



BIRLA CORPORATION LIMITED

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Ref. No. 74G/

26th May, 2017

Corporate Relationship Department
BSE Limited
1st Floor, New Trading Ring, Rotunda Building, P.J. Towers,
Dalal Street, Fort,
Mumbai- 400 001
Fax No. (022) 2272 2037/2039/2041/2061/3121/3719

The Manager
Listing Department,
National Stock Exchange of India Limited
'Exchange Plaza', C-1, Block G,
Bandra-Kurla Complex, Bandra (East),
Mumbai- 400 051
Fax No. (022) 2659 8237/38/8348

Dear Sir,

We are enclosing herewith a copy of Press Release issued by the Company after the Board Meeting held on date i.e. 26th May, 2017.

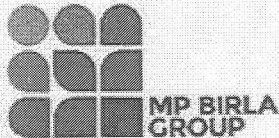
This is for your kind information and necessary action.

Thanking you,

Yours faithfully
For BIRLA CORPORATION LIMITED

(GIRISH SHARMA)
Jt. President (Indirect Taxes)
& Company Secretary

Encl: As above



Birla Corporation Limited
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 Birla Building, 9/1 R. N. Mukherjee Road,
 Kolkata 700 001
 CIN: L01132WB1919PLC003334
 Corporate Office:
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Press Release (Q4: 2016-17)
26 May 2017

BIRLA CORPORATION RECORDS PAT OF RS 219 CRORES

Particulars	Standalone				Consolidated	
	Qtr ended		Year ended		Year ended	
	Mar'17	Mar'16	Mar'17	Mar'16	Mar'17	Mar'16
Cement despatch (lakh tons)	21.50	22.06	78.29	80.86	100.43	80.86
Total Income from Operations (Rs in crores)	1,065.12	1,009.05	3,841.02	3,761.59	4,981.22	3,761.59
EBIDTA (Rs in crores)	134.81	151.64	515.76	463.09	769.41	463.46
Profit After Tax (Rs in crores)	59.15	105.54	214.00	167.68	219.47	167.73

Birla Corporation Limited, the flagship company of the M P Birla Group, announced today its financial results for the year ended 31 March 2017, as well as the consolidated results, including those of Reliance Cement Company Private Limited (RCCPL), wholly-owned material subsidiary, for the period from 22 August 2016 to 31 March 2017.

The Company's Board of Directors approved the audited financial results for 2016-17 today (26 May 2017) and proposed a dividend of Rs.6.50 per share (previous year Rs 6). The total outgo on account of dividend, including taxes, works out to Rs 60.24 crores.

The financial year 2016-17 was a landmark year in the history of Birla Corporation Limited as it acquired RCCPL which increased its capacity by more than 50% to 15.5 MTPA. Since the acquisition on 22 August 2016, considerable efforts have been made for improving the operational efficiencies of RCCPL which have borne fruit. The plants of RCCPL have started performing at strong operating parameters which are comparable with the benchmarks in the industry. This has helped the Company achieve EBIDTA of Rs 1,144 per ton, which is among the highest in the industry, during the quarter despite softness in some of its markets both in terms of volume and realization. Measures are being taken to further improve operational efficiencies which include installation of Waste Heat Recovery System (WHRS) and removal of infrastructural bottlenecks. This will enable the Company obtain greater synergy benefits.

The operations of RCCPL have been integrated with Birla Corporation Limited with alignment of the management of common functions of both the Companies. Synergy benefits, including in the areas of sales, logistics and marketing and procurement, have started getting realized.

During the quarter under review, the Company brought its products, sold both by Birla Corporation Limited and RCCPL, under the "MP Birla" brand umbrella. The launch has been fairly successful, which has enabled seamless transition of "Reliance" brands. The new brand 'MP Birla Perfect Cement' has been well-accepted in the market at both the trade channel as well as consumer levels.

The dispatch of cement on a consolidated basis was 32.73 lakh tons for the quarter (22.06 lakh tons).

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Standalone Financial Performance

The revenue of the Company increased by 5 % to Rs 1,065.12 crores, during the quarter under review. EBIDTA for the quarter and year was Rs 134.81 crores and Rs 515.76 crores, respectively. The Profit After Tax for the quarter and the year under review stood at Rs 59.15 crores and Rs 214 crores respectively, recording a 44% decrease and increase of 28 %, respectively.

Consolidated Financial Performance

During the year under review, the revenue of the Company increased by 32 % to Rs 4,981.22 crores. EBIDTA for the year was Rs 769.41 crores. The Profit After Tax for the year under review stood at Rs 219.47 crores, recording an increase of 31%.

The acquisition of Reliance Cement was funded by a mix of internal accruals and borrowed funds. This led to reduction in treasury income by about Rs 19 crores during the quarter under review and increase in finance cost by Rs 23 crores in the stand alone financials of the Company. Reliance Cement has made a cash profit of Rs 83 crores during the quarter which has been included in the consolidated financial statement of the Company.

Shri Harsh V Lodha, Chairman, said profitability of the Company continued to be impacted on account of suspension of normal mining operations (with blasting) at Chanderia. The unit had to outsource limestone at significantly higher prices as the quantity acquired by mechanical means was short of requirement.

The Company could mitigate the impact on profitability as operating costs could be brought down as a result of operational efficiencies, a judicious fuel mix and higher use of additives. Other operational parameters at the plants also improved. All these contributed to a steady performance by the Cement Division of the Company largely offsetting the impact of demonetization on the volumes as well as the realizations.

New cement brands launched

The MP Birla PERFECT Cement launch was supported by an extensive marketing communication on mass media and at the point of sale. A key differentiator was the Technical Services offered to customers through a large fleet of mobile laboratories, equipped with the latest construction testing equipment.

Keeping in view the rapid growth in Infrastructure and Projects, the Company launched two new-age cement brands, M P Birla Cement CONCRECEM (OPC 43 & 53 grades) and MULTICEM (fly ash-based PPC), tailor-made for the requirements of these sectors. CONCRECEM has been engineered to offer strength, durability and faster construction time. MULTICEM is a BIS-certified PPC cement, specially engineered for infrastructural development. These brands will be sold by a dedicated B2B Non-trade and Institutional vertical, created for focused servicing of key accounts

Outlook

With the impact of demonetization tapering off, signs of green shoot are visible since March 2017, as prices as well as demand show a rising trend. The Government's continued focus towards infrastructure development, affordable housing, smart cities, concrete roads and highways and increased outlay for railway, including metro railway projects in many cities, coupled with re-monetization, is expected to lead to increased demand for cement. However, the availability of sand, particularly in States like Uttar Pradesh, remain a major area of concern.

Jute Division

The Jute Division has recorded the highest ever annual turnover and cash profit, amounting to Rs 32,762 lakhs and Rs 3,161 lakhs, respectively. The improved performance can be attributed to investment made in the recent past for modernization, continuous improvement in productivity and judicious change in the product mix, matching market demand. Continuous efforts are being made to focus on operational efficiencies, modernization and manufacturing value-added products to improve market share.

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, 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.