



Grasim Industries Limited

Performance Review

Q3FY09

31st January 2009

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 – Q3FY09

	<u>Rs. Crs.</u>	<u>% Change</u>	
Revenue	4,632	↑ 6	● Revenue up by 6%
PBIDT	1,074	↓ (27)	● PBIDT lower by 27% ➤ Higher input and energy cost ➤ VSF business performance severely impacted by global economic downturn
Interest	95	↑ 86	● Interest up by 86% due to commissioning of projects and increased borrowings
Depreciation	230	↑ 38	● Depreciation higher by 38% on commissioning of projects
PBT	749	↓ (40)	● Tax expenses lower by 54% ➤ Current tax of Rs.99 Crs., lower by 72% ➤ Lower profits and higher tax depreciation ➤ Total tax expenses and average tax rate for the year expected to be lower
Total Tax Expenses	183	↓ (54)	
PAT (before Minority Share)	565	↓ (34)	
PAT (after Minority Share)	460	↓ (36)	● Net profit lower by 36%
EPS (Rs.)	50.1	↓ (36)	● Cash Profit of Rs.880 Crs. (Rs.1,061 Crs.), lower by 17%

Consolidated Financial Performance – 9MFY09

	<u>Rs. Crs.</u>	<u>% Change</u>	
Revenue	13,578	↑ 10	● Revenue up by 10%
PBIDT	3,454	↓ (16)	● PBIDT lower by 16% <ul style="list-style-type: none"> ➤ Higher input and energy cost ➤ VSF business performance severely impacted by global economic downturn
Interest	238	↑ 47	● Interest up by 47% due to commissioning of projects and increased borrowings
Depreciation	641	↑ 31	● Depreciation higher by 31% on commissioning of projects
PBT	2,576	↓ (26)	● Tax expenses lower by 40% <ul style="list-style-type: none"> ➤ Current tax of Rs.393 Crs., lower by 60% ➤ Lower profits and higher tax depreciation ➤ Total tax expenses and average tax rate for the year expected to be lower
Total Tax Expenses	656	↓ (40)	
PAT (before Minority Share)	1,920	↓ (19)	
PAT (after Minority Share)	1,618	↓ (20)	● Net profit lower by 20%
EPS (Rs.)	176.5	↓ (20)	● Cash Profit of Rs.2,824 Crs. (Rs.2,948 Crs.), marginally lower by 4%

Consolidated Financial Performance

(Rs. Crores)

	Q3 FY09	Q3 FY08	% Chg.	9M FY09	9M FY08	% Chg.	FY08
Net Turnover & Op. Income	4,631.6	4,350.5	6	13,578.3	12,376.5	10	17,141.3
Other Income	71.1	76.2	(7)	207.4	227.8	(9)	295.3
PBIDT	1,073.7	1,470.4	(27)	3,453.7	4,107.5	(16)	5,422.0
Interest	94.9	51.0	86	237.6	161.8	47	222.1
Gross Profit	978.8	1,419.4	(31)	3,216.1	3,945.7	(18)	5,199.9
Depreciation	230.2	166.2	38	640.6	488.0	31	670.3
Non recurring items	-	-	--	-	-	--	45.7
PBT	748.6	1,253.2	(40)	2,575.5	3,457.7	(26)	4,575.3
Current Tax	99.3	356.9	(72)	393.3	995.5	(60)	1,472.8
Deferred Tax	84.0	42.5	98	262.5	104.1	152	(7.0)
Total Tax	183.3	399.4	(54)	655.8	1,099.6	(40)	1,465.8
PAT (Before EO gain & Minority Share)	565.3	853.8	(34)	1,919.7	2,358.1	(19)	3,109.5
Extraordinary Item	-	-	--	-	-	--	236.7
PAT (incl. EO gain, before Minority Share)	565.3	853.8	(34)	1,919.7	2,358.1	(19)	3,346.2
Minority Share & Associate	105.7	132.8	--	301.8	347.4	--	454.8
PAT (incl. EO gain, after Minority Share)	459.6	721.0	(36)	1,617.9	2,010.7	(20)	2,891.4
Diluted Earning Per Share (before EO gain, after minority share) (Rs.)	50.12	78.62	(36)	176.45	219.28	(20)	289.44
Diluted Earning Per Share (incl. EO gain, after minority share) (Rs.)	50.12	78.62	(36)	176.45	219.28	(20)	315.25
Cash Profit (before min. share & EO Gain)	879.7	1,060.7	(17)	2,823.7	2,947.9	(4)	3,729.0

Standalone Financial Performance – Q3FY09

	<u>Rs. Crs.</u>	<u>%</u> <u>Change</u>	
Revenue	2,690	↑ 3	<ul style="list-style-type: none"> ● Revenue up by 3%
PBIDT	580	↓ (37)	<ul style="list-style-type: none"> ● PBIDT lower by 37% ➤ Higher input and energy cost ➤ VSF business performance severely impacted by global economic downturn
Interest Charges	44	↑ 90	<ul style="list-style-type: none"> ● Interest up by 90% due to commissioning of projects and increased borrowing
Depreciation	120	↑ 38	<ul style="list-style-type: none"> ● Depreciation higher by 38% on commissioning of projects
PBT	416	↓ (49)	<ul style="list-style-type: none"> ● Tax expenses lower by 67%
Total Tax Expenses	86	↓ (67)	<ul style="list-style-type: none"> ➤ Current tax of Rs.41 Crs., lower by 83% ➤ Lower profits and higher tax depreciation ➤ Total tax expenses and average tax rate for the year expected to be lower
PAT	330	↓ (40)	
EPS (Rs.)	35.9	↓ (40)	<ul style="list-style-type: none"> ● Net profit lower by 40%

