



Grasim Industries Limited

Performance Review Q3FY08

22nd January 2008

Cautionary Statement

Statements in this “Presentation” describing the Company’s objectives, estimates, expectations or predictions may be “forward looking statements” within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company’s operations include global and Indian demand supply conditions, finished goods prices, feedstock availability and prices, cyclical demand and pricing in the Company’s principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries within which the company conducts business and other factors such as litigation and labour negotiations. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statement, on the basis of any subsequent development, information or events, or otherwise.



Consolidated Financial Performance – Q3FY08

	<u>Rs. Crs.</u>	<u>%</u> <u>Change</u>
TOTAL REVENUE	4,358	↑ 19
PBIDT <small>(including minority share)</small>	1,471	↑ 24
Interest	51	↓ (6)
PBT <small>(including minority share)</small>	1,254	↑ 29
Total Tax Expenses	399	↑ 31
PAT (Before Minority Share)	855	↑ 28
PAT (After Minority Share)	722	↑ 29
EPS (Rs.)	78.7	↑ 29

- | Net profit at record high of Rs.722 Crs., up by 29%
- | Consolidated revenue up by 19%
- | PBIDT up by 24% with improved performance from all business segments
- Ø Historically high profits by VSF and Cement business



Consolidated Financial Performance – 9MFY08

	<u>Rs. Crs.</u>	<u>%</u> <u>Change</u>
TOTAL REVENUE	12,383	↑ 23
PBIDT <small>(including minority share)</small>	4,108	↑ 35
Interest	162	↓ (1)
PBT <small>(including minority share)</small>	3,459	↑ 42
Total Tax Expenses	1,100	↑ 45
PAT (Before Minority Share)	2,359	↑ 40
PAT (After Minority Share)	2,012	↑ 43
EPS (Rs.)	219.4	↑ 43

- | Consolidated revenue up by 23%
- | PBIDT up by 35% with improved performance from all business segments
 - Ø VSF business PBIDT up by 67%
 - Ø Cement business PBIDT up by 21%
- | Net profit at Rs.2,012 Crs.; up by 43%



Consolidated Financial Performance

(Rs. Crores)

	Q3 FY08	Q3 FY07	% Chg.	9MFY08	9MFY07	% Chg.	FY07
Net Turnover & Op. Income	4,358.3	3,668.1	19	12,382.8	10,068.3	23	14,178.4
Other Income	90.5	64.9	39	276.6	167.5	65	245.6
PBIDT	1,471.3	1,182.5	24	4,108.4	3,050.4	35	4,290.1
Interest	51.0	54.5	(6)	161.8	162.8	(1)	228.6
Gross Profit	1,420.3	1,128.1	26	3,946.6	2,887.5	37	4,061.5
Depreciation	166.2	154.6	8	488.0	444.8	10	610.0
PBT	1,254.1	973.5	29	3,458.6	2,442.8	42	3,451.5
Current Tax	357.0	297.4		995.5	760.2		1,097.1
Deferred Tax	42.5	6.4		104.1	(3.3)		(5.1)
Total Tax	399.5	303.8	31	1,099.6	756.9	45	1,092.1
PAT	854.6	669.7	28	2,359.0	1,685.9	40	2,359.4
Minority Share etc.	132.7	110.3	--	347.5	276.9	--	391.9
PAT (after Minority Share)	721.9	559.3	29	2,011.5	1,409.0	43	1,967.5
Earning Per Share - Basic and Diluted (Rs.)	78.7	61.0	29	219.4	153.7	43	214.6

Standalone Financial Performance – Q3FY08

	<u>Rs. Crs.</u>	<u>%</u> <u>Change</u>
TOTAL REVENUE	2,630	↑ 15
PBIDT	921	↑ 29
Interest Charges	23	↓ (13)
Depreciation	87	↑ 7
PBT	815	↑ 35
Total Tax Expenses	262	↑ 35
PAT	554	↑ 35
EPS (Rs.)	60.4	↑ 35

l Net profit at record high; up by 35%

l Revenue up by 15%

l PBIDT up by 29% with improved performance from all business segments

Ø Historically high operating profit by VSF business, up by 50%

Ø Satisfactory performance from Cement business

Ø Normal operations in Chemical business during the quarter, unlike lower production due to CPP shutdown in Q3FY07

Ø Sponge Iron business aided by higher realisation

l Interest cost down by 13%

Standalone Financial Performance – 9MFY08

	<u>Rs. Crs.</u>	<u>%</u> <u>Change</u>	
TOTAL REVENUE	7,596	↑ 23	 Revenue up by 23%
PBIDT	2,644	↑ 43	 PBIDT up by 43% with improved performance from all business segments
Interest Charges	80	↑ 6	Ø VSF business PBIDT up by 77%
Depreciation	259	↑ 12	Ø Cement business PBIDT up by 21%
PBT	2,309	↑ 50	Ø Normal operations in Chemical business unlike lower production during last year
Total Tax Expenses	744	↑ 55	Ø Sponge Iron business aided by higher realisation
PAT	1,565	↑ 47	Ø Higher other income with increase in treasury income
EPS (Rs.)	170.7	↑ 47	 Tax expenses higher by 55%
			Ø Lower component of tax exempt income in PBT
			 Net profit at Rs.1,565 Crs.; up by 47%

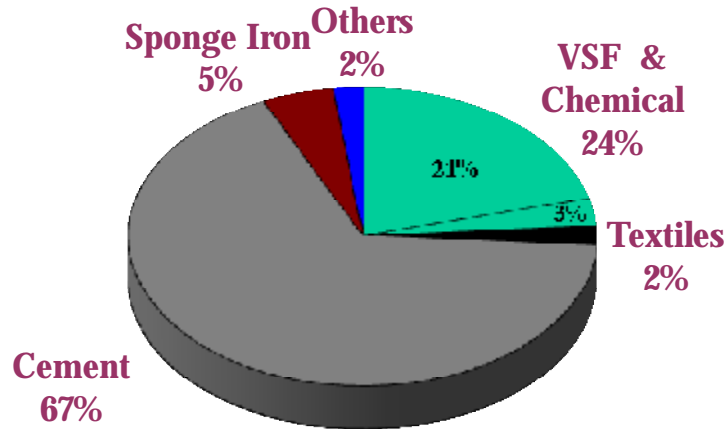
Standalone Financial Performance

(Rs. Crores)

	Q3 FY08	Q3 FY07	% Chg.	9MFY08	9MFY07	% Chg.	FY07
Net Turnover & Op. Income	2,629.9	2,280.2	15	7,595.8	6,185.3	23	8,680.3
Other Income	65.0	44.4	47	190.9	132.1	45	209.7
PBIDT	921.4	713.4	29	2,644.3	1,847.2	43	2,619.0
Interest	23.4	26.9	(13)	79.8	75.2	6	111.8
Gross Profit	898.0	686.5	31	2,564.5	1,772.0	45	2,507.2
Depreciation	86.5	80.7	7	259.1	230.4	12	317.9
Non Recurring Profit	3.9	-	--	3.9	-	--	37.1
PBT	815.4	605.8	35	2,309.3	1,541.6	50	2,226.4
Current Tax	235.6	192.3	--	665.0	477.1	--	692.4
Deferred Tax	26.0	1.9	--	79.1	3.2	--	(1.8)
Total Tax	261.6	194.2	35	744.1	480.3	55	690.6
PAT	553.8	411.6	35	1,565.2	1,061.3	47	1,535.8
Earning Per Share - Basic and Diluted (Rs.)	60.4	44.9	35	170.7	115.8	47	167.5

Segmental Performance – Q3FY08

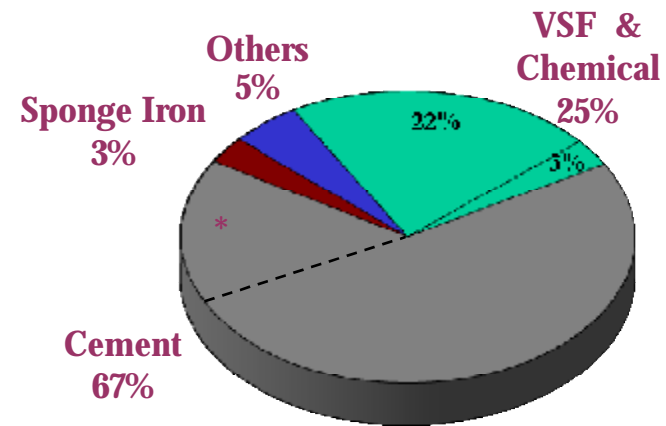
Revenue Mix



(Rs.4,358 Crs.)

