



**UNAUDITED FINANCIAL RESULTS
FOR THE QUARTER ENDED 30th SEPTEMBER 2005**

Rs in Crores

I. CONSOLIDATED RESULTS :

	Three Months Ended 30th September 2005	Three Months Ended 30th September 2004	Six Months Ended 30th September 2005	Six Months Ended 30th September 2004	Full Year Ended 31st March 2005 (Audited)
Net Sales / Income from Operations	2,327.65	2,221.72	4,795.76	4,501.45	9,317.27
Other Income	44.69	38.18	120.19	89.50	217.64
Expenditure :					
- Decrease / (Increase) in Stock	44.42	(65.63)	(15.26)	(79.17)	(122.14)
- Raw Material Consumed	520.42	539.12	1,097.96	1,048.11	2,235.35
- Purchases of Finished Goods	32.55	18.37	45.71	28.92	56.20
- Payment to & Provision for Employees	134.93	126.19	257.95	260.32	550.41
- Power & Fuel	484.09	515.52	997.53	1,008.15	2,014.79
- Freight , Handling & Other Expenses	314.19	250.55	687.18	516.96	1,104.04
- Other Expenditure	380.80	337.72	743.47	685.21	1,423.97
Total Expenditure	1,911.40	1,721.84	3,814.54	3,468.50	7,262.62
Interest	53.95	70.42	110.60	139.21	284.67
Gross Profit	406.99	467.64	990.81	983.24	1,987.62
Depreciation	137.35	148.36	272.76	283.16	556.13
Profit before Exceptional Items and Tax Expense	269.64	319.28	718.05	700.08	1,431.49
Surplus on pre-payment of sales tax loan	-	-	-	-	34.35
Impairment of Goodwill	-	-	-	-	(162.45)
Profit before Tax Expense	269.64	319.28	718.05	700.08	1,303.39
Provision for Current Tax	(85.63)	(110.87)	(218.85)	(229.89)	(483.27)
Provision for Deferred Tax	16.91	(1.23)	30.41	(74.97)	41.18
Net Profit	200.92	207.18	529.61	395.22	861.30
Less : Minority Share	0.50	(7.80)	33.11	(24.91)	(15.18)
Less: Pre-acquisition Profit / (Loss)	-	(0.23)	-	(3.85)	(3.85)
Net Profit (After Minority's Share)	200.42	215.21	496.50	423.98	880.33
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					3,946.56
Basic & Diluted EPS for the period (Rupees)	21.86	23.47	54.15	46.24	96.01

II. STANDALONE RESULTS :

	Three Months Ended 30th September 2005	Three Months Ended 30th September 2004	Six Months Ended 30th September 2005	Six Months Ended 30th September 2004	Full Year ended 31st March 2005 (Audited)
Net Sales / Income from Operations	1,639.10	1,533.50	3,192.38	3,050.58	6,252.42
Other Income	30.83	30.44	96.32	46.70	167.03
Expenditure :					
- Decrease / (Increase) in Stock	68.44	(26.16)	25.55	(22.50)	(100.67)
- Raw Material Consumed	442.47	458.42	911.79	880.19	1,869.33
- Purchases of Finished Goods	63.02	12.83	91.15	22.52	49.02
- Payment to & Provision for Employees	104.21	93.53	200.59	185.31	382.64
- Power & Fuel	259.76	261.77	509.67	500.15	1,031.34
- Freight , Handling & Other Expenses	169.53	140.26	349.71	280.04	586.06
- Other Expenditure	209.85	193.54	407.73	375.46	817.04
Total Expenditure	1,317.28	1,134.19	2,496.19	2,221.17	4,634.76
Interest	23.74	36.70	50.27	69.59	138.76
Gross Profit	328.91	393.05	742.24	806.52	1,645.93
Depreciation	71.96	70.61	142.44	140.41	284.57
Profit before Exceptional Items and Tax Expense	256.95	322.44	599.80	666.11	1,361.36
Surplus on pre-payment of sales tax loan	-	-	-	-	34.35
Provision for diminution in value of investment and loans	-	-	-	-	(92.00)
Profit before Tax Expense	256.95	322.44	599.80	666.11	1,303.71
Provision for Current Tax	(78.60)	(99.00)	(175.90)	(209.00)	(451.00)
Provision for Deferred Tax	9.30	(3.50)	14.70	(18.00)	33.00
Net Profit	187.65	219.94	438.60	439.11	885.71
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					4,231.96
Basic & Diluted EPS for the period (Rupees)	20.47	23.99	47.84	47.89	96.60

Aggregate of Non-Promoter Shareholding

- Number of Shares	68776304	71562947	71541071
- Percentage of Shareholding	75.02%	78.06%	78.04%