Standalone Financial Performance – 9MFY09

	<u>Rs. Crs.</u>	<u>%</u> <u>Change</u>	
Revenue	8,009	↑ 6	<ul style="list-style-type: none"> ● Revenue up by 6%
PBIDT	2,093	↓ (21)	<ul style="list-style-type: none"> ● PBIDT lower by 21% ➤ Higher input and energy cost ➤ VSF business performance impacted by global economic downturn
Interest Charges	104	↑ 30	<ul style="list-style-type: none"> ● Interest up by 30% due to commissioning of projects and increased borrowing
Depreciation	332	↑ 28	<ul style="list-style-type: none"> ● Depreciation higher by 28% on commissioning of projects
PBT	1,658	↓ (28)	<ul style="list-style-type: none"> ● Tax expenses lower by 47%
Total Tax Expenses	395	↓ (47)	<ul style="list-style-type: none"> ➤ Current tax of Rs.246 Crs., lower by 63% ➤ Lower profits and higher tax depreciation
PAT	1,263	↓ (19)	<ul style="list-style-type: none"> ➤ Total tax expenses and average tax rate for the year expected to be lower
EPS (Rs.)	137.8	↓ (19)	<ul style="list-style-type: none"> ● Net profit lower by 19% ● Cash Profit of Rs.1,744 Crs. (Rs.1,899 Crs.), lower by 8%

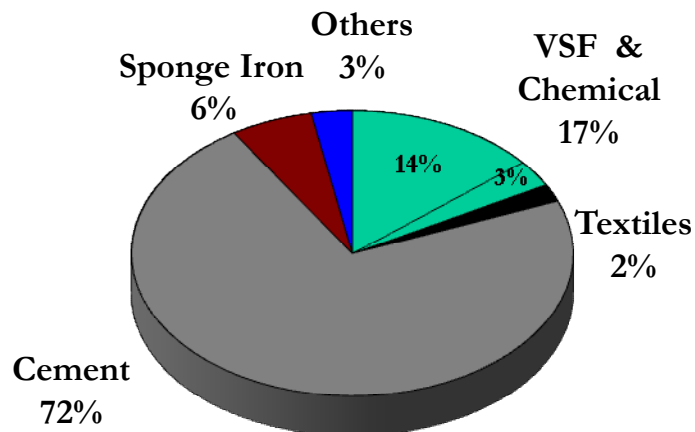
Standalone Financial Performance

(Rs. Crores)

	Q3 FY09	Q3 FY08	% Chg.	9M FY09	9M FY08	% Chg.	FY08
Net Turnover & Op. Income	2,690.1	2,615.4	3	8,008.8	7,561.4	6	10,325.2
Other Income	44.1	57.3	(23)	184.8	170.4	8	267.7
PBIDT	580.1	920.5	(37)	2,093.1	2,643.4	(21)	3,424.5
Interest	44.4	23.4	90	103.7	79.8	30	107.0
Gross Profit	535.7	897.1	(40)	1,989.4	2,563.6	(22)	3,317.5
Depreciation	119.8	86.5	38	331.6	259.0	28	353.3
Non Recurring Item	-	-	--	-	-	--	45.7
PBT (before EO gain)	415.9	810.6	(49)	1,657.8	2,304.6	(28)	3,009.9
Current Tax	41.0	235.6	(83)	245.9	665.0	(63)	952.7
Deferred Tax	45.3	26.0	74	148.7	79.2	88	9.6
Total Tax	86.3	261.6	(67)	394.6	744.2	(47)	962.3
PAT (before EO gain)	329.6	549.0	(40)	1,263.2	1,560.4	(19)	2,047.6
Extraordinary Items	-	4.8	--	-	4.8	--	185.0
PAT (incl. EO gain)	329.6	553.8	(40)	1,263.2	1,565.2	(19)	2,232.6
Diluted Earning Per Share (before EO gain) (Rs.)	35.94	59.87	(40)	137.77	170.18	(19)	223.24
Diluted Earning Per Share (incl. EO gain) (Rs.)	35.94	60.39	(40)	137.77	170.70	(19)	243.42
Cash Profit (before EO Gain)	494.7	661.5	(25)	1,743.5	1,898.6	(8)	2,364.8

Segmental Performance – Q3FY09

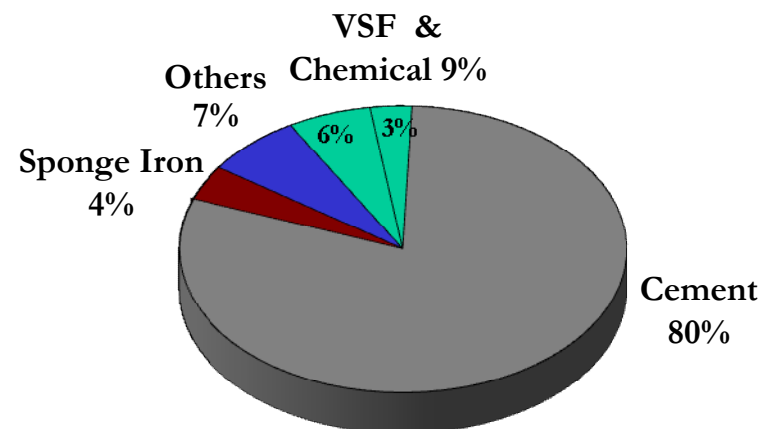
Revenue Mix



(Rs.4,632 Crs.)

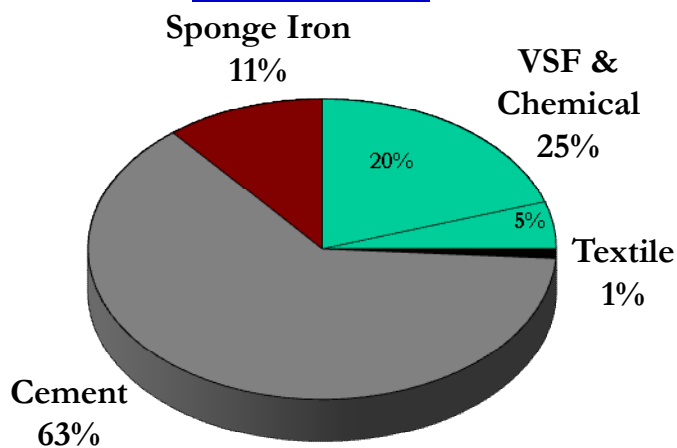
Consolidated

PBIDT Mix



(Rs.1,074 Crs.)

