

ADITYA BIRLA



BY HAND DELIVERY / FAX

January 25, 2011

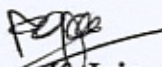
The Secretary
National Stock Exchange of India Ltd.
Exchange Plaza
Bandra-Kurla Complex, Bandra (East)
Mumbai - 400 051
Fax: 022-26598237/8238

Dear Sir,

Further to our email of date, please find enclosed a copy of the Certificate issued by the Statutory Auditors of the Company in respect of the Limited Review of the Unaudited Financial Results (Provisional), both Consolidated and Stand-alone, of Grasim Industries Limited for the quarter ended 31st December, 2010.

Thanking you,

Yours faithfully,


Pavan K. Jain
Executive President

encl : as above

Deloitte Haskins & Sells
Chartered Accountants,
12, Dr. Annie Besant Road,
Opp. Shiv Sagar Estate,
Worli,
Mumbai 400 018

G. P. Kapadia & Co.
Chartered Accountants,
Hamam House,
Ambalal Doshi Marg,
Fort,
Mumbai 400 001

**AUDITORS' REPORT
TO THE BOARD OF DIRECTORS OF
GRASIM INDUSTRIES LIMITED**

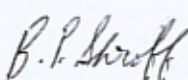
1. We have reviewed the accompanying statement of Unaudited Standalone and Consolidated Financial Results ("the Statement") of GRASIM INDUSTRIES LIMITED ('the Company') and the Company and its subsidiaries and jointly controlled entities (the Company, its subsidiaries and jointly controlled entities constitute "the Group") and its share of the profit of the associate companies for the quarter and nine months ended 31st December, 2010. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial results based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatements. A review is limited primarily to inquiries of the Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an opinion.
3. The Statement includes the results of the following entities:

Name of the Entity	Relationship
Samruddhi Swastik Trading And Investments Limited	Wholly owned subsidiary
Sun God Trading And Investments Limited	Wholly owned subsidiary
Grasim Bhiwani Textiles Limited	Wholly owned subsidiary
Samruddhi Cement Limited (upto 30th June'10)	Subsidiary
UltraTech Cement Limited	Subsidiary
Dakshin Cement Limited	Subsidiary
UltraTech Cement Lanka Private Limited	Subsidiary
Harish Cement Limited	Subsidiary
UltraTech Cement Middle East Investment Limited	Subsidiary
Star Cement Co LLC, UAE	Subsidiary
Star Cement Co LLC, RAK, Ras-Al-Khaimah, UAE	Subsidiary
Al Nakhla Crusher, LLC, Fujairah, UAE	Subsidiary
Arabian Cement Industry LLC, Abu Dhabi	Subsidiary
Arabian Gulf Cement Co W.L.L., Bahrain	Subsidiary
Emirates Power Company Limited, Bangladesh	Subsidiary
Emirates Cement Bangladesh Limited, Bangladesh	Subsidiary
AV Cell Inc., Canada	Joint Venture
AV Nackawick Inc., Canada	Joint Venture
Birla Jingwei Fibre Co.	Joint Venture
Birla Lao Pulp & Plantation Co.	Joint Venture
Bhubaneswari Coal Mining Limited	Joint Venture
Bhaskarpara Coal Company Limited	Joint Venture
Madanpura (North) Coal Company Private Limited	Joint Venture
Idea Cellular Limited	Associate

Name of the Entity	Relationship
Aditya Birla Science & Technology Limited	Associate
Aditya Birla Ports Limited	Associate

