



**AUDITED FINANCIAL RESULTS  
FOR THE YEAR ENDED ON 31st MARCH 2004**

	Nine Months Ended 31st December 2003	Three Months Ended 31st March 2004	Three Months Ended 31st March 2003	Full Year Ended 31st March 2004 ( Audited )	Full Year Ended 31st March 2003 ( Audited )	Rs in Crores	
						Consolidated Financial Results for the year ended 31st March 2004 ( Audited )	Consolidated Financial Results for the year ended 31st March 2003 ( Audited )
<b>Net Sales / Income from Operations</b>	<b>3,680.06</b>	<b>1,553.21</b>	<b>1,219.19</b>	<b>5,233.27</b>	<b>4,623.34</b>	<b>5,510.39</b>	<b>4,907.59</b>
Other Income	108.28	72.06	55.72	180.34	115.84	197.58	121.37
Total Expenditure							
- Decrease / ( Increase ) in Stock	25.76	(1.45)	(11.19)	24.31	13.75	24.63	17.06
- Raw Material Consumed	963.31	409.18	338.06	1,372.49	1,175.91	1,414.07	1,227.46
- Purchases of Finished Goods	37.89	12.58	6.68	50.47	17.62	50.47	17.54
- Payment to & Provision for Employees	257.90	101.00	92.98	358.90	332.24	386.68	376.19
- Power & Fuel	650.85	238.16	222.92	889.01	855.53	952.09	916.19
- Freight , Handling & Other expenses	377.06	149.05	130.70	526.11	508.68	546.86	532.17
- Other Expenditure	513.58	203.43	195.30	717.01	699.70	819.55	790.93
<b>Total Expenditure</b>	<b>2,826.35</b>	<b>1,111.95</b>	<b>975.45</b>	<b>3,938.30</b>	<b>3,603.43</b>	<b>4,194.35</b>	<b>3,877.54</b>
Interest	118.82	35.06	40.60	153.88	168.41	195.58	213.13
<b>Gross Profit</b>	<b>843.17</b>	<b>478.26</b>	<b>258.86</b>	<b>1,321.43</b>	<b>967.34</b>	<b>1,318.04</b>	<b>938.29</b>
Depreciation	204.87	68.19	65.75	273.06	254.14	308.08	287.28
<b>Profit before Exceptional Items and Tax</b>	<b>638.30</b>	<b>410.07</b>	<b>193.11</b>	<b>1,048.37</b>	<b>713.20</b>	<b>1,009.96</b>	<b>651.01</b>
Tax Provision of earlier years written back	-	-	40.00	-	40.00	1.44	39.76
Profit/ (Loss) on Sale of Trade Investments	28.89	-	(208.62)	28.89	(208.62)	28.89	(208.62)
<b>Profit before Tax Expense</b>	<b>667.19</b>	<b>410.07</b>	<b>24.49</b>	<b>1,077.26</b>	<b>544.58</b>	<b>1,040.29</b>	<b>482.15</b>
Provision for Current Tax	(162.00)	(129.00)	(56.00)	(291.00)	(192.00)	(291.20)	(192.22)
(Deferred Tax) / Deferred Tax write-back	(8.00)	1.00	32.00	(7.00)	15.00	(10.83)	29.25
<b>Net Profit</b>	<b>497.19</b>	<b>282.07</b>	<b>0.49</b>	<b>779.26</b>	<b>367.58</b>	<b>738.26</b>	<b>319.18</b>
Less : Minority Interest						(1.01)	-
<b>Net Profit ( After Minority Interest )</b>						<b>737.25</b>	<b>319.18</b>
Paid up Equity Share Capital ( Face Value Rs. 10 per share )	91.69	91.69	91.69	91.69	91.69	91.69	91.69
Reserves excluding Revaluation Reserve				3,513.83	2,879.35	3,222.92	2,633.36
<b>Basic &amp; Diluted EPS for the period ( Rupees )</b>	<b>54.23</b>	<b>30.76</b>	<b>0.05</b>	<b>84.99</b>	<b>40.09</b>	<b>80.41</b>	<b>34.81</b>
<b>Aggregate of Non-Promoter Shareholding</b>				<b>71560826</b>	<b>72954440</b>		
- Number of Shares				<b>78.06%</b>	<b>79.58%</b>		
- Percentage of Shareholding							

**Notes:**

- As a part of the proposal for the demerger of Cement Business of Larsen & Toubro Ltd. (L&T) to UltraTech CemCo Limited ( Cemco ), the Company has entered into an agreement to acquire 8.5% equity stake in Cemco from L&T and proposes to make an Open Offer for purchase of an additional 30% of the equity of Cemco. Post demerger, the Company also proposes to sell its entire holding in L&T (Demerged Company) to L&T Employees Welfare Foundation.

The Hon'ble High Court, Mumbai has approved the Scheme of Arrangement u/s 391 and 394 of the Companies Act,1956 on 22nd April 2004. The Company has today deposited an aggregate sum of Rs.1279 Crs [A sum of Rs.128 Crs in December 2003 and the balance sum of Rs.1151 Crs in April 2004] equivalent to the Gross Consideration for the proposed Open Offer in Escrow Accounts with Scheduled Commercial Banks. The completion of the demerger process and the acquisition/sale of shares as aforesaid are subject to compliance with certain statutory / regulatory provisions, and the process in that respect has already been initiated.

- The Pulp & Fibre plants at Harihar were closed for 40 & 31 days respectively during this quarter due to intermittent shortage arising out of poor monsoon in FY-04. However, the event did not have any significant impact on the last quarter's profitability as the Company's other VSF manufacturing facilities were operated at its maximum capacities to meet the total demand.
- Consolidated Financials have been prepared by applying Accounting Standard 21 - "Consolidated Financial Statements" and Accounting Standard 27 - "Financial Reporting of Interest in Joint Ventures" issued by the Institute of Chartered Accountants of India.
- The Board of Directors has recommended a dividend of Rs.14 per share aggregating to Rs.144.78 Crores (including Dividend Tax).

