



**UNAUDITED FINANCIAL RESULTS  
FOR THE QUARTER ENDED 31st DECEMBER 2008**

**I. CONSOLIDATED RESULTS :**

Rs in Crores

	Three Months ended 31st December 2008	Three Months ended 31st December 2007	Nine Months ended 31st December 2008	Nine Months ended 31st December 2007	Year ended 31st March 2008 (Audited)
<b>Net Sales / Income from Operations</b>	<b>4,587.86</b>	<b>4,317.18</b>	<b>13,443.36</b>	<b>12,272.79</b>	<b>16,973.74</b>
Other Operating Income	43.77	33.31	134.96	103.66	167.56
<b>Total Operating Income</b>	<b>4,631.63</b>	<b>4,350.49</b>	<b>13,578.32</b>	<b>12,376.45</b>	<b>17,141.30</b>
Expenditure :					
- Decrease / ( Increase ) in Stock	(86.07)	(97.70)	(245.90)	(132.52)	(174.28)
- Raw Material Consumed	981.18	947.75	3,062.90	2,637.37	3,703.27
- Purchases of Finished Goods	33.03	22.92	90.24	56.01	74.30
- Payment to & Provision for Employees	266.23	212.63	722.39	596.21	845.36
- Power & Fuel	1,094.05	746.85	2,832.95	2,046.21	2,907.37
- Freight , Handling & Other Expenses	597.63	506.53	1,707.11	1,492.76	2,088.94
- Depreciation	230.17	166.20	640.62	487.95	670.31
- Other Expenditure	742.99	617.29	2,162.33	1,800.68	2,569.62
<b>Total Expenditure</b>	<b>3,859.21</b>	<b>3,122.47</b>	<b>10,972.64</b>	<b>8,984.67</b>	<b>12,684.89</b>
<b>Profit from Operations before Other Income, Interest &amp; Exceptional Items</b>	<b>772.42</b>	<b>1,228.02</b>	<b>2,605.68</b>	<b>3,391.78</b>	<b>4,456.41</b>
Other Income	71.06	76.15	207.44	227.79	295.32
<b>Profit Before Interest &amp; Exceptional Items</b>	<b>843.48</b>	<b>1,304.17</b>	<b>2,813.12</b>	<b>3,619.57</b>	<b>4,751.73</b>
Interest	94.92	50.99	237.58	161.83	222.09
<b>Profit after Interest but before Exceptional Items</b>	<b>748.56</b>	<b>1,253.18</b>	<b>2,575.54</b>	<b>3,457.74</b>	<b>4,529.64</b>
Writeback of provision for diminution in value of investments					45.68
<b>Profit from Ordinary Activities before Tax</b>	<b>748.56</b>	<b>1,253.18</b>	<b>2,575.54</b>	<b>3,457.74</b>	<b>4,575.32</b>
Provision for Current Tax	(99.30)	(356.95)	(393.35)	(995.50)	(1,472.76)
Provision for Deferred Tax	(83.96)	(42.46)	(262.53)	(104.14)	6.97
<b>Net Profit from Ordinary Activities after Tax</b>	<b>565.30</b>	<b>853.77</b>	<b>1,919.66</b>	<b>2,358.10</b>	<b>3,109.53</b>
<b>Extra Ordinary Items :</b>					
Profit on Sale of Shares of Subsidiary company					236.68
<b>Net Profit for the period</b>	<b>565.30</b>	<b>853.77</b>	<b>1,919.66</b>	<b>2,358.10</b>	<b>3,346.21</b>
Less : Minority Share	106.04	131.02	302.69	345.16	456.53
Add : Share in Profit / (Loss) of Associates	0.29	(1.76)	0.90	(2.27)	1.76
<b>Net Profit ( After Minority Share )</b>	<b>459.55</b>	<b>720.99</b>	<b>1,617.87</b>	<b>2,010.67</b>	<b>2,891.44</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					9,013.03
<b>Basic EPS for the period before Extra Ordinary Items ( Rupees )</b>	<b>50.12</b>	<b>78.63</b>	<b>176.45</b>	<b>219.29</b>	<b>289.54</b>
<b>Diluted EPS for the period before Extra Ordinary Items( Rupees )</b>	<b>50.12</b>	<b>78.62</b>	<b>176.45</b>	<b>219.28</b>	<b>289.44</b>
<b>Basic EPS for the period after Extra Ordinary Items( Rupees )</b>	<b>50.12</b>	<b>78.63</b>	<b>176.45</b>	<b>219.29</b>	<b>315.35</b>
<b>Diluted EPS for the period after Extra Ordinary Items ( Rupees )</b>	<b>50.12</b>	<b>78.62</b>	<b>176.45</b>	<b>219.28</b>	<b>315.25</b>