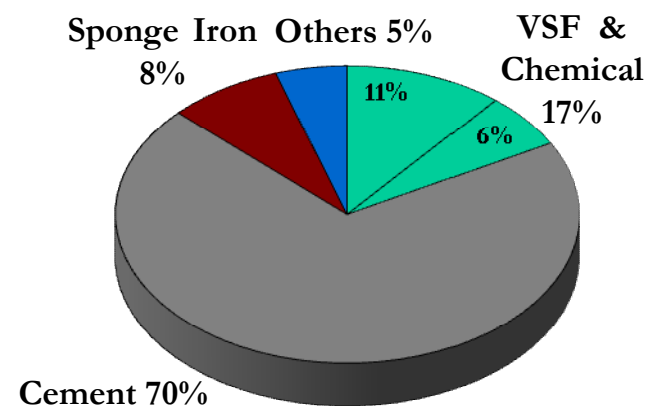
Revenue Mix



(Rs.2,690 Crs.)

Standalone

PBIDT Mix



(Rs.580 Crs.)

Financial Highlights



Grasim Consolidated Financials

(Rs. Crores)	FY06	FY07	FY08	9M FY09
Net Turnover	10,224	14,069	16,974	13,443
PBIDT	2,337	4,290	5,422	3,454
PAT [#] (After Minority share)	1,041	1,967	2,655	1,618
Net Worth	4,833	6,558	9,140	11,269
Capital Employed	10,188	13,443	17,151	20,947
PBIDT Margins(%)	22.9	30.3	31.6	25.4
EPS (Rs.) [#]	113.5	214.6	289.4	176.5
Interest Cover [^] (x)	8.7	13.3	13.1	10.1
Debt: Equity (x)	0.69	0.66	0.54	0.52
Book Value (Rs.)	527	715	997	1,229
ROAvCE (PBIT Basis) (%) \$	17.8	31.1	31.1	19.7
RONW (%) * #	23.4	34.5	33.8	21.1

[#] before extraordinary gains

\$ Capital Employed includes CWIP

* Excluding Minority share

[^] Interest capitalised also considered for interest cover

- Strong Balance sheet
 - Net worth at \$2.3 Bn.
 - Capital Employed at \$4.3 Bn.
- Debt-equity at 0.52
 - Net leveraging lower at 0.43
- ROAvCE at 20%
- Return on equity at 21%

Grasim Standalone Financials

(Rs. Crores)	FY06	FY07	FY08	9M FY09
Net Turnover	6,653	8,572	10,215	7,917
PBIDT	1,597	2,619	3,424	2,093
PAT *	863	1,536	2,048	1,263
Net Worth	4,978	6,226	8,137	9,405
Capital Employed	7,542	9,760	11,946	13,548
Capital Employed (Excl. subsidiary Investments)	5,190	7,284	9,409	10,997
PBIDT Margin (%)	24.0	30.3	33.2	26.1
EPS (Rs.) *	94.1	167.5	223.2	137.8
Interest Cover^ (x)	11.9	15.7	14.5	11.9
Debt: Equity (x)	0.40	0.47	0.39	0.36
Book Value (Rs.)	543	679	887	1,026
ROAvCE (excl. subsidiary investment) (PBIT Basis) (%) \$	26.7	36.4	36.8	22.6

\$ Capital Employed includes CWIP * Before extraordinary items

^ Interest capitalised also considered for interest cover

- Strong Balance sheet
 - Low gearing at 0.36
 - Net gearing lower at 0.26
 - High interest cover
- ROAvCE in 9MFY09 at 23%, on substantially higher capital employed (which includes assets under commissioning)
- Strong funding capabilities to support Company's future growth plans

Business Review – Q3FY09

- VSF
- Chemicals
- Cement
- Sponge Iron

Viscose Staple Fibre : Q3FY09 Highlights

	Q3FY09	Q3FY08	% Chg.
Capacity (TPA)	333,975	270,100	24
Production (MT)	51,777	70,839	(27)
Sales Volumes (MT)	53,758	68,552	(22)
Net Revenue (Rs. Crs.)	563.9	794.7	(29)
Realisation (Rs./MT)	96,611	108,935	(11)
PBIDT (Rs. Crs.)	63.5	334.1	(81)
PBIDT Margin (%)	11.3%	42.0%	--
PBIT (Rs. Crs.)	37.4	312.5	(88)
ROAvCE % @	8.4%	92.6%	--

@ Capital employed includes CWIP

- Production curtailed due to lower demand
- Sales volume impacted due to global weakness in textile demand
 - Consumer resisting purchase due to global recessionary trend
 - Sharp fall in exports of textile products due to lack of demand accentuated by credit squeeze and credit risk factor
 - Moderation in domestic demand
- Operating profits and margins reduced considerably
 - Realisation down by 11%
 - Higher pulp and sulphur cost
 - Lower volumes
 - Weakening of Rupee



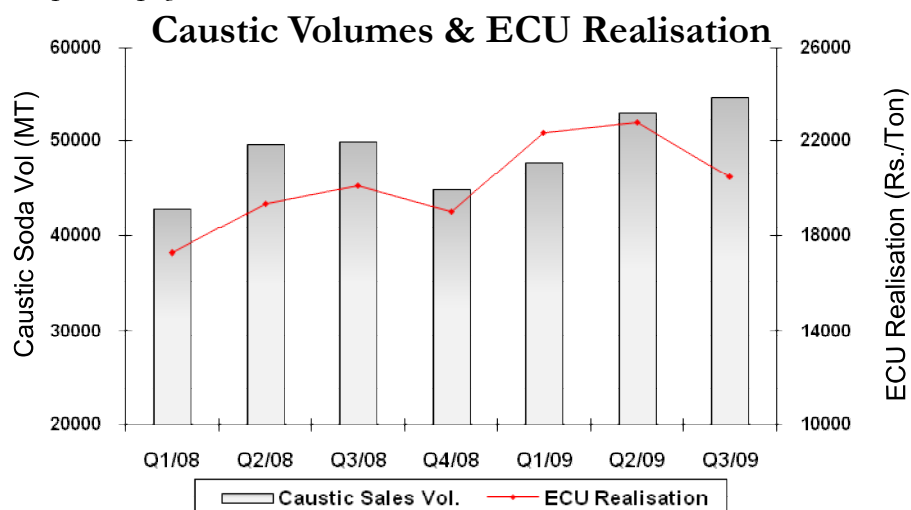
Viscose Staple Fibre : Outlook

- Business outlook to remain muted till recovery of Textile consumption in Western and Domestic markets
- Measures undertaken to meet severe downturn
 - Reduction in VSF prices by Rs.7/kg. from January 09 to prevent its substitution by competing fibres and also to compete with cheap imports
 - Inventory liquidation
 - Capacity expansion at Chinese JV deferred
- Margins expected to remain under pressure
 - Reduction in input cost (mainly in sulphur & pulp) will be offset by lower realization

