



**AUDITED FINANCIAL RESULTS
FOR THE YEAR ENDED ON 31st MARCH, 2003**

Rs in crores

	Nine Months Ended 31st December 2002	Three Months Ended 31st March 2003	Three Months Ended 31st March 2002	Year ended 31st March 2003 (Audited)	Year ended 31st March 2002 (Audited)	Consolidated Financial Results for the year ended 31st March 2003 (Audited)
Net Sales / Income from Operations	3,414.95	1,211.34	1,111.10	4,626.29	4,386.64	4,903.62
Other Income	60.12	55.72	58.76	115.84	114.62	121.15
Total Expenditure						
- Decrease / (Increase) in Stock	35.74	(19.04)	23.07	16.70	95.42	20.01
- Raw Material Consumed	837.85	338.06	271.64	1,175.91	996.15	1,227.46
- Purchases of Finished Goods	10.94	6.68	30.61	17.62	245.71	17.53
- Payment to & Provision for Employees	234.86	91.46	83.40	326.32	321.87	357.06
- Power & Fuel	632.61	222.92	195.67	855.53	739.28	916.07
- Freight , Handling & Other expenses	377.98	130.70	115.20	508.68	510.56	532.16
- Other Expenditure	504.40	195.30	187.47	699.70	655.49	788.45
Total Expenditure	2,634.38	966.08	907.06	3,600.46	3,564.48	3,858.74
Interest	127.81	40.60	43.51	168.41	190.25	209.14
Gross profit	712.88	260.38	219.29	973.26	746.53	956.89
Depreciation / Amortisation	188.39	65.75	63.72	254.14	251.70	284.07
Profit before Exceptional Items and Tax	524.49	194.63	155.57	719.12	494.83	672.82
Tax Provision of earlier years written back	-	40.00	-	40.00	68.11	39.76
Loss on Sale of Shares in MRPL / Subsidiary	-	(208.62)	-	(208.62)	(18.11)	(208.62)
Retrenchment Compensation	-	-	(0.03)	-	(55.33)	-
Write-down of Fixed Assets on Retirement from active use	-	-	-	-	(19.01)	-
Loss on sale of a Textile Unit	-	-	(15.00)	-	(15.00)	-
Loss on sale of Assets of a Textile Unit	-	-	(16.93)	-	(16.93)	-
Employees separation cost	(4.40)	(1.52)	(7.08)	(5.92)	(27.60)	(18.61)
Profit before Tax Expense	520.09	24.49	116.53	544.58	410.96	485.35
Provision for Current Tax	(136.00)	(56.00)	(19.50)	(192.00)	(56.50)	(192.21)
Deferred Tax	(17.00)	32.00	(17.80)	15.00	(51.50)	29.25
Net Profit	367.09	0.49	79.23	367.58	302.96	322.39
Paid up Equity Share Capital (Face Value Rs. 10 per share)	91.69	91.69	91.69	91.69	91.69	91.69
Reserves excluding Revaluation Reserve				2,879.35	2,615.19	2,639.82
Basic & Diluted EPS for the period (Rupees)	40.04	0.05	8.64	40.09	33.04	35.16
Aggregate of Non-Promoter Shareholding						
- Number of Shares				72954440	72951240	
- Percentage of Shareholding				79.58%	79.58%	

Notes:

- The Company has sold 15,03,79,023 shares of Manglore Refinery and Petrochemicals Ltd. (MRPL), being its entire holding in MRPL. The Company has incurred a 'loss on sale of Investments' of Rs.208.62 Cores, which has been accounted for and shown as exceptional item.
- During the previous quarter, the Company and its wholly owned subsidiary, Samruddhi Swastik Trading and Investments Limited (Samruddhi), made an open offer to acquire upto 20% of total subscribed and fully paid-up equity capital of Larsen & Toubro Ltd. However, Securities and Exchange Board of India (SEBI) had vide its letter dated November 8, 2002, directed the Company and its subsidiary to not to proceed with the open offer formalities, which restriction has since been withdrawn by the SEBI on 22nd April, 2003. The Company and its Subsidiary are accordingly proceeding with its open offer.
- Consolidation has been made by applying Accounting Standard 21 - "Consolidation of Accounts" and Accounting Standard 27 - "Financial Reporting of Interest in Joint Ventures" issued by the Institute of Chartered Accountants of India.
In previous year Joint Ventures were accounted for as investments under Accounting Standard 13 - "Accounting for Investments" and the same have been accounted for as Joint Venture under Accounting Standard 27 in this year in Consolidated Financial Results. Accordingly, the figures for the previous year are not given.
- The Board of Directors have recommended a dividend of Rs.10 per share aggregating to Rs.103.41 Crores (including Dividend Tax).

