

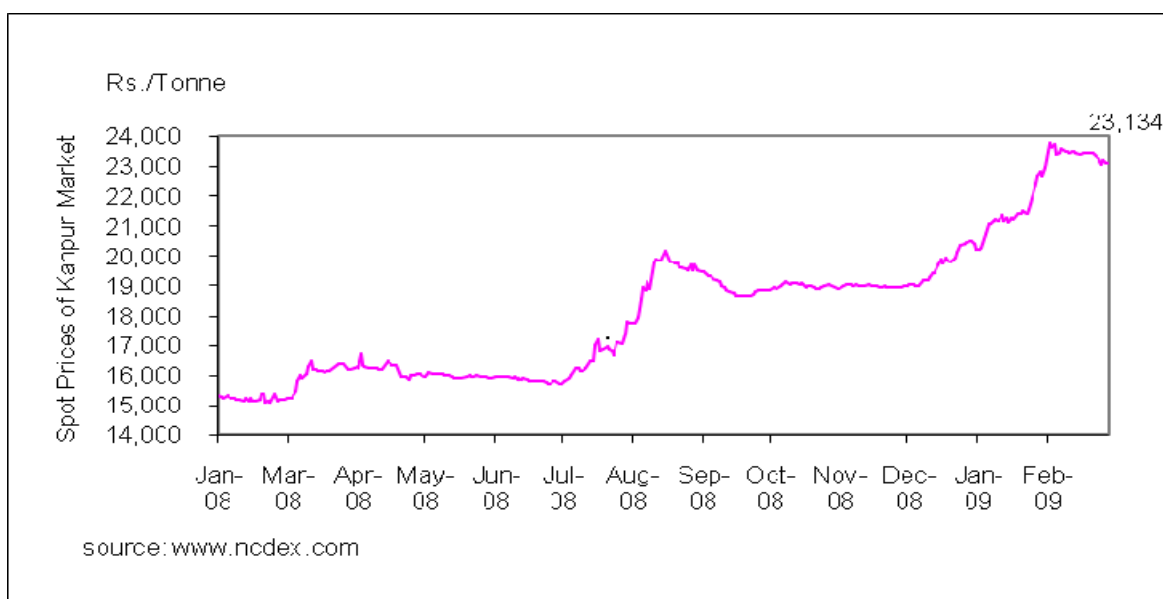
Dalmia Cement (Bharat) Ltd.

Integrated Sugar Unit – Monthly Update

New Delhi, March 3, 2009:

Sugar Price Realizations Trend

Region: Central U.P.



February month again witnessed a surge in average spot sugar prices of Kanpur market; Rs.23,400 per ton as compared to Rs. 21,400 per ton in previous month.

Free Sale Quota (FSQ) for the period ended Feb 28, 2009						
(Figures in Metric Tonnes)	For the Month			Financial Year To Date		
	Feb '09	Feb '08	YoY Growth%	Apr '08-Feb'09	Apr'07-Feb'08	YoY Growth%
All India (Lac MT)	15	14	7%	189	147	29%
Dalmia (MT)	10,023	13,011	23%	123,934	78,624	58%

- The Indian Government estimates **sugar production** in 2008-09 to be around **16.1 million tonne**, down from earlier projections of around 18 million tonne - 19 million tons.
- Indian Government has notified rules allowing **duty-free imports of raw sugar** until Sept. 30, 2009 for **processing and domestic sale**. Buyers must **export** a similar quantity of white sugar **within three years**. India, the world's biggest consumer of sugar, may **import** as much as **1.5 million metric tons** from suppliers in Brazil to overcome a shortfall in output and consequently cool rising domestic prices.
- **Government is likely to impose limits on the amount of sugar that can be stocked**. It may raise the **price** that millers have to pay farmers for **cane** by up to **50 percent** to tame prices and help lift sugar production out of this year's expected slump. Formal

notification of the stock curbs, which **would initially apply for four months**, would most likely take place shortly.

- **Most of the sugar mills in Central & Eastern Uttar Pradesh have already been shut for the season** due to non availability of cane. In the Western U.P., mills are expected to close by March end.

About Dalmia Cement (Bharat) Limited

Established in 1939, Dalmia Cement (Bharat) Limited, (DCBL) enjoys a heritage of 70 years of expertise, with a proven track record of excellence based on the bedrock of strong values. DCBL has several notable achievements including technological firsts and capital efficient project implementations to its credit.

In 1993, DCBL became the first company in South India to obtain ISO 9002 certification and second in the country among the Indian Cement Plants. It has been an ISO 14001 Certified company since 2004. The organization has won many notable awards for Energy Conservation & Efficiency, Safety, Health & Environment issues from Government and other reputed agencies.

DCBL, with FY08 total gross income of over Rs 1850 crore has business interests in two major segments, Cement and Sugar. It has cement plants in Southern State of Tamil Nadu with capacity of over 3.5 million tonnes per annum and recently commissioned 2.25 MnTPA plant in Andhra Pradesh. Pioneer in cement manufacturing since 1939, DCBL has been known for super specialty cements catering to a focused industrial use. The Company has three Integrated Sugar Mills in the State of Uttar Pradesh with total installed capacity of 22,500 tons of cane crush per day leading to sugar manufacturing of about 300,000 MT per annum, cogeneration capacity of 79 MW & distillery capacity of 80 KL per day.

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. DCBL is undergoing expansion plans with another Greenfield projects, of 2.25 mn tonnes capacity, at Ariyalur in Tamil Nadu.

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 or contact us.

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