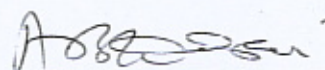
4. The report of the branch auditors of Vikram Woollens Division of the Company has been submitted to us and the same has been considered by us in preparing this report.
5. The Consolidated Financial Results contained in the Statement reflect the Group's share of revenues of Rs. 289.05 Crores and Rs. 407.64 Crores for the quarter and nine months ended 31st December, 2010 respectively and loss after tax (net) of Rs. 78.27 Crores and Rs. 25.18 Crores for the quarter and nine months ended 31st December, 2010 respectively of eleven subsidiaries and two jointly controlled entities and the Group's share of profit after tax of Rs. 1.15 Crores and Rs. 2.28 Crores for the quarter and nine months ended as on 31st December, 2010 respectively of one associate whose results have been reviewed by other auditors. Accordingly, our assurance on the Statement in so far as it relates to the amounts included in respect of these subsidiaries, jointly controlled entities and associates is based solely on the reports of such other auditors which have been furnished to us.
6. The Consolidated Financial Results contained in the Statement reflect the Group's share of revenues of Rs. 180.57 Crores and Rs. 456.83 Crores for the quarter and nine months ended 31st December, 2010 respectively and profit after tax (net) of Rs. 29.39 Crores and Rs. 65.69 Crores for the quarter and nine months ended 31st December, 2010 respectively of two subsidiaries and five jointly controlled entities and the Group's share of profit / (loss) after tax of Rs. 0.13 Crores and Rs. (0.95) Crores for the quarter and nine months ended 31st December, 2010 respectively of two associates whose results have not been reviewed by their auditors and are based on management accounts.
7. Based on our review and read with our comments in paragraphs 4 and 5 above and subject to our comments in paragraph 6 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the stock exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
8. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoter and promoter group shareholding in terms of Clause 35 of the Listing Agreements and the particulars relating to the undisputed investor complaints from the details furnished by the Management.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Registration No. 117366W)



B. P. Shroff
Partner
Membership No.: 34382

For **G. P. KAPADIA & CO.**
Chartered Accountants
(Registration No. 104768W)



Atul Desai
Partner
Membership No.: 30850

 **MUMBAI**
Date : 25th January, 2011





**UNAUDITED FINANCIAL RESULTS
FOR THE PERIOD ENDED 31ST DECEMBER, 2010**

I. CONSOLIDATED RESULTS :

Rs in Crores

Particulars	Three Months Ended 31 st Dec'10	Three Months Ended 31 st Dec'09 @	Nine Months Ended 31st Dec'10	Nine Months Ended 31st Dec'09 @	Year Ended 31 st Mar.'10 (Audited)
Net Sales / Income from Operations	5,384.52	4,790.40	14,878.68	14,547.74	19,933.36
Other Operating Income	76.69	55.11	204.46	172.67	261.35
Total Operating Income	5,461.21	4,845.51	15,083.14	14,720.41	20,194.71
Expenditure :					
- Decrease / (Increase) in stock in trade and work in progress	(45.52)	(101.89)	(208.66)	(161.01)	(22.02)
- Raw Material Consumed	1,220.54	888.11	3,177.13	2,655.58	3,624.49
- Purchases of Finished Goods	37.80	38.53	102.46	110.20	139.23
- Payment to and Provision for Employees	321.70	270.06	907.95	784.89	1,064.65
- Power and Fuel Cost	1,138.40	912.14	3,142.05	2,594.75	3,522.36
- Freight and Handling Expenses	761.31	673.91	2,235.26	1,990.75	2,749.13
- Depreciation	299.17	254.72	839.06	737.06	994.71
- Other Expenditure	830.12	725.42	2,377.22	2,129.96	3,068.16
Total Expenditure	4,563.52	3,661.00	12,572.47	10,842.18	15,140.71
Profit from Operations before Other Income and Interest	897.69	1,184.51	2,510.67	3,878.23	5,054.00
Other Income	70.51	71.89	264.85	206.90	273.56
Profit Before Interest and Tax	968.20	1,256.40	2,775.52	4,085.13	5,327.56
Interest	108.77	79.35	297.43	244.79	334.55
Profit from Ordinary Activities before Tax	859.43	1,177.05	2,478.09	3,840.34	4,993.01
Tax Expense	260.36	409.19	730.96	1,273.13	1,570.48
Net Profit from Ordinary Activities after Tax	599.07	767.86	1,747.13	2,567.21	3,422.53
Extraordinary Item :					
Profit (Net of Tax) on Sale of Sponge Iron unit	-	-	-	336.07	336.07
Net Profit (before profit of Associates and adjustment for Minority Interest)	599.07	767.86	1,747.13	2,903.28	3,758.60
Add : Share in Profit of Associates	12.72	9.91	31.38	37.17	51.05
Less : Minority Share	110.03	197.52	378.33	499.40	714.12
Net Profit	501.76	580.25	1,400.18	2,441.05	3,095.53
Paid up Equity Share Capital (Face Value Rs. 10 per share)	91.70	91.69	91.70	91.69	91.70
Reserves					12,382.66
Basic EPS for the period before Extraordinary Item (Rs.)	54.71	63.28	152.69	229.57	300.94
Diluted EPS for the period before Extraordinary Item (Rs.)	54.69	63.26	152.61	229.49	300.83
Basic EPS for the period after Extraordinary Item (Rs.)	54.71	63.28	152.69	266.22	337.60
Diluted EPS for the period after Extraordinary Item (Rs.)	54.69	63.26	152.61	266.13	337.47
Total Public Shareholding *					
- Number of Shares (000's)	58,312	58,267	58,312	58,267	58,401
- Percentage of Shareholding	63.59%	63.55%	63.59%	63.55%	63.70%
Promoter & promoter group shareholding *					
a) Pledged / Encumbered					
- Number of Shares (000's)	-	-	-	-	-
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-
- Percentage of Shares (as a % of the total share capital of the Company)	-	-	-	-	-
b) Non-encumbered					
- Number of Shares (000's)	23,386	23,381	23,386	23,381	23,381
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%
- Percentage of Shares (as a % of the total share capital of the Company)	25.50%	25.50%	25.50%	25.50%	25.50%

