

# Results Announcement



## DSCL's Q2' 09 Net sales up 61% EBITDA up 150%

- Sustained strong revenue growth across Sugar, Chemicals and Cement led by higher volumes and realizations
- Sugar records marginal profits viz high losses last year
- Agri Inputs Trading, Fenesta Building Systems and Polymer compounding contribute to improved performance
- 48 MW coal based captive Power Plant commissioned at Bharuch

**New Delhi, October 30, 2008**

DSCL, an integrated business group, with extensive and growing presence across the entire Agri-rural value chain and Chloro-Vinyl industry, today announced its financial results for the quarter and half year ended 30 September 2008.

### Highlights for the Quarter:

### Figures in INR Crore

<u>Particulars</u>	<u>Q2 FY2009</u>	<u>Q2 FY2008</u>	<u>Growth (%)</u>
Total Income	965.68	601.43	61%
Operating Profit (EBIDTA)	76.05	30.45	150%
PBT (Before Exceptional Item)	8.50	(22.72)	--
PAT (Before Exceptional Item)	7.12	(19.16)	--

### Highlights for the Half year:

### Figures in INR Crore

<u>Particulars</u>	<u>H1 FY2009</u>	<u>H1 FY2008</u>	<u>Growth (%)</u>
Total Income	1763.27	1222.30	44%
Operating Profit (EBIDTA)	143.97	78.80	83%
PBT (Before Exceptional Item)	17.08	(33.54)	--
PAT (Before Exceptional Item)	11.99	(26.93)	--

**Q2 FY2009 performance review (all comparisons with Q2 FY2008)****1. Net revenues increased 61% at Rs. 966 Crore**

- Gross Sales from Own products business were up 43% at Rs. 801 Crore
  - Sugar business revenues rise were up by  $\simeq$  84% due to higher sales volume and prices
  - Trade product revenues which includes sale of Agri Inputs and sale of family goods in rural areas were up by  $\simeq$  161% including :-
    - Revenues of Hariyali Kisaan Bazaar at  $\simeq$  at Rs. 95 Crore (L.Y. Rs.42 Crore)
    - Agri Inputs Trading at Rs. 125 Crore (L.Y. Rs. 41 Crore)

**2. PBDIT for the quarter was up 150% at Rs. 76 Crore**

- Turnaround in sugar business from a loss last year, to marginal profit
- Good profits in Agri Inputs Trading led by sharp jump in revenues and healthy margin of over 4%
- Turn around in other businesses led by improved performance of Fenesta Building systems and Polymer Compounding business
- Chloro-Vinyl business experienced lower margins primarily due to cost increases
- Higher hedging cost for the foreign exchange liabilities/loans
- Hariyali Kisaan Bazaar earnings performance is in line with the investment plan to grow the business

**3. PAT (before exceptional items) for the quarter was at Rs. 7.12 Crore compared to corresponding net loss of Rs. 19.16 Crore in Q2 FY2008**

Although the PBDIT more than doubled, the earnings growth was limited keeping in view the rise in interest cost Q-on-Q due to a combination of higher debt and rising interest rates – there was increased deployment towards Hariyali Kisaan Bazaar roll out, Bharuch Chemicals and Power plant expansion (since completed) and Sugar Co-gen capacity expansion.

### **H1 FY2009 performance review (all comparisons with H1 FY2009)**

1. Net Revenues increased by 44% at Rs. 1763.27 Crore
  - Supported by higher volumes in own products primarily Chemicals, Fertilizers, Cement as well as higher realizations in all the products
  - Traded products have grown by about 150 %
  
2. PBDIT was up 83% at Rs. 143.97 Crore
  - Largely due to turnaround in Sugar, as well as improved performance in Chemicals, Plastics, Agri Inputs trading and Fenesta Building systems
  
3. PAT (before exceptional items) stood at Rs. 11.99 Crore compared to corresponding net loss of Rs. 26.93 Crore in H1 FY2008

**48 MW coal based power plant commissioned in Sept. 2008** at the Company's Chlor Alkali complex at Bharuch. This has replaced existing furnace oil based power and has enabled higher production at the expanded Chlor-Alkali capacity in the complex.

