



**Birla Corporation Limited**

**Corporate Office:**

1, Shakespeare Sarani,  
A.C. Market (2<sup>nd</sup> Floor), Kolkata 700 071

P: 033 6603 3300-02

F: +91 332288 4426

E: Coordinator@birlacorp.com

4th February, 2023

Corporate Relationship Department  
BSE Limited  
1st Floor, New Trading Ring, Rotunda  
Building,  
P.J. Towers, Dalal Street, Fort,  
Mumbai- 400 001  
**Scrip Code: 500335**

The Manager  
Listing Department,  
National Stock Exchange of India  
Limited  
'Exchange Plaza', C-1, Block G,  
Bandra-Kurla Complex, Bandra (East),  
Mumbai- 400 051  
**Scrip Code: BIRLACORPN**

Dear Sir(s),

Sub: **Press Release**

Please find enclosed a copy of the Press Release issued by the Company after the conclusion of the Board Meeting held on 4th February, 2023.

A copy of the same will also be uploaded on the Company's website at [www.birlacorporation.com](http://www.birlacorporation.com).

This is for your information and record.

Thanking you,

Yours faithfully,

For **BIRLA CORPORATION LIMITED**

**(MANOJ KUMAR MEHTA)**  
**Company Secretary & Legal Head**

**Encl:** As above



## Birla Corporation Limited

**Registered Office:**  
Birla Building, 9/1 R. N. Mukherjee Road,  
Kolkata 700 001  
CIN: L01132WB1919PLC003334  
**Corporate Office:**  
1, Shakespeare Sarani,  
A.C. Market (2<sup>nd</sup> Floor), Kolkata 700 071  
P: 6603 3300/01/02 F: 2288 4426  
E: coordinator@birlacorp.com  
www.birlacorporation.com

### **Press Release (Q3 2022-23)**

4 February 2023

## **Birla Corporation's comparable revenue for December quarter up 9%, profitability impaired by high fuel cost**

**Kolkata, 4 Feb.:** Birla Corporation Limited's December quarter consolidated revenue grew 9% year-on-year on a comparable basis to Rs 1,911 crore but profitability was impaired by high fuel costs. Total revenue at Rs 2,024 crore was up 15% over the previous year, which includes sales from the Mukutban unit (of the Company's subsidiary, RCCPL) which started commercial operations in the current financial year. Consolidated cement sales by volume for the quarter were up 11% year-on-year at 3.72 million tons.

Production cost of cement for the December quarter was 12% higher than the same period last year owing primarily to power and fuel resulting in lower cash profit on a comparable basis, which was down 32% from last year at Rs 115 crore. Although progress with the Mukutban project has been ahead of plans and its adverse impact on the bottomline has been contained at a level substantially lower than the original budget, extra-ordinary cost pressure on the cement industry has pulled down overall financial performance. This has resulted in a net loss of Rs 50 crore for the December quarter, against a net profit of Rs 60 crore in the same period last year.

To mitigate the cost pressure, the Company has optimized its fuel consumption mix, the full benefits of which are to be realized only in the March quarter. Fuel prices have started to climb down: pet coke prices have fallen by about 12.5% from the end of September and domestic coal prices have corrected by about 20% during the same period. Combined with change in consumption mix, fuel cost during the December quarter has gone down 2.6% sequentially.

Further correction is expected in fuel prices, which, in turn, will improve the Company's profitability. For further rationalization of costs, Birla Corporation Limited is looking to scale up production of coal from its own mines. The Company's subsidiary, RCCPL, has received necessary clearances in January to raise production at its Sial Ghoghri mine from 300,000 tons per annum to 375,000 tons per annum. Production at the Company's Bikram coal mine is expected to start in the second quarter of the next fiscal year.

	Q3/FY 22-23	Q3/FY 21- 22	Change %	9M/FY 22-23	9M/FY 21-22	Change %
<b>Revenue</b>	2024	1757	15.2%	6284	5226	20.2%
<b>(Excl Mukutban)</b>	1911	1757	8.8%	6100	5226	16.7%
<b>Ebitda</b>	152	229	-33.6%	562	863	-34.9%
<b>(Excl Mukutban)</b>	182	229	-20.7%	689	863	-20.2%
<b>Cash Profit</b>	65	169	-61.2%	312	675	-53.8%
<b>(Excl Mukutban)</b>	115	169	-31.8%	497	675	-26.3%
<b>Net Profit</b>	-50	60	-182.6%	-44	288	-115.7%
<b>Realisation per ton</b>	5155	4899	5.2%	5198	4893	6.2%
<b>(Excl Mukutban)</b>	5194	4899	6.0%	5223	4893	6.7%
<b>Ebitda per tn</b>	376	638	-41.0%	424	800	-47.0%
<b>(Excl Mukutban)</b>	488	638	-23.5%	556	800	-30.5%

*[All figures in INR crore except Realisation and Ebitda per ton]*

Even as Birla Corporation Limited invested to penetrate new markets, it managed to improve realization per ton for the December quarter to Rs 5,155 from Rs 4,899 a year ago. Amid sluggish demand in key markets, it represents a healthy growth of 5.2% within the peer group. The Company is pushing to further increase realization in the March quarter, and, coupled with cost rationalization initiatives, which have already been taken, the Company expects its overall profitability to improve significantly in the quarters ahead.