* Excludes shares represented by Global Depository Receipts.

@ Refer note 2b

II. STANDALONE RESULTS :
Rs. in Crores

Particulars	Three Months Ended 31 st Dec.'10	Three Months Ended 31 st Dec.'09 @	Nine Months Ended 31 st Dec.'10	Nine Months Ended 31 st Dec.'09 @	Year Ended 31 st Mar.'10 (Audited)
Net Sales / Income from Operations	1,213.67	1,030.16	3,091.23	7,068.45	8,172.11
Other Operating Income	43.65	27.85	93.07	103.27	140.51
Total Operating Income	1,257.32	1,058.01	3,184.30	7,171.72	8,312.62
Expenditure :					
- Decrease / (Increase) in stock in trade and work in progress	(1.32)	(7.46)	(41.46)	(16.16)	10.98
- Raw Material Consumed	536.50	383.25	1,358.36	1,718.01	2,168.07
- Purchases of Finished Goods	-	-	-	30.91	30.91
- Payment to and Provision for Employees	80.19	79.32	233.42	407.94	480.93
- Power and Fuel Cost	140.59	117.42	359.59	1,047.83	1,165.64
- Freight and Handling Expenses	14.20	10.55	36.66	714.51	729.41
- Depreciation	44.24	37.47	134.02	310.35	351.14
- Other Expenditure	80.06	57.34	216.25	872.58	989.62
Total Expenditure	894.46	677.89	2,296.84	5,085.97	5,926.70
Profit from Operations before Other Income and Interest	362.86	380.12	887.46	2,085.75	2,385.92
Other Income	40.53	51.93	212.70	179.98	235.25
Profit Before Interest and Tax	403.39	432.05	1,100.16	2,265.73	2,621.17
Interest	11.74	11.15	32.25	109.20	120.39
Profit from Ordinary Activities before Tax	391.65	420.90	1,067.91	2,156.53	2,500.78
Tax Expenses	108.93	158.99	281.74	689.85	744.75
Net Profit from Ordinary Activities after Tax	282.72	261.91	786.17	1,466.68	1,756.03
Extraordinary Item:					
Profit (Net of Tax) on Sale of Sponge Iron unit	-	-	-	336.07	336.07
Net Profit	282.72	261.91	786.17	1,802.75	2,092.10
Paid up Equity Share Capital (Face Value Rs. 10 per share)	91.70	91.69	91.70	91.69	91.70
Reserves					7,044.16
Basic EPS for the period before Extraordinary Item (Rs.)	30.83	28.56	85.73	159.96	191.51
Diluted EPS for the period before Extraordinary Item (Rs.)	30.81	28.55	85.69	159.90	191.44
Basic EPS for the period after Extraordinary Item (Rs.)	30.83	28.56	85.73	196.61	228.16
Diluted EPS for the period after Extraordinary Item (Rs.)	30.81	28.55	85.69	196.54	228.08
Total Public Shareholding *					
- Number of Shares (000's)	58,312	58,267	58,312	58,267	58,401
- Percentage of Shareholding	63.59%	63.55%	63.59%	63.55%	63.70%
Promoter and promoter group shareholding *					
a) Pledged / Encumbered					
- Number of Shares (000's)	-	-	-	-	-
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-
- Percentage of Shares (as a % of the total share capital of the Company)	-	-	-	-	-
b) Non-encumbered					
- Number of Shares (000's)	23,386	23,381	23,386	23,381	23,381
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%
- Percentage of Shares (as a % of the total share capital of the Company)	25.50%	25.50%	25.50%	25.50%	25.50%
* Excludes shares represented by Global Depository Receipts.					