III. SEGMENT REPORTING - CONSOLIDATED

Rs. in Crores

	Three Months ended 30th September 2005	Three Months ended 30th September 2004	Six Months ended 30th September 2005	Six Months ended 30th September 2004	Full Year ended 31st March 2005 (Audited)
1. SEGMENT REVENUE					
a Fibre & Pulp	513.70	528.17	947.26	1,035.46	2,009.25
b Cement	1,445.31	1,297.12	3,092.16	2,696.37	5,654.12
c Sponge Iron	170.38	227.51	390.84	477.46	1,021.48
d Chemicals	104.10	81.36	203.56	153.83	351.76
e Textiles	73.65	77.68	126.44	130.10	260.25
f Others	54.83	43.86	109.34	77.72	180.81
TOTAL	2,361.97	2,255.70	4,869.60	4,570.94	9,477.67
(Less) : Inter Segment Revenue	(34.32)	(33.98)	(73.84)	(69.49)	(160.40)
Net Sales / Income from Operations	2,327.65	2,221.72	4,795.76	4,501.45	9,317.27
2. SEGMENT RESULTS					
a Fibre & Pulp	106.90	164.29	182.52	298.63	554.60
b Cement	171.48	119.00	445.52	314.58	578.67
c Sponge Iron	(8.24)	65.10	52.46	167.97	355.17
d Chemicals	30.99	16.81	64.13	24.38	86.98
e Textiles	1.91	1.75	1.33	0.67	(0.46)
f Others	8.82	5.27	17.50	10.09	29.45
TOTAL	311.86	372.22	763.46	816.32	1,604.41
Add / (Less) :					
Interest	(53.95)	(70.42)	(110.60)	(139.21)	(284.67)
Net Unallocable Income / (Expenditure)	11.73	17.48	65.19	22.97	111.75
Profit before Exceptional Items and Tax Expense	269.64	319.28	718.05	700.08	1,431.49
Surplus on pre-payment of sales tax loan	-	-	-	-	34.35
Impairment of Goodwill	-	-	-	-	(162.45)
Profit Before Tax Expense	269.64	319.28	718.05	700.08	1,303.39
3. CAPITAL EMPLOYED					
a Fibre & Pulp			979.45	875.23	1,054.62
b Cement			6,814.43	7,003.21	6,887.92
c Sponge Iron			478.55	445.76	511.68
d Chemicals			200.68	203.80	212.65
e Textiles			105.59	108.35	101.37
f Others			347.78	354.45	364.86
TOTAL			8,926.48	8,990.80	9,133.10
g Unallocated Corporate Capital Employed			1,011.89	1,017.51	567.98
TOTAL CAPITAL EMPLOYED			9,938.37	10,008.31	9,701.08

IV. SEGMENT REPORTING - STANDALONE

	Three Months ended 30th September 2005	Three Months ended 30th September 2004	Six Months ended 30th September 2005	Six Months ended 30th September 2004	Full Year ended 31st March 2005 (Audited)
1. SEGMENT REVENUE					
a Fibre & Pulp	499.84	515.71	918.12	1,011.13	1,962.70
b Cement	825.45	665.22	1,627.26	1,347.55	2,803.92
c Sponge Iron	170.38	227.51	390.84	477.46	1,021.48
d Chemicals	104.10	81.36	203.56	153.83	351.76
e Textiles	73.65	77.68	126.44	130.10	260.25
TOTAL	1,673.42	1,567.48	3,266.22	3,120.07	6,400.11
(Less) : Inter Segment Revenue	(34.32)	(33.98)	(73.84)	(69.49)	(147.69)
Net Sales / Income from Operations	1,639.10	1,533.50	3,192.38	3,050.58	6,252.42
2. SEGMENT RESULTS					
a Fibre & Pulp	107.31	164.45	183.98	298.51	553.58
b Cement	132.25	93.83	279.56	221.49	393.09
c Sponge Iron	(8.24)	65.10	52.46	167.97	355.17
d Chemicals	30.99	16.81	64.13	24.38	86.98
e Textiles	1.91	1.75	1.33	0.67	(0.46)
f Others	(0.03)	(0.28)	(1.35)	(0.29)	0.01
TOTAL	264.19	341.66	580.11	712.73	1,388.37
Add / (Less) :					
Interest	(23.74)	(36.70)	(50.27)	(69.59)	(138.76)
Net Unallocable Income / (Expenditure)	16.50	17.48	69.96	22.97	111.75
Profit before Exceptional Items and Tax Expense	256.95	322.44	599.80	666.11	1,361.36
Surplus on pre-payment of sales tax loan	-	-	-	-	34.35
Provision for diminution in value of investment and loan	-	-	-	-	(92.00)
Profit Before Tax Expense	256.95	322.44	599.80	666.11	1,303.71
3. CAPITAL EMPLOYED					
a Fibre & Pulp			951.71	851.86	1,026.77
b Cement			2,112.70	2,109.09	2,132.02
c Sponge Iron			478.55	445.76	511.69
d Chemicals			200.68	203.80	212.65
e Textiles			105.59	108.35	101.37
f Others			1.53	2.13	3.14
TOTAL			3,850.76	3,720.99	3,987.64
g Unallocated Corporate Capital Employed			3,378.81	3,455.14	2,948.55
TOTAL CAPITAL EMPLOYED			7,229.57	7,176.13	6,936.19

V. NOTES

- 1 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.
- 2 The operations at the Company's Viscose Staple Fibre plant at Nagda were suspended for eight days and Chemical plant at Nagda operated at about sixty percent of its capacity for twelve days during the quarter ended 30th September, 2005, due to water shortage.
- 3 The workers of Company's one of the Viscose Staple Fibre plant, at Harihar in Karnataka, have gone on strike since 17th October, 2005. Consequently manufacturing activities at the above plant are suspended. The turnover of this plant constitutes about 15% of the Fibre and Pulp business and 4.75% of total turnover of the Company.
- 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 During the quarter, total three investor complaints were received, all of which have been attended by the Company. No complaints were pending at the beginning and at the end of the quarter.
- 6 Previous period's figures have been regrouped / rearranged wherever necessary to conform to this period's classification.
- 7 The above results have been reviewed by the Audit Committee, and have been taken on record at the meeting of the Board of Directors held on 26th October, 2005. 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 : 26th October, 2005

D. D. Rathi
Whole-time Director

GRASIM INDUSTRIES LIMITED

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

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