



BIRLA CORPORATION LIMITED

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Press Release (Q2: 2015-16)
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BIRLA CORPORATION Q2 NET SALES AT Rs 801.78 CRORES

	Q2 2015-16	Q1 2015-16	Q2 2014-15
Cement despatch (Lakh Tons)	19.59	19.56	19.12
Net Sales/Income from Operations (Net of Excise Duty) (Rs in Crores)	801.78	773.48	767.11
Profit Before Exceptional Items & Tax (Rs in Crores)	55.16	30.74	42.45
Profit After Tax (Rs in Crores)	18.48	16.64	32.46

The flagship Company of the M P Birla Group and Cement major, Birla Corporation Limited, has achieved cement production of 19.65 lakh tons (19.10 lakh tons) during the second quarter of the current fiscal. Net Sales/Income from Operations stood at Rs 801.78 crores (Rs 767.11 crores). The despatch of cement stood at 19.59 lakh tons (19.12 lakh tons).

Profit before exceptional items was at 55.16 crores, 30% higher than the previous corresponding quarter. Profit for the quarter was impacted by exceptional items, amounting to Rs 27.95 crores, relating to excise duty and contribution to the District Mineral Foundation and National Mineral Exploration Trust.

The Profit after Tax was Rs 18.48 crores against Rs 32.46 crores in the previous corresponding quarter.

Shri Harsh V. Lodha, Chairman of the Company, referring to the performance, said after the meeting of the Board of Directors in Kolkata today that the cement market was subdued during the quarter under review. This affected the performance of the Company, denting the profit margin.

The working of the Chanderia Unit has been affected on account of the suspension of mining. Consequently, the Unit had to purchase limestone and clinker at higher costs, which has affected profitability.

Shri Lodha added that the Company could partially mitigate the impact of adverse market conditions on profitability by focusing on improvements in operational efficiencies in various areas, including higher use of pet coke at Satna, instead of coal, higher use of additives, use of cheaper alternative fuel and purchase of power from the exchanges at rates lower than the grid. Steps taken for reduction of power consumption at all units are also bearing fruit.

He said additional equipment for mechanical mining in Chanderia is expected to be operational by the year-end after which 70% of the limestone requirement at Chanderia is likely to be resourced from captive mines.