



Performance Review
Quarter 2 : 2010-11

Grasim Industries Limited
A Cement and VSF Major

Cautionary Statement

Statements in this “Presentation” describing the Company’s objectives, estimates, expectations or predictions may be “forward looking statements” within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company’s operations include global and Indian demand supply conditions, finished goods prices, feedstock availability and prices, cyclical demand and pricing in the Company’s principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries within which the Company conducts business and other factors such as litigation and labour negotiations. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statement, on the basis of any subsequent development, information or events, or otherwise.

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- **Summary**

Strategic:

- Cement restructuring fully over, all cement capacities are now consolidated under UltraTech
- Acquisition of ETA Star Cement, UAE completed
- Work on brownfield expansion at Malkhed and Raipur with aggregate capacity of 9.2 Mn. TPA (Including 95 MW TPP and 5 split grinding units) at approx cost of Rs.5,600 Crores should start in Q4FY11 as planned
- VSF revised expansion plan
 - Greenfield project of 120,000 tons at Vilayat, Gujarat at a cost of Rs.1,690 Crores, with product mix in line with the anticipated market needs
 - Brownfield expansion at Harihar with a capacity of 36,500 tons and plant upgradation at a cost of Rs.449 Crores
 - Backward integration into chemical plant and captive power plant also planned at Vilayat at a cost of Rs.772 Crores
 - Projects expected to be commissioned by FY13

Highlights – Quarter 2

Operational:

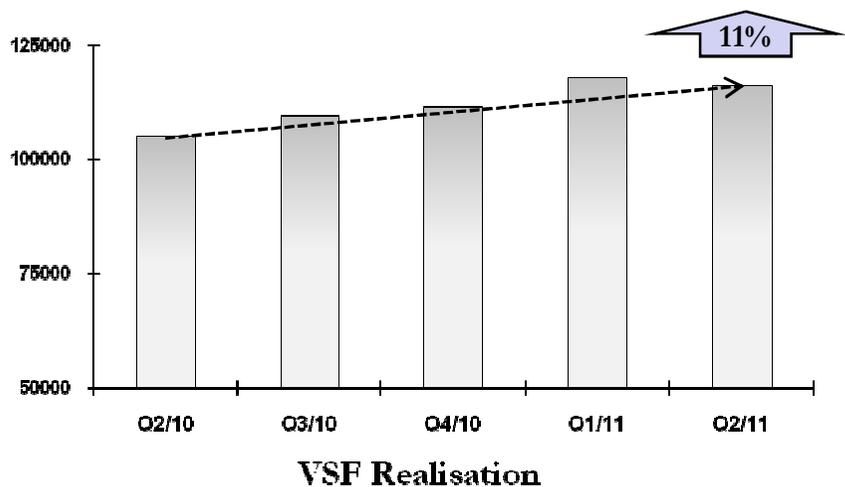
- Delayed onset of monsoon prolonged water shortage at Nagda
 - Reducing production of VSF by 9% and Caustic by 5%
- Higher pulp prices eroded profitability at standalone level; However benefitted Pulp JVs
- Pulp JVs also show better operating efficiency
- VSF prices upturned after initial softening
- Cement volumes up by 8% supported by new capacity
- Cement realisation under pressure on account of over supply and seasonal impact of monsoons
 - Revival in realisation seen post monsoon, likely to stabilise at these levels for near future
- Substantial increase in input prices on YoY basis

Business Review

- VSF
- Chemical
- Cement Subsidiary

Viscose Staple Fibre : Highlights

	Quarter – 2		% Chg.
	2010-11	2009-10	
Capacity (TPA)	333,975	333,975	---
Production (MT)	69,802	76,669	(9)
Sales Volumes (MT)	67,488	73,993	(9)
Net Revenue (Rs. Crs.)	855.5	850.9	1
Realisation (Rs./MT)	116,465	105,217	11



Global Industry Scenario

- Cotton shortage globally has further deteriorated by damage of crops in Pakistan by floods
 - Resulting in improved sentiments for VSF leading to higher realisation, reversing weakness seen earlier
- Pulp prices are currently stable at higher level after 52% increase in last one year

Business performance

- Nagda plant shutdown extended on late arrival of monsoon
 - 25 days in this quarter vs 8 days in Quarter 2 last year
 - As a result volumes were lower by 9%
- Realisation up by 11% (YoY)
 - Revenue marginally up by 1%

Viscose Staple Fibre : Highlights (Contd....)

	Quarter – 2		% Chg.
	2010-11	2009-10	
PBIDT (Rs. Crs.)	272.8	354.4	(23)
PBIDT Margin (%)	31.8%	41.4%	--
PBIT (Rs. Crs.)	246.1	327.2	(25)
ROAvCE %	56.2%	78.1%	--

Joint Ventures – Grasim's share

Net Revenue (Rs. Crs)	235.8	146.1	61
PBIDT (Rs. Crs.)	55.6	6.9	--

Consolidated PBIDT	318.0	356.3	(11)
Consolidated PBIDT Margin %	31.2%	37.8%	--

- Standalone PBIDT declined by 23%
 - Lower volumes
 - Steep increase in pulp prices
- Improved performance of pulp JV's supported by better efficiency, have resulted into lower impact on profitability at consolidated level
- Chinese JV which suffered in Q2, should be back to profitability with commissioning of second line and improved demand

Viscose Staple Fibre : Outlook

- VSF demand will continue to grow in long term
 - Textile consumption in India is increasing with growth in population and prosperity
 - Usage of VSF in various allied applications like Non Woven etc. globally
- Besides growth, trends in China as well as prices of competing fibres and pulp will govern margins
- Efforts on product innovation and application development to further intensify
- Business focus on long term demand growth and profitability
- VSF revised expansion plan
 - Greenfield project of 120,000 tons at Vilayat, Gujarat at a cost of Rs.1,690 Crores, with product mix in line with the anticipated market needs
 - Brownfield expansion at Harihar with a capacity of 36,500 tons and plant upgradation at a cost of Rs.449 Crores
 - Projects expected to be commissioned by FY13