**Commenting on the performance for the quarter, in a joint statement, Mr. Ajay Shriram, Chairman & Senior Managing Director, and Mr Vikram Shriram, Vice Chairman & Managing Director, said:**

*“We are satisfied with our operating performance enabled by the inherent strengths of our businesses model with multiple revenue streams. This has stood steady in a tough macro economic environment. While our Chemicals, Plastics business had margin pressure in line with sector trends, the Sugar operations recovered with some improvement in realizations. The rural facing businesses, fertiliser and Agri Inputs Trading also provided a cushion.*”

*Our newer ventures like Hariyali Kisaan Bazaar and Fenesta Building System continues to progress in line with our expectations. As always mentioned we remain very enthused about the potential of these businesses to create significant value as they achieving operating maturity.*

*The commissioning of 48 MW power plant at Bharuch and the additional power Co-gen capacity at our Sugar manufacturing facilities will further strengthen our operations. Overall, our well balanced business model will enable us to successfully face the challenging environment and to implement all our growth initiatives as per plan.”*

### **Key operating highlights**

During the quarter and half year ended 30 September 2008, the Company continued to optimize its existing strengths in the Agri space while simultaneously leveraging its large base of captive power produced at a competitive cost to maximize value creation in its Chloro-Vinyl businesses. The Company’s other high valued and knowledge based businesses including Fenesta Building Systems, Hariyali Kisaan Bazaar continue to deliver encouraging performances.

#### **Chlor-Alkali expansion at Bharuch**

The Company’s completed its first phase of its Chlor-alkali capacity expansion from 200 TPD to 360 TPD at its Bharuch facility in Q1 FY2009 and will benefit with the commissioning of the 48 MW Coal based power plant in September 2008 which is going through stabilization. The second phase of expansion, taking the capacity to 440 TPD is expected to be commissioned by March 2009.

#### **Capacity expansion in Co-gen power on track**

The Company is implementing, the expansion of the Co-gen power capacity from the existing 70.5 MW to 94.5 MW with an exportable surplus capacity of 51.5 MW. The project will come on line before the start of the ensuing sugar season The Company is expanding Co-gen power facilities of 24 MW at its sugar units at Hariavan and Loni for export to the State grid.

### **Hariyali Kisaan Bazaar**

- **33 new outlets added during Q2 FY2009:** ‘Hariyali’ a ‘Rural Business Centre’, is aimed at meeting farming as well as family needs of the rural population. The Company added 33 outlets during the quarter. The number of Hariyali outlets now stand at 210 with 75 ‘centres’ and 135 ‘stores’
- Company plans to scale up aggressively to ~ 300 outlets by March, 2009
- Range of offerings from ‘Rural Business Centres’ continues to grow supported by encouraging response

### **Fenesta™ Building Systems**

- The ‘Fenesta Building Systems’, a value added extension of the PVC resin operations of the Company, offers world class UPVC Window and door systems to Indian customers. The business achieved an order booking of 54,859 windows during the quarter (Q1 FY2009 being 42,000 windows) taking the total orders in hand as on 30<sup>th</sup> September 2008 to 1.69 lac windows
- The business recorded positive PBDIT for the quarter. The Company’s strategic focus on the retail segment contributed with higher volumes and better margins

### **Outlook**

- Prices of Chloro-Vinyl are softening in line with global trends – while the benefits will accrue from the commissioning of the 48 MW coal based power plant at the Chlor-Alkali facility at Bharuch, and the expected softening in raw material prices, the margins in these businesses may be subdued in the immediate term
- The Company has started selling power from its Kota facility to the state at reasonable prices
- Sugarcane pricing and availability remains a matter of concern. The Sugar, Molasses and Bagasse market prices may partially offset the same

**- ENDS –**

**Attached: Details to announcement and results table**

**About DCM Shriram Consolidated Limited (DSCL)**

DSCL is an integrated business group, with extensive and growing presence across the entire Agri-rural value chain and Chloro-Vinyl industry. The Company is adding innovative value- added businesses in these domains. With a large base of captive power produced at a competitive cost, the Company aims at maximizing value creation in its Chloro-Vinyl businesses. The high-value and knowledge based business being incubated by DSCL include Hariyali Kisaan Bazaar, Fenesta Building Systems and Hybrid Seeds.