@ Refer note 2b.

III. SEGMENT REPORTING - CONSOLIDATED :

Rs. in Crores					
Particulars	Three Months Ended 31st Dec.'10	Three Months Ended 31st Dec.'09 @	Nine Months Ended 31st Dec.'10	Nine Months Ended 31st Dec.'09 @	Year Ended 31st Mar.'10 (Audited)
1. SEGMENT REVENUE					
a Viscose Staple Fibre and Wood Pulp	1,311.19	1,050.27	3,296.42	2,794.41	3,940.18
b Cement - Grey, White and Allied Products	3,948.96	3,637.88	11,207.10	11,313.50	15,474.91
c Sponge Iron *	-	-	-	110.77	110.77
d Chemicals - Caustic Soda and Allied Chemicals	147.53	121.28	386.20	372.74	492.80
e Textiles - Fabric and Yarn	103.16	84.08	314.38	258.36	350.60
f Others #	0.28	0.21	0.75	0.66	0.88
TOTAL	5,511.12	4,893.72	15,204.85	14,850.44	20,370.14
(Less) : Inter Segment Revenue	(49.91)	(48.21)	(121.71)	(130.03)	(175.43)
Total Operating Income	5,461.21	4,845.51	15,083.14	14,720.41	20,194.71
2. SEGMENT RESULTS					
a Viscose Staple Fibre and Wood Pulp	394.41	378.78	960.01	839.18	1,194.79
b Cement - Grey, White and Allied Products	501.13	806.84	1,558.35	3,067.19	3,907.67
c Sponge Iron *	-	-	-	(43.90)	(43.90)
d Chemicals - Caustic Soda and Allied Chemicals	22.93	20.35	69.28	76.38	92.80
e Textiles - Fabric and Yarn	4.22	3.30	12.80	11.03	15.46
f Others #	0.52	0.31	1.39	3.28	3.71
TOTAL	923.21	1,209.58	2,601.83	3,953.16	5,170.53
Add / (Less) :					
Interest	(108.77)	(79.35)	(297.43)	(244.79)	(334.55)
Net Unallocable Income / (Expenditure)	44.99	46.82	173.69	131.97	157.03
Profit before Extraordinary Item and Tax Expenses	859.43	1,177.05	2,478.09	3,840.34	4,993.01
3. CAPITAL EMPLOYED					
a Viscose Staple Fibre and Wood Pulp	2,435.93	2,288.33	2,435.93	2,288.33	2,415.39
b Cement - Grey, White and Allied Products	16,344.49	14,611.44	16,344.49	14,611.44	14,329.71
c Sponge Iron *	-	-	-	-	-
d Chemicals - Caustic Soda and Allied Chemicals	416.81	377.18	416.81	377.18	408.58
e Textiles - Fabric and Yarn	175.49	176.67	175.49	176.67	175.76
f Others #	25.89	24.24	25.89	24.24	24.72
TOTAL	19,398.61	17,477.86	19,398.61	17,477.86	17,354.16
Unallocated Corporate Capital Employed	7,229.89	5,868.99	7,229.89	5,868.99	6,530.25
TOTAL CAPITAL EMPLOYED	26,628.50	23,346.85	26,628.50	23,346.85	23,884.41

