



**UNAUDITED FINANCIAL RESULTS
FOR THE QUARTER ENDED 30th SEPTEMBER 2006**

I. CONSOLIDATED RESULTS :

Rs in Crores

	Three Months Ended 30th September 2006	Three Months Ended 30th September 2005	Six Months Ended 30th September 2006	Six Months Ended 30th September 2005	Full Year Ended 31st March 2006 (Audited)
Net Sales / Income from Operations	3,183.81	2,343.50	6,394.49	4,828.28	10,274.86
Other Income	53.43	44.63	102.62	120.13	217.27
Expenditure :					
- Decrease / (Increase) in Stock	(5.79)	44.42	(0.71)	(15.26)	6.30
- Raw Material Consumed	654.23	520.42	1,249.64	1,097.96	2,212.43
- Purchases of Finished Goods	17.14	32.81	43.03	45.97	109.93
- Payment to & Provision for Employees	173.98	134.93	335.13	257.95	543.31
- Power & Fuel	561.58	484.83	1,141.32	997.56	2,129.12
- Freight , Handling & Other Expenses	461.47	325.75	958.06	698.92	1,552.22
- Other Expenditure	479.87	384.03	903.58	763.90	1,608.30
Total Expenditure	2,342.48	1,927.19	4,630.05	3,847.00	8,161.61
Interest	55.05	53.95	107.65	110.60	212.23
Gross Profit	839.71	406.99	1,759.41	990.81	2,118.29
Depreciation	148.44	137.35	290.19	272.76	563.10
Profit before Exceptional Items and Tax Expenses	691.27	269.64	1,469.22	718.05	1,555.19
Surplus on pre-payment of sales tax loan	-	-	-	-	4.13
Profit before Tax Expenses	691.27	269.64	1,469.22	718.05	1,559.32
Provision for Current Tax	(215.03)	(85.63)	(462.75)	(218.85)	(434.88)
Provision for Deferred Tax	8.14	16.91	13.69	30.41	32.18
Net Profit	484.38	200.92	1,020.16	529.61	1,156.62
Less : Minority Share	66.05	0.50	166.58	33.11	115.98
Net Profit (After Minority Share)	418.33	200.42	853.58	496.50	1,040.64
Paid up Equity Share Capital (Face Value Rs. 10 per share)	91.69	91.69	91.69	91.69	91.69
Reserves excluding Revaluation Reserve					4,698.79
Basic & Diluted EPS for the period (Rupees)	45.62	21.86	93.09	54.15	113.50

II. STANDALONE RESULTS :

	Three Months Ended 30th September 2006	Three Months Ended 30th September 2005	Six Months Ended 30th September 2006	Six Months Ended 30th September 2005	Full Year Ended 31st March 2006 (Audited)
Net Sales / Income from Operations	2,010.82	1,649.21	3,902.55	3,213.61	6,703.48
Other Income	50.22	30.83	87.69	96.32	169.07
Expenditure :					
- Decrease / (Increase) in Stock	(14.45)	68.44	0.66	25.55	43.49
- Raw Material Consumed	535.04	442.47	998.88	911.79	1,822.68
- Purchases of Finished Goods	60.59	63.02	128.76	91.15	240.15
- Payment to & Provision for Employees	123.05	104.21	236.08	200.59	407.63
- Power & Fuel	280.55	259.76	545.05	509.67	1,074.81
- Freight , Handling & Other Expenses	236.59	169.53	466.85	349.71	750.02
- Other Expenditure	257.29	219.96	480.84	428.96	942.91
Total Expenditure	1,478.66	1,327.39	2,857.12	2,517.42	5,281.69
Interest	24.07	23.74	47.57	50.27	97.32
Gross Profit	558.31	328.91	1,085.55	742.24	1,493.54
Depreciation	75.57	71.96	149.66	142.44	291.64
Profit before Exceptional Items and Tax Expenses	482.74	256.95	935.89	599.80	1,201.90
Surplus on pre-payment of sales tax loan	-	-	-	-	4.13
Profit before Tax Expenses	482.74	256.95	935.89	599.80	1,206.03
Provision for Current Tax	(145.80)	(78.60)	(284.85)	(175.90)	(369.82)
Provision for Deferred Tax	0.90	9.30	(1.30)	14.70	27.00
Net Profit	337.84	187.65	649.74	438.60	863.21
Paid up Equity Share Capital (Face Value Rs. 10 per share)	91.69	91.69	91.69	91.69	91.69
Reserves excluding Revaluation Reserve					4,886.11
Basic & Diluted EPS for the period (Rupees)	36.85	20.47	70.86	47.84	94.14
Aggregate of Non-Promoter Shareholding					
- Number of Shares			68692786	68776304	68776304
- Percentage of Shareholding			74.93%	75.02%	75.02%