For more information on the Company, its products and services please log on to [www.dscl.com](http://www.dscl.com).

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*Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local political or economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward looking statements. DCM Shriram Consolidated Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.*

New Delhi, October 30, 2008

**Details to the announcement: Business-wise performance review**

- **Chloro-Vinyl businesses**
  - o **Chemicals**
  - o **Plastics**
  - o **Cement**
  
- **Agri-businesses**
  - o **Fertilisers**
  - o **Sugar**
  - o **Traded products**
  - o **Hariyali Kisaan Bazaar**
  
- **Others**
  - o **Fenesta Building Systems**

**Business-wise review**  
*(Financial figures in Rs. Crore)*

**Chloro-Vinyl businesses**

**Chemicals**

Product	Volume (MT)	Realization (Rs. / MT)
<b>Q2 FY2009</b>	44,967	24,081
<b>Q2 FY2008</b>	41,634	19,385
<b>% Shift</b>	8.0 %	24.2 %
<b>H1 FY2009</b>	89,202	24,165
<b>H1 FY2008</b>	81,960	18,320
<b>% Shift</b>	8.8 %	31.9 %

Performance	Revenues	PBIT
<b>Q2 FY2009</b>	115.1	21.1
<b>Q2 FY2008</b>	88.2	26.2
<b>% Shift</b>	30.5 %	(19.5) %
<b>H1 FY2009</b>	230.4	57.5
<b>H1 FY2008</b>	165.5	46.0
<b>% Shift</b>	39.2 %	25.0 %

- This business reported higher revenues on the back of higher volumes and better realization during the quarter under review. However, profitability was under pressure due to increase in prices of Furnace oil, coal and salt. The Company partially mitigated higher input cost pressure through better efficiencies
- Chlor-Alkali capacity expansion to 360 TPD at Bharuch was completed in Q1 FY 09. The 48 MW coal based power plant was commissioned in September 08 and has replaced the Furnace Oil based Power plant. The impact in terms of higher volumes and Cost efficiencies will be realized from Q3 FY 09 onwards.

- Further expansion of Chlor-alkali Capacity to 440 TPD at Bharuch is expected to be completed by Q4 FY2009.

### Plastics

Product	PVC Sales (MT)	PVC XWR realisation (Rs. / MT)	Carbide Sales (MT)	Carbide XWR realisation (Rs. / MT)
<b>Q2 FY2009</b>	14,776	56,489	4,800	38,468
<b>Q2 FY2008</b>	17,066	47,382	2,126	26,346
<b>% Shift</b>	(13.4) %	19.2 %	125.8 %	46.0 %
<b>H1 FY2009</b>	32,650	56,619	9,463	35,292
<b>H1 FY2008</b>	33,349	46,496	6,449	25,026
<b>% Shift</b>	(2.1) %	21.8 %	46.7 %	41.0 %

Performance	Revenues	PBIT
<b>Q2 FY2009</b>	103.8	16.1
<b>Q2 FY2008</b>	89.0	17.1
<b>% Shift</b>	16.6 %	(5.8) %
<b>H1 FY2009</b>	222.9	43.8
<b>H1 FY2008</b>	176.4	35.2
<b>% Shift</b>	26.4 %	24.4 %

- This business registered higher revenues on the back of better realizations. However, the PVC business reported lower volumes on account of scheduled plant shutdown
- Carbide witnessed a substantial rise in volumes and realizations
- The business witnessed a cost push resulting from increase in the prices of various inputs viz. carbon materials, coal and lime which put pressure on the margins

## Cement

Product	Sales (MT)	Realization (Rs. / MT)
<b>Q2 FY2009</b>	99,714	2,632
<b>Q2 FY2008</b>	80,447	2,617
<b>% Shift</b>	23.4 %	1 %
<b>H1 FY2009</b>	1,85,051	2,641
<b>H1 FY2008</b>	1,70,385	2,603
<b>% Shift</b>	8.6 %	1.5 %