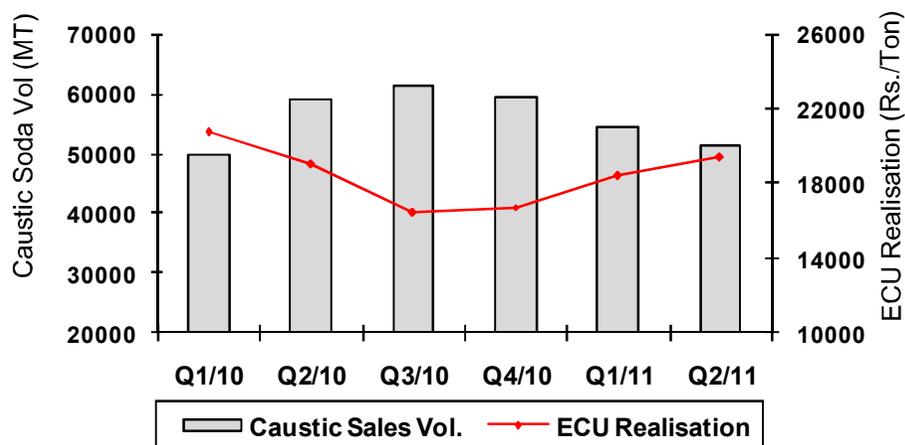
	Quarter -2		% Chg.
	2010-11	2009-10	
Capacity (TPA)	258,000	258,000	-
Production (MT)	54,244	56,985	(5)
Sales Volumes (MT)	51,590	59,119	(13)
Net Revenue (Rs. Crs.)	120.0	131.3	(9)
ECU Realisation (Rs./MT)	19,403	19,057	2
PBIDT (Rs. Crs.)	32.3	36.4	(11)
PBIDT Margin (%)	26.9%	27.7%	--
PBIT (Rs. Crs.)	23.7	27.8	(15)
ROAvCE %	22.8%	29.4%	--

- Production lower by 5% due to prolonged plant shutdown
- ECU realisation up by 2% YoY led by increase in chlorine and HCL prices
- Operating profit declined due to lower volumes and higher energy cost

Outlook

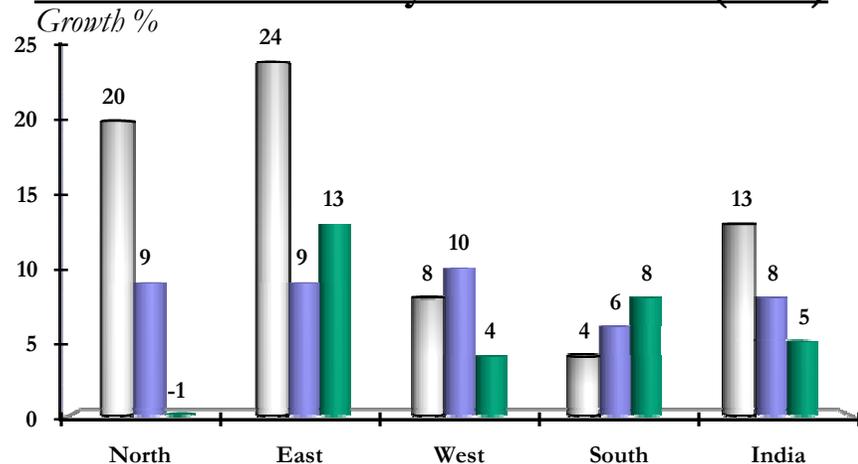
- Caustic demand outlook positive with increased offtake from Aluminium industry
- Caustic price may see an uptrend with gradual increase in sector capacity utilisation
- Plans to build 182,500 tonnes caustic capacity at Vilayat for captive use alongwith VSF facilities

Caustic Volumes & ECU Realisation



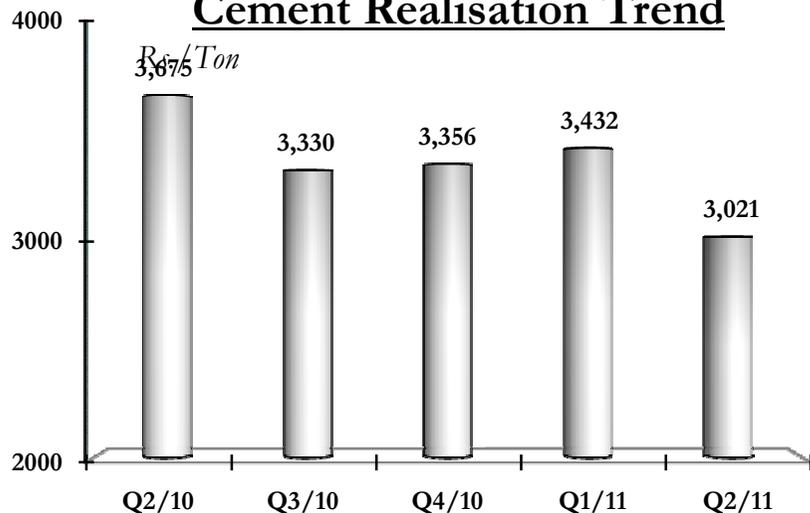
Cement : Industry Scenario

Zone wise Industry Growth Rate (YoY)



Source: Company estimate □ Q2/10 ■ Q1/11 ■ Q2/11

Cement Realisation Trend



Realisation declined by 18% YoY and by 12% QoQ

- Subdued demand growth of 5% in the quarter
 - Overhang of new capacity of 60 mn. tons has affected sentiments
 - Seasonal impact and lower offtake in key consuming states
- Substantial fall in Cement prices to unrealistic level during the quarter due to overcapacity and seasonal impact
 - Sharp price fall in South and West
- Coal prices were substantially high, as compared to corresponding quarter

Cement : Highlights

		Quarter -2		% Chg.
		2010-11	2009-10	
<u>Grey Cement</u>				
Capacity	Mn. TPA	51.75	45.65	13
- Domestic		48.75	45.65	7
- Star Cement		3.00	-	-
Production	Mn. MT	8.61	8.36	3
Sales Volumes ^{\$}	Mn. MT			
- Cement		8.96	8.31	8
- Clinker		0.23	0.43	(46)
<u>Realisation</u>	Rs. /MT			
- Cement		3,021	3,675	(18)
- Clinker		1,633	1,984	(18)
<u>White Cement</u>				
Production	MT	109,123	132,576	(18)
Sales Volumes ^{\$\$}	MT	123,496	128,984	(4)
Avg. Realisation	Rs./MT	8,590	8,034	7