Consolidated

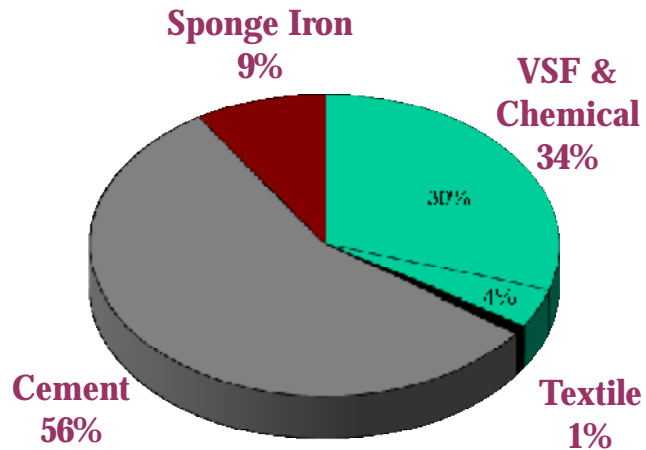
PBIDT Mix



(Rs.1,471 Crs.)

(* Minority Share 16%)

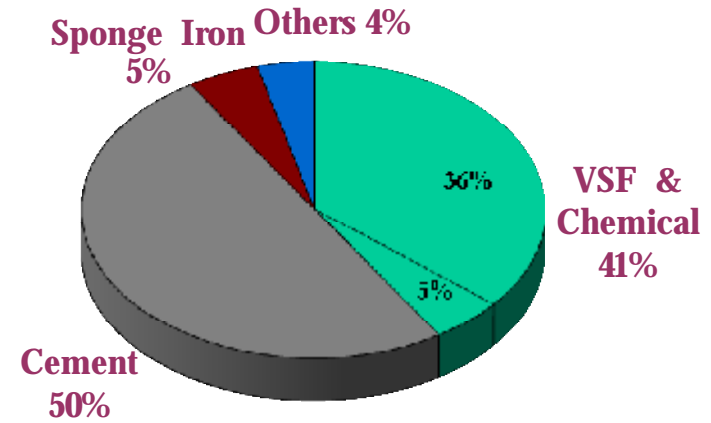
Revenue Mix



(Rs.2,630 Crs.)

Standalone

PBIDT Mix



(Rs.921 Crs.)

Financial Highlights



Grasim Consolidated Financials

<i>(Rs. Crores)</i>	FY05	FY06	FY07	9M FY08
Net Turnover	9,292	10,224	14,106	12,327
PBIDT	2,272	2,337	4,290	4,108
PAT (After Minority share)	880	1,041	1,968	2,012
Net Worth	4,082	4,833	6,636	8,610
Capital Employed	9,695	10,188	13,520	15,743
PBIDT Margins(%)	24.5	22.9	30.4	33.2
EPS (Rs.)	96.0	113.5	214.6	219.4
Interest Cover (x)	6.3	8.7	14.0	19.2
Debt: Equity (x)	0.86	0.69	0.65	0.48
Book Value (Rs.)	445	527	724	939
ROAvCE (PBIT Basis) (%) §	18.2	17.8	31.0	33.0
RONW (%) *	23.7	23.4	34.3	35.2

§ Capital Employed includes CWIP

* Excluding Minority share

- | Strong Balance sheet
- | ROAvCE increased from 18% in FY05 to 33% in 9MFY08
- | Return on equity at 35%
- | Debt-equity reduced from 0.86 in FY05 to 0.48 in 9MFY08
 - Ø Adjusted leveraging even lower at 0.36
- | Grasim's market-cap at Rs.335 Bn.* (\$8.5 Bn.)
 - Ø 5 years' CAGR 63%
- | Subsidiary company UltraTech's market-cap at Rs.126 Bn.* (\$3.2 Bn.)

(* 31st Dec. 07)



Grasim Standalone Financials

<i>(Rs. Crores)</i>	FY05	FY06	FY07	9M FY08
Net Turnover	6,229	6,653	8,608	7,542
PBIDT	1,785	1,597	2,619	2,644
PAT	886	863	1,536	1,565
Net Worth	4,324	4,978	6,226	7,794
Capital Employed	6,931	7,542	9,760	11,131
Capital Employed (Excl. subsidiary Investments)	4,569	5,190	7,284	8,496
PBIDT Margin (%)	28.7	24.0	30.2	34.8
EPS (Rs.)	96.6	94.1	167.5	170.7
Interest Cover (x)	9.6	11.9	17.2	24.8
Debt: Equity (x)	0.46	0.40	0.47	0.34
Book Value (Rs.)	472	543	679	850
ROAvCE (excl.subsidiary investment) (PBIT Basis) (%) §	35.1	26.7	36.9	40.3

§ Capital Employed includes CWIP

I Strong Balance sheet

Ø Low gearing at 0.34

Ø Adjusted gearing even lower at 0.18

Ø Comfortable interest cover

I Standalone ROCE in 9MFY08 at 40.3%

I Strong funding capabilities to support Company's ambitious future growth plans

I Grasim's market-cap at Rs.335 Bn.*
\$8.5 Bn.)

Ø 5 years' CAGR 63%

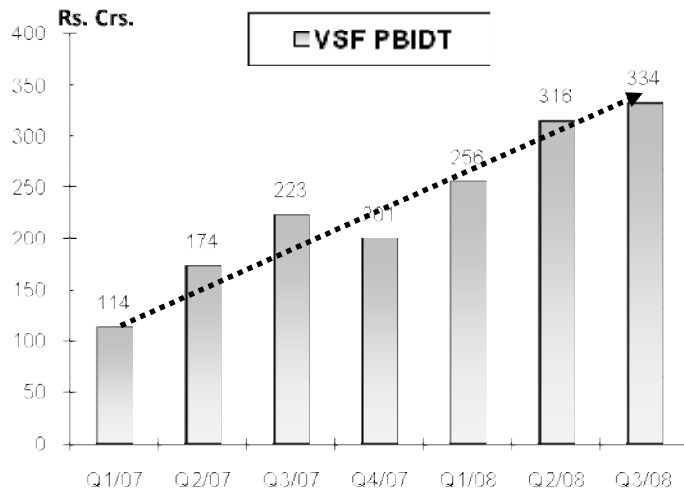
(* 31st Dec. 07)

Business Review – Q3FY08

- § **VSF**
- § **Chemicals**
- § **Cement**
- § **Sponge Iron**

Viscose Staple Fibre : Q3FY08 Highlights

	Q3FY08	Q3FY07	% Chg.
Capacity (TPA)	270,100	266,450	1
Production (MT)	70,839	68,784	3
Sales Volumes (MT)	68,552	67,061	2
Net Revenue (Rs Crs.)	805.9	653.7	23
Realisation (Rs./MT)	108,935	90,389	21
PBIDT (Rs. Crs.)	334.1	223.3	50
PBIDT Margin (%)	41.5%	34.2%	--
PBIT (Rs. Crs.)	312.5	204.7	53
ROAvCE %	92.6%	75.1%	--