Performance	Revenues	PBIT
<b>Q2 FY2009</b>	32.1	6.63
<b>Q2 FY2008</b>	26.6	3.38
<b>% Shift</b>	20.1 %	96.2 %
<b>H1 FY2009</b>	60.5	13.18
<b>H1 FY2008</b>	55.4	11.62
<b>% Shift</b>	9.3 %	13.4 %

- Revenues were higher by 20 % and the earning were substantially up by 96 % compared to the same period last year on account of higher production during the quarter
- The Company's cement business is limited in size and is based on waste generated from Calcium Carbide plant. The variation in this business has limited impact on the Company's overall results

## Agri businesses

### Fertilizers (Urea)

Product	Volume (MT)	Realization (Rs. / MT)
<b>Q2 FY2009</b>	1,06,630	25,995
<b>Q2 FY2008</b>	1,03,512	18,510
<b>% Shift</b>	3.0 %	40.4 %
<b>H1 FY2009</b>	2,06,744	23,263
<b>H1 FY2008</b>	1,93,996	18,616
<b>% Shift</b>	6.6 %	25.0 %

Performance	Revenues	PBIT
<b>Q2 FY2009</b>	277.8	7.9
<b>Q2 FY2008</b>	191.7	7.4
<b>% Shift</b>	44.9 %	6.8 %
<b>H1 FY2009</b>	479.4	18.0
<b>H1 FY2008</b>	361.6	12.0
<b>% Shift</b>	32.6 %	50.0 %

- The Revenues from the fertilizer business registered substantial increase of 45% to Rs. 278 Crore, driven by high feedstock prices and volumes.
- The realizations for the quarter under review were higher due to high Feed Stock prices which are a complete pass through cost, resulting in higher revenues. Absolute earnings in this business remain steady
- DSCL started using dual feed of LNG and Naphtha since September 2007 depending on the availability of LNG. The Company currently procures LNG on a spot price basis and is simultaneously trying for long term contracts. The Company during the quarter under review used 82 % Naphtha feedstock, due to lack of availability of LNG.

## Sugar

Product	Sales (Lac Qtl)	Realization(Rs. /MT)
<b>Q2 FY2009</b>	9.07	16,165
<b>Q2 FY2008</b>	6.23	11,456
<b>% Shift</b>	61.5%	26.3%
<b>H1 FY2009</b>	14.72	15,370
<b>H1 FY2008</b>	16.38	12,700
<b>% Shift</b>	(9.6%)	20.4%

Performance	Revenues	PBIT
<b>Q2 FY2009</b>	171.2	11.41
<b>Q2 FY2008</b>	93.1	(26.7)
<b>% Shift</b>	83.9 %	-
<b>H1 FY2009</b>	277.4	2.71
<b>H1 FY2008</b>	240.7	(42.3)
<b>% Shift</b>	15.2 %	-

- This quarter reported higher revenues driven by higher Volumes and realizations.
- The Company was carrying higher quantity of Molasses and Bagasse which were sold at higher prices during the quarter under review which further augmented earnings from this business
- The commissioning of the Company's Co-gen power capacity plant expansion to 94.5 MW with an exportable surplus of 51.5 MW is progressing as per schedule. It will be operational by start of the coming Sugar Season.
- The carbon credits are also expected to provide some additional revenues which would work as a cushion to the challenges this business currently faces.