III. SEGMENT REPORTING - CONSOLIDATED

	Three Months Ended 30th September 2006	Three Months Ended 30th September 2005	Six Months Ended 30th September 2006	Six Months Ended 30th September 2005	Full Year Ended 31st March 2006 (Audited)
1. SEGMENT REVENUE					
a Fibre & Pulp	670.83	513.70	1,195.85	947.26	1,990.05
b Cement	2,179.70	1,461.16	4,518.96	3,124.68	6,938.30
c Sponge Iron	140.77	170.38	316.13	390.84	634.78
d Chemicals	76.75	104.10	148.55	203.56	386.35
e Textiles	84.79	73.65	141.62	126.44	247.14
f Others	76.16	54.83	144.27	109.34	233.81
TOTAL	3,229.00	2,377.82	6,465.38	4,902.12	10,430.43
(Less) : Inter Segment Revenue	(45.19)	(34.32)	(70.89)	(73.84)	(155.57)
Net Sales / Income from Operations	3,183.81	2,343.50	6,394.49	4,828.28	10,274.86
2. SEGMENT RESULTS					
a Fibre & Pulp	168.52	106.90	263.88	182.52	425.93
b Cement	538.23	171.48	1,217.16	445.52	1,074.76
c Sponge Iron	(3.27)	(8.24)	2.31	52.46	33.69
d Chemicals	4.81	30.99	18.20	64.13	107.51
e Textiles	(0.13)	1.91	(0.26)	1.33	(3.04)
f Others	14.94	8.82	27.12	17.50	39.06
TOTAL	723.10	311.86	1,528.41	763.46	1,677.91
Add / (Less) :					
Interest	(55.05)	(53.95)	(107.65)	(110.60)	(212.23)
Net Unallocable Income / (Expenditure)	23.22	11.73	48.46	65.19	89.51
Profit before Exceptional Items and Tax Expenses	691.27	269.64	1,469.22	718.05	1,555.19
Surplus on pre-payment of sales tax loan	-	-	-	-	4.13
Profit Before Tax Expenses	691.27	269.64	1,469.22	718.05	1,559.32
3. CAPITAL EMPLOYED					
a Fibre & Pulp			1,252.97	979.45	1,025.98
b Cement			7,480.45	6,814.43	6,804.09
c Sponge Iron			508.38	478.55	530.19
d Chemicals			291.34	200.68	210.75
e Textiles			124.11	105.59	92.55
f Others			371.47	347.78	339.95
TOTAL			10,028.72	8,926.48	9,003.51
g Unallocated Corporate Capital Employed			1,528.77	1,011.89	1,189.19
TOTAL CAPITAL EMPLOYED			11,557.49	9,938.37	10,192.70