**II. STANDALONE RESULTS :**

Rs. in Crores

	Three Months ended 31st December 2008	Three Months ended 31st December 2007	Nine Months ended 31st December 2008	Nine Months ended 31st December 2007	Year ended 31st March 2008 (Audited)
<b>Net Sales / Income from Operations</b>	<b>2,653.57</b>	<b>2,593.10</b>	<b>7,917.02</b>	<b>7,488.25</b>	<b>10,215.05</b>
Other Operating Income	36.48	22.28	91.82	73.11	110.10
<b>Total Operating Income</b>	<b>2,690.05</b>	<b>2,615.38</b>	<b>8,008.84</b>	<b>7,561.36</b>	<b>10,325.15</b>
Expenditure :					
- Decrease / ( Increase ) in Stock	0.86	(44.28)	(108.96)	(57.58)	(130.22)
- Raw Material Consumed	743.22	704.60	2,335.42	2,002.08	2,828.25
- Purchases of Finished Goods	16.25	21.62	45.64	79.43	97.40
- Payment to & Provision for Employees	166.37	131.22	454.55	390.30	550.07
- Power & Fuel	540.66	368.86	1,447.13	1,041.48	1,476.51
- Freight , Handling & Other Expenses	316.13	254.61	896.92	756.17	1,047.88
- Depreciation	119.77	86.50	331.63	259.03	353.27
- Other Expenditure	370.54	315.58	1,029.75	876.49	1,298.51
<b>Total Expenditure</b>	<b>2,273.80</b>	<b>1,838.71</b>	<b>6,432.08</b>	<b>5,347.40</b>	<b>7,521.67</b>
<b>Profit from Operations before Other Income, Interest &amp; Exceptional Items</b>	<b>416.25</b>	<b>776.67</b>	<b>1,576.76</b>	<b>2,213.96</b>	<b>2,803.48</b>
Other Income	44.07	57.32	184.76	170.44	267.74
<b>Profit Before Interest &amp; Exceptional Items</b>	<b>460.32</b>	<b>833.99</b>	<b>1,761.52</b>	<b>2,384.40</b>	<b>3,071.22</b>
Interest	44.39	23.41	103.67	79.84	107.00
<b>Profit after Interest but before Exceptional Items</b>	<b>415.93</b>	<b>810.58</b>	<b>1,657.85</b>	<b>2,304.56</b>	<b>2,964.22</b>
Write back of provision for diminution in value of Investment					45.68
<b>Profit from Ordinary Activities before Tax</b>	<b>415.93</b>	<b>810.58</b>	<b>1,657.85</b>	<b>2,304.56</b>	<b>3,009.90</b>
Provision for Current Tax	(41.01)	(235.55)	(245.94)	(664.98)	(952.71)
Provision for Deferred Tax	(45.36)	(26.00)	(148.66)	(79.11)	(9.62)
<b>Net Profit from Ordinary Activities after Tax</b>	<b>329.56</b>	<b>549.03</b>	<b>1,263.25</b>	<b>1,560.47</b>	<b>2,047.57</b>
<b>Extra Ordinary Items:</b>					
Profit on transfer of Textile units at Bhiwani		4.76		4.76	4.76
Profit on Sale of Shares of a Subsidiary Company					180.20
<b>Net Profit for the period</b>	<b>329.56</b>	<b>553.79</b>	<b>1,263.25</b>	<b>1,565.23</b>	<b>2,232.60</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					8,040.52
<b>Basic EPS for the period before Extra Ordinary Items ( Rupees )</b>	<b>35.94</b>	<b>59.88</b>	<b>137.77</b>	<b>170.19</b>	<b>223.31</b>
<b>Diluted EPS for the period before Extra Ordinary Items ( Rupees )</b>	<b>35.94</b>	<b>59.87</b>	<b>137.77</b>	<b>170.18</b>	<b>223.24</b>
<b>Basic EPS for the period after Extra Ordinary Items ( Rupees )</b>	<b>35.94</b>	<b>60.40</b>	<b>137.77</b>	<b>170.71</b>	<b>243.49</b>
<b>Diluted EPS for the period after Extra Ordinary Items ( Rupees )</b>	<b>35.94</b>	<b>60.39</b>	<b>137.77</b>	<b>170.70</b>	<b>243.42</b>
<b>Total Public Shareholding*</b>					
- Number of Shares (000's)			58,187	58,177	57,966
- Percentage of Shareholding			63.47%	63.46%	63.23%