* Sponge Iron unit has been sold w.e.f. 22nd May, 2009.

Others' segment represents insignificant business segments not separately reportable.

@ Refer note 2b.

IV. SEGMENT REPORTING - STANDALONE :
Rs. in Crores

Particulars	Three Months Ended 31st Dec.'10	Three Months Ended 31st Dec.'09 @	Nine Months Ended 31st Dec.'10	Nine Months Ended 31st Dec.'09 @	Year Ended 31st Mar.'10 (Audited)
1. SEGMENT REVENUE					
a Viscose Staple Fibre	1,129.25	962.43	2,840.88	2,529.50	3,574.15
b Cement - Grey, White and Allied Products *	-	-	-	4,220.59	4,220.59
c Sponge Iron **	-	-	-	110.77	110.77
d Chemicals - Caustic Soda and Allied Chemicals	147.53	121.28	386.20	372.74	492.80
e Textiles - Yarn	19.48	15.85	55.89	47.18	63.02
TOTAL	1,296.26	1,099.56	3,282.97	7,280.78	8,461.33
(Less) : Inter Segment Revenue	(38.94)	(41.55)	(98.67)	(109.06)	(148.71)
Total Operating Income	1,257.32	1,058.01	3,184.30	7,171.72	8,312.62
2. SEGMENT RESULTS					
a Viscose Staple Fibre	361.83	375.28	885.92	873.37	1,203.98
b Cement - Grey, White and Allied Products *	-	-	-	1,227.97	1,227.97
c Sponge Iron **	-	-	-	(43.90)	(43.90)
d Chemicals - Caustic Soda and Allied Chemicals	22.93	20.35	69.28	76.38	92.80
e Textiles - Yarn	1.18	1.23	3.33	2.82	4.58
TOTAL	385.94	396.86	958.53	2,136.64	2,485.43
Add / (Less) :					
Interest	(11.74)	(11.15)	(32.25)	(109.20)	(120.39)
Net Unallocable Income / (Expenditure)	17.45	35.19	141.63	129.09	135.74
Profit before Extraordinary Item and Tax Expenses	391.65	420.90	1,067.91	2,156.53	2,500.78
3. CAPITAL EMPLOYED					
a Viscose Staple Fibre	1,685.74	1,643.92	1,685.74	1,643.92	1,741.99
b Cement - Grey, White and Allied Products *	-	-	-	-	-
c Sponge Iron **	-	-	-	-	-
d Chemicals - Caustic Soda and Allied Chemicals	416.81	377.18	416.81	377.18	408.58
e Textiles - Yarn	18.56	22.88	18.56	22.88	24.69
TOTAL	2,121.11	2,043.98	2,121.11	2,043.98	2,175.26
Unallocated Corporate Capital Employed	6,875.45	6,364.04	6,875.45	6,364.04	6,259.89
TOTAL CAPITAL EMPLOYED	8,996.56	8,408.02	8,996.56	8,408.02	8,435.15

* Cement Business has been demerged into Samruddhi Cement Limited (a subsidiary of the Company) w.e.f. 1st October, 2009.

** Sponge Iron unit has been sold w.e.f. 22nd May, 2009.

@ Refer note 2b.

