



**UNAUDITED FINANCIAL RESULTS  
FOR THE QUARTER ENDED 31<sup>st</sup> DECEMBER 2007**

**I. CONSOLIDATED RESULTS :**

Rs in Crores

	Three Months Ended 31st December 2007	Three Months Ended 31st December 2006	Nine Months Ended 31st December 2007	Nine Months Ended 31st December 2006	Year Ended 31st March 07 ( Audited )
<b>Net Sales / Income from Operations</b>	<b>4,358.34</b>	<b>3,668.12</b>	<b>12,382.80</b>	<b>10,068.25</b>	<b>14,178.44</b>
Other Income	90.49	64.87	276.60	167.49	245.64
Expenditure :					
- Decrease / ( Increase ) in Stock	(97.70)	4.18	(132.52)	3.47	33.25
- Raw Material Consumed	942.69	729.79	2,632.63	1,980.30	2,821.40
- Purchases of Finished Goods	22.92	4.99	56.01	48.02	74.83
- Payment to & Provision for Employees	213.98	165.32	599.35	500.21	672.98
- Power & Fuel	740.58	627.30	2,033.54	1,768.53	2,472.45
- Freight , Handling & Other Expenses	515.40	471.94	1,499.79	1,330.15	1,878.07
- Depreciation	166.20	154.57	487.95	444.76	609.97
- Other Expenditure	639.72	546.95	1,862.21	1,554.72	2,181.02
<b>Total Expenditure</b>	<b>3,143.79</b>	<b>2,705.04</b>	<b>9,038.96</b>	<b>7,630.16</b>	<b>10,743.97</b>
Interest	50.99	54.47	161.83	162.83	228.64
<b>Profit before Tax Expenses</b>	<b>1,254.05</b>	<b>973.48</b>	<b>3,458.61</b>	<b>2,442.75</b>	<b>3,451.47</b>
Provision for Current Tax	(356.95)	(297.40)	(995.50)	(760.15)	(1,097.14)
Provision for Deferred Tax	(42.46)	(6.43)	(104.14)	3.29	5.07
<b>Net Profit</b>	<b>854.64</b>	<b>669.65</b>	<b>2,358.97</b>	<b>1,685.89</b>	<b>2,359.40</b>
Less : Minority Share	131.02	110.34	345.16	276.92	391.50
Add : Share in Profit / (Loss) of Associates	(1.76)	-	(2.27)	-	(0.40)
<b>Net Profit ( After Minority Share )</b>	<b>721.86</b>	<b>559.31</b>	<b>2,011.54</b>	<b>1,408.97</b>	<b>1,967.50</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					6,538.05
<b>Basic EPS for the period ( Rupees )</b>	<b>78.73</b>	<b>61.00</b>	<b>219.39</b>	<b>153.67</b>	<b>214.58</b>
<b>Diluted EPS for the period ( Rupees )</b>	<b>78.72</b>	<b>61.00</b>	<b>219.37</b>	<b>153.67</b>	<b>214.58</b>

**II. STANDALONE RESULTS :**

Rs. in Crores

	Three Months ended 31st December 2007	Three Months ended 31st December 2006	Nine Months ended 31st December 2007	Nine Months ended 31st December 2006	Full Year ended 31st March 2007 ( Audited )
<b>Net Sales / Income from Operations</b>	<b>2,629.93</b>	<b>2,280.22</b>	<b>7,595.75</b>	<b>6,185.33</b>	<b>8,680.34</b>
Other Income	65.03	44.39	190.87	132.08	209.66
Expenditure :					
- Decrease / ( Increase ) in Stock	(44.28)	4.65	(57.58)	5.41	16.62
- Raw Material Consumed	704.05	577.89	2,001.85	1,576.67	2,219.14
- Purchases of Finished Goods	21.62	84.68	79.43	213.44	321.16
- Payment to & Provision for Employees	131.34	111.25	390.67	347.33	459.40
- Power & Fuel	368.86	311.41	1,041.48	856.46	1,196.14
- Freight , Handling & Other Expenses	255.43	235.59	758.00	658.69	919.40
- Depreciation	86.50	80.69	259.03	230.35	317.91
- Other Expenditure	336.58	285.77	928.47	812.21	1,139.13
<b>Total Expenditure</b>	<b>1,860.10</b>	<b>1,691.93</b>	<b>5,401.35</b>	<b>4,700.56</b>	<b>6,588.90</b>
Interest	23.41	26.93	79.84	75.21	111.84
<b>Profit before Exceptional Items and Tax Expenses</b>	<b>811.45</b>	<b>605.75</b>	<b>2,305.43</b>	<b>1,541.64</b>	<b>2,189.26</b>
Profit on transfer of textile units at Bhiwani	3.89		3.89		
Write back of provision for diminution in value of loans					37.10
<b>Profit before Tax Expenses</b>	<b>815.34</b>	<b>605.75</b>	<b>2,309.32</b>	<b>1,541.64</b>	<b>2,226.36</b>
Provision for Current Tax	(235.55)	(192.27)	(664.98)	(477.12)	(692.38)
Provision for Deferred Tax	(26.00)	(1.90)	(79.11)	(3.20)	1.83
<b>Net Profit</b>	<b>553.79</b>	<b>411.58</b>	<b>1,565.23</b>	<b>1,061.32</b>	<b>1,535.81</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					6,134.46
<b>Basic EPS for the period ( Rupees )</b>	<b>60.40</b>	<b>44.89</b>	<b>170.71</b>	<b>115.75</b>	<b>167.50</b>
<b>Diluted EPS for the period ( Rupees )</b>	<b>60.39</b>	<b>44.89</b>	<b>170.70</b>	<b>115.75</b>	<b>167.50</b>
<b>Total Public Shareholding*</b>					
- Number of Shares (000's)			58,177	58,827	58,509
- Percentage of Shareholding			63.46%	64.17%	63.82%