^{\$} Includes captive consumption for RMC

^{\$\$} Includes captive consumption for value added products

Business Performance

- Total capacity up by 13%
 - Domestic cement grinding capacity up by 7% YoY
 - Star Cement added 3 Mn. TPA at the end of quarter, results will be added from next quarter
- Sales volume up by 8% against industry dispatch growth of 5% during the quarter
- White Cement production was lower by 18% due to maintenance shutdown for extended period
 - However by stock liquidation, the reduction in sales volume restricted to 4%
- Putty records volume growth of 28%

		Quarter -2		% Chg.
		2010-11	2009-10	
Net Revenue	Rs. Crs.			
- Cement		3,058	3,411	(10)
- White Cement		227	203	12
PBIDT	Rs. Crs.	478	1,180	(59)
PBIDT Margin	%	14.4%	32.5%	-
PBIT	Rs. Crs.	259	984	(74)
ROAvCE *	%	5.8	25.4	-

Cement business results do not include Star Cement operations as acquisition was completed in September 10 end

* As UltraTech has only Cement segment, temporary surplus in the business is considered as part of the business

- Revenue of Grey Cement fallen by 10% despite higher volume
 - White cement revenue grew by 12%
- Significant decline in operating profit and margins due to
 - Lower realisations
 - Higher energy costs, up by 24%
 - Higher maintenance cost due to bunching of annual shutdowns during quarter
- Reduction in lead distance helped maintain freight cost despite higher diesel prices

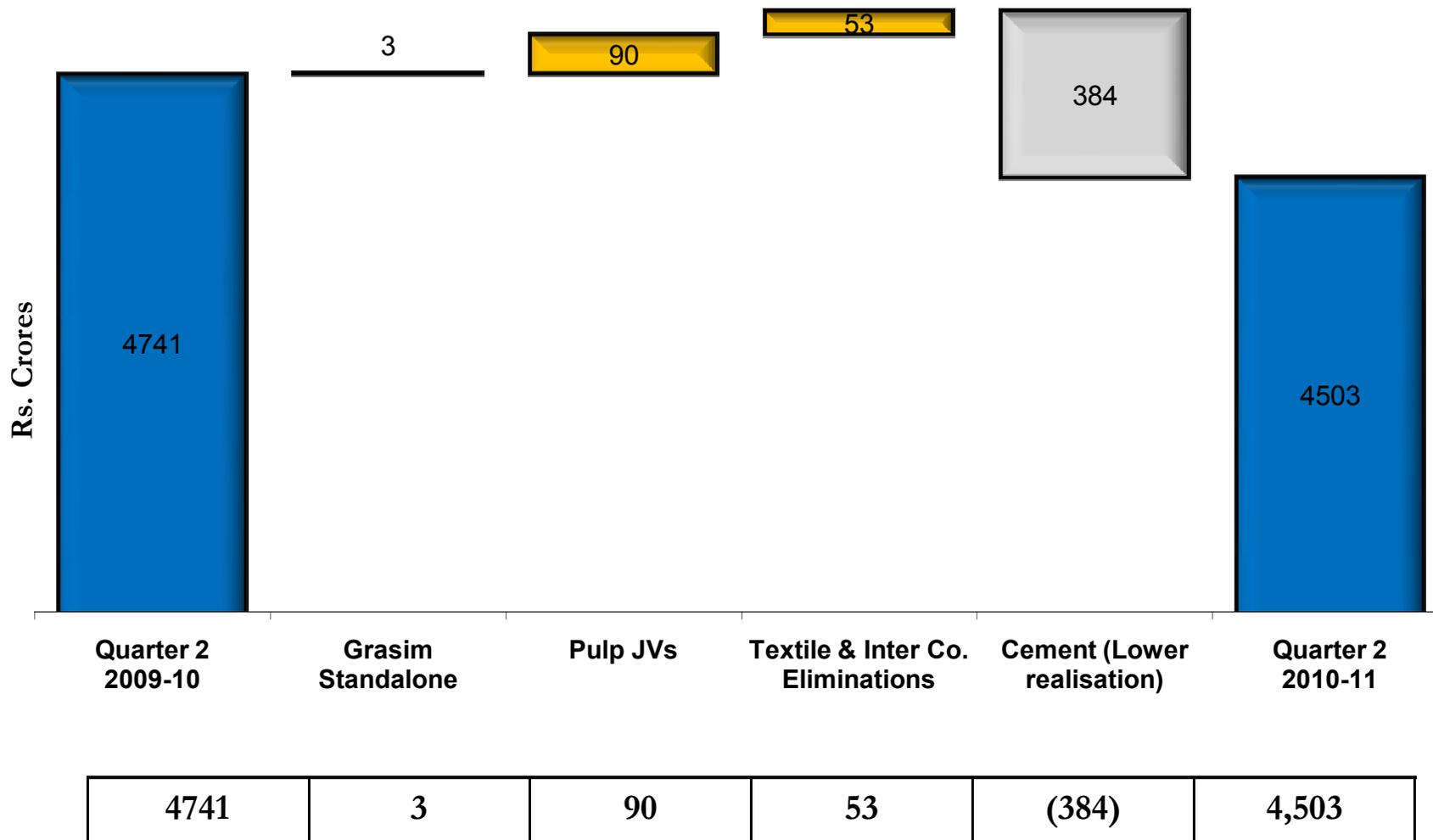
Cement : Outlook

- Cement Demand expected to grow at 10% + for the next five years
- Margins to return gradually back to normalcy sometime in FY'13
 - Cost leadership to be maintained
 - Post monsoon, rise in dispatches is anticipated at better prices
- Continued focus on consolidating gains from current capacity
 - Higher capacity utilisation of new plants to give additional volumes
 - Optimising logistics cost with investment in bulk terminals
- Business focus on achieving accelerated profitable growth & improve market share
 - As a first step, work on Brownfield expansions aggregating 9.2 Mn. TPA at Chhattisgarh and Karnataka to start by Q4FY11 at approx cost of Rs.5,600 Crores

Post monsoon with resumption of construction activity, the trough in the cycle is behind us

