

Ref. No. 74G/

16th May, 2018

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Listing Department,
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'Exchange Plaza', C-1, Block G,
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Mumbai- 400 051
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Dear Sir,

We are enclosing herewith a copy of Press Release issued by the Company after the Board Meeting held on date i.e. 16th May, 2018.

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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Press Release (Q4: 2017-18)
16 May 2018

Birla Corporation Q4 Consolidated EBIDTA at Rs 284 crores

Key Figures & Performance Highlights Consolidated

The Company continues to evolve strategies and optimize operations for improvement in efficiencies across the functions with special emphasis on:

- a. Increasing blended cement ratio
- b. Enhancing proportion of sales in the Trade segment
- c. Increasing ratio of cement sales in premium category
- d. Optimising use of additives in the cement
- e. Increasing output at captive coal mines of RCCPL
- f. Reducing purchase of power from the grid in RCCPL by installing WHRS
- g. Use of alternate fuels

The quality of cement being produced by the manufacturing units continues to be the best in class. Operational parameters of the new plants are amongst the best in the industry.

Integration of operations of RCCPL with the Company has been completed and operations and management of operations are now being run seamlessly. The plants of RCCPL have been ramped up considerably. The kiln output of the integrated cement plant of RCCPL at Maihar is now at optimal levels. Synergy benefits that were expected to flow in on acquisition are also being realized. Brand portfolios of both the Companies, which complement each other, have been combined and brought together under "M P Birla Cement". RCCPL has since received VAT incentive from the UP Government for earlier periods which will improve the liquidity position of RCCPL significantly.

These measures are yielding results which are reflected in higher margins and improvement in EBITDA in Q4 2018.

M P Birla Cement has recently introduced two super premium brands, Perfect Plus and Ultimate Ultra. Since the acquisition of Reliance Cement, the contribution of premium brands to the consolidated sales of the Company has increased substantially.

M P Birla Cement Perfect Plus has been introduced in all the major markets of the Company. The product has been formulated for application in vital parts of the construction-foundation, pillar and roof. It has been launched with a powerful new audio-visual film that brings out the special properties of the cement in a very charming manner.

M P Birla Cement Ultimate Ultra is produced at the Durgapur unit specially formulated for the requirements of the eastern markets. Ultimate Ultra is a high-performance cement, providing the best of strength & finish for the discerning home-builder. It has a high refractive index as its fine grains yield high early strength and additional compressive strength. It has excellent workability due to the optimal mix of raw materials and particle size distribution.

Ban on pet coke in Rajasthan affected profitability of the units of the Company at Chanderia. The ban, however, was lifted by the end of January 2018. The unit's functioning was also severely impacted by the ban on sand mining in the State. Coupled with these, the continuing suspension of normal mining operations (with blasting) necessitated sourcing part of the limestone requirement from third parties at significantly higher prices.

Freight costs went up, owing to higher diesel prices and high demand for transport vehicles on account of stronger movement of agricultural products. Also, prices of pet coke increased significantly.

Non-availability of railway rakes constrained the movement of both raw materials as well as finished products. Rakes had been diverted to meet the requirement of power plants for carrying coal. This disrupted not only supply of coal to the clinker plants of the Company but also transportation of clinker to the grinding units and cement to rail-fed destinations.

Outlook

The expected rise in rural income and higher rural credit, coupled with increased allocation for rural, agricultural and allied sectors, are likely to boost the demand for cement. The higher budget outlay for housing, infrastructure and rural development will be the key drivers for the cement industry in the coming months. While the industry is facing challenges of rising input costs, we are optimistic that our relentless drive for reducing costs and increasing efficiencies in all areas of operations will continue to yield results in terms of better profitability.



Jute Division

The Jute Division has reported EBIDTA of Rs 2,842.7 lakh (Rs 3,088.5 lakh). Production during the year was 37,208 MT (37,367 MT). Exports increased by about 12% to Rs 4,881 lakh (Rs 4,365 lakh).

M P Birla Hospital & Research Centre, Chittorgarh

The M P Birla Hospital & Research Centre at Chittorgarh has recently started operations and is the latest initiative of the M P Birla Group to serve society in Chittorgarh region. This is the first full-service hospital in Chittorgarh, where the Company has two cement plants. The Hospital has in-house modern medical & pathological laboratories and modular OT, among other facilities. It also offers advanced critical care facilities as well as neonatal/infant care. The Company has provided financial as well as administrative support to the initiative.

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.

For BIRLA CORPORATION LIMITED



GIRISH SHARMA

**Jt. President (Indirect Taxes)
& Company Secretary**