



**AUDITED FINANCIAL RESULTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2007**

**I. CONSOLIDATED RESULTS :**

Rs in Crores

	Nine Months Ended 31st December 2006	Three Months Ended 31st March 2007	Three Months Ended 31st March 2006	Year Ended 31st March 2007 ( Audited )	Year Ended 31st March 2006 ( Audited )
<b>Net Sales / Income from Operations</b>	<b>10,060.20</b>	<b>4,107.05</b>	<b>2,926.16</b>	<b>14,167.25</b>	<b>10,274.85</b>
Other Income	167.49	78.15	67.30	245.64	217.06
Expenditure :					
- Decrease / ( Increase ) in Stock	3.32	29.75	23.58	33.07	6.30
- Raw Material Consumed	1,980.28	841.30	583.85	2,821.58	2,214.29
- Purchases of Finished Goods	48.02	26.81	35.87	74.83	109.93
- Payment to & Provision for Employees	500.51	172.36	146.77	672.87	542.87
- Power & Fuel	1,768.67	703.97	570.53	2,472.64	2,129.12
- Freight , Handling & Other Expenses	1,491.56	615.67	475.04	2,107.23	1,552.66
- Other Expenditure	1,384.99	555.60	432.11	1,940.59	1,600.16
<b>Total Expenditure</b>	<b>7,177.35</b>	<b>2,945.46</b>	<b>2,267.75</b>	<b>10,122.81</b>	<b>8,155.33</b>
Interest	162.83	65.81	49.78	228.64	218.29
<b>Gross Profit</b>	<b>2,887.51</b>	<b>1,173.93</b>	<b>675.93</b>	<b>4,061.44</b>	<b>2,118.29</b>
Depreciation	444.76	165.21	148.12	609.97	563.10
<b>Profit before Exceptional Items and Tax Expenses</b>	<b>2,442.75</b>	<b>1,008.72</b>	<b>527.81</b>	<b>3,451.47</b>	<b>1,555.19</b>
Surplus on pre-payment of sales tax loan	-	-	4.13	-	4.13
<b>Profit before Tax Expenses</b>	<b>2,442.75</b>	<b>1,008.72</b>	<b>531.94</b>	<b>3,451.47</b>	<b>1,559.32</b>
Provision for Current Tax	(760.15)	(336.99)	(110.44)	(1,097.14)	(434.88)
Provision for Deferred Tax	3.29	1.78	(7.84)	5.07	32.18
<b>Net Profit</b>	<b>1,685.89</b>	<b>673.51</b>	<b>413.66</b>	<b>2,359.40</b>	<b>1,156.62</b>
Less : Minority Share	276.92	114.58	64.86	391.50	115.98
Add : Share in Profit / (Loss) of Associates	-	(0.40)	-	(0.40)	-
<b>Net Profit ( After Minority Share )</b>	<b>1,408.97</b>	<b>558.53</b>	<b>348.80</b>	<b>1,967.50</b>	<b>1,040.64</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				6,538.05	4,698.79
<b>Basic &amp; Diluted EPS for the period ( Rupees )</b>	<b>153.67</b>	<b>60.92</b>	<b>38.04</b>	<b>214.58</b>	<b>113.50</b>

**II. STANDALONE RESULTS :**

	Nine Months Ended 31st December 2006	Three Months Ended 31st March 2007	Three Months Ended 31st March 2006	Year Ended 31st March 2007 ( Audited )	Year Ended 31st March 2006 ( Audited )
<b>Net Sales / Income from Operations</b>	<b>6,181.94</b>	<b>2,493.75</b>	<b>1,829.78</b>	<b>8,675.69</b>	<b>6,703.48</b>
Other Income	132.08	77.58	57.51	209.66	169.07
Expenditure :					
- Decrease / ( Increase ) in Stock	5.26	11.18	(8.38)	16.44	43.49
- Raw Material Consumed	1,576.82	642.50	477.19	2,219.32	1,822.68
- Purchases of Finished Goods	213.44	107.72	80.65	321.16	240.15
- Payment to & Provision for Employees	347.33	112.07	103.80	459.40	407.63
- Power & Fuel	856.46	339.68	287.19	1,196.14	1,074.81
- Freight , Handling & Other Expenses	727.91	287.25	217.21	1,015.16	750.02
- Other Expenditure	739.60	299.12	264.41	1,038.72	936.85
<b>Total Expenditure</b>	<b>4,466.82</b>	<b>1,799.52</b>	<b>1,422.07</b>	<b>6,266.34</b>	<b>5,275.63</b>
Interest	75.21	36.63	24.75	111.84	103.38
<b>Gross Profit</b>	<b>1,771.99</b>	<b>735.18</b>	<b>440.47</b>	<b>2,507.17</b>	<b>1,493.54</b>
Depreciation	230.35	87.56	75.94	317.91	291.64
<b>Profit before Exceptional Items and Tax Expenses</b>	<b>1,541.64</b>	<b>647.62</b>	<b>364.53</b>	<b>2,189.26</b>	<b>1,201.90</b>
Write back of provision for diminution in value of loans	-	37.10	-	37.10	-
Surplus on pre-payment of sales tax loan	-	-	4.13	-	4.13
<b>Profit before Tax Expenses</b>	<b>1,541.64</b>	<b>684.72</b>	<b>368.66</b>	<b>2,226.36</b>	<b>1,206.03</b>
Provision for Current Tax	(477.12)	(215.26)	(109.72)	(692.38)	(369.82)
Provision for Deferred Tax	(3.20)	5.03	3.80	1.83	27.00
<b>Net Profit</b>	<b>1,061.32</b>	<b>474.49</b>	<b>262.74</b>	<b>1,535.81</b>	<b>863.21</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				6,134.46	4,886.11
<b>Basic &amp; Diluted EPS for the period ( Rupees )</b>	<b>115.75</b>	<b>51.75</b>	<b>28.66</b>	<b>167.50</b>	<b>94.14</b>