Financial Performance

Consolidated Revenue



Revenue Chart

Rs. Crores

% Chg.	Half Year		Net Revenue	Quarter -2		% Chg.
	2010-11	2009-10		2010-11	2009-10	
	-	4,221	Cement \$	-	2,064	
9	1,712	1,567	Viscose Staple Fibre	856	851	1
(5)	239	251	Chemical	120	131	(9)
-	-	111	Sponge Iron (Sold on 22nd May 2009)	-	-	-
-	36	31	Others	18	16	-
-	(60)	(68)	Inter Segment Eliminations (Intra Company)	(31)	(38)	-
	1,927	6,114	Standalone Net Revenue (As Reported)	963	3,024	
8	1,927	1,782	Comparable Standalone Net Revenue of continued business #	963	960	0
			<u>Subsidiaries</u>			
	5,116	3,592	UltraTech Cement Ltd. * 60.3% / 54.8%	3,285	1,605	
	2,214	-	Samruddhi Cement Ltd. \$ * 65.0%	-	-	
(6)	7,329	7,813	Cement Subsidiary (Including as part of Grasim)	3,285	3,669	(10)
22	175	143	Grasim Bhiwani Textiles Ltd. 100%	100	86	16
			<u>Joint Ventures (Pro Rata)</u>			
51	395	261	Pulp JVs and Fibre JV 45% and 31%	236	146	61
-	(204)	(235)	Inter Company Eliminations (On Consolidation)	(79)	(120)	-
(3)	9,622	9,875	Consolidated Net Revenue	4,503	4,741	(5)

\$ Grasim's Cement business demerged to Samruddhi Cement Ltd. w.e.f. 1st October 2009

* Samruddhi Cement merged with UltraTech Cement w.e.f. 1st July 2010 increasing Grasim's holding from 54.8% to 60.3%

Excluding Cement and Sponge Iron Businesses

Consolidated revenue affected by lower cement realisation

Financial Performance – Quarter 2

(Rs. Crores)	Quarter - 2 : Standalone				Quarter - 2 : Consolidated				
	<u>2010-11</u>	<u>2009-10</u>	<u>2009-10</u>	<u>% Change</u>	<u>2010-11</u>	<u>2009-10</u>	<u>% Change</u>		
		Restated*	Reported	On Restated					
Revenue	963	960	3,024	↔	-	4,503	4,741	↓	(5)
Operating Costs	669	580	1,965	↑	15	3,718	3,194	↑	16
PBIDT	426	476	1,159	↓	(11)	884	1,630	↓	(46)
Interest	10	14	51	↓	(28)	97	83	↑	17
Depreciation	45	37	136	↑	23	273	242	↑	13
PBT	370	425	973	↓	(13)	513	1,305	↓	(61)
Total Tax Expenses	91	130	299	↓	(30)	151	423	↓	(64)
Minority Interest	-	-	-	-	-	47	112	↓	(58)
PAT (Before EO Gain) (after Minority Share)	280	295	674	↓	(5)	323	781	↓	(59)
Consolidated PAT (Recasted for Cement Div.Demerger)						346	781	↓	(56)
EPS (Rs.)	30.5	32.2	73.5	↓	(5)	35.2	85.1	↓	(59)

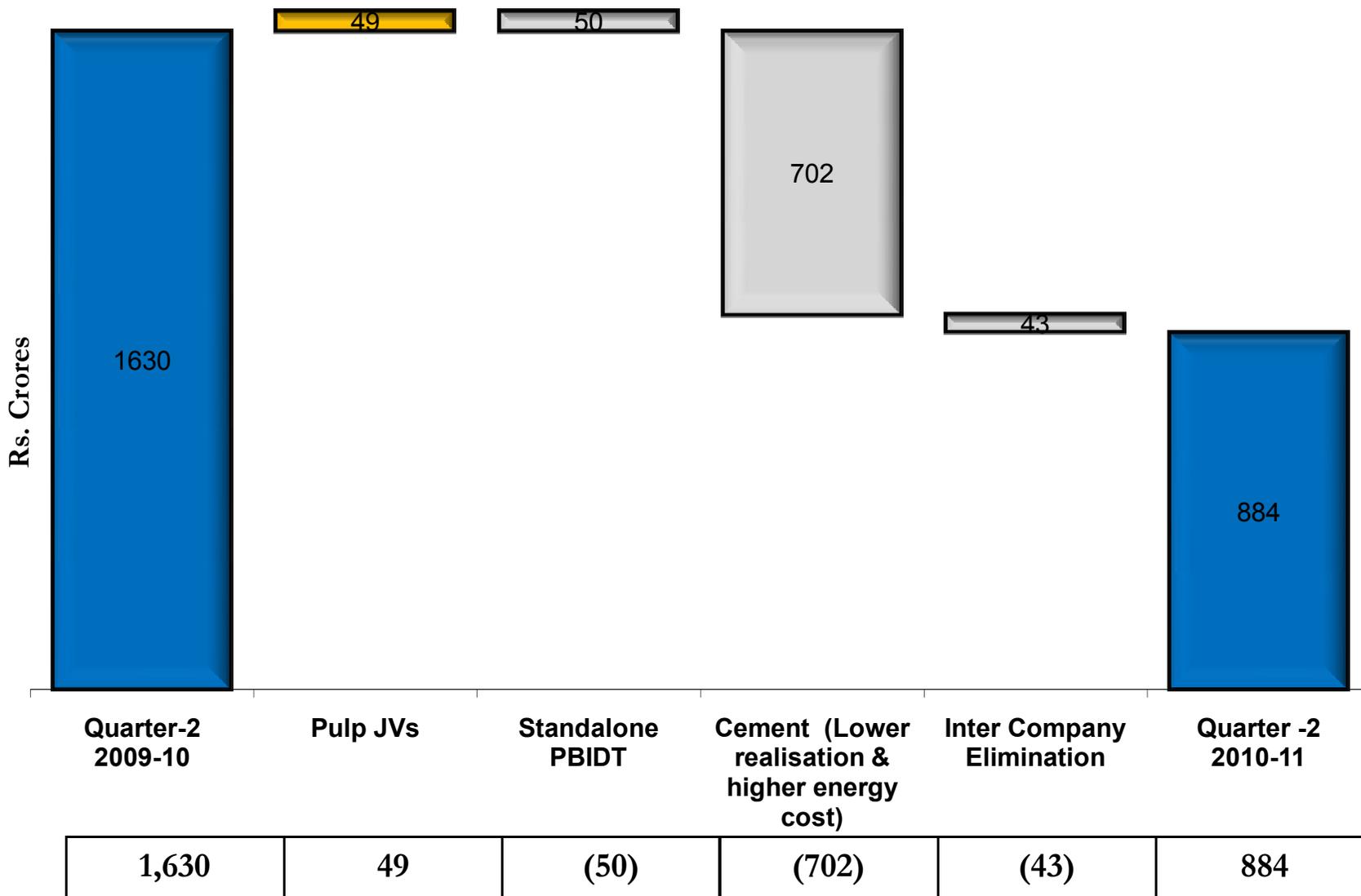
* Restated figures exclude Cement business from Q2FY10 reported numbers for comparison purpose

