



**AUDITED FINANCIAL RESULTS
FOR THE YEAR ENDED 31st MARCH 2008**

I. CONSOLIDATED RESULTS :

Rs in Crores

	Three Months Ended 31st March 2008	Three Months Ended 31st March 2007	Year Ended 31st March 2008 (Audited)	Year Ended 31st March 2007 (Audited)
Net Sales / Income from Operations	4,714.66	4,089.57	17,036.96	14,141.57
Other Income	117.36	78.12	399.23	245.61
Total Income	4,832.02	4,167.69	17,436.19	14,387.18
Expenditure :				
- Decrease / (Increase) in Stock	(41.76)	29.78	(174.28)	33.25
- Raw Material Consumed	1,066.07	845.34	3,703.95	2,825.64
- Purchases of Finished Goods	18.29	26.81	74.30	74.83
- Payment to & Provision for Employees	250.34	172.50	849.32	672.17
- Power & Fuel	858.32	703.86	2,907.37	2,472.39
- Freight , Handling & Other Expenses	593.17	546.29	2,089.74	1,880.26
- Depreciation	182.36	165.21	670.31	609.97
- Other Expenditure	773.07	603.46	2,563.75	2,138.65
Total Expenditure	3,699.86	3,093.25	12,684.46	10,707.16
Interest	60.26	65.75	222.09	228.58
Profit before Exceptional Items and Tax Expenses	1,071.90	1,008.69	4,529.64	3,451.44
Write back of provision for diminution in value of Investment/Loans	45.68		45.68	
Profit before Tax Expenses from Ordinary Activities	1,117.58	1,008.69	4,575.32	3,451.44
Provision for Current Tax	(477.26)	(336.99)	(1,472.76)	(1,097.14)
Provision for Deferred Tax	111.11	1.70	6.97	4.99
Net Profit after Tax from Ordinary Activities	751.43	673.40	3,109.53	2,359.29
Extra Ordinary Items:				
Profit on Sale of Shares of a Subsidiary Company (Note 4a)	236.68		236.68	
Net Profit after Tax & after Extra Ordinary Activities	988.11	673.40	3,346.21	2,359.29
Less : Minority Share	111.37	114.58	456.53	391.50
Add : Share in Profit / (Loss) of Associates	4.03	(0.40)	1.76	(0.40)
Net Profit (After Minority Share)	880.77	558.42	2,891.44	1,967.39
Paid up Equity Share Capital (Face Value Rs. 10 per share)	91.69	91.69	91.69	91.69
Reserves excluding Revaluation Reserve			9,013.03	6,460.42
Basic EPS for the period before Extra Ordinary Items (Rupees)	70.25	60.90	289.54	214.57
Diluted EPS for the period before Extra Ordinary Items (Rupees)	70.21	60.90	289.44	214.57
Basic EPS for the period after Extra Ordinary Items (Rupees)	96.06	60.90	315.35	214.57
Diluted EPS for the period after Extra Ordinary Items (Rupees)	96.01	60.90	315.25	214.57