\*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 31st December 2007	Three Months ended 31st December 2006	Nine Months ended 31st December 2007	Nine Months ended 31st December 2006	Full Year ended 31st March 2007
<b>1. SEGMENT REVENUE</b>					
a Fibre & Pulp	912.20	736.79	2,634.23	1,932.64	2,725.25
b Cement	2,961.88	2,562.05	8,384.81	7,084.09	9,957.75
c Sponge Iron	244.33	196.02	674.92	514.71	755.79
d Chemicals	116.72	76.88	320.41	225.43	319.00
e Textiles	72.09	57.47	218.35	199.09	270.96
f Others	110.84	87.16	308.08	231.43	326.93
<b>TOTAL</b>	<b>4,418.06</b>	<b>3,716.37</b>	<b>12,540.80</b>	<b>10,187.39</b>	<b>14,355.68</b>
(Less) : Inter Segment Revenue	(59.72)	(48.25)	(158.00)	(119.14)	(177.24)
<b>Net Sales / Income from Operations</b>	<b>4,358.34</b>	<b>3,668.12</b>	<b>12,382.80</b>	<b>10,068.25</b>	<b>14,178.44</b>
<b>2. SEGMENT RESULTS</b>					
a Fibre & Pulp	313.92	223.20	838.98	487.13	671.74
b Cement	856.58	738.39	2,418.83	1,955.55	2,767.03
c Sponge Iron	40.18	19.09	87.95	22.11	50.39
d Chemicals	38.98	13.53	95.60	31.73	60.05
e Textiles	0.01	(2.87)	(2.17)	(3.13)	(4.63)
f Others	24.47	15.33	73.54	42.38	62.61
<b>TOTAL</b>	<b>1,274.14</b>	<b>1,006.67</b>	<b>3,512.73</b>	<b>2,535.77</b>	<b>3,607.19</b>
Add / (Less) :					
<b>Interest</b>	<b>(50.99)</b>	<b>(54.47)</b>	<b>(161.83)</b>	<b>(162.83)</b>	<b>(228.64)</b>
<b>Net Unallocable Income / (Expenditure )</b>	<b>30.90</b>	<b>21.28</b>	<b>107.71</b>	<b>69.81</b>	<b>72.92</b>
<b>Profit Before Tax Expenses</b>	<b>1,254.05</b>	<b>973.48</b>	<b>3,458.61</b>	<b>2,442.75</b>	<b>3,451.47</b>
<b>3. CAPITAL EMPLOYED</b>					
a Fibre & Pulp			1,789.55	1,345.04	1,428.47
b Cement			11,383.12	7,961.46	8,913.85
c Sponge Iron			432.45	546.86	552.21
d Chemicals			304.84	295.81	304.49
e Textiles			165.43	127.97	126.17
f Others			572.45	418.00	516.67
<b>TOTAL</b>			<b>14,647.84</b>	<b>10,695.14</b>	<b>11,841.86</b>
g Unallocated Corporate Capital Employed			1,098.87	1,495.65	1,682.37
<b>TOTAL CAPITAL EMPLOYED</b>			<b>15,746.71</b>	<b>12,190.79</b>	<b>13,524.23</b>