Financial Performance – First Half

(Rs. Crores)	<u>Half Year : Standalone</u>				<u>Half Year : Consolidated</u>			
	<u>2010-11</u>	<u>2009-10</u>	<u>2009-10</u>	<u>% Change</u>	<u>2010-11</u>	<u>2009-10</u>	<u>% Change</u>	
		<u>Restated*</u>	<u>Reported</u>	<u>On Restated</u>				
Revenue	1,927	1,782	6,114	↑ 8	9,622	9,875	↓ (3)	
Operating Costs	1,313	1,180	4,135	↑ 11	7,469	6,699	↑ 11	
PBIDT	787	723	2,107	↑ 9	2,347	3,311	↓ (29)	
Interest	21	26	98	↓ (22)	189	165	↑ 14	
Depreciation	90	73	273	↑ 23	540	482	↑ 12	
PBT	676	623	1,736	↑ 8	1,619	2,663	↓ (39)	
Total Tax Expenses	173	191	531	↓ (9)	471	864	↓ (46)	
Minority Interest	-	-	-	-	268	302	↓ (11)	
PAT (Before EO Gain) (after Minority Share)	503	433	1,205	↑ 16	898	1,525	↓ (41)	
Consolidated PAT (Recasted for Cement Div.Demerger)					1,031	1,525	↓ (32)	
EPS (Rs.)	54.9	47.2	131.4	↑ 16	97.9	166.3	↓ (41)	

* Restated figures exclude Cement and Sponge Iron businesses from H1FY10 reported numbers for comparison purpose

Consolidated PBIDT



PBIDT – Chart

% Chg.	Half Year		PBIDT	Quarter -2		% Chg.
	2010-11	2009-10		2010-11	2009-10	
	-	1,423	Cement \$	-	683	
5	577	552	Viscose Staple Fibre	273	354	(23)
(12)	63	72	Chemical	32	36	(11)
	-	(39)	Sponge Iron (Sold on 22nd May 2009)	-	-	
	146	99	Others	121	86	
	787	2,107	Standalone PBIDT	426	1,159	
9	787	723	Comparable Standalone PBIDT of the continued Business #	426	476	(11)
			<u>Subsidiaries</u>			
	936	1,251	UltraTech Cement Ltd. * 60.3% / 54.8%	478	497	
	631	-	Samruddhi Cement Ltd. \$ * 65.0%	-	-	
(41)	1,567	2,674	Cement Subsidiary (Including as part of Grasim)	478	1,180	(59)
	10	10	Grasim Bhiwani Textiles Ltd. 100.0%	6	6	
	1	3	Others 100.0%	0.5	2.8	
			<u>Joint Ventures (Pro Rata)</u>			
	66	(17)	Pulp JVs and Fibre JV 45% and 31%	56	7	
	(83)	(42)	Inter Company Eliminations (On Consolidation)	(83)	(41)	
(29)	2,347	3,311	Consolidated PBIDT	884	1,630	(46)

\$ Grasim's Cement business demerged to Samruddhi Cement Ltd. w.e.f. 1st October 2009

* Samruddhi Cement merged with UltraTech Cement w.e.f. 1st July 2010 increasing Grasim's holding from 54.8% to 60.3%

Excluding Cement and Sponge Iron Businesses

Net Profit (Before Extraordinary Gain)

Rs. Crores

First Half				Grasim Share %	Quarter -2			
2010-11		2009-10			2010-11		2009-10	
Total Net Profit	Grasim's share	Total Net Profit	Grasim's share		Total Net Profit	Grasim's share	Total Net Profit	Grasim's share
503		433		Grasim Standalone - Continued Businesses	280		295	
-		772		- Discontinued Businesses	-		379	
503		1,205		Total	280		674	
362	204	666	365	UltraTech Cement 60.34% ^	117	70	247	135
315	205	-	-	Samruddhi Cement Ltd. 65%		-		
3	3	2	2	Grasim Bhiwani Textiles 100%	2	2	2	2
94	46	(81)	(37)	Pulp and Fibre JVs 45% / 31%	96	46	(6)	(4)
381	20	517	27	Idea Cellular 5.18%	180	9	220	11
	478		357	Grasim's Share in Subsidiaries / JVs		127		145
(83)		(37)		Inter Company Eliminations	(84)		(38)	
898		1,525		Grasim Consolidated PAT (Before EO Gain)	323		781	
1,031		1,525		Comparable Grasim Consolidated PAT (Including Grasim's shareholders direct stake in Samruddhi / UltraTech) *	346		781	

41%

32%

59%

56%

^ Corresponding quarter 54.78%

* Direct participation of erstwhile Grasim shareholders in Samruddhi / UltraTech on cement restructuring added back for comparison purpose

<i>(Rs. Crores)</i>	Standalone		Consolidated	
	Full Year 2009-10	First Half 2010-11	Full Year 2009-10	First Half 2010-11
Net Worth	7,145	7,649	12,525	13,381
Debt	1,038	838	5,599	6,567
Capital Employed	8,435	8,741	23,884	25,937
Debt:Equity (x)	0.15	0.11	0.34	0.38
Interest Cover ^	15.5	30.0	13.9	10.0
Book Value (Rs.)	779	834	1,366	1,459
ROAvCE (%) (PBIT basis) *	-	-	23.9	14.5
RONW (%)	-	-	22.9	13.9

^ Interest capitalised also considered for interest cover

* Capital Employed includes CWIP

- **Strong Financials**
- **Debt-equity at 0.38; net of liquid investment 0.06**
- **ROAvCE at 14.5% , Return on equity at 13.9%**
- **Strong funding capabilities to support Company's future growth plans**
 - **Liquid investments of Rs.5,477 Crs. on consolidated basis**