- | Record operating profit of Rs.334 crores on back of robust volumes and higher realisation
- | Capacity utilisation of 105%
- | VSF demand continues to remain strong both in domestic and global markets
- | Realisation up by 21%
 - Ø Firm international prices
 - Ø Rising input cost
- | Operating margins increase to an high of 41%
- | Impact of high global pulp prices partially offset by rupee appreciation and part captive pulp capacity



Viscose Staple Fibre : Outlook

- | **Volume outlook is positive, driven by consumer preference for comfort clothing**
- | **Prices to remain firm in the short term; but resistance seen at these levels**
- | **Margins likely to see some decline in short to medium term**
 - Ø **Cost pressure on value chain**
 - Ø **Rising pulp prices coupled with spurt in sulphur prices**
- | **Volume growth to help growth in operating profit**
- | **Lifting of quota restriction on Chinese textile exports and impact of rupee appreciation on Indian textile exports are areas of concern**
- | **Capacity expansion plans from existing 270K TPA to 453K TPA under implementation to meet growing demand**
 - Ø **64K TPA expansion at Kharach (Gujarat) expected to be operational in March 08**
 - Ø **31K TPA expansion planned at Harihar (Karnataka)**
 - Ø **88K TPA greenfield project being pursued at Vilayat (Gujarat)**
- | **Foray into consumer product segment with test launch of non-woven products**

Chemical : Q3FY08 Highlights & Outlook

	Q3FY08	Q3FY07	% Chg.
Caustic Capacity (TPA)	258,000	190,800	35
Caustic Production (MT)	50,452	29,962	68
Caustic Sales Volumes (MT)	49,978	29,337	70
Net Revenue (Rs. Crs.)	116.7	76.9	52
ECU Realisation (Rs./MT)	20,090	21,035	(4)
PBIDT (Rs. Crs.)	45.1	19.3	134
PBIDT Margin (%)	38.6%	25.0%	--
PBIT (Rs. Crs.)	39.0	13.5	188
ROAvCE %	51.2%	21.4%	--

I Production up by 68%

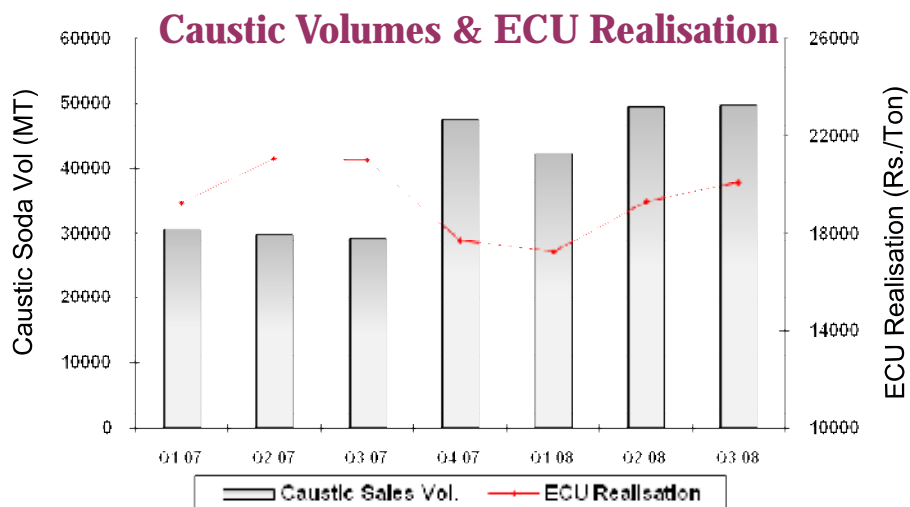
Ø Lower production in Q3FY07 due to shutdown of a captive power plant

I Lower caustic prices due to overhang of capacity and cheap imports

I Operating profit increased considerably on higher volumes

Outlook

I Realisations to remain under pressure due to demand supply mismatch





Cement : Q3FY08 Highlights

		Q3FY08	Q3FY07	% Chg.
<u>Grey Cement</u>				
Production	Mn. MT	3.69	3.67	1
Sales Volumes* \$	Mn. MT	3.76	3.72	1
Realisation	Rs./MT	3,215	2,918	10
<u>RMC</u>				
Sales Volumes	Lac Cu. Mtr.	5.46	3.76	45
Realisation	Rs./Cu Mtr.	2,767	2,433	14
<u>White Cement</u>				
Production	MT	105,123	91,722	15
Sales Volumes**	MT	103,879	93,571	11
Realisation	Rs./MT	7,076	6,456	10
Net Revenue\$	Rs. Crs.	1,486.8	1,276.0	17
PBIDT	Rs. Crs.	459.8	420.3	9
PBIDT Margin	(%)	^ 30.9%	32.9%	--
PBIT	Rs. Crs.	411.0	376.4	9
ROAvCE	%	42.3%	65.0%	--

* Includes captive consumption for RMC

** Includes captive consumption for value added products

\$ Excludes traded sales volumes

^ PBIDT margin without considering Brand Migration Expenses – 32.2%

- | Production and volumes growth restricted due to capacity constraint
 - Ø Despite high capacity utilisation at 112%
 - Ø Capacity constraint to resolve with commissioning of new capacities
- | RMC volumes up by 45%, 13 RMC plants commissioned during Apr–Dec 07
- | Higher realisations set off by cost pressures
 - Ø Higher fuel cost - increase in imported coal and petcoke prices
 - Ø Higher freight and employee cost
- | Rs.20 Crs. expense on brand migration to “UltraTech Cement” incurred during the quarter



Cement : Outlook

- | Demand expected to grow at about 10% in the long term
- | Capacity announcement of around 90 Mn. tons over three years [FY08 - FY10]
 - Ø If materialises in total as per announced schedule, may result in surplus
 - Ø Prices may come under pressure from end FY09
- | Cost pressure on account of rising energy prices
 - Ø New captive TPPs under construction to help reduce the energy cost
- | Operating margins likely to remain stable
- | Project implementation progressing satisfactorily
 - Ø Shambhupura, Rajasthan expected to be commissioned by March 08
 - Ø Kotputli, Rajasthan expected to be commissioned by end Q2FY09
 - Ø Tadpatri, A.P. (UltraTech) expected to be commissioned by March 08



Sponge Iron : Q3FY08 Highlights and Outlook

	Q3FY08	Q3FY07	% Chg.
Capacity (TPA)	900,000	900,000	--
Production (MT)	142,701	116,996	22
Sales Volumes (MT)	135,205	147,339	(8)
Net Revenue (Rs. Crs.)	244.3	196.0	25
Realisation (Rs./MT)	15,875	12,344	29
PBIDT (Rs. Crs.)	48.9	27.9	75
PBIDT Margin (%)	20.0%	14.2%	--
PBIT (Rs. Crs.)	40.2	19.1	110
ROAvCE (%)	32.6%	14.2%	--

- | **Production up by 22%**
 - Ø Maintenance shutdown in corresponding quarter
- | **Sales volume lower by 8%**
 - Ø Liquidation of stock in Q3FY07
- | **Increase in sponge prices helped by firm global scrap prices and record bulk freight rates**
- | **Higher operating profit led by better realisation and higher sale of iron ore fines**
 - Ø Despite steep increase in iron ore prices

Outlook

- | **Business outlook expected to improve with adequate gas availability, likely by March 08**
- | **Uncertainty in Gas pricing remains a concern**

