



BURNPUR CEMENT LIMITED

Chairman's speech for the 26th Annual General Meeting on 28th September, 2012.

Chairman's Speech on the occasion of the 26th Annual General Meeting held on 28th September, 2012

Good Afternoon Dear Shareholders,

I have much pleasure in cordially welcoming the Hon'ble Shareholders for their kind presence at the 26th AGM of the Company today.

The sustained efforts exercised by your Company's Management have already started producing viable results in the overall operation of the Company. Your Company is now eagerly looking forward to further improve its performance and productivity in the context of aggressive growth and development plans envisaged by the Central & State Governments.

PATRATU PLANT

I am pleased to state that the Patratu Plant has overcome all initial hurdles & is on the track now. The construction & erection work is in full swing and the Plant is expected to commence its 1st Phase of production in the 1st quarter of the financial year 2013-14. The Second & final phase of our Integrated Cement Plant shall be completed and start its Commercial Production before the end of financial year 2013-14. You will appreciate that as because it is an Integrated Cement Plant and we will be producing our own Clinker, thus reduction in production cost, resulting in better profit realization for the company.

In compliance with E I A Act 2006, Green Belt Development work is in process all round the periphery of Factory Boundary.

GROWTH TERRAIN

Compared to Southern, Western & Central India, the Planned Growth in Eastern India was hitherto relatively slow. In view of recent development plans, covering Road, Dam, Airport & other Infrastructural Projects including announcement made by SAIL Chairman, Sri C S Verma to raise Steel Production Capacity of Bokaro Steel Plant from present 4.5 million tons to 17.5 million tons by end of 2020 with a total investment of Rs. 55,000 Crores. Mr. Verma also announced to set up a Greenfield Integrated Steel Plant of 5.6 million tons capacity, Urea Plant of 1.1 million ton Capacity and 1,000 MW Power Plant on 6,000 acres of land acquire at Sindri

(Jharkhand) with a total investment of Rs.35,000 Crores. These projects would be completed within next 8 years. As the above two sites are very closed to our existing plant at Asansol and only 150 Kms away from our proposed Plant at Patratu, it will be good opportunity for your company to market its products having big logistic benefit.

Besides, Govt & Corporate houses, your Company have an efficient & effective network of Dealership spread over a wide area not only in West Bengal but also in the neighboring States of Jharkhand & Bihar. Our Plan is to raise the existing Authorised Dealers from 1000 to 2000 in next two years to fully take care of the Commercial Production at Patratu. Your Company have now established its product in the expanding market both quantitatively & qualitatively and we are confident of the Co's ability to have a healthy share in the Cement Market.

OPERATIONS

The highlights of performance for the year ended 31st March, 2012, together with current operation & future plans of your Company are noted below : -

During the year the Sales Volume has increased by 68.50% to Rs. 51.77 Crore compared to previous years sale and the Company has posted Net Profit after Tax Rs. 1.02 Crore.

A number of strategic initiatives have been taken by your Management in the interest of its multiple shareholders, i.e., Modernization of Plant at Asansol, Implementation of new policy for promotion of sales, reduction of expenses, etc.

CORPORATE SOCIAL RESPONSIBILITES & CORPORATE GOVERNANCE

Adequate measures have been taken to fulfill the Social Responsibility as well as steps initiated for peripheral development of the neighboring areas. In order to improve existing work culture and reduce recurring expenses, modern systems and methods are being implemented by your company.

I wish to offer continued commitments of your Board of Directors to uphold the Principles of Corporate Planning & Administration and on their behalf, assure you all to continue to serve your company in the best interests of all concerned.

TO OUR TEAM

I take this opportunity to offer my warm thanks to our Board Members and to our team of employees for their valued contribution to guide the performance of the company. I also look forward with equal warmth to receive their future support & guidance in the greater interest of the Company's Growth & Prosperity. My special thanks go to the Co's Marketing Team for their good work done & I look forward to their continued efforts in the near future also.

Thanking you

ASHOK GUTGUTIA
Vice Chairman and Managing Director