Capex

Capex plan

Rs. Crores

	Net Capex to be spent as on 01.04.10	Cash Outflow	
		FY11	FY12 & Onward
VSF Business - Vilayat (120,000 TPA) and Harihar Project (36,500 TPA)	2,139		
- Other Capex	334		
Chemical Plant – Vilayat (182,500 TPA)	772		
Chemical Business and Other Capex	134		
Standalone Capex (A)	3,379	587	2,792
Cement Subsidiaries			
- Capacity expansion – 4.8 Mn TPA at Raipur, Chhattisgarh and 4.4 Mn. TPA at Malkhed, Karnataka	5,600		
- Residual capex for earlier projects	629		
- Material Evacuation and Logistic Infrastructure	1,181		
- Thermal Power Plant (25 MW) & Waste Heat Recovery System (38 MW)	460		
- Bricks (2 Units) & RMC Plants	135		
- Modernisation, Upgradation and others	2,151		
Cement Business Capex (B)	10,156	2,069	8,087
Capex (A + B)	13,535	2,656	10,879

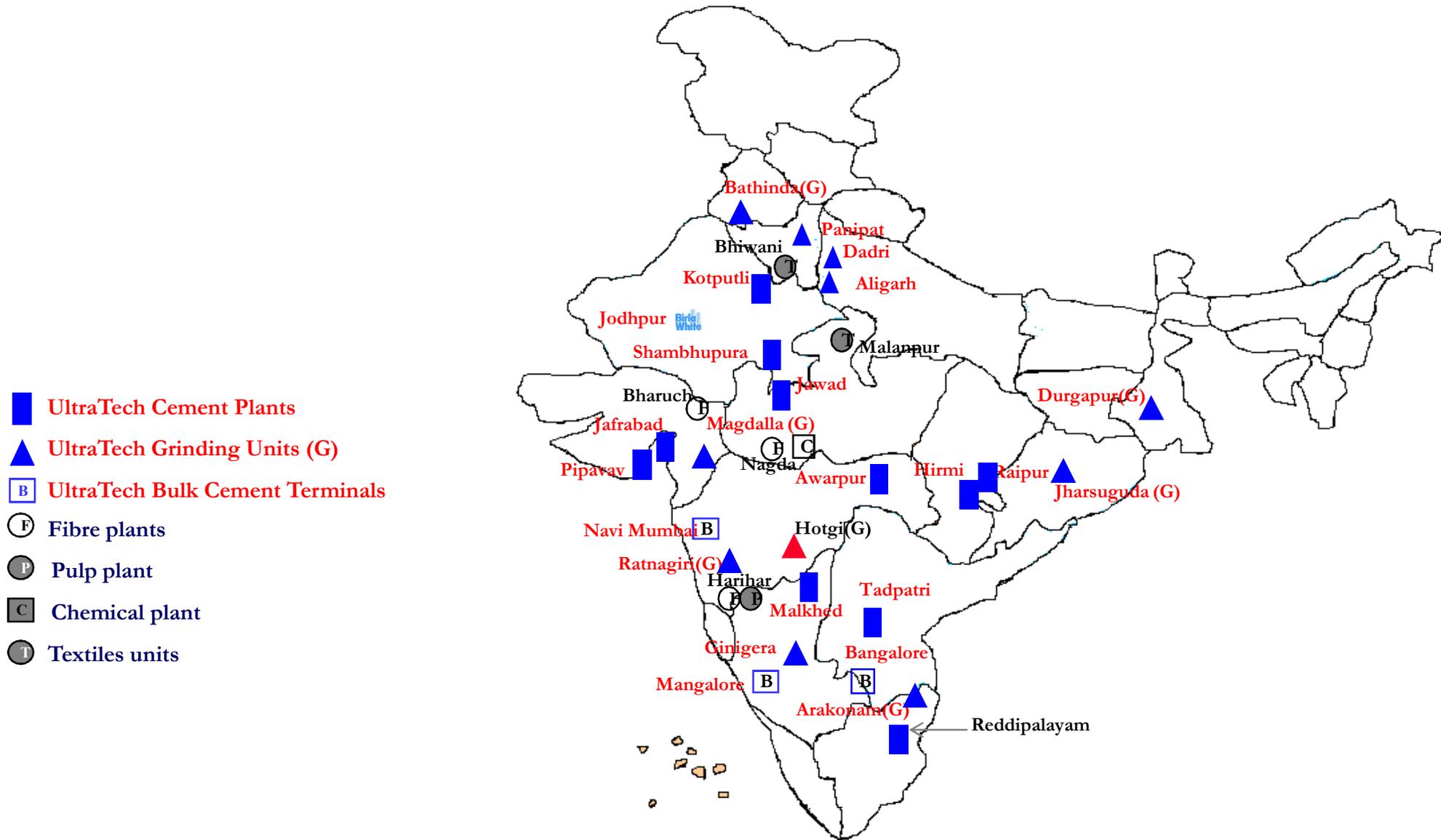
Capex spent during H1FY11 – Rs.591 Crs.

Summary

Summary

- **Grasim – Leadership position in both Cement and VSF businesses**
 - Strong competitive edge
 - Global size operations
- **Leading global player in VSF**
 - Integrated business model from plantation to fibre
 - Continued focus on increasing capacity and creating differentiation
- **Domestic leadership in Cement**
 - Consolidate leadership with an aim to grow faster than the market
 - Leveraging investments in capacity, TPPs and other infrastructure for sustained volume and cost leadership
- **Businesses on the cusp of the next phase of growth to consolidate leadership position**
 - Strong Balance Sheet to support the ambitious growth plans in both businesses
- **At consolidated level, Grasim continues to be Cement and VSF major**
 - Cement business consolidated in UltraTech, a pure play company

Plant Locations– Grasim & its subsidiaries



Not to scale

ADITYA BIRLA



Thank You



Grasim Industries Limited

Annexure



Annexure

- Consolidated Financial Performance
- Standalone Financial Performance
- Consolidated and Standalone Financial
- Consolidated and Standalone Profitability
- Businesswise Performance
- Cement Summary
- VSF Summary
- Chemical Summary

Consolidated Financial Performance

(Rs. Crores)