With production being scaled up at Mukutban and the expanded capacity at Chanderia having been commissioned, Birla Corporation Limited is poised to seize new growth opportunities in the western region in the next few quarters, driven by robust investments in infrastructure.

The Company has been making substantial investments in renewable power, and the share of renewables in total power consumption has increased to 22.9% in the December quarter from 20.6% in the September quarter, thanks to full utilization of solar power capacities installed at Kundanganj and Chanderia in the quarter till 30 September. The benefits of the waste heat recovery system at Mukutban will be realized from the March quarter. It will substantially raise the use of renewable power by the Company and rationalize power cost.

	Q3/FY 22-23	Q3/FY 21- 22	Change %	9M/FY 22-23	9M/FY 21-22	Change %
<b>Sales by volume (in million ton)</b>	3.72	3.35	10.8%	11.29	9.98	13.2%
<b>Capacity utilisation</b>	74%	86%	-13.8%	79%	86%	-8.5%
<b>Blended cement</b>	89%	88%	1.1%	90%	90%	0.0%
<b>trade channel</b>	75%	75%	0.0%	77%	79%	-2.5%
<b>Premium cement</b>	51%	51%	0.0%	49%	51%	-3.9%

Despite the price and demand situation remaining tepid in most regions, the Company was able to take up overall realization by 5.2% with geo-mix optimization and renewed thrust on premium and blended cement. Capacity utilization in the

December quarter was lower at 74% on account of the Mukutban unit, which is in the process of being scaled up.

## **Outlook**

Going forward the Company expects the growth momentum to be maintained in its key markets, riding on the back of large Government outlay on infrastructure, Central welfare schemes such as Urban and Rural PMAY, affordable housing and a bounce back of the residential real estate.

In addition to Mr Sandip Ghose taking charge as MD & CEO, the Company has strengthened its leadership by inducting senior resources in Sales, Logistics, IT and Manufacturing functions.

In the coming months, one of the key focus areas of the management will be to ramp up the Mukutban operations. With the unit coming on-stream Birla Corporation Limited is well placed in the quarters ahead to participate in the infrastructure-led growth and demand surge in the western region.

**Jute Division:** Birla Corporation Limited's Jute Division reported a cash profit of Rs 7.03 crore for the December quarter against Rs 15.53 crore in the same period last year, despite a 13.5% growth in production, owing to disruptions in dispatches. (Cash profit of Rs 15.53 crore in the previous year included an exceptional item of Rs 7 crore.) Production during the quarter was scaled up 8,806 tons compared to 7,756 tons in the same period last year. The Division continues to focus on production of value-added products and rationalization of jute batches.

**Birla Corporation Limited**, is flagship Company of the MP Birla Group. Incorporated as Birla Jute Manufacturing Company Limited in 1919, it was given shape by Syt MP Birla. The Company has interest in cement and jute goods. Its Birla Jute Mills is the first jute mill started by an Indian entrepreneur. The Company and its subsidiary, RCCPL Pvt Ltd, have 11 cement plants spread in eight locations across the country, with an annual installed capacity of 20 million tons. The Company produces an array of cement products, under the MP Birla Cement brand, suited to different climatic conditions as well as consumer segments. It also sells construction chemicals and wall putty.

For more information, visit [www.birlacorporation.com](http://www.birlacorporation.com)

---

## **DISCLAIMER**

Statements in this release describing the Company's objectives, projections, estimates, expectations or predictions may be 'forward looking statements' within the meaning of applicable laws or regulations. Actual results could, however, differ materially from those expressed or implied. Important factors that could make a difference to the Company's Operations include global and domestic demand-supply conditions, finished goods prices, raw materials and fuel costs & availability, transportation cost, competitive intensity, changes in Government regulations and tax structure, economic developments within India and the countries with which the Company has business contacts and other factors such as litigation and industrial relations. Neither our Company, our Directors, nor any of our affiliates, have any obligation to update or otherwise revise any statements reflecting circumstances arising after this date or to reflect the occurrence of the underlying events, even if the underlying assumptions do not come to fruition.