



**UNAUDITED FINANCIAL RESULTS
FOR THE QUARTER ENDED 30th JUNE 2008**

I. CONSOLIDATED RESULTS :

Rs in Crores

	Three Months Ended 30th June 2008	Three Months Ended 30th June 2007	Year Ended 31st March 2008 (Audited)
Net Sales / Income from Operations	4,429.54	4,059.86	17,074.97
Other Income	94.93	87.62	361.65
Total Income	4,524.47	4,147.48	17,436.62
Expenditure :			
- Decrease / (Increase) in Stock	(159.57)	30.73	(174.28)
- Raw Material Consumed	971.97	816.68	3,703.27
- Purchases of Finished Goods	22.56	9.48	74.30
- Payment to & Provision for Employees	225.98	171.35	849.32
- Power & Fuel	854.35	662.97	2,907.37
- Freight , Handling & Other Expenses	571.72	512.78	2,088.24
- Depreciation	199.57	158.65	670.31
- Other Expenditure	679.19	572.27	2,559.72
Total Expenditure	3,365.77	2,934.91	12,678.25
Interest	68.46	58.02	228.73
Profit before Exceptional Items and Tax Expenses	1,090.24	1,154.55	4,529.64
Write back of provision for diminution in value of Investment	-	-	45.68
Profit before Tax Expenses from Ordinary Activities	1,090.24	1,154.55	4,575.32
Provision for Current Tax	(192.55)	(322.98)	(1,472.76)
Provision for Deferred Tax	(106.27)	(32.72)	6.97
Net Profit after Tax from Ordinary Activities	791.42	798.85	3,109.53
Extra Ordinary Items:			
Profit on Sale of Shares of a Subsidiary Company	-	-	236.68
Net Profit after Tax & after Extra Ordinary Activities	791.42	798.85	3,346.21
Less : Minority Share	119.83	129.61	456.53
Add : Share in Profit / (Loss) of Associates	0.30	0.43	1.76
Net Profit (After Minority Share)	671.89	669.67	2,891.44
Paid up Equity Share Capital (Face Value Rs. 10 per share)	91.69	91.69	91.69
Reserves excluding Revaluation Reserve			9,013.03
Basic EPS for the period before Extra Ordinary Items (Rupees)	73.28	73.04	289.54
Diluted EPS for the period before Extra Ordinary Items (Rupees)	73.26	73.04	289.44
Basic EPS for the period after Extra Ordinary Items (Rupees)	73.28	73.04	315.35
Diluted EPS for the period after Extra Ordinary Items (Rupees)	73.26	73.04	315.25

II. STANDALONE RESULTS :

Rs. in Crores

	Three Months Ended 30th June 2008	Three Months Ended 30th June 2007	Year Ended 31st March 2008 (Audited)
Net Sales / Income from Operations	2,592.33	2,435.47	10,278.09
Other Income	82.24	67.74	314.80
Total Income	2,674.57	2,503.21	10,592.89
Expenditure :			
- Decrease / (Increase) in Stock	(77.67)	14.75	(130.22)
- Raw Material Consumed	718.08	626.58	2,828.25
- Purchases of Finished Goods	15.45	33.22	97.40
- Payment to & Provision for Employees	141.63	116.27	550.07
- Power & Fuel	439.80	324.11	1,476.51
- Freight , Handling & Other Expenses	297.47	255.97	1,047.88
- Depreciation	105.00	85.00	353.27
- Other Expenditure	305.55	272.44	1,298.51
Total Expenditure	1,945.31	1,728.34	7,521.67
Interest	30.46	28.47	107.00
Profit before Exceptional Items and Tax Expenses	698.80	746.40	2,964.22
Write back of provision for diminution in value of Investment	-	-	45.68
Profit before Tax Expenses from Ordinary Activities	698.80	746.40	3,009.90
Provision for Current Tax	(131.87)	(205.70)	(952.71)
Provision for Deferred Tax	(52.74)	(29.04)	(9.62)
Net Profit after Tax from Ordinary Activities	514.19	511.66	2,047.57
Extra Ordinary Items:			
Profit on transfer of Textile units at Bhiwani	-	-	4.76
Profit on Sale of Shares of a Subsidiary Company	-	-	180.27
Net Profit & Loss for the period	514.19	511.66	2,232.60
Paid up Equity Share Capital (Face Value Rs. 10 per share)	91.69	91.69	91.69
Reserves excluding Revaluation Reserve			8,040.52
Basic EPS for the period before Extra Ordinary Items (Rupees)	56.08	55.80	223.31
Diluted EPS for the period before Extra Ordinary Items (Rupees)	56.07	55.80	223.24
Basic EPS for the period after Extra Ordinary Items (Rupees)	56.08	55.80	243.49
Diluted EPS for the period after Extra Ordinary Items (Rupees)	56.07	55.80	243.42
Total Public Shareholding*			
- Number of Shares (000's)	57,158	58,722	57,966
- Percentage of Shareholding	62.35%	64.06%	63.23%

