



**UNAUDITED FINANCIAL RESULTS  
FOR THE THREE MONTHS ENDED ON 30th SEPTEMBER 2004**

Rs in Crores

	Three Months Ended 30th September 2004	Three Months Ended 30th September 2003	Six Months Ended 30th September 2004	Six Months Ended 30th September 2003	Year Ended 31st March 2004 ( Audited )
<b>Net Sales / Income from Operations</b>	<b>1,528.15</b>	<b>1,184.65</b>	<b>3,045.23</b>	<b>2,348.07</b>	<b>5,233.27</b>
Other Income	27.58	66.54	43.84	87.60	180.34
Total Expenditure					
- Decrease / ( Increase ) in Stock	(26.16)	(24.74)	(22.50)	11.29	24.31
- Raw Material Consumed	457.05	322.82	880.41	596.87	1,372.49
- Purchases of Finished Goods	12.83	14.35	22.52	26.87	50.47
- Payment to & Provision for Employees	91.27	86.41	180.79	169.63	358.90
- Power & Fuel	262.87	220.74	502.35	422.44	889.01
- Freight , Handling & Other expenses	140.26	120.91	280.04	246.86	526.11
- Other Expenditure	193.07	174.91	374.56	339.34	717.01
<b>Total Expenditure</b>	<b>1,131.19</b>	<b>915.40</b>	<b>2,218.17</b>	<b>1,813.30</b>	<b>3,938.30</b>
Interest	36.70	40.31	69.59	79.39	153.88
<b>Gross Profit</b>	<b>387.84</b>	<b>295.48</b>	<b>801.31</b>	<b>542.98</b>	<b>1,321.43</b>
Depreciation	70.61	68.39	140.41	135.40	273.06
<b>Profit before Exceptional Items and Tax</b>	<b>317.23</b>	<b>227.09</b>	<b>660.90</b>	<b>407.58</b>	<b>1,048.37</b>
Profit on Sale of Long Term Investments	5.21	28.89	5.21	28.89	28.89
<b>Profit before Tax Expense</b>	<b>322.44</b>	<b>255.98</b>	<b>666.11</b>	<b>436.47</b>	<b>1,077.26</b>
Provision for Current Tax	(99.00)	(51.00)	(209.00)	(99.00)	(291.00)
Provision for Deferred Tax	(3.50)	(2.00)	(18.00)	(4.00)	(7.00)
<b>Net Profit</b>	<b>219.94</b>	<b>202.98</b>	<b>439.11</b>	<b>333.47</b>	<b>779.26</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					3,513.83
<b>Basic &amp; Diluted EPS for the period ( Rupees )</b>	<b>23.99</b>	<b>22.14</b>	<b>47.89</b>	<b>36.37</b>	<b>84.99</b>
<b>Aggregate of Non-Promoter Shareholding</b>					
- Number of Shares			71562947	72954098	71560826
- Percentage of Shareholding			78.06%	79.58%	78.06%

**Notes:**

- The Hon'ble High Court of Mumbai approved a composite Scheme of Arrangement u/s 391 - 394 of the Companies Act, 1956 between Larsen & Toubro Limited ("L&T") and UltraTech CemCo 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, during the quarter, in July 2004, the Company has -
  - Acquired 30% equity (373.19 Lac shares) of UltraTech, through an open offer, for a consideration of Rs. 1278.57 Crs.
  - Acquired 4.5% equity (55.98 Lac shares) of UltraTech from L&T for a consideration of Rs. 191.78 Crs. 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 Crs.
  - Sold it's holding of 184.71 Lac shares of L&T (post-demerger) to the Trust for a consideration of Rs.443.31 Crs.

UltraTech has become a subsidiary of the Company.

The Company has earlier paid a sum of Rs. 988.71 Crs. 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 Crs. towards acquisition of total holding of 576.94 Lac shares of UltraTech has been accounted for as cost of acquisition of the said shares.