**Aggregate of Non-Promoter Shareholding**

- Number of Shares				<b>68584674</b>	<b>68775490</b>
- Percentage of Shareholding				<b>74.81%</b>	<b>75.02%</b>

## III. SEGMENT REPORTING - CONSOLIDATED

Rs. in Crores

	Nine Months Ended 31st December 2006	Three Months Ended 31st March 2007	Three Months Ended 31st March 2006	Year Ended 31st March 2007 ( Audited )	Year Ended 31st March 2006 ( Audited )
<b>1. SEGMENT REVENUE</b>					
a Fibre & Pulp	1,932.64	792.61	513.16	2,725.25	1,990.05
b Cement	7,079.43	2,871.78	2,121.17	9,951.21	6,938.30
c Sponge Iron	511.32	239.82	111.01	751.14	634.78
d Chemicals	225.43	93.57	89.42	319.00	386.35
e Textiles	199.09	71.87	67.57	270.96	247.14
f Others	231.43	95.50	63.71	326.93	233.80
<b>TOTAL</b>	10,179.34	4,165.15	2,966.04	14,344.49	10,430.42
(Less) : Inter Segment Revenue	(119.14)	(58.10)	(39.88)	(177.24)	(155.57)
<b>Net Sales / Income from Operations</b>	<b>10,060.20</b>	<b>4,107.05</b>	<b>2,926.16</b>	<b>14,167.25</b>	<b>10,274.85</b>
<b>2. SEGMENT RESULTS</b>					
a Fibre & Pulp	487.13	184.61	135.73	671.74	425.93
b Cement	1,955.55	811.48	402.04	2,767.03	1,074.76
c Sponge Iron	22.11	28.28	(12.35)	50.39	39.75
d Chemicals	31.73	28.32	22.61	60.05	107.51
e Textiles	(3.13)	(1.50)	(3.10)	(4.63)	(3.04)
f Others	42.38	20.23	13.63	62.61	39.06
<b>TOTAL</b>	2,535.77	1,071.42	558.56	3,607.19	1,683.97
Add / (Less) :					
Interest	(162.83)	(65.81)	(49.78)	(228.64)	(218.29)
Net Unallocable Income / (Expenditure)	69.81	3.11	19.03	72.92	89.51
<b>Profit before Exceptional Items and Tax Expenses</b>	<b>2,442.75</b>	<b>1,008.72</b>	<b>527.81</b>	<b>3,451.47</b>	<b>1,555.19</b>
Surplus on pre-payment of sales tax loan	-	-	4.13	-	4.13
<b>Profit Before Tax Expenses</b>	<b>2,442.75</b>	<b>1,008.72</b>	<b>531.94</b>	<b>3,451.47</b>	<b>1,559.32</b>
<b>3. CAPITAL EMPLOYED</b>					
a Fibre & Pulp	1,345.04			1,428.47	1,025.98
b Cement	7,961.46			8,913.85	6,804.09
c Sponge Iron	546.86			552.21	530.19
d Chemicals	295.81			304.49	210.75
e Textiles	127.97			126.17	92.55
f Others	419.15			517.88	339.95
<b>TOTAL</b>	10,696.29			11,843.07	9,003.51
g Unallocated Corporate Capital Employed	1,494.50			1,681.16	1,189.19
<b>TOTAL CAPITAL EMPLOYED</b>	<b>12,190.79</b>			<b>13,524.23</b>	<b>10,192.70</b>