Capex



Capex plans

I Capex Summary

Rs. Crores

	Total Project Cost	Net Capex *	Cash Outflow	
			FY08	FY09
Cement	5,123	4,085	2,871	1,133
- Kotputli (4.5 Mn. TPA) & Shambhupura (4.4 Mn. TPA) Projects, Rajasthan, (incl. 96 MW TPP)	3,276	2,529		
- 2 Nos. Thermal Power Plants (75 MW)	402	212		
- Grinding unit – Dadri, U.P. (1.3 Mn. MT)	204	116		
- RMC Plants (27 Nos., Capacity 5.4 mn. cu. mtrs.)	164	151		
- Modernisation, Upgradation, etc.	1,077	1,077		
VSF	952	910	415	404
- Capacity expansion, Kharach, Guj. & Harihar, Kar. (94,875 TPA)	606	564		
- Modernisation & Upgradation	346	346		
Other Businesses	117	117	103	14
Grasim	6,192	5,112	3,389	1,551
UltraTech	3,965	3,340	2,110	959
- 4.9 Mn. TPA Tadpatri Project, A.P. (incl. 50 MW TPP)	1,613	1,268		
- 3 Nos. Thermal Power Plants (175 MW)	1,096	844		
- 2 Mn. GCW Grinding Capacity augmentation	370	370		
- RMC plants (19 Nos., Capacity 3.2 mn. cu. mtrs.)	112	84		
- Modernisation, Upgradation, etc.	774	774		
Cement Business (Grasim & UltraTech)	9,088	7,425	4,981	2,092
Grasim and UltraTech	10,157	8,452	5,499	2,510

* Net of capex incurred till FY07

\$ Excluding Capex of Rs.840 Crs. for 88,000 TPA VSF Greenfield project being pursued at Vilayat, Gujarat

I 9MFY08 Capex spent in Grasim– Rs.2,132 Crs.; Cement Rs.1,834 Crs, VSF Rs.245 Crs, Others Rs.53 Crs

UltraTech Cement Performance Review

UltraTech: Consolidated Financial Performance – Q3FY08

(Rs. Crores)

	Q3 FY08	Q3 FY07	% Chg.
Net Turnover *	1,422.7	1,220.2	17
Other Income	21.4	16.9	27
PBIDT	493.0	400.5	23
PBIDT Margin (%)	34.1%	32.4%	--
Interest	17.4	20.2	(14)
Depreciation	59.0	57.3	3
PBT	416.6	323.0	29
Total Tax Expenses	135.1	108.3	25
PAT after Minority share	280.9	214.2	31

- | Net turnover increased by 17% due to improved realisation and higher RMC sales
- | Operating profit higher by 23% led by higher realisations and improved plant performance
- | Higher energy cost due to increase in imported coal prices
- | Interest cost lower by 14% on repayment of high cost debt
- | Net Profit at Rs.281 Crs, up 31%

* Adjusted for traded sales volumes



UltraTech Consolidated: Highlights

	Q3 FY08	Q3 FY07	% Chg.
Production (Mn. MT)			
Cement	3.60	3.59	--
Sales volumes (Mn. MT)			
Cement - Domestic *	3.40	3.21	6
- Exports	0.26	0.36	(28)
Clinker	0.71	0.77	(7)
	4.37	4.34	1
RMC Volumes (Lac. Cu. Mtr.)	2.32	0.48	--
Realisation (Rs./MT)			
Cement (Domestic)	3,318	3,019	10
Cement (Exports)[§]	3,497	2,791	25
Clinker (Domestic & Exports)	1,973	1,673	18

* Excludes traded sales volumes

§ Includes freight only on part quantity

- | **Effective capacity utilisation of 102%**
- | **Domestic sales volume up by 6%**
- | **Decline in exports volume of cement to meet domestic demand**
- | **Higher realisation in both domestic and export markets**
- | **Current FOB price: Cement \$54/ton, Clinker \$49/ton**
- | **Outlook on export prices continue to be positive**

Summary



Summary

I **Grasim – A VSF and Cement major**

- Ø **With strong competitive edge**
- Ø **Global size operations**
- Ø **Consolidating leadership position with strong organic growth pipeline**

I **Domestic leadership in Cement**

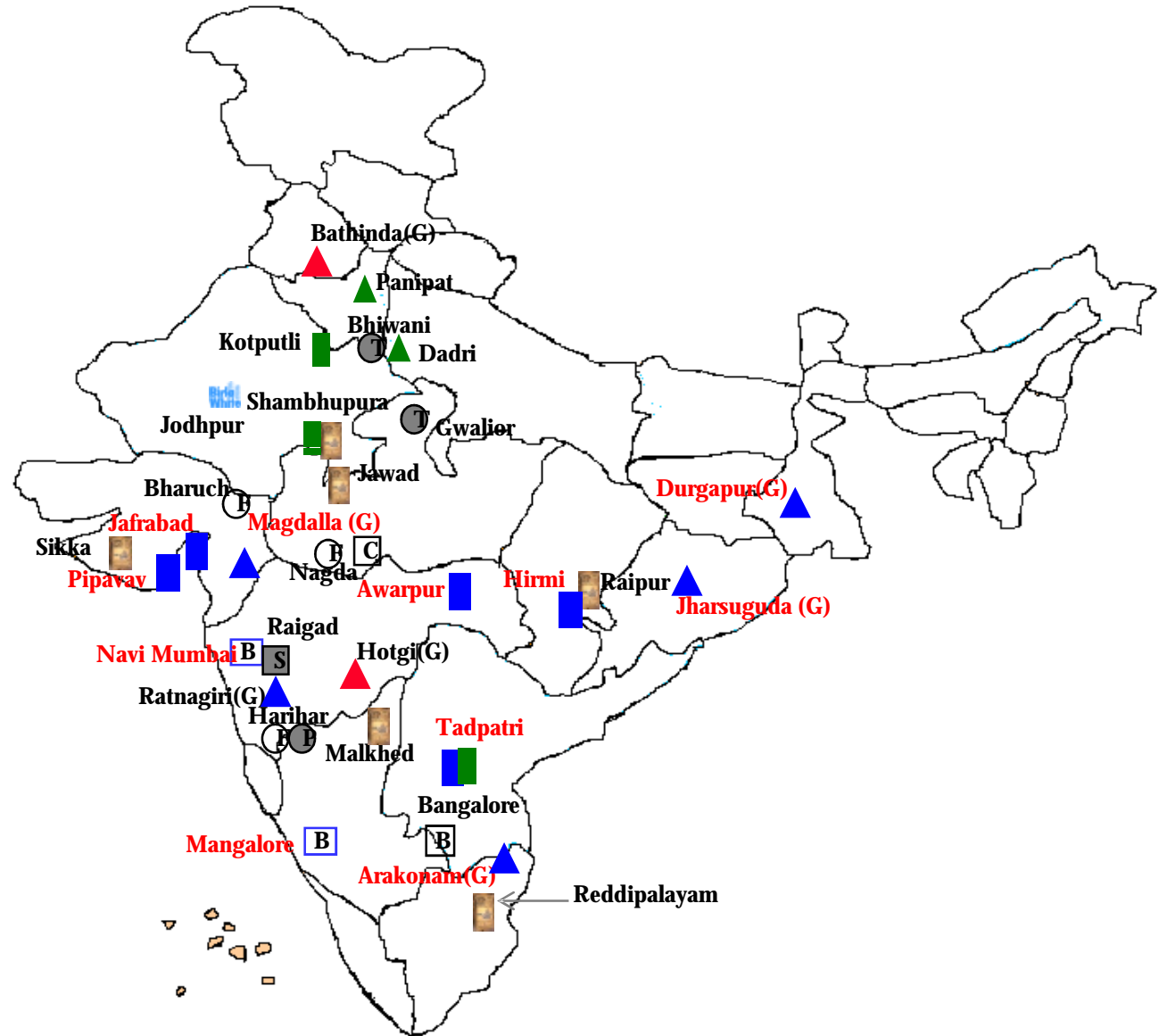
- Ø **Capex of Rs.9,100 Crs. on capacity expansions, captive power plants, RMC and modernisation**
- Ø **Focus on greater efficiency through cost control and other measures**

I **Leading global player in VSF**

- Ø **Global presence**
- Ø **Well planned strategy for growth of plantation, pulp and fibre capacities**
- Ø **Building capacity for specialty fibre**