II. STANDALONE RESULTS :

Rs. in Crores

	Three Months ended 31st March 2008	Three Months ended 31st March 2007	Year ended 31st March 2008 (Audited)	Year ended 31st March 2007 (Audited)
Net Sales / Income from Operations	2,742.35	2,474.60	10,278.09	8,643.81
Other Income	118.74	77.58	314.80	209.66
Total Income	2,861.09	2,552.18	10,592.89	8,853.47
Expenditure :				
- Decrease / (Increase) in Stock	(72.64)	11.21	(130.22)	16.62
- Raw Material Consumed	826.34	642.47	2,828.93	2,219.14
- Purchases of Finished Goods	17.97	107.72	97.40	321.16
- Payment to & Provision for Employees	159.77	111.72	550.07	458.51
- Power & Fuel	435.03	339.68	1,476.51	1,196.14
- Freight , Handling & Other Expenses	291.38	260.71	1,049.38	919.40
- Depreciation	94.24	87.56	353.27	317.91
- Other Expenditure	422.18	306.86	1,296.33	1,103.49
Total Expenditure	2,174.27	1,867.93	7,521.67	6,552.37
Interest	27.16	36.63	107.00	111.84
Profit before Exceptional Items and Tax Expenses	659.66	647.62	2,964.22	2,189.26
Write back of provision for diminution in value of Investment/Loans	45.68	37.10	45.68	37.10
Profit before Tax Expenses from Ordinary Activities	705.34	684.72	3,009.90	2,226.36
Provision for Current Tax	(287.73)	(215.26)	(952.71)	(692.38)
Provision for Deferred Tax	69.49	5.03	(9.62)	1.83
Net Profit after Tax from Ordinary Activities	487.10	474.49	2,047.57	1,535.81
Extra Ordinary Items:				
Profit on transfer of Textile units at Bhiwani	-	-	4.76	
Profit on Sale of Shares of a Subsidiary Company (Note 4a)	180.27		180.27	
Net Profit & Loss for the period	667.37	474.49	2,232.60	1,535.81
Paid up Equity Share Capital (Face Value Rs. 10 per share)	91.69	91.69	91.69	91.69
Reserves excluding Revaluation Reserve			8,040.52	6,134.46
Basic EPS for the period before Extra Ordinary Items (Rupees)	53.12	51.75	223.31	167.50
Diluted EPS for the period before Extra Ordinary Items (Rupees)	53.09	51.75	223.24	167.50
Basic EPS for the period after Extra Ordinary Items (Rupees)	72.79	51.75	243.49	167.50
Diluted EPS for the period after Extra Ordinary Items (Rupees)	72.74	51.75	243.42	167.50
Total Public Shareholding*				
- Number of Shares (000's)			57,996	58,509
- Percentage of Shareholding			63.23%	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
					Year Ended 31st March 2008
					Year Ended 31st March 2007
					(Audited)
					(Audited)
1. SEGMENT REVENUE					
a	Fibre & Pulp	833.56	782.93	3,443.89	2,706.49
b	Cement	3,358.31	2,851.18	11,712.58	9,939.64
c	Sponge Iron	275.17	241.08	950.09	755.79
d	Chemicals	100.38	93.57	414.73	319.00
e	Textiles	69.16	71.87	287.51	270.96
f	Others	127.99	95.50	436.07	326.93
TOTAL		4,764.57	4,136.13	17,244.87	14,318.81
(Less) : Inter Segment Revenue		(49.91)	(46.56)	(207.91)	(177.24)
Net Sales / Income from Operations		4,714.66	4,089.57	17,036.96	14,141.57
2. SEGMENT RESULTS					
a	Fibre & Pulp	172.55	184.61	1,011.53	671.74
b	Cement	885.22	811.47	3,304.05	2,767.03
c	Sponge Iron	37.60	28.28	125.55	50.39
d	Chemicals	18.41	28.32	114.01	60.05
e	Textiles	(0.71)	(1.50)	(2.88)	(4.63)
f	Others	30.25	24.29	103.79	62.52
TOTAL		1,143.32	1,075.47	4,656.05	3,607.10
Add / (Less) :					
Interest		(60.26)	(65.75)	(222.09)	(228.58)
Net Unallocable Income / (Expenditure)		(11.16)	(1.03)	95.68	72.92
Write back of provision for diminution in value of Investment/Loans		45.68	-	45.68	-
Profit before Extra Ordinary Items and Tax Expenses		1,117.58	1,008.69	4,575.32	3,451.44
3. CAPITAL EMPLOYED					
a	Fibre & Pulp			2,108.11	1,428.47
b	Cement			12,462.75	8,913.85
c	Sponge Iron			458.84	552.21
d	Chemicals			332.14	304.49
e	Textiles			172.81	126.17
f	Others			674.06	439.12
TOTAL				16,208.71	11,764.31
g Unallocated Corporate Capital Employed				945.71	1,682.37
TOTAL CAPITAL EMPLOYED				17,154.42	13,446.68