Chemical : Q3FY09 Highlights & Outlook

	Q3FY09	Q3FY08	% Chg.
Caustic Capacity (TPA)	258,000	258,000	--
Caustic Production (MT)	52,176	50,452	3
Caustic Sales Volumes (MT)	54,688	49,978	9
Net Revenue (Rs. Crs.)	127.7	110.4	16
ECU Realisation (Rs./MT)	20,486	20,088	2
PBIDT (Rs. Crs.)	33.3	45.1	(26)
PBIDT Margin (%)	26.1%	40.8%	--
PBIT (Rs. Crs.)	26.5	39.0	(32)
ROAvCE % @	31.4%	51.2%	--

@ Capital employed includes CWIP



- Record sales volumes
 - Consistent production and stock liquidation
- ECU realisation stable
 - Higher caustic prices negated by abnormally low chlorine and Hcl prices
- Margins lower due to
 - Substantial increase in salt and power cost
 - Poor chlorine realisation

Outlook

- Caustic sales volume likely to be impacted
 - Lower demand from fibre segment
 - Production may be curtailed due to lower offtake of chlorine
- Margins to remain stable with reduction in input cost

Cement : Q3FY09 Highlights

		Q3FY09	Q3FY08	% Chg.
<u>Grey Cement</u>				
Capacity	Mn. TPA	18.05	13.12	38
Production	Mn. MT	4.00	3.69	9
Sales Volumes*	Mn. MT	4.05	3.76	7
Realisation	Rs./MT	3,399	3,215	6
<u>RMC</u>				
Sales Volumes	Lac Cu. Mtrs.	6.43	5.46	18
Realisation	Rs./Cu Mtr.	2,802	2,753	2
<u>White Cement</u>				
Production	MT	112,413	105,123	7
Sales Volumes**	MT	109,972	103,879	6
Realisation	Rs./MT	7,976	7,076	13
Net Revenue	Rs. Crs.	1,724.9	1,489.7	16
PBIDT	Rs. Crs.	407.6	459.8	(11)
PBIDT Margin	(%)	23.6%	30.9%	--
PBIT	Rs. Crs.	331.3	411.0	(19)
ROAvCE @	%	22.0%	42.3%	--

* Includes captive consumption for RMC

** Includes captive consumption for value added products

@ Capital employed includes CWIP

- Cement volume up by 7% helped by new capacity and healthy sectoral growth
- RMC volumes up by 18%
- Revenue up by 16% aided by volume growth in all products and higher cement realisation
- Reduction in operating margins (by 7.3% point) due to higher input costs
 - Increase in energy, raw material, freight and employee cost



Cement : Outlook

- Cement demand likely to get impacted, expected to grow in line with GDP growth
 - Moderation in economic growth rate
 - Slowdown in real estate and infrastructure sector
- New capacities coming on stream over next two years coincides with slower economic growth rate
 - Prices and margins may come under pressure in FY10
- Softening in imported coal and petcoke prices to have beneficial impact on cost
- Robust volume growth expected with commissioning and stabilisation of new capacities in Grasim and UltraTech



Cement Project Status

- **4.4 Mn. TPA Shambhupura, Raj.** : Grinding facility at AC II and Split Grinding unit in Aligarh, UP to be commissioned in Q4FY09
- **4.5 Mn. TPA Kotputli, Raj.** : Clinkerisation to be commissioned in Q4FY09
Grinding capacity by Q1FY10
- **4.9 Mn. TPA Tadpatri, A.P. (UltraTech)** : Grinding facility to be commissioned in Q4FY09
Split Grinding at Ginigera Operational
- **Thermal power plants of 169 MW** commissioned in Grasim and UltraTech in 9MFY09
- **Further Thermal power plant capacity of 167 MW** to be commissioned in Q4FY09

Sponge Iron : Q3FY09 Highlights

	Q3FY09	Q3FY08	% Chg.
Capacity (TPA)	900,000	900,000	--
Production (MT)	112,062	142,701	(21)
Sales Volumes (MT)	115,410	135,205	(15)
Net Revenue (Rs. Crs.)	297.8	244.3	(22)
Realisation (Rs./MT)	23,704	15,875	49
PBIDT (Rs. Crs.)	46.5	48.9	(5)
PBIDT Margin (%)	15.6%	20.0%	--
PBIT (Rs. Crs.)	38.0	40.2	(5)
ROAvCE (%) @	28.9%	32.6%	--

@ Capital employed includes CWIP

- Production and sales volumes decline due to lower demand
 - Production cut by steel producers
- Average realisations maintained at higher level, helped by exports during the quarter
- Operating margins impacted
 - Increased cost of raw material
 - Higher overhead expenses
- Sale of Sponge Iron undertaking progressing as per schedule; transaction likely to be completed in FY09

Capex

Capex plan

● Capex Summary

Rs. Crores

	Total Project Cost	Net Capex *	Cash Outflow	
			FY09	FY10
Cement Business	5,636	2,628	1,826	757
- Projects: Kotputli (4.5 Mn. TPA), Shambhupura (4.4 Mn. TPA), Dadri - GU (1.3 Mn. TPA) (incl. 96 MW TPP)	4,319	1,538		
- 2 Nos. Power Plants (48 MW), Waste Heat Recovery System (15 MW)	429	208		
- RMC Plants (12 Nos., Capacity 2.5 mn. cu. mtrs.) & New Products	268	262		
- Modernisation, Upgradation and others	620	620		
VSF Business – Modernisation & Upgradation	444	444	234	165
Other Businesses	107	107	89	18
Grasim	6,187	3,179	2,149	940
UltraTech	4,476	2,324	1,152	733
Grasim and UltraTech	10,663	5,503	3,301	1,673

* Net of capex incurred till FY08

● 9MFY09 Capex spent : Rs.1,371 Crs. (Cement 1,152 Crs., VSF 164 Crs., Others 55 Crs.)



