



**AUDITED FINANCIAL RESULTS
FOR THE YEAR ENDED 31st MARCH 2005**

	Nine Months Ended 31st December 2004	Three Months Ended 31st March 2005	Three Months Ended 31st March 2004	Full Year Ended 31st March 2005	Full Year Ended 31st March 2004	Rs in Crores	
						Consolidated Financial Results for the year ended 31st March 2005 (Audited)	Consolidated Financial Results for the year ended 31st March 2004 (Audited) *
Net Sales / Income from Operations	4,604.90	1,642.17	1,553.21	6,247.07	5,233.27	9,409.99	5,510.39
Other Income	86.90	82.48	72.06	169.38	209.23	218.66	226.47
Total Expenditure							
- Decrease / (Increase) in Stock	(58.28)	(42.39)	(1.45)	(100.67)	24.31	(122.14)	24.63
- Raw Material Consumed	1,355.86	517.19	409.18	1,873.05	1,372.49	2,157.77	1,414.07
- Purchases of Finished Goods	35.54	13.48	12.58	49.02	50.47	47.19	50.47
- Payment to & Provision for Employees	274.48	98.65	101.00	373.13	358.90	499.39	386.68
- Power & Fuel	777.71	258.03	238.16	1,035.74	889.01	2,019.19	952.09
- Freight , Handling & Other expenses	426.14	159.92	149.05	586.06	526.11	1,114.86	546.86
- Other Expenditure	573.72	241.71	203.43	815.43	717.01	1,640.10	819.55
Total Expenditure	3,385.17	1,246.59	1,111.95	4,631.76	3,938.30	7,356.36	4,194.35
Interest	104.82	33.94	35.06	138.76	153.88	284.67	195.58
Gross Profit	1,201.81	444.12	478.26	1,645.93	1,350.32	1,987.62	1,346.93
Depreciation	212.12	72.45	68.19	284.57	273.06	556.13	308.09
Profit before Exceptional Items and Tax Expense	989.69	371.67	410.07	1,361.36	1,077.26	1,431.49	1,038.84
Tax Provision of earlier years written back	-	-	-	-	-	0.38	1.44
Surplus on pre-payment of sales tax loan	-	34.35	-	34.35	-	34.35	-
Provision for diminution in value of investment and loans	-	(92.00)	-	(92.00)	-	-	-
Impairment of Goodwill	-	-	-	-	-	(162.45)	-
Profit before Tax Expense	989.69	314.02	410.07	1,303.71	1,077.26	1,303.77	1,040.28
Provision for Current Tax	(312.00)	(139.00)	(129.00)	(451.00)	(291.00)	(483.65)	(291.20)
Provision for Deferred Tax	(21.50)	54.50	1.00	33.00	(7.00)	41.18	(10.83)
Net Profit	656.19	229.52	282.07	885.71	779.26	861.30	738.25
Less : Minority Interest						(15.18)	-
Less: Pre-acquisition Profits/(losses)						(3.85)	-
Net Profit (After Minority Interest)	656.19	229.52	282.07	885.71	779.26	880.33	738.25
Paid up Equity Share Capital (Face Value Rs. 10 per share)	91.69	91.69	91.69	91.69	91.69	91.69	91.69
Reserves excluding Revaluation Reserve				4,231.96	3,513.83	3,946.56	3,222.91
Basic & Diluted EPS for the period (Rupees)	71.57	25.03	30.76	96.60	84.99	96.01	80.52
Aggregate of Non-Promoter Shareholding							
- Number of Shares				71541071	71560826		
- Percentage of Shareholding				78.04%	78.06%		

Notes

1. The Hon'ble High Court of Mumbai approved a composite Scheme of Arrangement U/s 391-394 of the Companies Act, 1956 on 22nd April, 2004 between Larsen & Toubro Limited ("L&T") and UltraTech Cemeo Limited, now UltraTech Cement Limited, ("UltraTech") with the Company (as a shareholder of L&T) and L&T Employees Welfare Foundation (the "Trust") as confirming parties.

In terms of the said composite Scheme of Arrangement, the Company has during the year:

- Acquired 30% equity (373.19 Lac shares) of UltraTech, through an open offer, for a consideration of Rs. 1278.57 Crores;
- Acquired 4.5% equity (55.98 Lac shares) of UltraTech from L & T for a consideration of Rs. 191.78 Crores. Further, a wholly owned subsidiary of the Company has also acquired 4% equity (49.76 Lac shares) of UltraTech from L & T for a consideration of Rs. 170.48 Crores;
- Sold its holding of 184.71 Lac shares of L & T (post-demerger) to the Trust for a consideration of Rs. 443.31 Crores.

The Company's holding in the Equity share capital of UltraTech together with its wholly owned subsidiary company is 51.1%. UltraTech has thus become a subsidiary of the Company and the Company has acquired the management control of UltraTech w.e.f. 6th July, 2004.

The Company has earlier paid a sum of Rs. 988.71 Crores for acquisition of 369.42 Lac shares of L & T (pre-demerger).

As the above transactions are part of a composite scheme of arrangement of the Company's shareholding in L&T and its consequent shareholding with management control in UltraTech, the net cash outflow of Rs. 2015.83 Crores towards acquisition of total holding of 576.94 Lac shares of UltraTech has been accounted for as cost of acquisition of the said shares.