### Agri Input Trading

Performance	Revenues	PBIT
<b>Q2 FY2009</b>	125.4	5.4
<b>Q2 FY2008</b>	41.0	(0.11)
<b>% Shift</b>	205.9 %	-
<b>H1 FY2009</b>	232.6	11.2
<b>H1 FY2008</b>	84.8	2.7
<b>% Shift</b>	174.3 %	314.8 %

- Over the last one year the Company restructured its Agri Inputs trading portfolio to focus on higher value-added products, limit government subsidy dependence and improve margins. This has led to a turnaround in this business.
- Revenues from Agri input trading during the quarter increased substantially by 206 % at Rs 125.4 Crore compared to the corresponding quarter last year.
- The Company's portfolio currently comprises products such as Single Super Phosphate, Seeds, Pesticides and Soluble Fertilizers.
- The reorganization of the Agri Input portfolio enabled the Company report significantly better earnings from this business, while also limiting the level of working capital required to run this operation

### Hariyali Kisaan Bazaar

Performance	Revenues	PBIT
<b>Q2 FY2009</b>	94.8	(10.9)
<b>Q2 FY2008</b>	41.9	(6.8)
<b>% Shift</b>	126.3 %	-
<b>H1 FY2009</b>	181.8	(21.96)
<b>H1 FY2008</b>	80.3	(11.68)
<b>% Shift</b>	126.4 %	-

- This business segment has a unique business model and has evolved as a 'Rural Business Centre', symbolizing trust, reliability and respect among the rural community
- Investments in this business continue by adding new outlets in rural regions across India. The negative earnings registered during the quarter under review are in line with the plan as the current focus remains on growth, both, in terms of operations and revenues
- Revenues from this business segment more than doubled due to the addition of new outlets, increased sales from existing outlets and enlarged range of products
- During the quarter the Company added 33 outlets and the total number of outlets stood at 210.
- Going forward the Company plans to expand this business to ~ 300 outlets by FY09
- 'Hariyali' is a well concentrated business and is expected to be the key future growth and value driver for the Company

### Others

DSCCL's other operations, reported as 'others' in the financial results, include its cement operations, value-added businesses of Polymer Compounding, Fenesta Building Systems along with Textiles.

Resultantly, revenues under 'others' registered a 53 % growth to Rs 70.7 Crore in Q2 FY2009.

### **Fenesta Building Systems**

- This business division's current outstanding order book stands at 168,864 windows. Revenues from this business segment increased by 66% due to higher order execution and realisations. This business is PBDIT positive during the quarter under review.
- The Company started its 2<sup>nd</sup> welding line at its Chennai fabrication unit.
- Over the last two quarters the Company redefined its strategic focus to include the retail segment. The Company has established a distribution and an implementation infrastructure to enable it service the customer through 5 Fabshops and a 42 dealer network spread across India
- The retail segment demonstrated good demand for the product which resulted in better revenues and profitability which more than mitigated the slowdown the Company witnessed in the institutional segment
- The consistent growth, acceptability and good revenue momentum of this product makes the outlook for this business strong and a value driver going forward

**DCM SHRIRAM CONSOLIDATED LIMITED**

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**UNAUDITED FINANCIAL RESULTS  
FOR THE QUARTER ENDED SEPTEMBER 30, 2008**

(Rs. in crores)