Capex plan

● Capex Summary

Rs. Crores

	Total Project Cost	Net Capex *	Cash Outflow	
			FY09	FY10
UltraTech Cement				
- 4.9 Mn. TPA Tadpatri Project, A.P. (incl. 50 MW TPP)	1,967	508		
- 3 Nos. Power Plants (175 MW), Waste Heat Recovery System (25 MW)	1,346	659		
- Grinding and Jetty Capacity Expansion at Pipavav / Jafrabad & Bulk Terminal in Mumbai	470	470		
- RMC plants (12 Nos., Capacity 1.9 mn. cu. mtrs.)	104	98		
- Modernisation, Upgradation and others	589	589		
UltraTech	4,476	2,324	1,152	733
Cement Business (Grasim & UltraTech)	10,112	4,952	2,978	1,490

* Net of capex incurred till FY08, 9MFY09 Capex spent : Rs.780 Crs.

UltraTech Performance

UltraTech: Consolidated Financial Performance – Q3FY09

(Rs. Crores)

	Q3 FY09	Q3 FY08	% Chg.
Revenue	1,668.7	1,434.2	16
Other Income	14.2	10.0	43
PBIDT	451.8	494.2	(9)
PBIDT Margin (%)	26.8%	34.2%	--
Interest	35.9	18.6	93
Depreciation	81.2	59.0	38
PBT	334.7	416.6	(20)
Current Tax	58.1	120.0	(52)
Deferred Tax	38.9	15.1	158
PAT after Minority share	237.4	280.9	(15)

- Revenue up by 16%
 - Increased volumes of Cement and RMC
- Operating margins impacted due to higher input costs
 - Increase in energy, raw material, freight and employee cost
- Higher interest cost due to commissioning of projects and increased borrowings
- Depreciation up by 38% on project commissioning & downward revision in useful life of the assets
- Tax expenses lower by 28%
 - Total tax expenses and average tax rate for the year expected to be lower
- PAT lower by 15%



UltraTech Consolidated: Highlights

	Q3 FY09	Q3 FY08	% Chg.
Capacity (Mn. TPA)	19.5	17.0	15
Production (Mn. MT)			
Cement	3.98	3.60	11
Sales volumes (Mn. MT)			
Cement - Domestic	3.80	3.40	12
- Exports	0.30	0.26	17
Clinker	0.58	0.71	(19)
	4.68	4.37	7
RMC Volumes (Lac. Cu. Mtr.)	3.63	2.32	56
Realisation (Rs./MT)			
Cement (Domestic)	3,458	3,318	4
Cement (Exports) ^{\$}	3,233	3,479	(7)
Clinker (Domestic & Exports)	2,632	1,956	35
RMC (Rs./ Cu. Mtr.)	3,113	3,141	(1)

- Sales volume up by 7% helped by new capacity and healthy demand growth
 - Domestic volume up by 12%
- RMC volume up by 56%
- High realisation in export markets: FOB
 - Cement \$62/ton, Clinker \$55/ton

\$ Includes freight only on part quantity

Summary

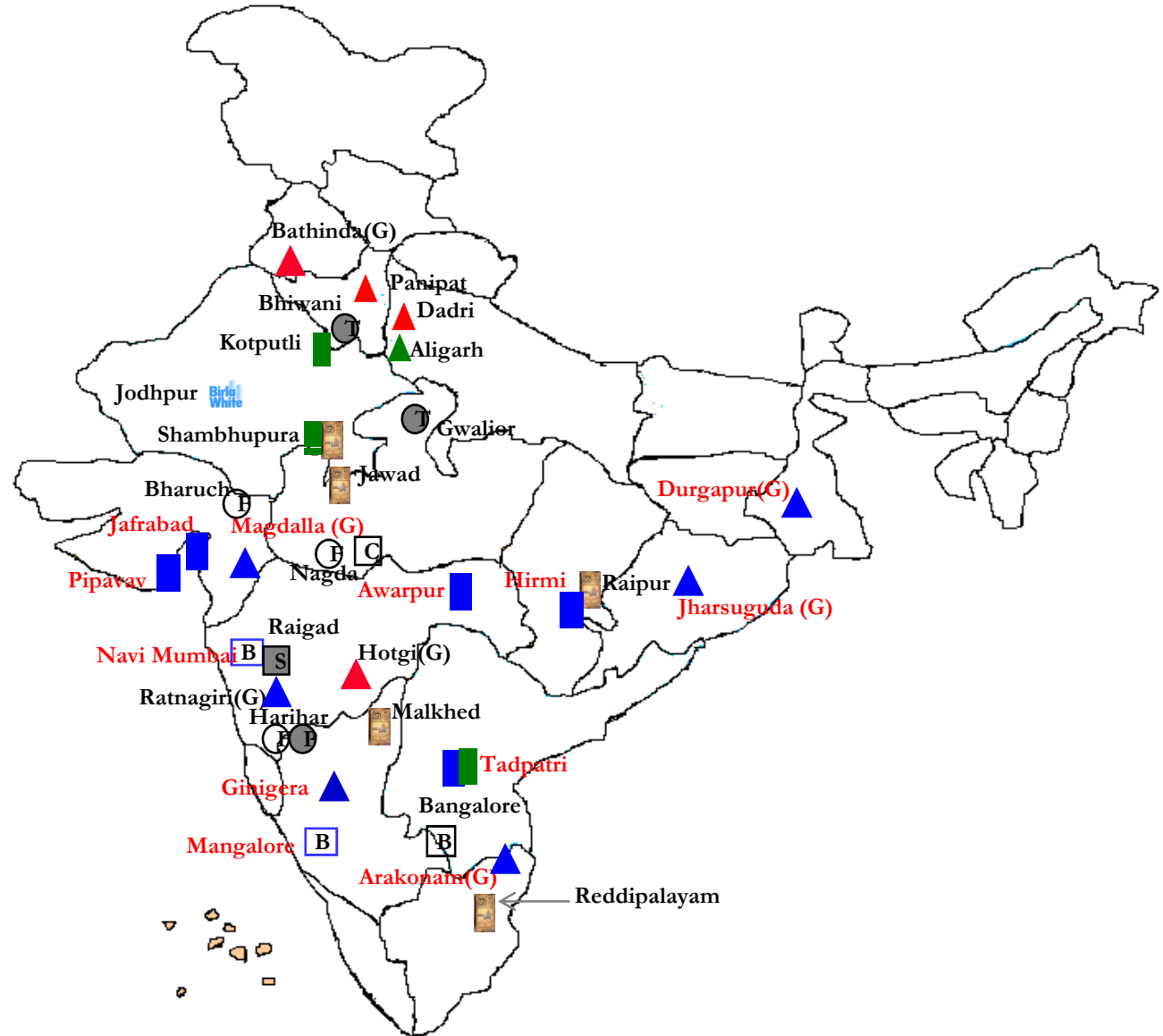


Summary

- **Grasim – A VSF and Cement major**
 - With strong competitive edge
 - Global size operations
 - Consolidating leadership position with strong organic growth
- **Domestic leadership in Cement**
 - Major Capex on capacity expansions, captive power plants, RMC and modernisation over FY07-FY09 period
 - Focus on greater efficiency through cost control
- **Leading global player in VSF**
 - Global presence
 - Planned strategy for growth of plantation, pulp and fibre capacities