	Quarter - 2		% Chg.	Half Year		% Chg.	Full Year
	2010-11	2009-10		2010-11	2009-10		2009-10
Net Turnover & Op. Income	4,503.4	4,741.5	(5)	9,621.9	9,875.2	(3)	20,194.7
Other Income	98.0	82.6	19	194.3	135.0	44	273.6
PBIDT	883.6	1,630.4	(46)	2,347.2	3,311.1	(29)	6,322.3
Interest	97.5	83.1	17	188.7	165.5	14	334.6
Gross Profit	786.1	1,547.3	(49)	2,158.5	3,145.6	(31)	5,987.7
Depreciation	272.7	242.4	13	539.9	482.3	12	994.7
PBT	513.4	1,304.9	(61)	1,618.6	2,663.3	(39)	4,993.0
Total Tax	150.7	423.1	(64)	470.6	863.9	(46)	1,570.5
Share in Profit of Associates	7.5	10.7	--	18.7	27.2	--	51.1
PAT (Before EO gain & Minority Share)	370.2	892.5	(59)	1,166.7	1,826.6	(36)	3,473.6
Minority Share	46.8	111.7	(58)	268.3	301.9	(11)	714.1
PAT (Before EO gain, After Minority Share)	323.4	780.8	(59)	898.4	1,524.7	(41)	2,759.5
Extraordinary Item	-	-	--	-	336.1	--	336.1
PAT (After EO gain)	323.4	780.8	(59)	898.4	1,860.8	(52)	3,095.5
Diluted Earning Per Share (before EO gain, after minority share) (Rs.)	35.25	85.13	(59)	97.94	166.26	(41)	300.83
Diluted Earning Per Share (incl. EO gain, after minority share) (Rs.)	35.25	85.13	(59)	97.94	202.90	(52)	337.47
Cash Profit (before min. share & EO Gain)	659.6	1,220.1	(46)	1,748.0	2,520.8	(31)	4,825.2

Standalone Financial Performance

(Rs. Crores)

	Quarter - 2		% Chg.	Half Year		% Chg.	Full Year
	2010-11	2009-10		2010-11	2009-10		2009-10
Net Turnover & Op. Income	962.5	3,024.1	(68)	1,927.0	6,113.7	(68)	8,312.6
Other Income	132.4	100.0	32	172.2	128.1	34	235.3
PBIDT	426.0	1,159.3	(63)	786.6	2,106.6	(63)	2,972.3
Interest	10.3	50.5	(80)	20.5	98.1	(79)	120.4
Gross Profit	415.8	1,108.8	(63)	766.1	2,008.5	(62)	2,851.9
Depreciation	45.3	135.9	(67)	89.8	272.9	(67)	351.1
PBT	370.5	972.9	(62)	676.3	1,735.6	(61)	2,500.8
Total Tax	90.8	298.6	(70)	172.8	530.9	(67)	744.8
PAT (before EO gain)	279.6	674.3	(59)	503.5	1,204.7	(58)	1,756.0
Extraordinary Item	-	-	--	-	336.1	--	336.1
PAT (incl. EO gain)	279.6	674.3	(59)	503.5	1,540.8	(67)	2,092.1
Diluted Earning Per Share (before EO gain) (Rs.)	30.48	73.52	(59)	54.88	131.36	(58)	191.44
Diluted Earning Per Share (incl. EO gain) (Rs.)	30.48	73.52	(59)	54.88	168.01	(67)	228.08
Cash Profit (before EO Gain)	328.8	856.5	(62)	594.8	1,605.3	(63)	2,185.5

Note: Results are not comparable due to Cement business demerger

Financial Snapshot

<i>(Rs. Crores)</i>	Standalone				Consolidated			
	March 2008	March 2009	March 2010 *	September 2010 *	March 2008	March 2009	March 2010	September 2010
Gross Block [§]	10,615	12,280	3,145	3,190	19,262	21,044	21,717	22,399
Net Block [§]	7,054	8,308	1,829	1,797	12,922	14,219	14,553	15,458
Goodwill					1,991	2,001	2,007	2,389
Cement Subs. Investment	2,537	2,551	2,636	2,636				
Investments	1,893	2,230	3,689	3,536	1,661	3,550	6,676	6,625
Net Current Assets	466	648	281	772	609	943	648	1,465
Capital Employed	11,950	13,737	8,435	8,741	17,183	20,713	23,884	25,937
Net Worth	8,141	9,478	7,145	7,649	9,179	11,558	12,525	13,381
Minority Interest					1,269	1,670	3,755	3,971
Debts	3,202	3,395	1,038	838	5,577	5,893	5,599	6,567
Deferred Tax	607	864	252	254	1,158	1,592	2,005	2,018
Debt: Equity (x)	0.39	0.36	0.15	0.11	0.53	0.45	0.34	0.38
Book Value (Rs.)	888	1,034	779	834	1,001	1,261	1,366	1,459

§ Block includes CWIP

* After demerger of cement business w.e.f. 01.10.2009

Profitability Snapshot

Standalone

(Rs. Crores)	2007-08	2008-09	2009-10 *	Half Year 2010-11*
Gross Turnover	11,552	12,097	8,842	2,039
Net Turnover & Op. Income	10,325	10,965	8,313	1,927
PBIDT	3,424	2,844	2,972	787
PBIDT Margin (%)	33.2	25.4	34.8	37.5
Interest	107	140	120	21
PBDT	3,317	2,705	2,852	766
Total Tax Expenses	962	600	745	173
PAT # (After Minority Share)	2,002	1,648	1,756	503

EPS (Rs.) #	218.3	179.7	191.4	54.9
DPS (Rs.)	30.0	30.0	30.0	--
ROAvCE (PBIT Basis)(%)				
RONW (%) #				
Interest Cover (x)	14.5	11.8	15.5	30.0

Consolidated

	2007-08	2008-09	2009-10	Half Year 2010-11
	19,112	20,325	21,710	10,579
	17,141	18,496	20,195	9,622
	5,422	4,779	6,322	2,347
	31.6	25.5	30.9	23.9
	222	307	335	189
	5,200	4,472	5,988	2,159
	1,466	991	1,570	471
	2,609	2,187	2,760	898

