

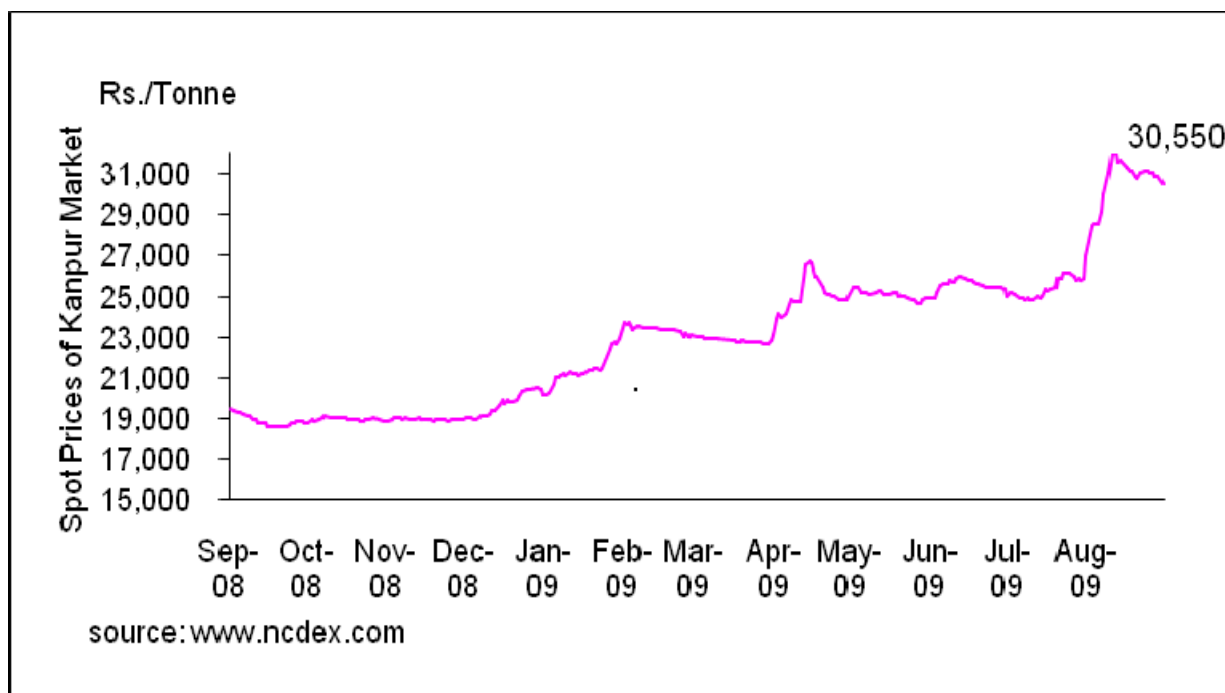
**Dalmia Cement (Bharat) Ltd.**

**Integrated Sugar Unit – Monthly Update**

New Delhi, Sep 8, 2009:

**Sugar Price Realizations Trend**

**Region: Central U.P.**



**Average spot sugar prices** of Kanpur market have witnessed phenomenal **increase of 20%** in Aug'09; Rs. 30,400 per ton as compared to Rs. 25,400 per ton in previous month. Prices have been on a steady upward trend with spot price as on Sep 7, 2009 at Rs. 32,700 per ton.

<b>Free Sale Quota (FSQ) for the period ended Aug 31, 2009</b>						
	<b>For the Month</b>			<b>Financial Year To Date</b>		
	<b>Aug'09</b>	<b>Aug'08</b>	<b>YoY Growth%</b>	<b>Aug'09</b>	<b>Aug'08</b>	<b>YoY Growth%</b>
All India (Lac MT)	16.5*	19**	(13%)	93	80	16%
Dalmia (MT)	28,470***	11,184	154%	92,097	48,911	88%

\* Includes processed raw sugar of 1.4 lac MT and buffer stock of 1.3 lac MT

\*\* Includes buffer stock of 4 lac MT (Total buffer stock of 20 lac MT to be sold between May to Sept'08)

\*\*\* Includes processed raw sugar to be sold by Sep'09

- A sharp decline in sugar production in India in SY2009 has duly impacted **world sugar production**. Assuming a 45% decline in sugar production in India, the sweetener output at the global level is finally estimated at **less than 150 MnT, down by 11%** compared to the previous year. This justifies the **upward pricing trend**, globally and in India.
- The Government is mulling **doubling the levy quota** for sugar to 20% of a mill's total output. Simultaneously, it could hike the **price of levy sugar from Rs 13.8/kg to Rs 20/kg**, which would benefit the mills.
- The mills are discouraged by recent policy measure of **reducing the validity period of release orders** on sugar processed from imported raw sugar from **3 months to just one month**. This is a second blow to the mills from the one when in the beginning it was told that processed raw sugar would be kept outside the purview of release mechanism and then finally brought under it with a validity period of three months.

### **About Dalmia Cement (Bharat) Limited**

DCBL, with total gross income of around Rs 2000 crores has business interests in two major segments, Cement and Sugar. It has cement plants in Southern States of Tamil Nadu (Dalmiapuram & Ariyalur) and Andhra Pradesh (Kadapa), with capacity of 9 million tonnes per annum. Pioneer in cement manufacturing since 1939, DCBL is a leading multi spectrum Cement player in South India with double digit market share and is a pioneer in super specialty cements like Oil well, Railway sleeper and Air strip.

The Company has three Integrated Sugar Mills in the State of Uttar Pradesh with total installed capacity of 22500 tons of cane crush per day leading to sugar manufacturing of about 300,000 MT per annum, distillery capacity of 80 KL per day & cogeneration facility. It has been ranked among the Top 10 players in the sugar industry within a short span of operations in terms of income.

The company has charted out an ambitious growth plan, which is being executed by a professional management team under the guidance of the experienced promoters of the Group.

The company produces around 160 MW of Power through thermal and renewable energy with an aim to increase the power generation from non-conventional methods.

Over the 7 decades, the company has earned the trust of the employees, distribution chain as well as all its stakeholders. The company is looked upon and respected for being a value-based organization. DCBL is Head Quartered in New Delhi. It has employee strength of more than 3500 people.

For more information about DCBL, please visit our website [www.dalmiacement.com](http://www.dalmiacement.com) or contact us.

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#### **Investor Relations Contact:**

Nidhi Aggarwal, Head Investor Relations  
Phone: +91 11 23465142 / 5135 / 5102 / 5100  
Email: [investorquery@dalmiacement.com](mailto:investorquery@dalmiacement.com)

#### **Media Contact:**

R. Gurumoorthy  
Phone: +91 11 23465179/ +91 9717004389  
Email: [r.gurumoorthy@dalmiacement.com](mailto:r.gurumoorthy@dalmiacement.com)