## IV. SEGMENT REPORTING - STANDALONE

	Nine Months Ended 31st December 2006	Three Months Ended 31st March 2007	Three Months Ended 31st March 2006	Year Ended 31st March 2007 ( Audited )	Year Ended 31st March 2006 ( Audited )
<b>1. SEGMENT REVENUE</b>					
a Fibre & Pulp	1,665.83	661.80	501.49	2,327.63	1,935.37
b Cement	3,699.41	1,473.25	1,100.17	5,172.66	3,655.41
c Sponge Iron	511.32	239.82	111.01	751.14	634.78
d Chemicals	225.43	93.57	89.42	319.00	386.35
e Textiles	199.09	71.87	67.57	270.96	247.14
<b>TOTAL</b>	6,301.08	2,540.31	1,869.66	8,841.39	6,859.05
(Less) : Inter Segment Revenue	(119.14)	(46.56)	(39.88)	(165.70)	(155.57)
<b>Net Sales / Income from Operations</b>	<b>6,181.94</b>	<b>2,493.75</b>	<b>1,829.78</b>	<b>8,675.69</b>	<b>6,703.48</b>
<b>2. SEGMENT RESULTS</b>					
a Fibre & Pulp	459.33	179.09	138.05	638.42	429.62
b Cement	1,024.27	423.94	222.93	1,448.21	636.40
c Sponge Iron	22.11	28.28	(12.35)	50.39	39.75
d Chemicals	31.73	28.32	22.61	60.05	107.51
e Textiles	(3.13)	(1.50)	(3.10)	(4.63)	(3.04)
f Others	-	-	(0.04)	-	(1.39)
<b>TOTAL</b>	1,534.31	658.13	368.10	2,192.44	1,208.85
Add / (Less) :					
Interest	(75.21)	(36.63)	(24.75)	(111.84)	(103.38)
Net Unallocable Income / (Expenditure)	82.54	26.12	21.18	108.66	96.43
<b>Profit before Exceptional Items and Tax Expenses</b>	<b>1,541.64</b>	<b>647.62</b>	<b>364.53</b>	<b>2,189.26</b>	<b>1,201.90</b>
Write back of provision for diminution in value of loans	-	37.10	-	37.10	-
Surplus on pre payment of sales tax loan	-	-	4.13	-	4.13
<b>Profit Before Tax Expenses</b>	<b>1,541.64</b>	<b>684.72</b>	<b>368.66</b>	<b>2,226.36</b>	<b>1,206.03</b>
<b>3. CAPITAL EMPLOYED</b>					
a Fibre & Pulp	1,181.13			1,210.72	999.03
b Cement	2,554.34			3,076.68	2,079.08
c Sponge Iron	546.86			552.21	530.19
d Chemicals	295.81			304.49	210.75
e Textiles	127.97			126.17	92.55
f Others	1.15			1.21	1.12
<b>TOTAL</b>	4,707.26			5,271.48	3,912.72
g Unallocated Corporate Capital Employed	4,163.03			4,492.67	3,633.40
<b>TOTAL CAPITAL EMPLOYED</b>	<b>8,870.29</b>			<b>9,764.15</b>	<b>7,546.12</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 The Board of Directors of the Company, at their meeting held on 12th March, 2007, declared an interim dividend of Rs. 27.50 per equity share of Rs. 10/- each. The cash outgo on account of interim dividend was Rs. 287.46 Crores (including corporate dividend tax of Rs.35.36 Crores). The Board has decided to treat the said interim dividend as final dividend for the year ended 31st March, 2007.
- 3 The Company has written back the provision of Rs. 37.10 Crs. made in the financial year 2004-05 towards diminution in the value of loans/ collaterals to Shree Digvijay Cement Co. Ltd. then outstanding, as the loans/ collaterals have been realized during the year.
- 4 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 & Rayon Grade Pulp
  - Cement - Grey & White Cement
  - Sponge Iron - Sponge Iron
  - Chemicals - Caustic Soda & Allied Chemicals
  - Textiles - Fabric & Yarn
  - Others - Mainly Telecom (in consolidated results)
- 5 No investor complaint was pending at the beginning of the quarter. During the quarter, eight complaints were received, all of which have been attended by the Company and no complaints were pending at the end of the quarter.
- 6 Previous period's figures have been regrouped / rearranged wherever necessary to conform to the current period's classification.
- 7 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 25th April, 2007.

For and on behalf of Board of Directors

Place : Mumbai  
Date : 25th April, 2007

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

### **GRASIM INDUSTRIES LIMITED**

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

*An Aditya Birla Group Company*

**www.grasim.com and www.adityabirla.com**