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 FY09 & 9M FY09
- VSF Summary
- Chemical Summary
- Cement Summary
- Sponge Iron Summary
- UltraTech Performance

Financial Snapshot

Standalone

(Rs. Crores)	FY05	FY06	FY07	FY08	9MFY09
Gross Block [§]	6,052	6,416	7,974	10,615	11,951
Net Block [§]	3,204	3,307	4,593	7,050	8,070
Goodwill					
Cement Subs. Investment	2,362	2,352	2,476	2,537	2,551
Investments	939	1,422	2,141	1,893	1,646
Net Current Assets	426	461	550	466	1,281
Capital Employed	6,931	7,542	9,760	11,946	13,548
Net Worth	4,324	4,978	6,226	8,137	9,405
Minority Interest					
Debts	2,008	1,980	2,951	3,202	3,388
Deferred Tax	599	584	583	607	755

Debt: Equity (x)	0.46	0.40	0.47	0.39	0.36
Book Value (Rs.)	472	543	679	887	1,026

Consolidated

FY05	FY06	FY07	FY08	9MFY09
11,312	11,927	14,481	19,258	21,791
6,294	6,411	8,468	12,919	14,844
1,958	1,773	1,844	1,991	2,155
769	1,352	2,272	1,661	2,193
674	652	859	580	1,755
9,695	10,188	13,443	17,151	20,947
4,082	4,833	6,558	9,140	11,269
500	514	859	1,276	1,567
3,934	3,683	4,873	5,577	6,691
1,179	1,158	1,153	1,158	1,420

0.86	0.69	0.66	0.54	0.52
445	527	715	997	1,229

[§] Block includes CWIP

Profitability Snapshot

Standalone

(Rs. Crores)	FY05	FY06	FY07	FY08	9MFY09
Gross Turnover	7,201	7,638	9,573	11,552	8,928
Net Turnover	6,229	6,653	8,572	10,215	7,917
PBIDT	1,785	1,597	2,619	3,424	2,093
PBIDT Margin (%)	28.7	24.0	30.3	33.2	26.1
Interest	139	103	112	107	104
PBDT	1,646	1,494	2,507	3,317	1,989
Total Tax Expenses	418	343	691	962	395
PAT # (After Minority Share)	886	863	1,536	2,048	1,263

EPS (Rs.)	96.6	94.1	167.5	223.2	137.8
DPS (Rs.)	16.0	20.0	27.5	30.0	--
ROAvCE (PBIT Basis)(%)	\$ 35.1	\$ 26.7	\$ 36.4	\$ 36.8	\$ 22.6
RONW (%)					
Interest Cover (x)	9.6	11.9	15.7	14.5	11.9

Consolidated

FY05	FY06	FY07	FY08	9MFY09
10,776	11,746	15,674	19,113	15,047
9,292	10,224	14,069	16,974	13,443
2,272	2,337	4,290	5,422	3,454
24.5	22.9	30.3	31.6	25.4
284	219	222	222	238
1,988	2,118	4,068	5,200	3,216
442	403	1,092	1,466	656
880	1,041	1,967	2,655	1,618

96.0	113.5	214.6	289.4	176.5
--	--	--	--	--
21.4	17.8	31.1	31.1	19.7
23.7	23.4	34.5	33.8	21.1
6.3	8.7	13.3	13.1	10.1

\$ Adjusted for investments in cement subsidiaries and related income

before extraordinary gain

Segmental Performance – Q3FY09

Standalone

Rs. Crores

Business	Revenue		PBIDT		PBIDT Margin (%)		PBIT		Capital Employed		ROAvCE (%) (PBIT basis)	
	Q3FY09	Q3FY08	Q3FY09	Q3FY08	Q3FY09	Q3FY08	Q3FY09	Q3FY08	Q3FY09	Q3FY08	Q3FY09	Q3FY08
VSF	564	795	64	334	11.3	42.0	37	313	1,885	1,489	8.4	92.6
Chemical	128	110	33	45	26.1	40.8	27	39	343	305	31.4	51.2
Cement	1,725	1,490	408	460	23.6	30.9	331	411	6,573	4,695	22.0	42.3
Sponge Iron	298	244	47	49	15.6	20.0	38	40	593	432	28.9	32.6
Operations			551	889			433	803	9,413	6,945	19.9	52.6
Cement Sub.									2,551	2,635		
Company as a whole	2,690	2,615	580	920	21.6	35.2	460	834	13,548	11,131	@ 18.0	@ 42.3

Consolidated

VSF	654	901	57	339	8.8	37.6	25	314	2,465	1,790	4.4	78.0
Cement \$	3,374	2,971	858	966	25.4	32.5	700	857	14,944	11,383	20.4	33.8
Company as a whole \$	4,632	4,350	1,074	1,470	23.2	33.8	843	1,304	20,947	15,742	17.7	35.7

\$ including minority share

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

Capital Employed includes CWIP

Segmental Performance – 9MFY09

Standalone

Rs. Crores

Business	Revenue		PBIDT		PBIDT Margin (%)		PBIT		Capital Employed		ROAvCE (%) (PBIT basis)	
	9M FY09	9M FY08	9M FY09	9M FY08	9M FY09	9M FY08	9M FY09	9M FY08	9M FY09	9M FY08	9M FY09	9M FY08
VSF	1,899	2,292	407	906	21.4	39.5	329	843	1,885	1,489	24.6	83.3
Chemical	400	316	127	114	31.8	35.9	106	96	343	305	41.8	41.8
Cement	4,944	4,230	1,275	1,393	25.8	32.9	1,073	1,250	6,573	4,695	23.8	42.9
Sponge Iron	850	675	152	114	17.9	16.9	127	88	593	432	32.2	23.8
Operations			1,962	2,532			1,635	2,276	9,413	6,945	25.1	49.7
Cement Sub.									2,551	2,635		
Company as a whole	8,009	7,561	2,093	2,643	26.1	35.0	1,762	2,384	13,548	11,131	@ 22.6	@ 40.3