Plant Locations– Grasim & its subsidiaries

- Proposed Cement Projects
- ▲ Proposed Grinding Units
- Grey Cement plants
- ▲ Grinding Units (G)
- B Bulk Cement Terminal
- UltraTech Cement Plants
- ▲ UltraTech Grinding Units (G)
- B UltraTech Bulk Cement Terminals
- F Fibre plants
- P Pulp plant
- C Chemical plant
- T Textiles units
- S Sponge Iron plant



Not to scale



Thank You



Grasim Industries Limited

Annexures



Annexures

- § **Consolidated and Standalone Financial**
- § **Consolidated and Standalone Profitability**
- § **Segmental Performance – Q3 & 9M FY08**
- § **VSF Summary**
- § **Chemical Summary**
- § **Cement Summary**
- § **Sponge Iron Summary**
- § **UltraTech Performance**



Financial Snapshot

Standalone

(Rs. Crores)	FY04	FY05	FY06	FY07	9MFY08
Gross Block [§]	5,802	6,052	6,417	7,974	9,887
Net Block [§]	3,213	3,204	3,307	4,593	6,390
Goodwill	-	-	-	-	-
Cement Subs. Investment	2,333	2,362	2,352	2,476	2,635
Investments	409	939	1,422	2,141	1,646
Net Current Assets	349	426	461	550	460
Capital Employed	6,304	6,931	7,542	9,760	11,131
Net Worth	3,606	4,324	4,978	6,226	7,794
Minority Interest	-	-	-	-	-
Debts	2,065	2,008	1,980	2,952	2,675
Deferred Tax	633	599	584	582	662
Debt: Equity (x)	0.57	0.46	0.40	0.47	0.34
Book Value (Rs.)	393	472	543	679	850

Consolidated

FY05	FY06	FY07	9MFY08
11,312	11,927	14,481	17,905
6,294	6,411	8,468	11,646
1,958	1,773	1,922	1,986
-	-	-	-
769	1,352	2,272	1,957
674	652	858	154
9,695	10,188	13,520	15,743
4,082	4,833	6,636	8,610
500	514	859	1,179
3,934	3,683	4,873	4,699
1,179	1,158	1,152	1,255
0.86	0.69	0.65	0.48
445	527	724	939

§ Block includes CWIP

Profitability Snapshot

Standalone

(Rs. Crores)	FY04	FY05	FY06	FY07	9MFY08
Gross Turnover	6,130	7,201	7,638	9,613	8,525
Net Turnover	5,213	6,229	6,653	8,608	7,542
PBIDT	1,504	1,785	1,597	2,619	2,644
PBIDT Margin (%)	28.9	28.7	24.0	30.2	34.8
Interest	154	139	103	112	80
PBDT	1,350	1,646	1,494	2,507	2,564
Total Tax Expenses	298	418	343	691	744
PAT (After Minority Share)	779	886	863	1,536	1,565

EPS (Rs.)	85.0	96.6	94.1	167.5	170.7
DPS (Rs.)	14.0	16.0	20.0	27.5	--
ROAvCE (PBIT Basis)(%)	\$ 28.9	\$ 35.1	\$ 26.7	\$ 36.9	\$ 40.3
RONW (%)					
Interest Cover (x)	7.9	9.6	11.9	17.2	24.8

Consolidated

FY05	FY06	FY07	9MFY08
10,776	11,746	15,714	13,886
9,292	10,224	14,106	12,327
2,272	2,337	4,290	4,108
24.5	22.9	30.3	33.2
285	218	229	162
1,988	2,118	4,061	3,947
442	403	1,092	1,100
880	1,041	1,968	2,012

96.0	113.5	214.6	219.4
--	--	--	--
18.2	17.8	31.0	33.0
23.7	23.4	34.3	35.2
6.3	8.7	14.0	19.2

\$ Adjusted for investments in cement subsidiaries and related income

Segmental Performance – Q3FY08

Standalone

Rs. Crores

Business	Revenue		PBIDT		PBIDT Margin (%)		PBIT		Capital Employed		ROAvCE (%) (PBIT basis)	
	Q3FY08	Q3FY07	Q3FY08	Q3FY07	Q3FY08	Q3FY07	Q3FY08	Q3FY07	Q3FY08	Q3FY07	Q3FY08	Q3FY07
VSF	806	654	334	223	41.5	34.2	313	205	1,489	1,181	92.6	75.1
Chemical	117	77	45	19	38.6	25.0	39	14	305	296	51.2	21.4
Cement	1,495	1,344	460	420	30.9	32.9	411	376	4,695	2,554	42.3	65.0
Sponge Iron	244	196	49	28	20.0	14.2	40	19	432	547	32.6	14.2
Textile	13	57	1	(0.3)	5.3	(0.5)	0.4	(3)	24	128	2.3	(10.4)
Direct Operations			889	690			803	611	6,945	4,706	52.6	56.7
Cement subsidiaries									2,635	2,379		
Company as a whole	2,630	2,280	921	713	35.0	31.3	835	633	11,131	8,866	@ 42.3	@ 43.3

Consolidated

VSF	912	737	339	243	37.1	33.0	314	223	1,790	1,345	78.0	75.3
Cement \$	2,962	2,562	966	841	32.6	32.8	857	738	11,383	7,961	33.8	40.0
Company as a whole\$	4,358	3,668	1,471	1,183	33.8	32.2	1,305	1,028	15,743	12,187	35.7	36.7

\$ including minority share

@ ROCE calculated after excluding investment in cement subsidiaries & related income

Capital Employed includes CWIP



Segmental Performance – 9MFY08

Standalone

Rs. Crores

Business	Revenue		PBIDT		PBIDT Margin (%)		PBIT		Capital Employed		ROAvCE (%) (PBIT basis)	
	9MFY08	9MFY07	9MFY08	9MFY07	9MFY08	9MFY07	9MFY08	9MFY07	9MFY08	9MFY07	9MFY08	9MFY07
VSF	2,308	1,666	906	512	39.3	30.7	843	459	1,489	1,181	83.3	56.2
Chemical	320	225	114	46	35.4	20.6	96	32	305	296	41.8	16.7
Cement	4,277	3,699	1,393	1,153	32.8	32.6	1,250	1,024	4,695	2,554	42.9	58.9
Sponge Iron	675	515	114	48	16.9	9.3	88	22	432	547	23.8	5.5
Textile	159	199	5	2	3.1	1.1	(2)	(3)	24	128	(3.1)	(3.8)
Direct Operations			2,532	1,761			2,275	1,534	6,945	4,704	49.7	47.5
Cement subsidiaries									2,635	2,379		
Company as a whole	7,596	6,185	2,644	1,847	34.8	29.9	2,385	1,617	11,131	8,866	@ 40.3	@ 36.7

Consolidated

VSF	2,634	1,933	911	545	34.6	28.2	839	487	1,790	1,345	69.5	54.8
Cement \$	8,385	7,084	2,739	2,256	32.7	31.8	2,419	1,956	11,383	7,961	31.8	35.3
Company as a whole\$	12,383	10,068	4,108	3,050	33.2	30.3	3,620	2,606	15,743	12,187	33.0	31.0

\$ including minority share

@ ROCE calculated after excluding investment in cement subsidiaries & related income

Capital Employed includes CWIP



Viscose Staple Fibre : Summary

		Q3 FY08	Q3 FY07	% Chg.	9M FY08	9M FY07	% Chg.	FY07
Capacity	TPA	270,100	266,450	1	270,100	266,450	1	270,100
Production	MT	70,839	68,784	3	209,072	179,061	17	246,833
Sales Volumes	MT	68,552	67,061	2	208,131	182,137	14	250,725
Net Revenue	Rs. Crs.	805.9	653.7	23	2,307.5	1,665.8	39	2,327.6
Avg. Realisation	Rs./MT	108,935	90,389	21	102,098	84,617	21	85,729
PBIDT	Rs. Crs.	334.1	223.3	50	906.1	511.9	77	712.3
PBIDT Margin	%	41.5%	34.2%	--	39.3%	30.7%	--	30.6%
PBIT	Rs. Crs.	312.5	204.7	53	843.4	459.3	84	638.4
Capital Employed	Rs. Crs.	1,489	1,181	26	1,489	1,181	26	1,211
ROAvCE (PBIT Basis)	%	92.6%	75.1%	--	83.3%	56.2%	--	57.8%