	284.5	238.5	300.8	97.9
	--	--	--	--
	31.0	20.7	23.9	14.5
	33.2	21.1	22.9	13.9
	13.1	10.7	13.9	10.0

before exceptional / extraordinary gain

* After demerger of cement business w.e.f. 01.10.2009

Consolidated Businesswise Performance - Quarter 2

Rs. Crores

Business	Revenue		PBIDT		PBIDT Margin (%)		PBIT		Capital Employed		ROA _v CE (%) (PBIT basis)	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
Cement *	3,285	3,614	478	1,180	14.4	32.5	259	984	18,901	15,758	5.8	25.4
VSF	1,018	938	318	356	31.2	37.8	285	322	2,468	2,209	46.6	56.0
Chemical	120	131	32	36	26.9	27.7	24	28	422	396	22.8	29.4
Textile	118	102	7	7	5.8	6.6	5	4	182	177	10.3	10.2
Company as a whole	4,503	4,741	884	1,630	19.2	33.8	611	1,388	25,937	22,226	9.8	25.9

* As UltraTech has only Cement segment, temporary surplus in the business is considered as part of the business

Consolidated Businesswise Performance – First Half

Rs. Crores

Business	Revenue		PBIDT		PBIDT Margin (%)		PBIT		Capital Employed		ROAvCE (%) (PBIT basis)	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
Cement *	7,258	7,676	1,567	2,674	21.3	34.7	1,135	2,288	18,901	15,758	12.6	29.5
VSF	1,985	1,744	632	529	31.7	30.2	566	460	2,468	2,209	46.3	40.0
Chemical	239	251	63	72	26.5	28.5	46	56	422	396	22.3	29.6
Sponge Iron	-	111	-	(39)	-	-	-	(44)	-	-	-	-
Textile	211	174	13	12	6.2	6.9	9	8	182	177	9.6	8.8
Company as a whole	9,622	9,875	2,347	3,311	23.9	33.1	1,807	2,829	25,937	22,226	14.5	26.4

* As UltraTech has only Cement segment, temporary surplus in the business is considered as part of the business

Cement : Summary

		Quarter -2		% Chg.	Half Year		% Chg.	Full Year
		2010-11	2009-10		2010-11	2009-10		2009-10
<u>Grey Cement</u>								
Capacity	Mn. TPA	51.75	45.65	13	51.75	45.65	13	48.75
- Domestic		48.75	45.65	7	48.75	45.65	7	48.75
- Star Cement		3.00	-	-	3.00	-	-	-
Production	Mn. MT	8.61	8.36	3	18.53	17.79	4	37.02
Sales Volumes ^{\$}	Mn. MT							
- Cement		8.96	8.31	8	18.80	17.76	6	37.46
- Clinker		0.23	0.43	(46)	0.68	1.19	(42)	2.46
<u>Realisation</u>	Rs. /MT							
- Cement		3,021	3,675	(18)	3,237	3,679	(12)	3,503
- Clinker		1,633	1,984	(18)	1,567	1,906	(18)	1,785
<u>White Cement</u>								
Production	MT	109,123	132,576	(18)	242,138	237,875	2	514,291
Sales Volumes ^{\$\$}	MT	123,496	128,984	(4)	256,548	235,882	9	509,054
Avg. Realisation	Rs./MT	8,590	8,034	7	8,372	8,081	4	8,304

\$ Includes captive consumption for RMC

\$\$ Includes captive consumption for value added products



Cement : Summary Contd...

		Quarter -2		% Chg.	Half Year		% Chg.	Full Year
		2010-11	2009-10		2010-11	2009-10		2009-10
Net Revenue	Rs. Crs.							
- Cement \$		3,058	3,411	(10)	6,818	7,304	(7)	15,103
- White Cement		227	203	12	440	372	18	372
PBIDT \$	Rs. Crs.	478	1,180	(59)	1,567	2,674	(41)	4,767
PBIDT Margin	%	14.4%	32.5%	-	21.3%	34.7%	-	30.7%
PBIT	Rs. Crs.	259	984	(74)	1,135	2,288	(50)	3,969
ROAvCE *	%	5.8	25.4	-	12.6	29.5		24.5

Viscose Staple Fibre : Summary

		Quarter -2		% Chg.	Half Year		% Chg.	Full Year
		2010-11	2009-10		2010-11	2009-10		2009-10
Capacity	TPA	333,975	333,975	-	333,975	333,975	-	333,975
Production	MT	69,802	76,669	(9)	139,130	139,021	-	302,092
Sales Volumes	MT	67,488	73,993	(9)	134,790	141,411	(5)	308,431
Net Revenue	Rs. Crs.	855.5	850.9	1	1,711.6	1,567.1	9	3,574.2
Avg. Realisation	Rs./MT	116,465	105,217	11	117,186	101,558	15	106,481
PBIDT	Rs. Crs.	272.8	354.4	(23)	577.1	552.1	5	1,315.5
PBIDT Margin	%	31.8%	41.4%	--	33.6%	35.0%	--	36.6%
PBIT	Rs. Crs.	246.1	327.2	(25)	524.1	497.2	--	1,204.0
Capital Employed	Rs. Crs.	1,761	1,576	12	1,761	1,576	12	1,742
ROAvCE (PBIT Basis)	%	56.2%	78.1%	--	59.9%	59.3%	--	68.4%

Chemical : Summary

		Quarter -2		% Chg.	Half Year		% Chg.	Full Year
		2010-11	2009-10		2010-11	2009-10		2009-10
Capacity	TPA	258,000	258,000	--	258,000	258,000	--	258,000
Production	MT	54,244	56,985	(5)	108,937	109,216	--	229,801
Sales Volumes	MT	51,590	59,119	(13)	105,975	108,964	(3)	229,876
Net Revenue	Rs. Crs.	120.0	131.3	(9)	238.7	251.5	(5)	492.8
Avg. Realisation	Rs./MT	19,403	19,057	2	18,907	19,751	(4)	18,096
PBIDT	Rs. Crs.	32.3	36.4	(11)	63.4	71.8	(12)	124.8
PBIDT Margin	%	26.9%	27.7%	--	26.5%	28.5%	--	25.3%
PBIT	Rs. Crs.	23.7	27.8	(15)	46.4	56.0	(17)	92.8
Capital Employed	Rs. Crs.	422	396	7	422	396	7	409
ROAvCE (PBIT Basis)	%	22.8%	29.4%	--	22.3%	29.6%	--	24.1%