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## 5. Segments Reporting:

	Rs. in Crores						Consolidated Financial Results for the year ended 31st March 2004 ( Audited )	Consolidated Financial Results for the year ended 31st March 2003 ( Audited )
	Nine Months Ended 31st 'December 2003	Three Months Ended 31st 'March 2004	Three Months Ended 31st 'March 2003	Full Year ended 31st March 2004 ( Audited )	Full Year ended 31st March 2003 ( Audited )			
<b>1. SEGMENT REVENUE</b>								
a Fibre & Pulp	1,267.68	497.82	403.56	1,765.50	1,640.83	1,808.20	1,685.05	
b Cement	1,704.52	715.39	588.40	2,419.91	2,188.52	2,548.93	2,352.01	
c Sponge Iron	406.16	232.76	118.30	638.92	406.13	638.92	406.13	
d Chemicals	215.55	79.82	70.08	295.37	256.98	295.37	256.98	
e Textiles	177.18	64.77	64.22	241.95	229.29	241.95	229.29	
f Others	0.04	-0.01	1.03	0.03	5.73	105.92	82.36	
	3,771.13	1,590.55	1,245.59	5,361.68	4,727.48	5,639.29	5,011.82	
(Less) : Inter Segment Revenue	(91.07)	(37.34)	(26.40)	(128.41)	(104.14)	(128.90)	(104.23)	
<b>Net Sales / Income from Operations</b>	<b>3,680.06</b>	<b>1,553.21</b>	<b>1,219.19</b>	<b>5,233.27</b>	<b>4,623.34</b>	<b>5,510.39</b>	<b>4,907.59</b>	
<b>2. SEGMENT RESULTS</b>								
a Fibre & Pulp	368.02	152.34	123.57	520.36	540.23	518.29	536.97	
b Cement	162.51	133.15	58.17	295.66	221.29	297.90	214.04	
c Sponge Iron	118.69	100.52	29.84	219.21	66.56	219.21	66.56	
d Chemicals	42.37	16.00	5.18	58.37	37.22	58.37	37.22	
e Textiles	(2.54)	2.31	(6.69)	(0.23)	(22.57)	(0.23)	(22.57)	
f Others	(0.18)	(0.58)	(0.03)	(0.76)	(4.08)	2.36	(3.74)	
	688.87	403.74	210.04	1,092.61	838.65	1,095.90	828.48	
Add / (Less) :								
<b>Interest</b>	<b>(118.82)</b>	<b>(35.06)</b>	<b>(40.60)</b>	<b>(153.88)</b>	<b>(168.41)</b>	<b>(195.58)</b>	<b>(213.13)</b>	
<b>Net Unallocable Income / (Expenditure )</b>	<b>68.25</b>	<b>41.39</b>	<b>23.67</b>	<b>109.64</b>	<b>42.96</b>	<b>109.64</b>	<b>35.66</b>	
<b>Profit before Exceptional Items and Tax Expense</b>	<b>638.30</b>	<b>410.07</b>	<b>193.11</b>	<b>1,048.37</b>	<b>713.20</b>	<b>1,009.96</b>	<b>651.01</b>	
Tax Provision of earlier years written back	-	-	40.00	-	40.00	1.44	39.76	
Profit/ (Loss) on Sale of Trade Investments	28.89	-	(208.62)	28.89	(208.62)	28.89	(208.62)	
<b>Profit Before Tax Expenses</b>	<b>667.19</b>	<b>410.07</b>	<b>24.49</b>	<b>1,077.26</b>	<b>544.58</b>	<b>1,040.29</b>	<b>482.15</b>	
<b>3. CAPITAL EMPLOYED</b>								
a Fibre & Pulp	811.50	825.05	850.57	825.05	850.57	847.48	873.15	
b Cement	1,987.32	2,032.51	2,087.69	2,032.51	2,087.69	2,046.97	2,126.58	
c Sponge Iron	468.41	488.50	497.76	488.50	497.76	488.50	497.76	
d Chemicals	197.05	206.54	210.75	206.54	210.75	206.54	210.75	
e Textiles	111.05	109.01	109.34	109.01	109.34	109.01	109.34	
f Others	2.61	2.09	3.44	2.09	3.44	222.13	214.58	
	3,577.94	3,663.70	3,759.55	3,663.70	3,759.55	3,920.63	4,032.16	
g Unallocated Corporate Capital Employed	2,738.19	2,644.86	1,919.33	2,644.86	1,919.33	2,463.31	1,737.99	
<b>TOTAL CAPITAL EMPLOYED</b>	<b>6,316.13</b>	<b>6,308.56</b>	<b>5,678.88</b>	<b>6,308.56</b>	<b>5,678.88</b>	<b>6,383.94</b>	<b>5,770.15</b>	

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  
Cement - Grey & White Cement  
Sponge Iron - Sponge Iron  
Chemicals - Caustic Soda & Allied Chemicals  
Textiles - Fabrics & Yarn  
Others - Mainly Telecom (in Consolidated Accounts)

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

8 During the quarter, total thirteen investor complaints were received , which were promptly attended by the Company. No complaints were pending either at the beginning or at the end of the quarter.

9 The above results have been taken on record at the meeting of the Board of Directors held on 28th April,2004.

For and on behalf of Board of Directors

Place : Mumbai  
Date : 28th April , 2004

**Shailendra K. Jain**  
Whole-time Director

**GRASIM INDUSTRIES LIMITED**

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

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