



**UNAUDITED FINANCIAL RESULTS
FOR THE QUARTER ENDED 31ST DECEMBER 2005**

I. CONSOLIDATED RESULTS :

Rs in Crores

	Three Months ended 31st December 2005	Three Months ended 31st December 2004	Nine Months ended 31st December 2005	Nine Months ended 31st December 2004	Full Year ended 31st March 2005 (Audited)
Net Sales / Income from Operations	2,503.16	2,338.61	7,298.92	6,840.06	9,317.27
Other Income	29.57	43.80	149.76	133.30	217.64
Expenditure :					
- Decrease / (Increase) in Stock	(2.02)	9.93	(17.28)	(69.24)	(122.14)
- Raw Material Consumed	532.04	560.93	1,630.00	1,609.04	2,235.35
- Purchases of Finished Goods	28.35	13.92	74.06	42.84	56.20
- Payment to & Provision for Employees	138.15	121.11	396.10	381.43	550.41
- Power & Fuel	561.06	538.89	1,558.59	1,547.04	2,014.79
- Freight , Handling & Other Expenses	390.44	276.48	1,077.62	793.44	1,104.04
- Other Expenditure	380.12	348.43	1,123.59	1,033.64	1,423.97
Total Expenditure	2,028.14	1,869.69	5,842.68	5,338.19	7,262.62
Interest	53.04	72.91	163.64	212.12	284.67
Gross Profit	451.55	439.81	1,442.36	1,423.05	1,987.62
Depreciation	142.22	136.27	414.98	419.43	556.13
Profit before Exceptional Items and Tax Expense	309.33	303.54	1,027.38	1,003.62	1,431.49
Surplus on pre-payment of sales tax loan	-	-	-	-	34.35
Impairment of Goodwill	-	-	-	-	(162.45)
Profit before Tax Expense	309.33	303.54	1,027.38	1,003.62	1,303.39
Provision for Current Tax	(105.59)	(99.15)	(324.44)	(329.04)	(483.27)
Provision for Deferred Tax	9.61	1.01	40.02	(73.96)	41.18
Net Profit	213.35	205.40	742.96	600.62	861.30
Less : Minority Share	18.01	(1.77)	51.12	(26.68)	(15.18)
Less: Pre-acquisition Profit / (Loss)	-	-	-	(3.85)	(3.85)
Net Profit (After Minority's Share)	195.34	207.17	691.84	631.15	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)	21.30	22.59	75.45	68.84	96.01

II. STANDALONE RESULTS :

	Three Months ended 31st December 2005	Three Months ended 31st December 2004	Nine Months ended 31st December 2005	Nine Months ended 31st December 2004	Full Year ended 31st March 2005 (Audited)
Net Sales / Income from Operations	1,648.20	1,559.67	4,840.58	4,610.25	6,252.42
Other Income	15.24	37.85	111.56	84.55	167.03
Expenditure :					
- Decrease / (Increase) in Stock	26.32	(35.78)	51.87	(58.28)	(100.67)
- Raw Material Consumed	433.70	473.82	1,345.49	1,354.01	1,869.33
- Purchases of Finished Goods	68.35	13.02	159.50	35.54	49.02
- Payment to & Provision for Employees	103.24	95.98	303.83	281.29	382.64
- Power & Fuel	277.95	274.30	787.62	774.45	1,031.34
- Freight , Handling & Other Expenses	183.10	146.10	532.81	426.14	586.06
- Other Expenditure	236.46	199.56	644.19	575.02	817.04
Total Expenditure	1,329.12	1,167.00	3,825.31	3,388.17	4,634.76
Interest	23.49	35.23	73.76	104.82	138.76
Gross Profit	310.83	395.29	1,053.07	1,201.81	1,645.93
Depreciation	73.26	71.71	215.70	212.12	284.57
Profit before Exceptional Items and Tax Expense	237.57	323.58	837.37	989.69	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	237.57	323.58	837.37	989.69	1,303.71
Provision for Current Tax	(84.20)	(103.00)	(260.10)	(312.00)	(451.00)
Provision for Deferred Tax	8.50	(3.50)	23.20	(21.50)	33.00
Net Profit	161.87	217.08	600.47	656.19	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)	17.65	23.68	65.49	71.57	96.60

