is producing operating profits.

Looking Ahead

- The continuing economic slow down poses challenges. Even so, we anticipate growth in bottom line.
- In the Tyre Business
 - Two wheeler tyre sales have grown by over 25% as compared to last year.
 - We have negotiated contracts for increased supplies to OEM customers, both in the two wheeler as well as commercial vehicle business.
 - Natural rubber prices, after rising in the second quarter of this year, have retreated, easing pressure on margins.

Looking Ahead

- In the Cement Business, demand and pricing is stronger than in the second quarter, although still constrained by lower than expected construction activity.
- In the Rayon business, we are in the process of completing a project to produce lower denier yarn by the continuous spinning process, which will allow us to address a larger and more profitable part of the market.