



**UNAUDITED FINANCIAL RESULTS  
FOR THE THREE MONTHS ENDED 30TH SEPTEMBER, 2002**

Rs in crores

	Three Months Ended 30th September 2002	Three Months Ended 30th September 2001	Six Months Ended 30th September 2002	Six Months Ended 30th September 2001	Year ended 31st March 2002 ( Audited )
<b>Net Sales / Income from Operations</b>	<b>1,112.85</b>	<b>1,108.00</b>	<b>2,248.36</b>	<b>2,225.16</b>	<b>4,386.64</b>
Other Income	36.61	19.70	45.88	34.24	114.62
Total Expenditure					
- Decrease / ( Increase ) in Stock	(1.48)	79.01	64.71	37.89	95.42
- Raw Material Consumed	279.79	218.81	529.52	471.87	996.15
- Purchases of Finished Goods	2.11	57.47	6.53	181.99	245.71
- Payment to & Provision for Employees	78.75	83.62	153.93	166.08	321.87
- Power & Fuel	209.88	181.04	411.65	359.46	739.28
- Freight , Handling & Other expenses	118.80	133.09	256.23	269.77	510.56
- Other Expenditure	174.91	163.39	330.24	313.37	655.49
<b>Total Expenditure</b>	<b>862.76</b>	<b>916.43</b>	<b>1,752.81</b>	<b>1,800.43</b>	<b>3,564.48</b>
Interest	43.16	47.85	87.34	95.37	190.25
<b>Gross profit</b>	<b>243.54</b>	<b>163.42</b>	<b>454.09</b>	<b>363.60</b>	<b>746.53</b>
Depreciation	62.77	61.87	125.19	124.46	251.70
<b>Profit before Exceptional Items and Tax</b>	<b>180.77</b>	<b>101.55</b>	<b>328.90</b>	<b>239.14</b>	<b>494.83</b>
Tax Provision of earlier years written back					68.11
Loss on Sale of Shares in Subsidiary					(18.11)
Retrenchment Compensation	-	(18.43)	-	(18.43)	(55.33)
Write-down of Fixed Assets on Retirement from active use	-	(19.01)	-	(19.01)	(19.01)
Loss on sale of a Textile Unit					(15.00)
Loss on sale of Assets of a Textile Unit					(16.93)
Employees separation cost	(1.60)	(15.03)	(3.26)	(17.38)	(27.60)
<b>Profit before Tax Expense</b>	<b>179.17</b>	<b>49.08</b>	<b>325.64</b>	<b>184.32</b>	<b>410.96</b>
Provision for Current Tax	(45.00)	(8.00)	(79.00)	(31.00)	(56.50)
Deferred Tax	(5.50)	(9.45)	(12.50)	(19.45)	(51.50)
<b>Net Profit</b>	<b>128.67</b>	<b>31.63</b>	<b>234.14</b>	<b>133.87</b>	<b>302.96</b>
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					2,615.19
<b>Basic &amp; Diluted EPS for the period ( Rupees )</b>	<b>14.03</b>	<b>3.45</b>	<b>25.54</b>	<b>14.60</b>	<b>33.04</b>
<b>Aggregate of Non-Promoter Shareholding</b>					
- Number of Shares			72954440	72984805	72951240
- Percentage of Shareholding			79.58%	79.62%	79.58%

**Notes:**

- During the quarter the Company has further acquired 0.37 Crore shares of Larsen & Toubro Ltd. (L&T) at an average price of Rs.177.12 per share for total consideration of Rs.65.05Crores.
- The Company has entered into a Share Purchase Agreement with Oil and Natural Gas Corporation Limited (ONGC) for sale of 15,03,79,023 shares of Mangalore Refinery and Petrochemicals Corporation Ltd. (MRPL) @ Rs. 2 per share and the sale will be completed only after obtaining the necessary government / statutory approvals. In the event of sale being completed, the Company will incur a 'loss on sale of Investments' of Rs.208.62 Crores, which will be accounted for when the sale is completed.  
In the event the sale of the aforesaid shares is not completed before end of the current financial year, the Company will, in accordance with past practice, determine the decline, other than temporary, if any, in the value of the long term investment in the shares of MRPL, and the carrying amount of this long term investment will be adjusted for the decline, other than temporary, if any, at the time of preparation of annual accounts.
- The Company has filed a Scheme of Arrangement under section 391/394 of the Companies Act , 1956 in the High Court of Madhya Pradesh in October,2000 inter alia providing for sale/transfer of assets of the Mavoor Units and the same is still pending