\*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
						Year
						ended 31st
						March 2008
						(Audited)
						(Audited)
	Three Months ended 31st December 2008	Three Months ended 31st December 2007	Nine Months ended 31st December 2008	Nine Months ended 31st December 2007		
<b>1. SEGMENT REVENUE</b>						
a Fibre & Pulp	653.79	900.81	2,271.48	2,618.97	3,456.41	
b Cement	3,374.07	2,971.31	9,535.39	8,398.02	11,792.28	
c Sponge Iron	297.81	244.33	850.31	674.94	950.70	
d Chemicals	127.70	110.44	399.64	316.42	417.62	
e Textiles	78.17	71.60	246.92	217.78	294.88	
f Others	150.76	110.97	430.60	308.64	437.76	
<b>TOTAL</b>	<b>4,682.30</b>	<b>4,409.46</b>	<b>13,734.34</b>	<b>12,534.77</b>	<b>17,349.65</b>	
(Less) : Inter Segment Revenue	(50.67)	(58.97)	(156.02)	(158.32)	(208.35)	
<b>Total Operating Income</b>	<b>4,631.63</b>	<b>4,350.49</b>	<b>13,578.32</b>	<b>12,376.45</b>	<b>17,141.30</b>	
<b>2. SEGMENT RESULTS</b>						
a Fibre & Pulp	24.86	313.92	318.16	838.98	1,011.53	
b Cement	700.33	856.58	2,086.63	2,418.83	3,304.05	
c Sponge Iron	38.04	40.18	127.13	87.95	125.55	
d Chemicals	26.50	38.98	105.88	95.60	114.01	
e Textiles	1.33	0.01	4.14	(2.17)	(2.88)	
f Others	25.87	24.47	82.89	73.54	103.79	
<b>TOTAL</b>	<b>816.93</b>	<b>1,274.14</b>	<b>2,724.83</b>	<b>3,512.73</b>	<b>4,656.05</b>	
Add / (Less) :						
Interest	(94.92)	(50.99)	(237.58)	(161.83)	(222.09)	
Net Unallocable Income / (Expenditure)	26.55	30.03	88.29	106.84	95.68	
Write back of provision for diminution in value of Investment					45.68	
<b>Profit before Extra Ordinary Items and Tax Expenses</b>	<b>748.56</b>	<b>1,253.18</b>	<b>2,575.54</b>	<b>3,457.74</b>	<b>4,575.32</b>	
<b>3. CAPITAL EMPLOYED</b>						
a Fibre & Pulp			2,464.91	1,789.55	2,108.11	
b Cement			14,944.37	11,383.12	12,462.75	
c Sponge Iron			593.07	432.45	458.84	
d Chemicals			342.77	304.84	332.14	
e Textiles			176.29	164.56	172.81	
f Others			1,367.73	572.45	674.06	
<b>TOTAL</b>			<b>19,889.14</b>	<b>14,646.97</b>	<b>16,208.71</b>	
g Unallocated Corporate Capital Employed			1,061.10	1,098.87	945.71	
<b>TOTAL CAPITAL EMPLOYED</b>			<b>20,950.24</b>	<b>15,745.84</b>	<b>17,154.42</b>	