PARTICULARS	Quarter Ended		Half Year Ended		Year Ended
	30.9.2008	30.9.2007	30.9.2008	30.9.2007	31.3.2008
	(1)	(2)	(3)	(4)	(5)
	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>Gross Sales</b>					
: Own products	800.51	561.98	1,452.52	1,143.02	2,300.95
: Traded products	216.44	83.08	409.17	165.75	384.64
<b>Total</b>	<b>1,016.95</b>	<b>645.06</b>	<b>1,861.69</b>	<b>1,308.77</b>	<b>2,685.59</b>
Less : Excise Duty	56.79	47.60	108.31	94.82	196.04
<b>Net Sales/ Income from operations</b>	<b>960.16</b>	<b>597.46</b>	<b>1,753.38</b>	<b>1,213.95</b>	<b>2,489.55</b>
Other Operating Income	5.52	3.97	9.89	8.35	24.08
<b>Total</b>	<b>965.68</b>	<b>601.43</b>	<b>1,763.27</b>	<b>1,222.30</b>	<b>2,513.63</b>
<b>Expenditure</b>					
(a) (Increase)/Decrease in stock in trade					
: Own products	139.13	106.80	215.56	147.90	(140.82)
: Traded products	(29.79)	(6.47)	(81.75)	(47.74)	(57.82)
(b) Consumption of raw materials	282.22	190.13	501.20	451.59	1,183.59
(c) Purchases and related cost - Traded products	231.53	83.25	464.49	201.64	411.79
(d) Power, fuel, etc.	123.65	86.13	237.76	169.97	358.35
(e) Employee cost	64.13	49.38	119.83	96.81	196.36
(f) Loss on foreign currency transactions	8.61	4.01	22.02	0.07	15.61
(g) Depreciation	33.78	30.26	65.69	59.43	122.13
(h) Other expenditure	75.20	60.05	151.12	127.51	348.13
(i) Cost of own manufactured goods capitalised	(0.41)	(0.03)	(0.73)	(0.19)	(0.84)
<b>Total</b>	<b>928.05</b>	<b>603.51</b>	<b>1,695.19</b>	<b>1,206.99</b>	<b>2,436.48</b>
<b>Profit from operations before other income, interest, exceptional item and tax</b>	<b>37.63</b>	<b>(2.08)</b>	<b>68.08</b>	<b>15.31</b>	<b>77.15</b>
Other Income	4.64	2.27	10.20	4.06	10.71
<b>Profit before interest, exceptional item and tax</b>	<b>42.27</b>	<b>0.19</b>	<b>78.28</b>	<b>19.37</b>	<b>87.86</b>
Interest	33.77	22.91	61.20	52.91	84.73
<b>Profit before exceptional item and tax</b>	<b>8.50</b>	<b>(22.72)</b>	<b>17.08</b>	<b>(33.54)</b>	<b>3.13</b>
Exceptional Item					
- Income from sale of SBM Land Redevelopment project	-	780.09	-	780.09	779.64
<b>Profit before Tax</b>	<b>8.50</b>	<b>757.37</b>	<b>17.08</b>	<b>746.55</b>	<b>782.77</b>
Provision for taxation - Exceptional item	-	153.88	-	153.88	105.62
- Others	1.38	(3.56)	5.09	(6.61)	6.16
<b>Net Profit</b>	<b>7.12</b>	<b>607.05</b>	<b>11.99</b>	<b>599.28</b>	<b>670.99</b>
<b>Net Profit (before exceptional item)</b>	<b>7.12</b>	<b>(19.16)</b>	<b>11.99</b>	<b>(26.93)</b>	<b>(3.03)</b>
<b>Profit before interest, depreciation, tax and exceptional item (EBIDTA)</b>	<b>76.05</b>	<b>30.45</b>	<b>143.97</b>	<b>78.80</b>	<b>209.99</b>
<b>Cash Profit (Before exceptional item)</b>	<b>41.40</b>	<b>7.07</b>	<b>81.23</b>	<b>24.90</b>	<b>122.83</b>
Paid-up Equity Share Capital	33.34	33.34	33.34	33.34	33.34
(face value of each share - Rs. 2)					
Reserves excluding revaluation reserve					1,111.99

**Segment wise Revenue, Results and Capital Employed  
under Clause 41 of Listing Agreements**

(Rs. in crores)