Chemical : Summary

		Q3 FY08	Q3 FY07	% Chg.	9M FY08	9M FY07	% Chg.	FY07
Capacity	TPA	258,000	190,800	35	258,000	190,800	35	258,000
Production	MT	50,452	29,962	68	142,046	89,610	59	136,685
Sales Volumes	MT	49,978	29,337	70	142,484	90,121	58	137,830
Net Revenue	Rs. Crs.	116.7	76.9	52	320.4	225.4	42	319.0
Avg. Realisation	Rs./MT	20,090	21,035	(4)	18,917	20,422	(7)	19,444
PBIDT	Rs. Crs.	45.1	19.3	134	113.5	46.4	145	80.6
PBIDT Margin	%	38.6%	25.0%	--	35.4%	20.6%	--	25.3%
PBIT	Rs. Crs.	39.0	13.5	188	95.6	31.7	201	60.1
Capital Employed	Rs. Crs.	305	296	3	305	296	3	304
ROAvCE (PBIT Basis)	%	51.2%	21.4%	--	41.8%	16.7%	--	23.3%



Cement : Summary

		Q3 FY08	Q3 FY07	% Chg.	9M FY08	9M FY07	% Chg.	FY07
Grey Cement								
Capacity	Mn. MT	13.12	13.12	--	13.12	13.12	--	13.12
Production	Mn. MT	3.69	3.67	1	11.16	10.54	6	14.42
Sales Volumes *	Mn. MT	3.76	3.72	1	11.26	10.59	6	14.52
Avg. Realisation	Rs./MT	3,215	2,918	10	3,156	2,824	12	2,867
White Cement								
Capacity	TPA	475,000	475,000	--	475,000	475,000	--	475,000
Production	MT	105,123	91,722	15	287,449	267,533	7	364,649
Sales Volumes	MT	103,879	93,571	11	281,450	264,967	6	367,167
Avg. Realisation	Rs./MT	7,076	6,456	10	6,797	6,435	6	6,458
Net Revenue *	Rs. Crs.	1,486.8	1,276.0	17	4,245.1	3,531.5	20	4,907.0
PBIDT	Rs. Crs.	459.8	420.3	9	1,393.1	1,152.8	21	1,623.0
PBIDT Margin	%	30.9%	32.9%	--	32.8%	32.6%	--	33.1%
PBIT	Rs. Crs.	411.0	376.4	9	1,250.4	1,024.3	22	1,448.2
Capital Employed	Rs. Crs.	4,695	2,554	84	4,695	2,554	84	3,077
ROAvCE (PBIT basis)	%	42.3%	65.0%	--	42.9%	58.9%	--	56.2%
*Adjusted for traded sales volumes	Mn. MT	0.01	0.20	--	0.07	0.50	--	0.77



Sponge Iron : Summary

		Q3 FY08	Q3 FY07	% Chg.	9M FY08	9M FY07	% Chg.	FY07
Capacity	TPA	900,000	900,000	--	900,000	900,000	--	900,000
Production	MT	142,701	116,996	22	427,510	357,503	20	525,183
Sales Volumes	MT	135,205	147,339	(8)	416,870	399,184	4	571,127
Net Revenue	Rs. Crs.	244.3	196.0	25	674.9	514.7	31	755.8
Avg. Realisation	Rs./MT	15,875	12,344	29	15,050	12,244	23	12,679
PBIDT	Rs. Crs.	48.9	27.9	75	114.1	48.1	137	85.1
PBIDT Margin	%	20.0%	14.2%	--	16.9%	9.3%	--	11.3%
PBIT	Rs. Crs.	40.2	19.1	110	88.0	22.1	298	50.4
Capital Employed	Rs. Crs.	432	547	(21)	432	547	(21)	552
ROAvCE (PBIT Basis)	%	32.6%	14.2%	--	23.8%	5.5%	--	9.3%



UltraTech: Consolidated Financial Performance

(Rs. Crores)

	Q3 FY08	Q3 FY07	% Chg.	9MFY08	9MFY07	% Chg.	FY07
Cement Production (Mn. MT)	3.60	3.59	0.4	10.85	10.46	4	14.63
Sales Volume(Mn. MT):							
Cement-Domestic*	3.40	3.21	6	10.22	9.49	8	13.35
Cement-Exports	0.26	0.36	(28)	0.69	0.94	(27)	1.27
Clinker	0.71	0.77	(7)	1.51	1.89	(20)	2.50
Total Volumes	4.37	4.34	1%	12.42	12.31	1	17.12
Realisation(Rs./MT):							
Cement-Domestic	3,318	3,019	10	3,236	2,901	12	2,934
Cement-Exports	3,497	2,791	25	3,207	2,862	12	2,871
Clinker	1,973	1,673	18	1,855	1,619	15	1,630
Net Turnover *	1,422.7	1,220.2	17	3,985.7	3,384.6	18	4,781.2
Other Income	21.4	16.9	27	71.6	39.0	84	59.2
PBIDT	493.0	400.5	23	1,310.9	1,059.7	24	1,490.8
PBIDT Margin %	34.1%	32.4%	--	32.3%	31.0%	--	30.8%
Interest	17.4	20.2	(14)	56.4	66.5	(15)	86.8
Depreciation	59.0	57.3	3	174.0	167.7	4	228.7
PBT	416.6	323.0	29	1080.5	825.5	31	1,175.3
Total Tax	135.1	108.3	25	354.0	271.1	31	388.7
PAT after Minority Share	280.9	214.2	31	725.5	552.8	31	784.9
Earning Per Share, Basic & Diluted (Rs.)	22.6	17.2	31	58.3	44.4	31	63.1
* Adjusted for traded sales volumes	--	0.15	--	0.04	0.31	--	0.56



**GRASIM, THE ADITYA BIRLA GROUP'S FLAGSHIP COMPANY
PERFORMANCE FOR Q3 FY2008**

Consolidated Net Profit : Rs. 722 Crs. **↑** 29%

Consolidated Net Revenues : Rs 4,358 Crs. **↑** 19%

Consolidated Financial Performance:

	Rs. Crores					
	Q3 FY08	Q3 FY07	% Change	9 Months FY08	9 Months FY07	% Change
Net Revenues	4,358	3,668	19%	12,383	10,068	23%
Gross Profit	1,420	1,128	26%	3,947	2,888	37%
Depreciation	166	155	7%	488	445	10%
Total Tax Expenses	399	304	31%	1100	757	45%
Profit after Taxes	855	669	28%	2,359	1,686	40%
<u>Less:</u> Minority Share	131	110	19%	345	277	25%
Net Profit	722	559	29%	2,012	1,409	43%
EPS (Rs.)	79	61	29%	219	154	43%

Grasim Industries Limited has posted good results for the 3rd quarter ended 31st December, 2007. The improved performance was propelled by its core businesses, viz., Cement and Viscose Staple Fibre (VSF). The Company's Chemical and Sponge Iron businesses too aided the performance.

Revenues increased by 19% y-o-y to Rs.4,358 crores (Rs.3,668 crores). Gross Profit rose by 26% at Rs.1,420 crores (Rs.1,128 crores). Net Profit was higher by 29% at Rs.722 crores (Rs.559 crores).