5. Segments Reporting:

Rs. in Crores						
	Nine Months Ended 31st December 2002	Three Months Ended 31st March 2003	Three Months Ended 31st March 2002	Year ended 31st March 2003 (Audited)	Year ended 31st March 2002 (Audited)	Consolidated Financial Results for the year ended 31st March 2003 (Audited)
1. SEGMENT REVENUE						
a Fibre & Pulp	1,246.37	397.29	361.59	1,643.66	1,328.83	1,687.88
b Cement	1,599.89	587.41	538.80	2,187.30	2,074.85	2,350.79
c Sponge Iron	288.22	117.75	89.19	405.97	331.66	405.97
d Chemicals	186.75	69.96	57.13	256.71	219.93	256.71
e Textiles	166.76	64.30	58.13	231.06	276.12	231.06
f Others	4.70	1.03	39.94	5.73	270.68	75.44
TOTAL	3,492.69	1,237.74	1,144.78	4,730.43	4,502.07	5,007.85
(Less) : Inter Segment Revenue	(77.74)	(26.40)	(33.68)	(104.14)	(115.43)	(104.23)
Net Sales / Income from Operations	3,414.95	1,211.34	1,111.10	4,626.29	4,386.64	4,903.62
2. SEGMENT RESULTS						
a Fibre & Pulp	418.82	124.99	95.90	543.81	305.89	540.55
b Cement	163.77	58.25	94.81	222.02	338.67	227.46
c Sponge Iron	36.72	29.84	-0.38	66.56	11.86	66.56
d Chemicals	32.46	5.92	-14.09	38.38	11.42	38.38
e Textiles	(14.71)	(7.41)	(16.47)	(22.12)	(37.71)	(22.12)
f Others	(4.05)	(0.03)	3.22	(4.08)	0.22	(4.53)
TOTAL	633.01	211.56	162.99	844.57	630.35	846.30
Add / (Less) :						
Interest	(127.81)	(40.60)	(43.51)	(168.41)	(190.25)	(209.14)
Net Unallocable Income / (Expenditure)	19.29	23.67	36.09	42.96	54.73	35.66
Profit before Exceptional Items and Tax Expense	524.49	194.63	155.57	719.12	494.83	672.82
Tax Provision of earlier years written back	-	40.00	-	40.00	68.11	39.76
Loss on Sale of Shares in MRPL / Subsidiary	-	(208.62)	-	(208.62)	(18.11)	(208.62)
Retrenchment Compensation	-	-	(0.03)	-	(55.33)	-
Write-down of Fixed Assets on Retirement from active use	-	-	-	-	(19.01)	-
Loss on sale of a Textile Unit	-	-	(15.00)	-	(15.00)	-
Loss on sale of Assets of a Textile Unit	-	-	(16.93)	-	(16.93)	-
Employees separation cost	(4.40)	(1.52)	(7.08)	(5.92)	(27.60)	(18.61)
Profit Before Tax Expenses	520.09	24.49	116.53	544.58	410.96	485.35
3. CAPITAL EMPLOYED						
a Fibre & Pulp	803.46	850.57	879.24	850.57	879.24	873.15
b Cement	2,043.06	2,087.69	2,055.10	2,087.69	2,055.10	2,126.58
c Sponge Iron	456.93	497.76	570.38	497.76	570.38	497.76
d Chemicals	206.51	210.75	227.51	210.75	227.51	210.75
e Textiles	111.50	109.34	133.13	109.34	133.13	109.34
f Others	4.92	3.44	35.15	3.44	35.15	225.98
TOTAL	3,626.38	3,759.55	3,900.51	3,759.55	3,900.51	4,043.56
g Unallocated Corporate Capital Employed	1,995.32	1,919.33	1,518.93	1,919.33	1,518.93	1,708.85
TOTAL CAPITAL EMPLOYED	5,621.70	5,678.88	5,419.44	5,678.88	5,419.44	5,752.41

6. 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
Others	- Mainly Telecom (in Consolidated Accounts)

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

	Rs. in Crores					Consolidated
	<u>9M-FY2003</u>	<u>Q4-FY2003</u>	<u>Q4-FY2002</u>	<u>FY - 2003</u>	<u>FY2002</u>	<u>FY-2003</u>
Fibre & Pulp	2.16	1.42	5.47	3.58	9.10	3.58
Chemical	0.42	0.74	1.61	1.16	1.63	1.16
Cement	0.65	0.08	-	0.73	13.49	13.42
Textiles	1.17	(0.72)	-	0.45	3.38	0.45

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

9. The above results have been taken on record at the meeting of the Board of Directors held on 29th April, 2003.

For and on behalf of Board of Directors

Place : Mumbai
Date : 29th April, 2003

Shailendra K. Jain
Whole-time Director

GRASIM INDUSTRIES LIMITED

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

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