III. SEGMENT REPORTING - CONSOLIDATED

Rs. in Crores

	Three Months ended 31st December 2005	Three Months ended 31st December 2004	Nine Months ended 31st December 2005	Nine Months ended 31st December 2004	Full Year ended 31st March 2005 (Audited)
1. SEGMENT REVENUE					
a Fibre & Pulp	529.63	502.53	1,476.89	1,537.99	2,009.25
b Cement	1,675.20	1,405.59	4,767.36	4,101.96	5,654.12
c Sponge Iron	132.93	262.73	523.77	740.19	1,021.48
d Chemicals	93.37	94.91	296.93	248.74	351.76
e Textiles	53.13	60.90	179.57	191.00	260.25
f Others	60.75	48.96	170.09	126.68	180.81
TOTAL	2,545.01	2,375.62	7,414.61	6,946.56	9,477.67
(Less) : Inter Segment Revenue	(41.85)	(37.01)	(115.69)	(106.50)	(160.40)
Net Sales / Income from Operations	2,503.16	2,338.61	7,298.92	6,840.06	9,317.27
2. SEGMENT RESULTS					
a Fibre & Pulp	107.67	146.97	290.19	445.60	554.60
b Cement	227.21	76.80	672.73	391.38	578.67
c Sponge Iron	-5.23	90.74	47.23	258.71	355.17
d Chemicals	20.77	28.72	84.90	53.10	86.98
e Textiles	(1.27)	(1.62)	0.06	(0.95)	(0.46)
f Others	7.93	9.60	25.43	19.69	29.45
TOTAL	357.08	351.21	1,120.54	1,167.53	1,604.41
Add / (Less) :					
Interest	(53.04)	(72.91)	(163.64)	(212.12)	(284.67)
Net Unallocable Income / (Expenditure)	5.29	25.24	70.48	48.21	111.75
Profit before Exceptional Items and Tax Expense	309.33	303.54	1,027.38	1,003.62	1,431.49
Surplus on pre-payment of sales tax loan	-	-	-	-	34.35
Impairment of Goodwill	-	-	-	-	(162.45)
Profit Before Tax Expense	309.33	303.54	1,027.38	1,003.62	1,303.39
3. CAPITAL EMPLOYED					
a Fibre & Pulp			930.17	987.86	1,054.62
b Cement			6,812.70	6,842.34	6,887.92
c Sponge Iron			523.07	472.77	511.68
d Chemicals			188.59	187.72	212.65
e Textiles			100.02	107.20	101.37
f Others			339.49	353.44	364.86
TOTAL			8,894.04	8,951.33	9,133.10
g Unallocated Corporate Capital Employed			1,333.36	1,041.87	567.98
TOTAL CAPITAL EMPLOYED			10,227.40	9,993.20	9,701.08

IV. SEGMENT REPORTING - STANDALONE

	Three Months ended 31st December 2005	Three Months ended 31st December 2004	Nine Months ended 31st December 2005	Nine Months ended 31st December 2004	Full Year ended 31st March 2005 (Audited)
1. SEGMENT REVENUE					
a Fibre & Pulp	515.76	489.62	1,433.88	1,500.75	1,962.70
b Cement	894.86	688.52	2,522.12	2,036.07	2,803.92
c Sponge Iron	132.93	262.73	523.77	740.19	1,021.48
d Chemicals	93.37	94.91	296.93	248.74	351.76
e Textiles	53.13	60.90	179.57	191.00	260.25
TOTAL	1,690.05	1,596.68	4,956.27	4,716.75	6,400.11
(Less) : Inter Segment Revenue	(41.85)	(37.01)	(115.69)	(106.50)	(147.69)
Net Sales / Income from Operations	1,648.20	1,559.67	4,840.58	4,610.25	6,252.42
2. SEGMENT RESULTS					
a Fibre & Pulp	107.59	145.98	291.57	444.49	553.58
b Cement	133.91	69.50	413.47	290.99	393.09
c Sponge Iron	(5.23)	90.74	47.23	258.71	355.17
d Chemicals	20.77	28.72	84.90	53.10	86.98
e Textiles	(1.27)	(1.62)	0.06	(0.95)	(0.46)
f Others	-	0.25	(1.35)	(0.04)	0.01
TOTAL	255.77	333.57	835.88	1,046.30	1,388.37
Add / (Less) :					
Interest	(23.49)	(35.23)	(73.76)	(104.82)	(138.76)
Net Unallocable Income / (Expenditure)	5.29	25.24	75.25	48.21	111.75
Profit before Exceptional Items and Tax Expense	237.57	323.58	837.37	989.69	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	237.57	323.58	837.37	989.69	1,303.71
3. CAPITAL EMPLOYED					
a Fibre & Pulp			902.63	962.69	1,026.77
b Cement			2,055.31	2,043.44	2,132.02
c Sponge Iron			523.07	472.77	511.69
d Chemicals			188.59	187.72	212.65
e Textiles			100.02	107.20	101.37
f Others			1.49	2.19	3.14
TOTAL			3,771.11	3,776.01	3,987.64
g Unallocated Corporate Capital Employed			3,691.08	3,477.42	2,948.55
TOTAL CAPITAL EMPLOYED			7,462.19	7,253.43	6,936.19

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V. NOTES

- 1 Consolidated 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 workers of one of the Viscose Staple Fibre plants of the Company, at Harihar in Karnataka, were on strike from 17th October, 2005 to 26th October, 2005. Consequently manufacturing activities at the above plant were suspended during this period.
- 3 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)
- 4 During the quarter, total five 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.
- 5 Previous period's figures have been regrouped / rearranged wherever necessary to conform to current period's classification.
- 6 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 25th January, 2006. 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 : 25th January, 2006

D. D. Rathi
Whole-time Director

GRASIM INDUSTRIES LIMITED

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

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