Highlights of Grasim's operations:

		Q3FY08	Q3FY07	% Change
Production -				
Viscose Staple Fibre	M.T.	70,839	68,784	3%
Cement	Mn. M.T.	3.69	3.67	1%
White Cement	M.T.	105,123	91,722	15%
Sponge Iron	M.T.	142,701	116,996	22%
Caustic Soda	M.T.	50,452	29,962	68%
Sales Volumes -				
Viscose Staple Fibre	M.T.	68,552	67,061	2%
Cement	Mn. M.T.	3.76	3.72	1%
White Cement	M.T.	103,879	93,571	11%
Sponge Iron	M.T.	135,205	147,339	-8%
Caustic Soda	M.T.	49,978	29,337	70%

Viscose Staple Fibre (VSF) Business

VSF business recorded a positive performance during the quarter.

The Company plans to expand its capacity by 94,875 tons, through capacity additions of 63,875 tons at Kharach (Gujarat) and 31,000 tons at Harihar (Karnataka), at an estimated outlay of Rs.606 crores. Upon completion, the Company's VSF capacity will be 364,975 tons.

Alongside, a greenfield 88,000 tons plant is being set up at Vilayat (Gujarat) at an estimated capital cost of Rs.840 crores. The plant is expected to be commissioned in about 2-3 years' time.

The Company plans to foray into the consumer product segment with a test launch of non-woven products.

Chemical Plant

The Chemical plant's performance improved during the quarter. Production of caustic soda was higher by 68% at 50,452 tons. During the corresponding quarter, production was lower owing to the shut down of a captive power plant. Sales volumes rose by 70% at 49,978 tons.

Cement Business

The performance of Cement business was good. Both production and sales volumes were a tad higher at 3.69 million tons and 3.76 million tons respectively. The share of blended cement increased from 61% to 66%. 13 RMC plants were commissioned during the current year. Higher realisation during the quarter, however, was set off by the steep hike in fuel cost and increased freight cost, which impacted margins.

The White Cement unit reported a healthy performance. While production grew by 15% at 105,123 tons, sales volumes improved by 11% at 103,879 tons.

Cement Subsidiaries

UltraTech Cement Limited (UltraTech), a subsidiary of Grasim, too reported improved performance. Sales of cement and clinker were at 3.66 million tons and 0.71 million tons respectively. Net Profit was higher at Rs.281 crores.

Cement Capex plan

The capex plans of both Grasim and UltraTech are progressing satisfactorily. The Company's aggregate cement capacity (including that of its subsidiaries) will stand augmented by 17 million tons at 47 million tons, upon completion of all expansions. Besides, both the Company and its subsidiary are setting up Ready Mix Concrete plants at various locations in the country.

The additional capacity of around 90 million tons, as announced by the industry, over the 3-year period FY08 to FY10, could result in a surplus scenario, affecting realisation from end-FY09. Rising energy prices would lead to increased costs. However, the addition of captive power plants at various locations will help contain this impact.

The strong growth in demand emanating from the housing and infrastructure sectors bode well for the Company's Cement business.

Sponge Iron Business

The performance of Sponge Iron business improved during the quarter. Operating profits improved, despite a steep increase in iron ore prices, owing to higher realisation. The outlook for the business is expected to improve with adequate gas availability, likely by March'08. The pricing of gas, being uncertain, continues to be a concern.

Outlook

Grasim's outlook continues to be positive. The major expansion of capacity in cement and fibre businesses, relentless efforts towards cost optimization and improved productivity, coupled with effective financial management, portend well for the Company in the years to come.

Grasim Industries Limited

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**UNAUDITED FINANCIAL RESULTS
FOR THE QUARTER ENDED 31st DECEMBER 2007**

I. CONSOLIDATED RESULTS :

Rs in Crores

	Three Months Ended 31st December 2007	Three Months Ended 31st December 2006	Nine Months Ended 31st December 2007	Nine Months Ended 31st December 2006	Year Ended 31st March 07 (Audited)
Net Sales / Income from Operations	4,358.34	3,668.12	12,382.80	10,068.25	14,178.44
Other Income	90.49	64.87	276.60	167.49	245.64
Expenditure :					
- Decrease / (Increase) in Stock	(97.70)	4.18	(132.52)	3.47	33.25
- Raw Material Consumed	942.69	729.79	2,632.63	1,980.30	2,821.40
- Purchases of Finished Goods	22.92	4.99	56.01	48.02	74.83
- Payment to & Provision for Employees	213.98	165.32	599.35	500.21	672.98
- Power & Fuel	740.58	627.30	2,033.54	1,768.53	2,472.45
- Freight , Handling & Other Expenses	515.40	471.94	1,499.79	1,330.15	1,878.07
- Depreciation	166.20	154.57	487.95	444.76	609.97
- Other Expenditure	639.72	546.95	1,862.21	1,554.72	2,181.02
Total Expenditure	3,143.79	2,705.04	9,038.96	7,630.16	10,743.97
Interest	50.99	54.47	161.83	162.83	228.64
Profit before Tax Expenses	1,254.05	973.48	3,458.61	2,442.75	3,451.47
Provision for Current Tax	(356.95)	(297.40)	(995.50)	(760.15)	(1,097.14)
Provision for Deferred Tax	(42.46)	(6.43)	(104.14)	3.29	5.07
Net Profit	854.64	669.65	2,358.97	1,685.89	2,359.40
Less : Minority Share	131.02	110.34	345.16	276.92	391.50
Add : Share in Profit / (Loss) of Associates	(1.76)	-	(2.27)	-	(0.40)
Net Profit (After Minority Share)	721.86	559.31	2,011.54	1,408.97	1,967.50
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
Basic EPS for the period (Rupees)	78.73	61.00	219.39	153.67	214.58
Diluted EPS for the period (Rupees)	78.72	61.00	219.37	153.67	214.58

II. STANDALONE RESULTS :

Rs. in Crores

	Three Months ended 31st December 2007	Three Months ended 31st December 2006	Nine Months ended 31st December 2007	Nine Months ended 31st December 2006	Full Year ended 31st March 2007 (Audited)
Net Sales / Income from Operations	2,629.93	2,280.22	7,595.75	6,185.33	8,680.34
Other Income	65.03	44.39	190.87	132.08	209.66
Expenditure :					
- Decrease / (Increase) in Stock	(44.28)	4.65	(57.58)	5.41	16.62
- Raw Material Consumed	704.05	577.89	2,001.85	1,576.67	2,219.14
- Purchases of Finished Goods	21.62	84.68	79.43	213.44	321.16
- Payment to & Provision for Employees	131.34	111.25	390.67	347.33	459.40
- Power & Fuel	368.86	311.41	1,041.48	856.46	1,196.14
- Freight , Handling & Other Expenses	255.43	235.59	758.00	658.69	919.40
- Depreciation	86.50	80.69	259.03	230.35	317.91
- Other Expenditure	336.58	285.77	928.47	812.21	1,139.13
Total Expenditure	1,860.10	1,691.93	5,401.35	4,700.56	6,588.90
Interest	23.41	26.93	79.84	75.21	111.84
Profit before Exceptional Items and Tax Expenses	811.45	605.75	2,305.43	1,541.64	2,189.26
Profit on transfer of textile units at Bhiwani	3.89		3.89		
Write back of provision for diminution in value of loans					37.10
Profit before Tax Expenses	815.34	605.75	2,309.32	1,541.64	2,226.36
Provision for Current Tax	(235.55)	(192.27)	(664.98)	(477.12)	(692.38)
Provision for Deferred Tax	(26.00)	(1.90)	(79.11)	(3.20)	1.83
Net Profit	553.79	411.58	1,565.23	1,061.32	1,535.81
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
Basic EPS for the period (Rupees)	60.40	44.89	170.71	115.75	167.50
Diluted EPS for the period (Rupees)	60.39	44.89	170.70	115.75	167.50
Total Public Shareholding*					
- Number of Shares (000's)			58,177	58,827	58,509
- Percentage of Shareholding			63.46%	64.17%	63.82%