*Total public shareholding as defined under Clause 40 A of the listing agreement(excludes shares held by Promoters and Global Depository Receipt holders)

III. SEGMENT REPORTING - CONSOLIDATED

		Rs. in Crores		
		Three Months Ended 30th June 2008	Three Months Ended 30th June 2007	Year Ended 31st March 2008 (Audited)
1. SEGMENT REVENUE				
a	Fibre & Pulp	776.86	816.87	3,443.89
b	Cement	3,115.58	2,823.96	11,748.16
c	Sponge Iron	248.77	220.79	950.09
d	Chemicals	126.62	92.27	414.73
e	Textiles	72.47	57.93	289.59
f	Others	141.26	95.96	436.86
	TOTAL	4,481.56	4,107.78	17,283.32
	(Less) : Inter Segment Revenue	(52.02)	(47.92)	(208.35)
	Net Sales / Income from Operations	4,429.54	4,059.86	17,074.97
2. SEGMENT RESULTS				
a	Fibre & Pulp	172.45	222.28	1,011.53
b	Cement	824.48	870.08	3,310.69
c	Sponge Iron	65.39	26.56	125.55
d	Chemicals	34.50	22.25	114.01
e	Textiles	0.42	(1.84)	(2.88)
f	Others	30.32	26.20	103.79
	TOTAL	1,127.56	1,165.53	4,662.69
	Add / (Less) :			
	Interest	(68.46)	(58.02)	(228.73)
	Net Unallocable Income / (Expenditure)	31.14	47.04	95.68
	Write back of provision for diminution in value of Investment	-	-	45.68
	Profit before Extra Ordinary Items and Tax Expenses	1,090.24	1,154.55	4,575.32
3. CAPITAL EMPLOYED				
a	Fibre & Pulp	2,420.05	1,431.45	2,108.11
b	Cement	13,258.07	9,547.91	12,462.75
c	Sponge Iron	475.93	557.76	458.84
d	Chemicals	348.33	294.28	332.14
e	Textiles	174.21	135.62	172.81
f	Others	902.79	544.25	674.06
	TOTAL	17,579.38	12,511.27	16,208.71
g	Unallocated Corporate Capital Employed	717.21	1,821.68	945.71
	TOTAL CAPITAL EMPLOYED	18,296.59	14,332.95	17,154.42