PARTICULARS	QUARTER ENDED		HALF YEAR ENDED		YEAR ENDED
	30.09.2008	30.09.2007	30.09.2008	30.09.2007	31.03.2008
	(1)	(2)	(3)	(4)	(5)
	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>A. Segment Revenue</b>					
Fertiliser	277.82	191.74	479.43	361.59	704.84
Plastics	103.84	89.00	222.84	176.36	370.60
Chemicals	115.12	88.18	230.36	165.49	340.31
Sugar	171.22	93.12	277.36	240.73	474.30
Cement	32.08	26.66	60.47	55.40	119.53
Agri Inputs Trading	125.35	40.98	232.64	84.76	158.54
Hariyali Kisaan Bazaar	94.79	41.88	181.78	80.32	222.09
Others	70.74	46.11	130.07	87.70	191.92
	<b>990.96</b>	<b>617.67</b>	<b>1,814.95</b>	<b>1,252.35</b>	<b>2,582.13</b>
Less: Inter segment revenue	25.28	16.24	51.68	30.05	68.50
<b>Total</b>	<b>965.68</b>	<b>601.43</b>	<b>1,763.27</b>	<b>1,222.30</b>	<b>2,513.63</b>
<b>B. Segment Results</b>					
Profit (before unallocated expenditure interest and tax)					
Fertiliser	7.87	7.36	18.00	12.02	19.69
Plastics	16.10	17.09	43.76	35.15	67.58
Chemicals	21.14	26.16	57.50	46.04	81.39
Sugar	11.41	(26.70)	2.71	(42.31)	(4.99)
Cement	6.63	3.38	13.18	11.62	27.63
Agri Inputs Trading	5.41	(0.11)	11.18	2.70	7.27
Hariyali Kisaan Bazaar	(10.91)	(6.81)	(21.96)	(11.68)	(29.64)
Others	1.42	(5.15)	0.61	(11.20)	(17.48)
<b>Total</b>	<b>59.07</b>	<b>15.22</b>	<b>124.98</b>	<b>42.34</b>	<b>151.45</b>
Less:					
i) Interest	33.77	22.91	61.20	52.91	84.73
ii) Other unallocable expenditure net off unallocated income	16.80	15.03	46.70	22.97	63.59
Exceptional Item:					
Income from sale of SBM land					
Redevelopment Project	-	780.09	-	780.09	779.64
<b>Profit before tax</b>	<b>8.50</b>	<b>757.37</b>	<b>17.08</b>	<b>746.55</b>	<b>782.77</b>
<b>C. Segment Capital Employed</b>					
Fertiliser	207.03	213.97	207.03	213.97	206.17
Plastics	269.32	258.66	269.32	258.66	261.73
Chemicals	579.72	423.91	579.72	423.91	518.63
Sugar	1,160.93	1,004.58	1,160.93	1,004.58	1,254.44
Cement	28.86	25.79	28.86	25.79	25.79
Agri Inputs Trading	126.22	32.42	126.22	32.42	59.00
Hariyali Kisaan Bazaar	441.25	219.21	441.25	219.21	280.47
Others	197.89	147.33	197.89	147.33	158.36
<b>Total</b>	<b>3,011.22</b>	<b>2,325.87</b>	<b>3,011.22</b>	<b>2,325.87</b>	<b>2,764.59</b>

**NOTES :**

1. In accordance with the accounting policy consistently followed by the Company for interim results, the off-season expenditure, aggregating to Rs. 16.77 crores and 29.65 crores for the quarter and half year ended September 30, 2008 respectively (corresponding previous quarter and half year - Rs. 12.35 crores and Rs. 18.85 crores respectively) has been deferred for inclusion in the cost of sugar to be produced in the remaining part of the financial year.
2. The Company had accounted for cane purchases for sugar year 2007-08 at Rs. 110 per quintal, the rate at which it has made payment to the cane growers as per the interim order of the Hon'ble Supreme Court, against the price of Rs. 125 per quintal fixed by the Uttar Pradesh State Government. Necessary adjustments will be made in accordance with the orders of the Hon'ble court in the matter.
3. The Company has commissioned 48 MW coal based power plant in September 2008 at Bharuch.
4. During the quarter, DCM Shriram Hydro Energy Limited has become a subsidiary of the Company.
5. During the quarter, 40 Investor complaints were received, which all have been attended to. No complaints were pending at the beginning or at the end of the quarter.
6. Provision for taxation for the quarter and half year ended September 30, 2008 includes deferred tax adjustments relating to earlier period amounting to Rs. 2.16 crores.
7. Previous period figures have been recast, wherever necessary.
8. The above results were approved and taken on record by the Board of Directors in their meeting held on October 30, 2008.

**Limited Review**

The Limited Review, as required under Clause 41 of the Listing Agreement has been completed by the Statutory Auditors. The Limited Review Report for the quarter and half year ended September 30, 2008 does not have any impact on the above Results and Notes in aggregate except in respect of matter explained in note 1 above.

For and on behalf of the Board

Place: New Delhi  
Date: October 30, 2008

**AJAY S. SHRIRAM**  
**Chairman & Senior Managing Director**