IV. SEGMENT REPORTING - STANDALONE

	Three Months Ended 30th September 2006	Three Months Ended 30th September 2005	Six Months Ended 30th September 2006	Six Months Ended 30th September 2005	Full Year Ended 31st March 2006 (Audited)
1. SEGMENT REVENUE					
a Fibre & Pulp	565.73	499.84	1,012.09	918.12	1,935.37
b Cement	1,187.97	835.56	2,355.05	1,648.49	3,655.41
c Sponge Iron	140.77	170.38	316.13	390.84	634.78
d Chemicals	76.75	104.10	148.55	203.56	386.35
e Textiles	84.79	73.65	141.62	126.44	247.14
TOTAL	2,056.01	1,683.53	3,973.44	3,287.45	6,859.05
(Less) : Inter Segment Revenue	(45.19)	(34.32)	(70.89)	(73.84)	(155.57)
Net Sales / Income from Operations	2,010.82	1,649.21	3,902.55	3,213.61	6,703.48
2. SEGMENT RESULTS					
a Fibre & Pulp	156.67	107.31	254.59	183.98	429.62
b Cement	313.75	132.25	647.90	279.56	636.40
c Sponge Iron	(3.27)	(8.24)	2.31	52.46	33.69
d Chemicals	4.81	30.99	18.20	64.13	107.51
e Textiles	(0.13)	1.91	(0.26)	1.33	(3.04)
f Others	0.10	(0.03)	0.07	(1.35)	(1.39)
TOTAL	471.93	264.19	922.81	580.11	1,202.79
Add / (Less) :					
Interest	(24.07)	(23.74)	(47.57)	(50.27)	(97.32)
Net Unallocable Income / (Expenditure)	34.88	16.50	60.65	69.96	96.43
Profit before Exceptional Items and Tax Expenses	482.74	256.95	935.89	599.80	1,201.90
Surplus on pre-payment of sales tax loan	-	-	-	-	4.13
Profit Before Tax Expenses	482.74	256.95	935.89	599.80	1,206.03
3. CAPITAL EMPLOYED					
a Fibre & Pulp			1,098.32	951.71	999.03
b Cement			2,291.49	2,112.70	2,079.08
c Sponge Iron			508.38	478.55	530.19
d Chemicals			291.34	200.68	210.75
e Textiles			124.11	105.59	92.55
f Others			1.11	1.53	1.12
TOTAL			4,314.75	3,850.76	3,912.72
g Unallocated Corporate Capital Employed			4,152.71	3,378.81	3,633.40
TOTAL CAPITAL EMPLOYED			8,467.46	7,229.57	7,546.12

V. NOTES

- 1 Consolidated Results have been prepared in accordance with Accounting Standard on Consolidated Financial Statements (AS-21), Accounting Standard on Accounting for Investments in Associates (AS-23), and Accounting Standard on Financial Reporting of Interest in Joint Ventures (AS-27) issued by the Institute of Chartered Accountants of India (ICAI).
- 2 The operations at the Company's Viscose Staple Fibre Plant at Nagda which were suspended in the previous quarter due to water shortage were restored from 4th July, 2006.
- 3 The operations at Chemical Plant at Nagda, which were affected in the previous quarter due to water shortage, were restored from 4th July, 2006. The same were again curtailed to about fifty percent capacity from 21st July, 2006, on account of shut-down of captive power plant for major repairs, which is likely to continue till January, 2007. While this will impact the profitability of Chemical Division, the Company does not expect any significant impact on its overall profitability on this account.
- 4 During the quarter, the Company has acquired the entire paid up equity share capital consisting of 50,000 fully paid shares of Rs. 10 each of Harish Cement Limited at a price of Rs. 20 per share, thus making it a wholly owned subsidiary of the Company.
- 5 Segments have been identified in line with the Accounting Standard on Segment Reporting (AS-17), taking into account the organisational structure as well as differential risks and return of these segments. Details of products included in each of the above segments are as under:
 - Fibre & Pulp - Viscose Staple Fibre & Rayon Grade Pulp
 - Cement - Grey & White Cement
 - Sponge Iron - Sponge Iron
 - Chemicals - Caustic Soda & Allied Chemicals
 - Textiles - Fabric & Yarn
 - Others - Mainly Telecom (in consolidated results)
- 6 No investor complaint was pending at the beginning of the quarter. During the quarter, six complaints were received, all of which have been attended by the Company and no complaints were pending at the end of the quarter.
- 7 Previous period's figures have been regrouped / rearranged wherever necessary to conform to the current period's classification.
- 8 The above Unaudited results for the quarter ended 30th September, 2006 have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at the meeting held on 18th October, 2006. The limited review, as required under Clause 41 of Listing Agreement has been completed by the auditors of the Company and the related report is being submitted to the concerned Stock Exchanges.

For and on behalf of Board of Directors

Place : Mumbai
Date : 18th October, 2006

D. D. Rathi
Whole-time Director

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