IV. SEGMENT REPORTING - STANDALONE						Rs. in Crores
	Three Months ended 31st December 2007	Three Months ended 31st December 2006	Nine Months ended 31st December 2007	Nine Months ended 31st December 2006	Full Year ended 31st March 2007 (Audited)	
<b>1. SEGMENT REVENUE</b>						
a Fibre & Pulp	805.92	653.74	2,307.52	1,665.83	2,327.63	
b Cement	1,494.80	1,344.36	4,276.76	3,699.41	5,172.66	
c Sponge Iron	244.33	196.02	674.92	514.71	755.79	
d Chemicals	116.72	76.88	320.41	225.43	319.00	
e Textiles	12.92	57.47	159.18	199.09	270.96	
<b>TOTAL</b>	<b>2,674.69</b>	<b>2,328.47</b>	<b>7,738.79</b>	<b>6,304.47</b>	<b>8,846.04</b>	
(Less) : Inter Segment Revenue	(44.76)	(48.25)	(143.04)	(119.14)	(165.70)	
<b>Net Sales / Income from Operations</b>	<b>2,629.93</b>	<b>2,280.22</b>	<b>7,595.75</b>	<b>6,185.33</b>	<b>8,680.34</b>	
<b>2. SEGMENT RESULTS</b>						
a Fibre & Pulp	312.52	204.74	843.40	459.33	638.42	
b Cement	410.96	376.37	1,250.40	1,024.27	1,448.21	
c Sponge Iron	40.18	19.09	87.95	22.11	50.39	
d Chemicals	38.98	13.53	95.60	31.73	60.05	
e Textiles	0.44	(2.87)	(1.74)	(3.13)	(4.63)	
<b>TOTAL</b>	<b>803.08</b>	<b>610.86</b>	<b>2,275.61</b>	<b>1,534.31</b>	<b>2,192.44</b>	
Add / (Less) :						
Interest	(23.41)	(26.93)	(79.84)	(75.21)	(111.84)	
Net Unallocable Income / (Expenditure)	31.78	21.82	109.66	82.54	108.66	
<b>Profit before Exceptional Items and Tax Expenses</b>	<b>811.45</b>	<b>605.75</b>	<b>2,305.43</b>	<b>1,541.64</b>	<b>2,189.26</b>	
Profit on transfer of textile units at Bhiwani	3.89		3.89			
Write back of provision for diminution in value of loans					37.10	
<b>Profit Before Tax Expenses</b>	<b>815.34</b>	<b>605.75</b>	<b>2,309.32</b>	<b>1,541.64</b>	<b>2,226.36</b>	
<b>3. CAPITAL EMPLOYED</b>						
a Fibre & Pulp			1,488.95	1,181.13	1,210.72	
b Cement			4,694.90	2,554.34	3,076.68	
c Sponge Iron			432.45	546.86	552.21	
d Chemicals			304.84	295.81	304.49	
e Textiles			23.93	127.97	126.17	
<b>TOTAL</b>			<b>6,945.07</b>	<b>4,706.11</b>	<b>5,270.27</b>	
f Unallocated Corporate Capital Employed			4,189.10	4,164.18	4,493.88	
<b>TOTAL CAPITAL EMPLOYED</b>			<b>11,134.17</b>	<b>8,870.29</b>	<b>9,764.15</b>	

## 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 above 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
Others	- Mainly Telecom (in consolidated results)

3 No investor complaint was pending at the beginning of the quarter. During the quarter, six complaints were received, all of which have been attended by the Company and no complaints were pending at the end of the quarter.

4 a During the quarter, the Company has entered into an agreement for sale of its entire holding of 7,58,16,681 equity shares representing 53.63% of issued equity share capital of Shree Digvijay Cement Co. Ltd. (SDCC), a subsidiary company, at a price of Rs. 42.50 per share subject to fulfillment of certain conditions.

Pending actual transfer of shares of SDCC as per terms and conditions of above agreement, the company has not reversed the provision for diminution in value of SDCC shares amounting to Rs. 45.68 Crs. This will be reviewed and considered in the annual accounts depending upon the outcome of the subject agreement.

4 b Pending transfer of Equity Shares of SDCC, the company has included in its consolidated financial results the financial results of SDCC for the period of 3 months and 9 months ended on 31st December 2007. The net revenue and net profit (net of minority share) of SDCC considered in the consolidated financial results for the quarter and 9 months ended on 31st December 2007, are as under:

Particulars	Rs. In Crs	
	3 months ended 31st December 2007	9 months ended 31st December 2007
Net Revenue	60.57	177.12
Net Profit (net of minority share)	5.26	14.15

5 a The standalone financial results of the company for the 3 months ended 31st December 2007 do not include the Financial results of the erstwhile Textiles Units at Bhiwani, as the same have been transferred to Grasim Bhiwani Textile Ltd. (GBTL), a wholly owned 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 the 3 months ended 31st December, 2007.

5 b The consolidated Financial Results of the Company for 3 months ended 31st December 2007, include financial results of GBTL.

6 During the quarter, the company has invested Rs 19.98 Crs for acquiring 30000 A Class equity shares of AV Cell Inc., Canada, a joint venture of the company, resulting into increase in the company's holding from 16.667 % to 25 %.

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

8 The above Unaudited results for the quarter ended 31st December, 2007 have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at the meeting held on 22nd January, 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 : 22nd January, 2008

**D. D. Rathi**  
Whole-time Director

**GRASIM INDUSTRIES LIMITED**

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