*Total public shareholding as defined under Clause 40 A of the listing agreement(excludes shares held by Promoters and Global Depository Receipt holders)

III. SEGMENT REPORTING - CONSOLIDATED

Rs. in Crores

	Three Months ended 31st December 2007	Three Months ended 31st December 2006	Nine Months ended 31st December 2007	Nine Months ended 31st December 2006	Full Year ended 31st March 2007
1. SEGMENT REVENUE					
a Fibre & Pulp	912.20	736.79	2,634.23	1,932.64	2,725.25
b Cement	2,961.88	2,562.05	8,384.81	7,084.09	9,957.75
c Sponge Iron	244.33	196.02	674.92	514.71	755.79
d Chemicals	116.72	76.88	320.41	225.43	319.00
e Textiles	72.09	57.47	218.35	199.09	270.96
f Others	110.84	87.16	308.08	231.43	326.93
TOTAL	4,418.06	3,716.37	12,540.80	10,187.39	14,355.68
(Less) : Inter Segment Revenue	(59.72)	(48.25)	(158.00)	(119.14)	(177.24)
Net Sales / Income from Operations	4,358.34	3,668.12	12,382.80	10,068.25	14,178.44
2. SEGMENT RESULTS					
a Fibre & Pulp	313.92	223.20	838.98	487.13	671.74
b Cement	856.58	738.39	2,418.83	1,955.55	2,767.03
c Sponge Iron	40.18	19.09	87.95	22.11	50.39
d Chemicals	38.98	13.53	95.60	31.73	60.05
e Textiles	0.01	(2.87)	(2.17)	(3.13)	(4.63)
f Others	24.47	15.33	73.54	42.38	62.61
TOTAL	1,274.14	1,006.67	3,512.73	2,535.77	3,607.19
Add / (Less) :					
Interest	(50.99)	(54.47)	(161.83)	(162.83)	(228.64)
Net Unallocable Income / (Expenditure)	30.90	21.28	107.71	69.81	72.92
Profit Before Tax Expenses	1,254.05	973.48	3,458.61	2,442.75	3,451.47
3. CAPITAL EMPLOYED					
a Fibre & Pulp			1,789.55	1,345.04	1,428.47
b Cement			11,383.12	7,961.46	8,913.85
c Sponge Iron			432.45	546.86	552.21
d Chemicals			304.84	295.81	304.49
e Textiles			165.43	127.97	126.17
f Others			572.45	418.00	516.67
TOTAL			14,647.84	10,695.14	11,841.86
g Unallocated Corporate Capital Employed			1,098.87	1,495.65	1,682.37
TOTAL CAPITAL EMPLOYED			15,746.71	12,190.79	13,524.23

IV. SEGMENT REPORTING - STANDALONE						Rs. in Crores
	Three Months ended 31st December 2007	Three Months ended 31st December 2006	Nine Months ended 31st December 2007	Nine Months ended 31st December 2006	Full Year ended 31st March 2007 (Audited)	
1. SEGMENT REVENUE						
a Fibre & Pulp	805.92	653.74	2,307.52	1,665.83	2,327.63	
b Cement	1,494.80	1,344.36	4,276.76	3,699.41	5,172.66	
c Sponge Iron	244.33	196.02	674.92	514.71	755.79	
d Chemicals	116.72	76.88	320.41	225.43	319.00	
e Textiles	12.92	57.47	159.18	199.09	270.96	
TOTAL	2,674.69	2,328.47	7,738.79	6,304.47	8,846.04	
(Less) : Inter Segment Revenue	(44.76)	(48.25)	(143.04)	(119.14)	(165.70)	
Net Sales / Income from Operations	2,629.93	2,280.22	7,595.75	6,185.33	8,680.34	
2. SEGMENT RESULTS						
a Fibre & Pulp	312.52	204.74	843.40	459.33	638.42	
b Cement	410.96	376.37	1,250.40	1,024.27	1,448.21	
c Sponge Iron	40.18	19.09	87.95	22.11	50.39	
d Chemicals	38.98	13.53	95.60	31.73	60.05	
e Textiles	0.44	(2.87)	(1.74)	(3.13)	(4.63)	
TOTAL	803.08	610.86	2,275.61	1,534.31	2,192.44	
Add / (Less) :						
Interest	(23.41)	(26.93)	(79.84)	(75.21)	(111.84)	
Net Unallocable Income / (Expenditure)	31.78	21.82	109.66	82.54	108.66	
Profit before Exceptional Items and Tax Expenses	811.45	605.75	2,305.43	1,541.64	2,189.26	
Profit on transfer of textile units at Bhiwani	3.89		3.89			
Write back of provision for diminution in value of loans					37.10	
Profit Before Tax Expenses	815.34	605.75	2,309.32	1,541.64	2,226.36	
3. CAPITAL EMPLOYED						
a Fibre & Pulp			1,488.95	1,181.13	1,210.72	
b Cement			4,694.90	2,554.34	3,076.68	
c Sponge Iron			432.45	546.86	552.21	
d Chemicals			304.84	295.81	304.49	
e Textiles			23.93	127.97	126.17	
TOTAL			6,945.07	4,706.11	5,270.27	
f Unallocated Corporate Capital Employed			4,189.10	4,164.18	4,493.88	
TOTAL CAPITAL EMPLOYED			11,134.17	8,870.29	9,764.15	

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 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 & Wood Pulp
Cement	- Grey & White Cement
Sponge Iron	- Sponge Iron
Chemicals	- Caustic Soda & Allied Chemicals
Textiles	- Fabric & Yarn
Others	- Mainly Telecom (in consolidated results)

3 No investor complaint was pending at the beginning of the quarter. During the quarter, six complaints were received, all of which have been attended by the Company and no complaints were pending at the end of the quarter.

4 a During the quarter, the Company has entered into an agreement for sale of its entire holding of 7,58,16,681 equity shares representing 53.63% of issued equity share capital of Shree Digvijay Cement Co. Ltd. (SDCC), a subsidiary company, at a price of Rs. 42.50 per share subject to fulfillment of certain conditions.

Pending actual transfer of shares of SDCC as per terms and conditions of above agreement, the company has not reversed the provision for diminution in value of SDCC shares amounting to Rs. 45.68 Crs. This will be reviewed and considered in the annual accounts depending upon the outcome of the subject agreement.

4 b Pending transfer of Equity Shares of SDCC, the company has included in its consolidated financial results the financial results of SDCC for the period of 3 months and 9 months ended on 31st December 2007. The net revenue and net profit (net of minority share) of SDCC considered in the consolidated financial results for the quarter and 9 months ended on 31st December 2007, are as under:

Particulars	Rs. In Crs	
	3 months ended 31st December 2007	9 months ended 31st December 2007
Net Revenue	60.57	177.12
Net Profit (net of minority share)	5.26	14.15

5 a The standalone financial results of the company for the 3 months ended 31st December 2007 do not include the Financial results of the erstwhile Textiles Units at Bhiwani, as the same have been transferred to Grasim Bhiwani Textile Ltd. (GBTL), a wholly owned subsidiary of the Company, w.e.f. 1st October 2007. The impact of the same is not material on the Company's standalone financial results for the 3 months ended 31st December, 2007.

5 b The consolidated Financial Results of the Company for 3 months ended 31st December 2007, include financial results of GBTL.

6 During the quarter, the company has invested Rs 19.98 Crs for acquiring 30000 A Class equity shares of AV Cell Inc., Canada, a joint venture of the company, resulting into increase in the company's holding from 16.667 % to 25 %.

7 Previous period's figures have been regrouped / rearranged wherever necessary to conform to the current period's classification.

8 The above Unaudited results for the quarter ended 31st December, 2007 have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at the meeting held on 22nd January, 2008. 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 : 22nd January, 2008

D. D. Rathi
Whole-time Director

GRASIM INDUSTRIES LIMITED

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

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