## 2. Segments Reporting:

Rs. in Crores

	Three Months Ended 30th September 2004	Three Months Ended 30th September 2003	Six Months Ended 30th September 2004	Six Months Ended 30th September 2003	Year Ended 31st March 2004 ( Audited )
<b>1. SEGMENT REVENUE</b>					
a Fibre & Pulp	510.36	405.74	1,005.78	785.17	1,765.50
b Cement	665.22	544.68	1,347.55	1,118.38	2,419.91
c Sponge Iron	227.51	122.87	477.46	249.29	638.92
d Chemicals	81.36	78.16	153.83	131.69	295.37
e Textiles	77.68	66.86	130.10	118.90	241.95
f Others	-	-	-	0.01	0.03
<b>TOTAL</b>	<b>1,562.13</b>	<b>1,218.31</b>	<b>3,114.72</b>	<b>2,403.44</b>	<b>5,361.68</b>
(Less) : Inter Segment Revenue	(33.98)	(33.66)	(69.49)	(55.37)	(128.41)
<b>Net Sales / Income from Operations</b>	<b>1,528.15</b>	<b>1,184.65</b>	<b>3,045.23</b>	<b>2,348.07</b>	<b>5,233.27</b>
<b>2. SEGMENT RESULTS</b>					
a Fibre & Pulp	164.45	137.86	298.51	232.90	520.36
b Cement	93.83	35.11	221.49	103.53	295.66
c Sponge Iron	65.10	32.01	167.97	71.63	219.21
d Chemicals	16.81	16.17	24.38	22.85	58.37
e Textiles	1.75	0.27	0.67	(0.67)	(0.23)
f Others	(0.28)	(0.13)	(0.29)	(0.14)	(0.76)
<b>TOTAL</b>	<b>341.66</b>	<b>221.29</b>	<b>712.73</b>	<b>430.10</b>	<b>1,092.61</b>
Add / (Less) :					
Interest	(36.70)	(40.31)	(69.59)	(79.39)	(153.88)
Net Unallocable Income / (Expenditure)	12.27	46.11	17.76	56.87	109.64
<b>Profit before Exceptional Items and Tax Expenses</b>	<b>317.23</b>	<b>227.09</b>	<b>660.90</b>	<b>407.58</b>	<b>1,048.37</b>
Profit on Sale of Long Term Investments	5.21	28.89	5.21	28.89	28.89
<b>Profit Before Tax Expenses</b>	<b>322.44</b>	<b>255.98</b>	<b>666.11</b>	<b>436.47</b>	<b>1,077.26</b>
<b>3. CAPITAL EMPLOYED</b>					
a Fibre & Pulp	851.86	823.35	851.86	823.35	825.05
b Cement	2,109.09	2,006.77	2,109.09	2,006.77	2,032.51
c Sponge Iron	445.76	451.36	445.76	451.36	488.50
d Chemicals	203.80	204.02	203.80	204.02	206.54
e Textiles	108.35	110.22	108.35	110.22	109.01
f Others	2.13	2.31	2.13	2.31	2.09
<b>TOTAL</b>	<b>3,720.99</b>	<b>3,598.03</b>	<b>3,720.99</b>	<b>3,598.03</b>	<b>3,663.70</b>
g Unallocated Corporate Capital Employed	3,455.14	2,508.39	3,455.14	2,508.39	2,644.86
<b>TOTAL CAPITAL EMPLOYED</b>	<b>7,176.13</b>	<b>6,106.42</b>	<b>7,176.13</b>	<b>6,106.42</b>	<b>6,308.56</b>

3. 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  
Cement - Grey & White Cement  
Sponge Iron - Sponge Iron  
Chemicals - Caustic Soda & Allied Chemicals  
Textiles - Fabric & Yarn

4. During the quarter, total eight investor complaints were received, all of which have been attended by the Company. No complaints were pending either at the beginning or at the end of the quarter.

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

6. The above results have been reviewed by the Audit Committee, and have been taken on record at the meeting of the Board of Directors held on 28th October, 2004. 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 : 28th October, 2004

Whole-time Director

**GRASIM INDUSTRIES LIMITED**

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

An Aditya Birla Group Company

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