



Birla Corporation Limited

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Ref. No. 74G/

August 12, 2017

Corporate Relationship Department
BSE Limited
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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. 12th August, 2017.

This is for your kind information and necessary action.

Thanking you,

Yours faithfully
For **BIRLA CORPORATION LIMITED**

A handwritten signature in blue ink, appearing to read 'Aditya Saraogi'.

(ADITYA SARAOGI)
CHIEF FINANCIAL OFFICER

Encl: As above



Press Release (Q1: 2017-18)
12 August 2017

**Birla Corporation Limited records
consolidated EBIDTA of Rs 256.48 crores in First Quarter**

Particulars	Standalone		Consolidated
	Qtr. ended		Qtr. ended
	June'17	June'16	June'17
Cement dispatch (lakh tons)	21.42	21.67	32.79
Total Income from Operations (Rs in crores)	1,107.64	1,046.12	1,667.74
EBIDTA (Rs in crores)	122.93	180.38	256.48
Profit After Tax (Rs in crores)	27.80	94.33	43.21

Birla Corporation Limited, the flagship Company of M P Birla Group today announced a consolidated EBIDTA of Rs 256.48 crores for the quarter ended 30 June 2017. The consolidated results include the financials of Reliance Cement Company Private Limited, a wholly owned material subsidiary of the Company.

The standalone revenue of the Company increased by 5.88% to Rs 1,107.64 crores (Rs 1,046.12 crores) during the quarter as compared to the corresponding quarter. EBIDTA at Rs 122.93 crores (Rs 180.38 crores) was lower by 31.85%. The Profit After Tax stood at 27.80 crores (Rs 94.33 crores). The consolidated Profit After Tax stood at Rs 43.21 crores.

Commenting on the performance, Shri Harsh V Lodha, Chairman, MP Birla Group said: "Though the results are below expectations due to unforeseen disruption in some key markets where the company operates, it was a quarter of major consolidation and capacity building across functions, which makes the Group well positioned for the economic upturn expected in the coming months and the next fiscal year".

Demand in Uttar Pradesh, which contributes bulk of the Group's cement sales in Central India, was heavily impacted due to prolonged scarcity of sand and aggregates.

Prices in North India, another major market of the company, remained subdued and sharp increase in road freight and fuel prices put pressure on margins.

This was partly compensated by the performance in Eastern Markets, which witnessed an upswing in demand. The business benefitted from the increased share of premium products in the portfolio and substantially improved both volume and value share in the important market of Bihar through better distribution and price management.

The company's Premium Slag Cement brand – M P Birla Unique has established itself as the second largest brand of the category in West Bengal and making rapid in-roads in the profitable markets of Bihar and Jharkhand.

The Group's strategy of cross branding of production at the acquired RCCPL plants has begun to yield results. This led to high capacity utilization in the two Madhya Pradesh facilities, Maihar (RCCPL) and Satna (BCL), through better geo-mix optimization and segmented marketing strategy.

All our plants except Chanderia (BCL) and Kundanganj (RCCPL) performed well during the quarter.

Buoyant demand and favourable market conditions helped us to achieve decent performance at Satna and Durgapur Units. Chanderia Unit continued to be affected adversely due to suspension of normal mining (blasting). This was further aggravated by lack of availability of Fly Ash. Various measures have been initiated to improve the operations at Chanderia and should start bearing results from the 3rd quarter onwards.

The Maihar plant of RCCPL, clocked a stellar performance of producing 7.40 lakh tons cement during the quarter against 5.30 lakh tons as compared to the corresponding period, resulting in an increase of around 40%.

Similar benefits could not be reaped to the desired extent in the current quarter in Uttar Pradesh due to the sub-normal demand situation. Owing to the poor demand in Uttar Pradesh however, the capacity utilization of the RCCPL Grinding Unit at Kundanganj was significantly lower than our internal estimates. However, going forward it offers substantial opportunities for growth in volume and improvement of profitability.

The price of pet coke and slag was higher during the quarter and this impacted the bottom line to a great extent.

Outlook

With expectation of normal monsoon in most of the markets that we are operating, we hold an optimistic view.

The sand and aggregates situation in Uttar Pradesh has marginally eased. We expect the situation to normalize after the monsoon. With the new Government at the helms, we are hopeful of a strong recovery in demand post the monsoon in Uttar Pradesh.

Jute Division

Jute Division of the company has reported a turnover of Rs 73.30 crores, as against Rs 59.19 crores in the corresponding period, and cash profit of Rs 5.53 crore against Rs 6.79 crore reported in corresponding previous period. Production during the quarter has been affected due to unprecedented absenteeism of the workmen. Production during the reporting quarter has been 8,301 ton as against 8,773 ton in the corresponding quarter of the previous year. Company's thrust on value added product portfolio is helping in generating profit on regular basis.

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.