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## 4. Segments Reporting:

		Rs. in Crores		
		Three Months Ended 30th September 2002	Six Months Ended 30th September 2002	Year ended 31st March 2002 ( Audited )
<b>1. SEGMENT REVENUE</b>				
a	Fibre & Pulp	414.23	833.25	1,328.83
b	Cement	511.55	1,054.43	2,074.85
c	Sponge Iron	90.71	178.45	331.66
d	Chemicals	66.06	118.72	219.93
e	Textiles	57.60	111.52	276.12
f	Others	0.69	3.34	270.68
	<b>TOTAL</b>	<b>1,140.84</b>	<b>2,299.71</b>	<b>4,502.07</b>
	(Less) : Inter Segment Revenue	(27.99)	(51.35)	(115.43)
	<b>Net Sales / Income from Operations</b>	<b>1,112.85</b>	<b>2,248.36</b>	<b>4,386.64</b>
<b>2. SEGMENT RESULTS</b>				
a	Fibre & Pulp	145.69	269.88	305.89
b	Cement	25.47	87.29	338.67
c	Sponge Iron	13.07	24.47	11.86
d	Chemicals	17.55	21.87	11.42
e	Textiles	(4.66)	(13.20)	(37.71)
f	Others	(2.54)	(3.95)	0.22
	<b>TOTAL</b>	<b>194.58</b>	<b>386.36</b>	<b>630.35</b>
	Add / (Less) :			
	Interest	(43.16)	(87.34)	(190.25)
	Net Unallocable Income / (Expenditure )	29.35	29.88	54.73
	<b>Profit before Exceptional Items and Tax Expense</b>	<b>180.77</b>	<b>328.90</b>	<b>494.83</b>
	Tax Provision of earlier years written back	-	-	68.11
	Loss on Sale of Shares in Subsidiary	-	-	(18.11)
	Retrenchment Compensation	-	-	(55.33)
	Write-down of Fixed Assets on Retirement from active use	-	-	(19.01)
	Loss on sale of a Textile Unit	-	-	(15.00)
	Loss on sale of Assets of a Textile Unit	-	-	(16.93)
	Employees separation cost	(1.60)	(3.26)	(27.60)
	<b>Profit Before Tax Expenses</b>	<b>179.17</b>	<b>325.64</b>	<b>410.96</b>
<b>3. CAPITAL EMPLOYED</b>				
a	Fibre & Pulp	789.76	789.76	879.24
b	Cement	2,043.53	2,043.53	2,055.10
c	Sponge Iron	515.59	515.59	570.38
d	Chemicals	211.70	211.70	227.51
e	Textiles	118.11	118.11	133.13
f	Others	5.56	5.56	35.15
	<b>TOTAL</b>	<b>3,684.25</b>	<b>3,684.25</b>	<b>3,900.51</b>
g	Unallocated Corporate Capital Employed	1,784.07	1,784.07	1,518.93
	<b>TOTAL CAPITAL EMPLOYED</b>	<b>5,468.32</b>	<b>5,468.32</b>	<b>5,419.44</b>

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 the differential risks and returns of these segments. Details of products included in each of the above segments are as under :

Fibre & Pulp - Viscose Staple Fibre & Rayon Grade Pulp  
 Chemicals - Caustic Soda & Allied Chemicals  
 Cement - Grey & White Cement  
 Sponge Iron - Sponge Iron  
 Textiles - Fabrics & Yarn

6. Segment-wise break-up for Employee Separation Cost is as under :

	Rs. in Crores		
	<u>Q2-FY2003</u>	<u>H1-FY2003</u>	<u>FY2002</u>
Fibre & Pulp	0.52	1.49	9.10
Chemical	-	0.39	1.63
Cement	0.17	0.28	13.49
Textiles	0.91	1.10	3.38

7. Previous period's figures have been regrouped / rearranged wherever necessary to conform to this period's classification.

8. The above results have been taken on record at the meeting of the Board of Directors held on 25th October, 2002.

9. The Limited Review, as required under clause 41 of listing agreement , has been completed and the related report is being submitted to the concerned Stock Exchanges.

For and on behalf of Board of Directors

Place : Mumbai  
 Date : 25th October, 2002

**Kumar Mangalam Birla**  
 Chairman

**GRASIM INDUSTRIES LIMITED**

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

An Aditya Birla Group Company

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