NOTES

1. a. Pursuant to Clause 41 of the Listing Agreement, the Company has opted to publish Consolidated Financial Results. The Standalone Financial Results are available at the Company's websites viz: www.grasim.com and www.adityabirla.com and on websites of the Stock Exchanges BSE (www.bseindia.com) and NSE (www.nseindia.com).
- b. The above Unaudited financial results for the quarter and nine months ended 31st December, 2010 have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at their respective meetings held on 25th January, 2011. The limited review, as required under Clause 41 of the Listing Agreement, has been completed by the auditors of the Company and the related report is being submitted to the concerned Stock Exchanges.
2. a. Key numbers of Standalone Financial Results of the Company for the quarter and nine months ended 31st December, 2010 are as under:

	Rs. in Crores				
	Quarter Ended		Nine Months Ended		
	31 st Dec'10	31 st Dec'09 (refer note 2b)	31 st Dec'10	31 st Dec'09	
				Reported (refer note 2b)	Restated (refer note 2c)
Total Operating Income	1257.32	1058.01	3184.30	7171.72	2840.36
Profit from Ordinary Activities before Tax	391.65	420.90	1067.91	2156.53	1044.22
Profit from Ordinary Activities after Tax	282.72	261.91	786.17	1466.68	694.69

- b. The results of the corresponding period as published in the previous year included the results of the erstwhile Cement Business, of the Company, as at the time of announcement of such results the scheme for demerger of the Cement Business had not become effective. As the demerger has since become effective from 18th May, 2010, with effect from 1st October, 2009 (Appointed Date), the financial results (both standalone and consolidated) for the corresponding periods of the previous year have been recast to give impact of the said demerger effective from 1st October, 2009.
- c. The reported numbers for the nine months ended 31st December, 2009 are not comparable as the same include results of the Sponge Iron and Cement Businesses of the Company, sold / demerged during the Financial year 2009-10, effective from 22nd May, 2009 and 1st October, 2009 respectively. For better comparison, the restated results for the nine months ended 31st December, 2009 have also been given excluding the results of the Sponge Iron and Cement Businesses.

3. Samruddhi Cement Limited (SCL), a subsidiary of the Company, into which the erstwhile Cement Business of the Company was demerged w.e.f. 1st October, 2009 has been amalgamated with UltraTech Cement Limited (UltraTech), another subsidiary of the Company, w.e.f. 1st July, 2010. Accordingly, the shareholders of SCL have been issued shares by UltraTech in lieu of shares of SCL. As a result, the shareholders of the Company have direct participation in UltraTech and also shareholding of the Company in UltraTech stands increased to 60.34%. The Net Profit (after Minority Share) for the nine months ended 31st December, 2010 is therefore not strictly comparable with that of the corresponding period of the previous year.
4. Ultra Tech Cement Middle East Investments Limited, a subsidiary of the company, acquired controlling interest of Star Cement and other associate companies, in a phased manner during the quarter ended 30th September, 2010. The operations of these subsidiaries have been consolidated in the accounts of the Company in this quarter from the respective date of transfer of control. As a result, the loss of Rs 8.55 Crores pertaining to the last quarter has been accounted for in the current quarter.
5. During the quarter, the Company has allotted 11677 fully paid up equity shares of Rs.10 each upon exercise of stock options granted under the Employee Stock Option Scheme, 2006 (ESOS-2006).
6. Previous periods' figures have been regrouped / rearranged wherever necessary to conform to the current periods' classification.
7. The status of investors' complaints is as under :
Opening - 0, Received - 4, Resolved - 4, Closing - 0

For and on behalf of Board of Directors

Place : Mumbai
Date : 25th January, 2011

Adesh Gupta
Whole-Time Director & CFO

GRASIM INDUSTRIES LIMITED
Regd. Office: Birlagram, Nagda 456 331 (M.P.)
An Aditya Birla Group Company
www.grasim.com and www.adityabirla.com