IV. SEGMENT REPORTING - STANDALONE

					Rs. in Crores
					Year Ended 31st March 2008
					Year Ended 31st March 2007
					(Audited)
					(Audited)
1. SEGMENT REVENUE					
a	Fibre & Pulp	714.92	652.12	2,998.54	2,308.87
b	Cement	1,678.09	1,462.52	5,924.80	5,154.89
c	Sponge Iron	275.17	241.08	950.09	755.79
d	Chemicals	100.38	93.57	414.73	319.00
e	Textiles	14.04	71.87	173.22	270.96
TOTAL		2,782.60	2,521.16	10,461.38	8,809.51
(Less) : Inter Segment Revenue		(40.25)	(46.56)	(183.29)	(165.70)
Net Sales / Income from Operations		2,742.35	2,474.60	10,278.09	8,643.81
2. SEGMENT RESULTS					
a	Fibre & Pulp	168.62	179.09	1,012.02	638.42
b	Cement	427.24	423.94	1,677.64	1,448.21
c	Sponge Iron	37.60	28.28	125.55	50.39
d	Chemicals	18.41	28.32	114.01	60.05
e	Textiles	1.02	(1.50)	(0.72)	(4.63)
TOTAL		652.89	658.13	2,928.50	2,192.44
Add / (Less) :					
Interest		(27.16)	(36.63)	(107.00)	(111.84)
Net Unallocable Income / (Expenditure)		33.93	26.12	142.72	108.66
Write back of provision for diminution in value of Investment/Loans		45.68	37.10	45.68	37.10
Profit before Extra Ordinary Items and Tax Expenses		705.34	684.72	3,009.90	2,226.36
3. CAPITAL EMPLOYED					
a	Fibre & Pulp			1,681.93	1,210.72
b	Cement			5,459.27	3,076.68
c	Sponge Iron			458.84	552.21
d	Chemicals			332.14	304.49
e	Textiles			23.16	126.17
TOTAL				7,955.34	5,270.27
g Unallocated Corporate Capital Employed				3,994.11	4,493.88
TOTAL CAPITAL EMPLOYED				11,949.45	9,764.15

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, two complaints were received, 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 sold its total holding of 75816681 equity shares representing 53.63% of issued equity share capital of Shree Digvijay Cement Company Ltd.(SDCCL), a subsidiary company, at a price of Rs.42.50 per share to CIMPOR Inversiones S.A.. Accordingly, SDCCL has ceased to be a subsidiary of the Company w.e.f. 25th March, 2008. During 3 months / year ended 31st March, 2008 the company has accounted for profit on account of this transaction.
- 4 b Consolidated financial results for 3 months/ year ended 31st March, 2008 include the financial results of SDCCL for the period upto 24th March, 2008.
- 5 a The standalone financial results of the company for 3 months ended 31st March, 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 3 months/year ended 31st March, 2008.
- 5 b The consolidated financial results of the Company for 3 months / year ended 31st March, 2008 include financial results of GBTL for 3 months and 6 months ended 31st March 2008 respectively
- 6 The Company has implemented Accounting Standard 15 (Revised) on "Employee Benefits" issued by the Institute of Chartered Accountants of India, which became mandatory for accounting periods commencing on or after 7th December, 2006. The incremental liabilities (net of taxes) of Rs. 9.76 Crs at the beginning of the year, has been adjusted against opening balance of General Reserve as per transitional provisions of the Accounting Standard 15 (Revised).
- 7 During the quarter ESOS Compensation committee of Board of Directors of the company has approved grant of 20390 ESOS (Second Tranche) to the officers of the Company as per the Employees Stock Option Scheme (ESOS), 2006.
- 8 The Board of Directors has recommended a dividend of Rs. 30 per share aggregating to Rs. 316.44 Crs. (including dividend tax)
- 9 Previous period's figures have been regrouped / rearranged wherever necessary to conform to the current period's classification.
- 10 The above results have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at the meeting held on 29th April, 2008.

For and on behalf of Board of Directors

Place : Mumbai
Date : 29th April, 2008

D. D. Rathi
Whole-time Director

GRASIM INDUSTRIES LIMITED

Regd. Office: Birlagram, Nagda 456 331 (M.P.)

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