Consolidated

VSF	2,271	2,619	410	911	18.0	34.8	318	839	2,465	1,790	18.6	69.5
Cement \$	9,535	8,398	2,522	2,739	26.4	32.6	2,087	2,419	14,944	11,383	20.3	31.8
Company as a whole \$	13,578	12,376	3,454	4,108	25.4	33.2	2,813	3,620	20,947	15,742	19.7	33.1

\$ including minority share

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

Capital Employed includes CWIP

Viscose Staple Fibre : Summary

		Q3 FY09	Q3 FY08	% Chg.	9M FY09	9M FY08	% Chg.	FY08
Capacity	TPA	333,975	270,100	24	333,975	270,100	24	333,975
Production	MT	51,777	70,839	(27)	172,832	209,072	(17)	279,901
Sales Volumes	MT	53,758	68,552	(22)	173,054	208,131	(17)	269,781
Net Revenue	Rs. Crs.	563.9	794.7	(29)	1,899.4	2,292.3	(17)	3,010.7
Avg. Realisation	Rs./MT	96,611	108,935	(11)	100,214	102,098	(2)	103,316
PBIDT	Rs. Crs.	63.5	334.1	(81)	406.5	906.1	(55)	1,097.1
PBIDT Margin	%	11.3%	42.0%	--	21.4%	39.5%	--	36.4%
PBIT	Rs. Crs.	37.4	312.5	(88)	328.7	843.4	(61)	1,012.0
Capital Employed	Rs. Crs.	1,885	1,489	27	1,885	1,489	27	1,682
ROAvCE (PBIT Basis)	%	8.4%	92.6%	--	24.6%	83.3%	--	70.0%



Chemical : Summary

		Q3 FY09	Q3 FY08	% Chg.	9M FY09	9M FY08	% Chg.	FY08
Capacity	TPA	258,000	258,000	--	258,000	258,000	--	258,000
Production	MT	52,176	50,452	3	154,397	142,046	9	188,537
Sales Volumes	MT	54,688	49,978	9	155,591	142,484	9	187,356
Net Revenue	Rs. Crs.	127.7	110.4	16	399.6	316.4	26	417.6
Avg. Realisation	Rs./MT	20,486	20,088	2	21,834	18,939	15	18,963
PBIDT	Rs. Crs.	33.3	45.1	(26)	127.3	113.5	12	138.1
PBIDT Margin	%	26.1%	40.8%	--	31.8%	35.9%	--	33.1%
PBIT	Rs. Crs.	26.5	39.0	(32)	105.9	95.6	11	114.0
Capital Employed	Rs. Crs.	343	305	12	343	305	12	332
ROAvCE (PBIT Basis)	%	31.4%	51.2%	--	41.8%	41.8%	--	35.8%



Cement : Summary

		Q3 FY09	Q3 FY08	% Chg.	9M FY09	9M FY08	% Chg.	FY08
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Grey Cement

Capacity	Mn. TPA	18.05	13.12	38	18.05	13.12	38	16.75
Production	Mn. MT	4.00	3.69	9	11.64	11.16	4	15.36
Sales Volumes	Mn. MT	4.05	3.76	7	11.71	11.26	4	15.54
Avg. Realisation	Rs./MT	3,399	3,215	6	3,402	3,156	8	3,192

RMC

Sales Volumes	Lac Cu. Mtr.	6.43	5.46	18	18.90	13.62	39	19.54
Avg. Realisation	Rs./Cu. Mtr.	2,802	2,753	2	2,805	2,691	4	2,731

White Cement

Capacity	TPA	475,000	475,000	--	475,000	475,000	--	475,000
Production	MT	112,413	105,123	7	309,058	287,449	8	407,882
Sales Volumes	MT	109,972	103,879	6	308,637	281,450	10	396,295
Avg. Realisation	Rs./MT	7,976	7,076	13	7,894	6,797	16	6,902

Cement Business

Net Revenue	Rs. Crs.	1,724.9	1,489.7	16	4,943.6	4,230.1	17	5,921.8
PBIDT	Rs. Crs.	407.6	459.8	(11)	1,274.8	1,393.1	(8)	1,876.3
PBIDT Margin	%	23.6%	30.9%	--	25.8%	32.9%	--	31.7%
PBIT	Rs. Crs.	331.3	411.0	(19)	1,073.1	1,250.4	(14)	1,677.6
Capital Employed	Rs. Crs.	6,573	4,695	40	6,573	4,695	40	5,459
ROAvCE (PBIT basis)	%	22.0%	42.3%	--	23.8%	42.9%	--	39.3%

Sponge Iron : Summary

		Q3 FY09	Q3 FY08	% Chg.	9M FY09	9M FY08	% Chg.	FY08
Capacity	TPA	900,000	900,000	--	900,000	900,000	--	900,000
Production	MT	112,062	142,701	(21)	324,780	427,510	(24)	562,000
Sales Volumes	MT	115,410	135,205	(15)	324,588	416,870	(22)	557,187
Net Revenue	Rs. Crs.	297.8	244.3	22	850.3	674.9	26	950.7
Avg. Realisation	Rs./MT	23,704	15,875	49	24,401	15,050	62	15,759
PBIDT	Rs. Crs.	46.5	48.9	(5)	152.5	114.1	34	159.9
PBIDT Margin	%	15.6%	20.0%	--	17.9%	16.9%	--	16.8%
PBIT	Rs. Crs.	38.0	40.2	(5)	127.1	88.0	45	125.6
Capital Employed	Rs. Crs.	593	432	37	593	432	37	459
ROAvCE (PBIT Basis)	%	28.9%	32.6%	--	32.2%	23.8%	--	24.8%

UltraTech: Consolidated Financial Performance

(Rs. Crores)