**IV. SEGMENT REPORTING - STANDALONE**

						Rs. in Crores
						Year
						ended 31st
						March 2008
						(Audited)
						(Audited)
	Three Months ended 31st December 2008	Three Months ended 31st December 2007	Nine Months ended 31st December 2008	Nine Months ended 31st December 2007		
<b>1. SEGMENT REVENUE</b>						
a Fibre & Pulp	563.91	794.71	1,899.43	2,292.26	3,010.66	
b Cement	1,724.93	1,497.74	4,943.60	4,261.68	5,956.21	
c Sponge Iron	297.81	244.33	850.31	674.94	950.70	
d Chemicals	127.70	110.44	399.64	316.42	417.62	
e Textiles	14.03	12.92	45.95	159.10	173.25	
<b>TOTAL</b>	<b>2,728.38</b>	<b>2,660.14</b>	<b>8,138.93</b>	<b>7,704.40</b>	<b>10,508.44</b>	
(Less) : Inter Segment Revenue	(38.33)	(44.76)	(130.09)	(143.04)	(183.29)	
<b>Total Operating Income</b>	<b>2,690.05</b>	<b>2,615.38</b>	<b>8,008.84</b>	<b>7,561.36</b>	<b>10,325.15</b>	
<b>2. SEGMENT RESULTS</b>						
a Fibre & Pulp	37.36	312.52	328.71	843.40	1,012.02	
b Cement	331.27	410.96	1,073.07	1,250.40	1,677.64	
c Sponge Iron	38.04	40.18	127.13	87.95	125.55	
d Chemicals	26.50	38.98	105.88	95.60	114.01	
e Textiles	(0.37)	0.44	0.48	(1.74)	(0.72)	
<b>TOTAL</b>	<b>432.80</b>	<b>803.08</b>	<b>1,635.27</b>	<b>2,275.61</b>	<b>2,928.50</b>	
Add / (Less) :						
Interest	(44.39)	(23.41)	(103.67)	(79.84)	(107.00)	
Net Unallocable Income / (Expenditure)	27.52	30.91	126.25	108.79	142.72	
Write back of provision for diminution in value of Investment					45.68	
<b>Profit before Extra Ordinary Items and Tax Expenses</b>	<b>415.93</b>	<b>810.58</b>	<b>1,657.85</b>	<b>2,304.56</b>	<b>3,009.90</b>	
<b>3. CAPITAL EMPLOYED</b>						
a Fibre & Pulp			1,884.72	1,488.95	1,681.93	
b Cement			6,573.45	4,694.90	5,459.27	
c Sponge Iron			593.02	432.45	458.84	
d Chemicals			342.77	304.84	332.14	
e Textiles			19.04	23.93	23.16	
<b>TOTAL</b>			<b>9,413.00</b>	<b>6,945.07</b>	<b>7,955.34</b>	
g Unallocated Corporate Capital Employed			4,138.60	4,189.10	3,994.11	
<b>TOTAL CAPITAL EMPLOYED</b>			<b>13,551.60</b>	<b>11,134.17</b>	<b>11,949.45</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 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 ( Refer note 7(a) and (b) below)
Others	- Mainly Telecom (in consolidated results)
- 3 No investor complaint was pending at the beginning of the quarter. During the quarter, four complaints were received, which have been attended by the company and no complaints were pending at the end of the quarter.
- 4 The matter of implementation of the Scheme of Arrangement u/s 391 to 394 of the Companies Act, 1956 to transfer Company's sponge iron business to its subsidiary Vikram Sponge Iron Ltd. is progressing. The equity shareholders, secured creditors (including debenture holders) and the unsecured creditors of the company have approved the Scheme unanimously at their respective court convened meetings held on 13th October, 2008. Company Petitions have been filed by both the Companies in the Hon'ble High Court of Madhya Pradesh, Indore Bench for seeking its approval for the Scheme.
- 5 During the Quarter, the Company has started commercial production of clinker from expansion line at Aditya Cement, Shambhupura, of cement from grinding unit at Dadri and power from Thermal Power Plants at Grasim Cement, Raipur and Vikram Cement, Khor.
- 6 The company has revised estimated useful life of some of the assets, on account of which depreciation is higher by Rs 5.06 Crs for three months ended 31st December, 2008 and by Rs. 17.72 Crs for nine months ended 31st December, 2008.
- 7 (a) The standalone financial results of the company for three/ nine months ended 31st December, 2008 do not include the financial results of the erstwhile textile units at Bhiwani, as the same have been transferred to Grasim Bhiwani Textiles Ltd. (GBTL), a 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 nine months ended 31st December, 2008.
- (b) The financial results of GBTL for three/ nine months ended 31st December 2008 are included in the consolidated financial results of the Company for the said period of three months/ nine months.
- 8 The consolidated financial results of the company for three/ nine months ended 31st December, 2008 do not include the financial results of Shree Digvijay Cement Company Ltd. (SDCCL), as it ceased to be a subsidiary of the company w.e.f. 25th March, 2008. The net profit (after minority share) of SDCCL included in the company's consolidated net profit for the three and nine months ended 31st December, 2007 were Rs. 5.25 Crs and Rs.14.15 Crs respectively.
- 9 Previous period's figures have been regrouped / rearranged wherever necessary to conform to the current period's classification.
- 10 The above Unaudited results for the quarter ended 31st December, 2008 have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at the meeting held on 31st January, 2009. 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 : 31st January, 2009

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

**GRASIM INDUSTRIES LIMITED**

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