IV. SEGMENT REPORTING - STANDALONE

		Rs. in Crores		
		Three Months Ended 30th June 2008	Three Months Ended 30th June 2007	Year Ended 31st March 2008 (Audited)
1. SEGMENT REVENUE				
a	Fibre & Pulp	629.10	706.60	2,998.54
b	Cement	1,617.11	1,404.76	5,924.80
c	Sponge Iron	248.77	220.79	950.09
d	Chemicals	126.62	92.27	414.73
e	Textiles	15.65	57.93	173.22
	TOTAL	2,637.25	2,482.35	10,461.38
	(Less) : Inter Segment Revenue	(44.92)	(46.88)	(183.29)
	Net Sales / Income from Operations	2,592.33	2,435.47	10,278.09
2. SEGMENT RESULTS				
a	Fibre & Pulp	170.49	236.20	1,012.02
b	Cement	425.24	444.66	1,677.64
c	Sponge Iron	65.39	26.56	125.55
d	Chemicals	34.50	22.25	114.01
e	Textiles	0.71	(1.84)	(0.72)
	TOTAL	696.33	727.83	2,928.50
	Add / (Less) :			
	Interest	(30.46)	(28.47)	(107.00)
	Net Unallocable Income / (Expenditure)	32.93	47.04	142.72
	Write back of provision for diminution in value of Investment	-	-	45.68
	Profit before Extra Ordinary Items and Tax Expenses	698.80	746.40	3,009.90
3. CAPITAL EMPLOYED				
a	Fibre & Pulp	1,891.53	1,226.44	1,681.93
b	Cement	5,828.10	3,420.27	5,459.27
c	Sponge Iron	475.83	557.76	458.84
d	Chemicals	348.33	294.28	332.14
e	Textiles	25.97	135.62	23.16
	TOTAL	8,569.76	5,634.37	7,955.34
g	Unallocated Corporate Capital Employed	3,795.63	4,639.94	3,994.11
	TOTAL CAPITAL EMPLOYED	12,365.39	10,274.31	11,949.45

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 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 segments are as under:

Fibre & Pulp	- Viscose Staple Fibre & Wood Pulp
Cement	- Grey & White Cement
Sponge Iron	- Sponge Iron
Chemicals	- Caustic Soda & Allied Chemicals
Textiles	- Fabric & Yarn (Refer note 5(a) and (b) below)
Others	- Mainly Telecom (in consolidated results)
- 3 No investor complaint was pending at the beginning of the quarter. During the quarter, five complaints were received, which have been attended by the company and no complaints were pending at the end of the quarter.
- 4 During the quarter, the board has decided to transfer company's sponge iron business as a going concern by way of slump sale, to its subsidiary Vikram Sponge Iron Ltd.(VSIL) incorporated during the quarter, for a consideration of Rs.1030 Crs. under a Scheme of Arrangement u/s 391-394 of the Companies Act, 1956 (the scheme). The said sale is subject to various approvals including approval of the company's shareholders, creditors and that of the Hon'ble High Court of Madhya Pradesh. With implementation of the scheme for sale/transfer of sponge iron business, Welspun Power & Steel Ltd.(Welspun), a company who has agreed to acquire VSIL, will invest funds in VSIL by way of equity & debts, which will be utilised towards payment of sale consideration.
- 5 (a) The standalone financial results of the company for three months ended 30th June, 2008 do not include the financial results of the erstwhile textile units at Bhiwani, as the same have been transferred to Grasim Bhiwani Textiles Ltd. (GBTL), a subsidiary of the company, w.e.f. 1st October, 2007. The impact of the same is not material on the company's standalone financial results for three months ended 30th June, 2008.
- (b) The financial results of GBTL for three months ended 30th June, 2008 are included in the consolidated financial results of the company for the said period of three months.
- 6 The consolidated financial results of the company for three months ended 30th June, 2008 do not include the financial results of Shree Digvijay Cement Company Ltd. (SDCCL), as it ceased to be a subsidiary of the company w.e.f. 25th March, 2008. The net profit (after minority share) of SDCCL included in the company's consolidated net profit for the three months ended 30th June, 2007 was Rs. 8.09 Crs.
- 7 During the quarter, the company has revised estimated useful life of some of the assets, on account of which depreciation is higher by Rs 9 Crs for three months ended 30th June, 2008.
- 8 Previous period's figures have been regrouped / rearranged wherever necessary to conform to the current period's classification.
- 9 The above Unaudited results for the quarter ended 30th June, 2008 have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at the meeting held on 25th July, 2008. 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 : 25th July, 2008

D. D. Rathi
Whole-time Director

GRASIM INDUSTRIES LIMITED

Regd. Office: Birlagram, Nagda 456 331 (M.P.)

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