



## **Investor Update**

**January 5, 2010**

**Prism Cement Limited today announced unaudited standalone financial results for the quarter and nine months ended December 31, 2009.**

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Production of clinker was 6.21 lakh tonnes during the quarter ended 31.12.2009 as against 6.55 lakh tonnes during the quarter ended 31.12.2008.

Production of cement increased from 6.54 lakh tonnes during the quarter ended December 31, 2008 to 6.82 lakh tonnes during the quarter ended December 31, 2009. Cement despatches increased from 6.59 lakh tonnes during the quarter ended December 31, 2008 to 6.80 lakh tonnes during the quarter ended December 31, 2009. Clinker sales at 0.85 lakh tonnes were lower during the quarter under review as against 1.81 lakh tonnes in the previous corresponding quarter.

During the quarter ended December 31, 2009, net sales increased to Rs. 22997 lakhs from Rs. 21479 lakhs during the corresponding quarter ended December 31, 2009.

For the nine months ended December 31, 2009, the Company despatched 2.64 lakh tonnes clinker and 18.98 lakh tonnes of cement as against 3.77 lakh tonnes clinker and 18.57 lakh tonnes of cement during the nine months ended December 31, 2008. Net Sales increased from Rs. 60409 lakhs during the nine months ended December 31, 2008 to Rs. 72968 lakhs during the nine months under review.

The Company has posted a PAT of Rs. 4,197 lakhs for the quarter ended December 31, 2009 as against a PAT of Rs. 3,103 lakhs for the previous quarter ended December 31, 2008. For the nine months ended December 31, 2009, the Company has earned a PAT of Rs. 15,119 lakhs against Rs. 10,702 lakhs for the previous corresponding nine months.

The Scheme of Amalgamation u/s 391-394 of the Companies Act, 1956 to amalgamate H. & R. Johnson (India) Limited and RMC Readymix (India) Private Limited with the Company has been approved with the requisite majority by the shareholders and creditors of the Company. The Scheme is subject to the approval of High Courts of Judicature at Bombay and Andhra Pradesh. The Amalgamation will be accounted from the appointed date of April 01, 2009 on getting necessary approvals.

### **Capacity Expansion**

The Company's plan for increase in cement capacity is ongoing. For its Unit II at Satna, the civil and mechanical erection activities are under progress.

For its cement plant at Kurnool District, Andhra Pradesh, environmental clearance has been received. Company is awaiting certain clearances from the State Government for further activity to take place.

The mining plans for the coal block allotted to the Company in Chhindwara District of Madhya Pradesh have been approved. The other requisite approvals are under progress.

### **Industry Scenario**

The demand remained healthy across markets of our interest during the quarter under review, with industrial projects and government works such as road construction supporting growth.

Impetus on government and private infrastructure spending and the revival in housing demand are expected to sustain the demand during the current quarter.

### **About Prism Cement Limited**

Prism Cement Limited is an ISO 9001:2000 certified company promoted by Rajan Raheja Group which has diverse business interests. The company operates one of the largest single kiln cement plants in the country at Satna, Madhya Pradesh. Equipped with state-of-the-art machinery and technical support from F.L Smidth & Co., A.S Denmark, the world leaders in cement technology, the company has successfully created a niche for itself in the Indian cement industry.

The company manufactures Portland Pozzollana Cement (PPC) with the brand name 'Champion' and Ordinary Portland Cement (OPC). 'Champion', its largest selling product, is general purpose cement mainly used in housing construction. OPC is used for specialised applications like high rise buildings, bridges, AC sheets, pipes, poles, etc.

The company has the highest quality standards due to modern plant with automated controls. The strength and other characteristics of its cement are much higher than the BIS requirements. This together with brand building exercise has placed it in the premium price segment.

The company caters mainly to markets of UP, MP and Bihar which are within the radius of 340-370 kms of its plant at Satna, MP. The company has strong marketing network with over 2000 dealers serviced from 46 stocking points without any wholesalers.

The equity shares of the company are listed on the Bombay and National Stock Exchanges.

### **Investor Relations**

Prism Cement Limited is committed to create long-term sustainable shareholder value through successful implementation of its growth plans. The company's investor relations mission is to maintain an ongoing awareness of its performance among shareholders and financial community.

For additional information, please contact:

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Certain statements in this release concerning our future growth prospects are forward-looking statements which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the company.