



**Unaudited financial results for the quarter ended 30 June 2005**

**Consolidated results:**

Rs. in crore

	Three months ended 30 June 2005	Three months ended 30 June 2004 * ( Note 1 )	Full year ended 31 March 2005 (Audited)
<b>Net sales / income from operations</b>	<b>2,495.29</b>	<b>1,602.01</b>	<b>9,409.99</b>
Other income	75.50	46.33	218.66
Expenditure :			
- Decrease / ( increase ) in stock	(59.68)	0.35	(122.14)
- Raw material consumed	577.54	435.30	2,157.77
- Purchases of finished goods	12.99	9.69	47.19
- Payment to and provision for employees	122.87	98.95	499.39
- Power and fuel	513.44	257.69	2,019.19
- Freight, handling and other expenses	372.99	145.70	1,114.86
- Other expenditure	390.17	206.33	1,640.10
<b>Total expenditure</b>	<b>1,930.32</b>	<b>1,154.01</b>	<b>7,356.36</b>
Interest	56.65	39.87	284.67
<b>Gross profit</b>	<b>583.82</b>	<b>454.46</b>	<b>1,987.62</b>
Depreciation	135.41	78.47	556.13
<b>Profit before exceptional items and tax expense</b>	<b>448.41</b>	<b>375.99</b>	<b>1,431.49</b>
Tax provision of earlier years written back	-	-	0.38
Surplus on pre-payment of sales tax loan	-	-	34.35
Impairment of goodwill	-	-	(162.45)
<b>Profit before tax expense</b>	<b>448.41</b>	<b>375.99</b>	<b>1,303.77</b>
Provision for current tax	(133.22)	(110.02)	(483.65)
Provision for deferred tax	13.50	(43.63)	41.18
<b>Net profit</b>	<b>328.69</b>	<b>222.34</b>	<b>861.30</b>
Less: minority's share	32.61	-	(15.18)
Less: pre-acquisition loss	-	-	(3.85)
<b>Net profit (after minority's share)</b>	<b>296.08</b>	<b>222.34</b>	<b>880.33</b>
Paid up equity share capital (face value Rs. 10 per share)	91.69	91.69	91.69
Reserves excluding revaluation reserve			3,946.56
<b>Basic and diluted EPS for the period (rupees)</b>	<b>32.29</b>	<b>24.25</b>	<b>96.01</b>

**Notes:**

\* 1 (a) Consolidated financial results have been prepared in accordance with accounting standard on consolidated financial statements (AS-21) and accounting standard on financial reporting of interest in joint ventures (AS-27) issued by the institute of chartered accountants of India.

(b) UltraTech Cement Ltd. (UltraTech) became a subsidiary of the company w.e.f. 6 July 2004 and accordingly the financial results of UltraTech and its subsidiaries have not been consolidated in the results for the corresponding three months ended 30 June 2004. Had the same been consolidated in the company's results, restated key consolidated numbers for the three months ended 30 June 2004 would have been as under :-

	<u>Rs. in crore</u>
- Net sales / income from operations	2302.92
- Gross profit	515.60
- Net profit	188.04
- Net profit (after minority's share)	208.77
- Earning per share (rupees)	22.77

However, consolidated results for the full year ended 31 March 2005 incorporate full year's financial results of UltraTech and its subsidiaries.

**Standalone results:**

Rs. in crore

	Three months ended 30 June 2005	Three months ended 30 June 2004	Full year ended 31 March 2005 ( Audited )
<b>Net sales / income from operations</b>	<b>1,553.28</b>	<b>1,517.08</b>	<b>6,247.07</b>
Other income	65.49	16.26	169.38
Expenditure :			
- Decrease / ( increase ) in stock	(42.89)	3.66	(100.67)
- Raw material consumed	469.32	421.66	1,873.05
- Purchases of finished goods	28.13	9.69	49.02
- Payment to and provision for employees	96.38	91.78	373.13
- Power and fuel	249.91	238.49	1,035.74
- Freight , handling and other expenses	180.18	141.17	586.06
- Other expenditure	197.88	180.53	815.43
<b>Total expenditure</b>	<b>1,178.91</b>	<b>1,086.98</b>	<b>4,631.76</b>
Interest	26.53	32.89	138.76
<b>Gross profit</b>	<b>413.33</b>	<b>413.47</b>	<b>1,645.93</b>
Depreciation	70.48	69.80	284.57
<b>Profit before exceptional items and tax expense</b>	<b>342.85</b>	<b>343.67</b>	<b>1,361.36</b>
Surplus on pre-payment of sales tax loan	-	-	34.35
Provision for diminution in value of investment and loans	-	-	(92.00)
<b>Profit before tax expense</b>	<b>342.85</b>	<b>343.67</b>	<b>1,303.71</b>
Provision for current tax	(97.30)	(110.00)	(451.00)
Provision for deferred tax	5.40	(14.50)	33.00
<b>Net profit</b>	<b>250.95</b>	<b>219.17</b>	<b>885.71</b>
Paid up equity share capital (face value Rs. 10 per share)	91.69	91.69	91.69
Reserves excluding revaluation reserve			4,231.96
<b>Basic and diluted EPS for the period (rupees)</b>	<b>27.37</b>	<b>23.90</b>	<b>96.60</b>

**Notes contd. from page 1:**

- 2 During the quarter, total 6 investor complaints were received, all of which have been attended by the company. No complaints were pending either at the beginning or at the end of the quarter.
- 3 Other income includes profit of Rs. 45.39 crore on sale of long term investments during the quarter.
- 4 Previous period's figures have been regrouped / rearranged wherever necessary to conform to this period's classification.

