

Dalmia Cement (Bharat) Limited

Expands cement footprint in Eastern Region

Enhances stake in OCL India Ltd to 45.4%

Acquisition at an economical cost of around US\$ 50 per tone

New Delhi, January 30, 2010: Dalmia Cement (Bharat) Limited (DCBL), one of the leading multi spectrum cement manufacturing companies in India, today announced increase in its stake in OCL India from current 21.7% to 45.4% through inter-se transfer. The acquisition was completed at an all cash deal at ruling market price. Dalmia Cement with this expansion of foot print in Eastern region has now become a two region player. The stake increase aligns well with the Company's overall all India Expansion strategy.

OCL India, is a diversified company with interests in cement and refractory business and has a very strong presence in the Eastern region of the country.

Commenting on the development Mr. Puneet Dalmia, Managing Director, DCBL said, "As a first step towards becoming a Pan India player, we have extended our Cement footprints from Southern region to East India. We now have an access to the high growth Eastern market. With this strategic investment, our profitability is likely to improve further."

The acquisition cost of OCL stake at \$50 per tonne is much below the replacement cost for a cement plant. The acquisition is at the enterprise value of OCL without assigning any value to its refractory business.

The present cement of capacity of Dalmia Cement is 9 million tonnes and OCL India is 5.3 million tonnes respectively. The combined group now controls 14.3 million tonnes of Cement Capacity across the two regions and is one of the top cement players of the country.

About Dalmia Cement (Bharat) Limited

DCBL, with total gross income of around Rs 2,500 crore 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 22,500 tonnes 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 amongst 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.

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