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Segments reporting:

		Standalone			Consolidated		
		Three months ended 30 June 2005	Three months ended 30 June 2004	Full year ended 31 March 2005 ( Audited )	Three months ended 30 June 2005	Three months ended 30 June 2004	Full year ended 31 March 2005 ( Audited )
<b>Rs. in crore</b>							
<b>1. Segment revenue</b>							
a	Fibre and pulp	418.28	495.42	1,957.35	433.56	507.29	2,006.25
b	Cement	801.81	682.33	2,803.92	1,674.03	721.53	5,749.84
c	Sponge iron	220.46	249.95	1,021.48	220.46	249.95	1,021.48
d	Chemicals	99.46	72.47	351.76	101.81	74.30	351.76
e	Textiles	52.79	52.42	260.25	52.79	52.42	260.25
f	Others	-	-	-	52.16	32.03	180.81
	<b>Total</b>	<b>1,592.80</b>	<b>1,552.59</b>	<b>6,394.76</b>	<b>2,534.81</b>	<b>1,637.52</b>	<b>9,570.39</b>
	(Less) : inter segment revenue	(39.52)	(35.51)	(147.69)	(39.52)	(35.51)	(160.40)
	<b>Net sales / income from operations</b>	<b>1,553.28</b>	<b>1,517.08</b>	<b>6,247.07</b>	<b>2,495.29</b>	<b>1,602.01</b>	<b>9,409.99</b>
<b>2. Segment results</b>							
a	Fibre and pulp	76.67	134.06	553.58	75.62	134.34	554.60
b	Cement	147.31	127.66	393.09	274.04	161.85	578.67
c	Sponge iron	60.70	102.87	355.17	60.70	102.87	355.17
d	Chemicals	33.14	7.57	86.98	33.07	7.61	86.98
e	Textiles	(0.58)	(1.08)	(0.46)	(0.58)	(1.08)	(0.46)
f	Others	(1.32)	(0.01)	0.01	8.75	4.78	29.45
	<b>Total</b>	<b>315.92</b>	<b>371.07</b>	<b>1,388.37</b>	<b>451.60</b>	<b>410.37</b>	<b>1,604.41</b>
	Add / (less) :						
	Interest	(26.53)	(32.89)	(138.76)	(56.65)	(39.87)	(284.67)
	Net unallocable income / (expenditure)	53.46	5.49	111.75	53.46	5.49	111.75
	<b>Profit before exceptional items and tax expense</b>	<b>342.85</b>	<b>343.67</b>	<b>1,361.36</b>	<b>448.41</b>	<b>375.99</b>	<b>1,431.49</b>
	Tax provision of earlier years written back	-	-	-	-	-	0.38
	Surplus on pre-payment of sales tax loan	-	-	34.35	-	-	34.35
	Provision for diminution in value of investment and loans	-	-	(92.00)	-	-	-
	Impairment of goodwill	-	-	-	-	-	(162.45)
	<b>Profit before tax expense</b>	<b>342.85</b>	<b>343.67</b>	<b>1,303.71</b>	<b>448.41</b>	<b>375.99</b>	<b>1,303.77</b>
<b>3. Capital employed</b>							
a	Fibre and pulp	1,046.93	795.72	1,026.77	1,074.65	822.65	1,054.62
b	Cement	2,038.50	2,096.52	2,132.02	6,735.27	2,076.68	6,887.92
c	Sponge iron	478.72	502.45	511.69	478.72	502.45	511.68
d	Chemicals	197.29	194.26	212.65	204.62	201.10	212.65
e	Textiles	103.42	108.45	101.37	103.42	108.45	101.37
f	Others	1.78	2.05	3.14	347.06	350.61	364.86
	<b>Total</b>	<b>3,866.64</b>	<b>3,699.45</b>	<b>3,987.64</b>	<b>8,943.74</b>	<b>4,061.94</b>	<b>9,133.10</b>
g	Unallocated corporate capital employed	3,128.56	3,212.82	2,948.55	762.76	2,974.94	567.98
	<b>Total capital employed</b>	<b>6,995.20</b>	<b>6,912.27</b>	<b>6,936.19</b>	<b>9,706.50</b>	<b>7,036.88</b>	<b>9,701.08</b>

Notes contd. from page 2

5 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 and pulp - viscose staple fibre and rayon grade pulp  
 Cement - grey and white cement  
 Sponge iron - sponge iron  
 Chemicals - caustic soda and allied chemicals  
 Textiles - fabric and yarn  
 Others - mainly telecom (in consolidated results)

6 The above results have been taken on record at the meeting of the Board of Directors held on 27 July 2005. The limited review, as required under Clause 41 of Listing Agreement has been completed and the related report is being submitted to the concerned stock exchanges.

For and on behalf of Board of Directors

Place : Mumbai  
 Date : 27th July, 2005

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

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