	Q3 FY09	Q3 FY08	% Chg.	9M FY09	9M FY08	% Chg.	FY08
Cement Production (Mn. MT)	3.98	3.60	11	11.27	10.85	4	15.07
Sales Volume(Mn. MT):							
Cement-Domestic	3.80	3.40	12	10.84	10.22	6	14.25
Cement-Exports	0.30	0.26	17	0.64	0.69	(6)	0.90
Clinker	0.58	0.71	(19)	1.62	1.51	7	2.09
Total Volumes	4.68	4.37	7	13.10	12.42	5	17.24
Realisation(Rs./MT):							
Cement-Domestic	3,458	3,318	4	3,443	3,238	6	3,266
Cement-Exports	3,233	3,479	(7)	3,755	3,229	16	3,336
Clinker	2,632	1,956	35	2,481	1,830	36	1,892
RMC - Sales Volume (Lac Cu. Mtr.)	3.63	2.32	56	10.54	5.74	84	8.80
Avg. Realisation (Rs./Cu. Mtr.)	3,113	3,141	(1)	3,077	3,080	--	3,060
Revenue	1,668.7	1,434.2	16	4,689.4	4,024.6	17	5,671.7
Other Income	14.2	10.0	43	31.9	32.5	(2)	39.1
PBIDT	451.8	494.2	(9)	1251.8	1,315.6	(5)	1,837.2
PBIDT Margin %	26.8%	34.2%	--	26.5%	32.4%	--	32.2%
Interest	35.9	18.6	93	91.6	61.1	50	82.3
Depreciation	81.2	59.0	38	234.4	174.0	35	239.6
PBT	334.7	416.6	(20)	925.9	1,080.5	(14)	1,515.3
Total Tax	97.0	135.1	(28)	259.0	354.0	(27)	503.8
PAT after Minority Share	237.4	280.9	(15)	665.7	725.5	(8)	1,010.1
Earning Per Share, Diluted (Rs.)	19.07	22.56	(15)	53.48	58.26	(8)	81.11



GRASIM, THE ADITYA BIRLA GROUP'S FLAGSHIP COMPANY
PERFORMANCE FOR Q3FY2009

Consolidated Net Revenue	Rs.4,632 Crs.
Consolidated Net Profit	Rs.460 Crs.

Consolidated Financial Performance:

	Rs. Crores			
	Q3 FY09	Q3 FY08	9M FY09	9M FY08
Net Revenue	4,632	4,350	13,578	12,376
Profit before Taxes	749	1,253	2,576	3,458
Profit after Taxes	565	854	1,920	2,358
Minority Share	106	131	303	345
Net Profit	460	721	1,618	2,011
EPS (Rs.)	50	79	176	219
Cash Profit	880	1,061	2,824	2,948

Grasim, an Aditya Birla Group Company, today announced its results for the 3rd quarter ended 31st December, 2008. Its Consolidated Revenues were higher by 6% at Rs.4,632 crores (Rs.4,350 crores). Net Profit was lower at Rs.460 crores (Rs.721 crores) due to the weak performance by its Viscose Staple Fibre (VSF) business and higher input and energy costs. The performance is to be viewed in the backdrop of the unprecedented global economic downturn which has adversely impacted Company's key businesses.

During the 9-months ended 31st December, 2008, Grasim's Consolidated Revenues rose by 10% at Rs.13,578 crores (Rs.12,376 crores). Net Profit for the period was Rs.1,618 crores (Rs.2,011 crores). The Company earned a Cash Profit of Rs.2,824 crores, vis-à-vis Rs.2,948 crores in the corresponding period. Given the current economic environment and its impact on Company's key businesses, the overall performance is considered satisfactory.

Stand-alone Financial Performance:

	Rs. Crores			
	Q3 FY09	Q3 FY08	9M FY09	9M FY08
Net Revenue	2,690	2,615	8,009	7,561
Profit before Taxes	416	815	1,658	2,309
Net Profit	330	554	1,263	1,565
EPS (Rs.)	36	60	138	171
Cash Profit	495	662	1,744	1,899

On a stand-alone basis, Grasim's Revenues for the quarter stood at Rs.2,690 crores (Rs.2,615 crores). Interest cost rose by 90% as a result of commissioning of new projects and increased borrowings. Depreciation too was higher by 38% due to commissioning of new projects. These, coupled with the constrained VSF business performance and general slowdown in economy, impacted the Net Profit which stood at Rs.330 crores (Rs.554 crores). For the nine-months period, the Company earned a Net Profit of Rs.1,263 crores (Rs.1,565 crores) and Cash Profit of Rs.1,744 crores (Rs.1,899 crores).

Highlights of Grasim's operations:

		Q3FY09	Q3FY08	% Change
Production -				
Viscose Staple Fibre	M.T.	51,777	70,839	-27%
Cement	Mn. MT	4.00	3.69	9%
White Cement	M.T.	112,413	105,123	7%
Sponge Iron	M.T.	112,062	142,701	-21%
Caustic Soda	M.T.	52,176	50,452	3%
Sales Volumes -				
Viscose Staple Fibre	M.T.	53,758	68,552	-22%
Cement	Mn. MT	4.05	3.76	7%
White Cement	M.T.	109,972	103,879	6%
Sponge Iron	M.T.	115,410	135,205	-15%
Caustic Soda	M.T.	54,688	49,978	9%

Viscose Staple Fibre (VSF) Business

The performance of VSF business was adversely affected due to depressed consumer demand for textile globally. Sales volumes were lower by 22%. The Company scaled down its production considerably in view of the impaired sales. Operating profits and margins dipped, also due to lower realization, higher pulp and sulphur cost and the weakening of rupee.

The demand for VSF is expected to remain muted until such time the textile consumption both in the domestic and western markets shows some signs of recovery. Margins are expected to remain under pressure, despite lower input costs, on account of further reduction in realization. The Company has reduced the prices of VSF further with effect from January, 2009 to prevent its substitution by competing fibres and imports.

The performance of VSF business is in line with global scenario.

Chemical Plant

In Caustic soda, production grew by 3%, while volumes rose by 9%. Higher caustic prices were negated by the abnormally low chlorine and HCL prices, which were down by almost 90% and 70% respectively over the corresponding quarter. Margins were depressed due to a steep increase in salt and power costs. The lower demand from fibre segment is likely to affect the caustic volumes.

Cement Business

Production of Cement was higher by 9% at 4 million tons. Volumes at 4.05 million tons registered an increase of 7%, aided by new capacity and sectoral growth. RMC volumes too were up by 18%. Though realizations improved, the impact was more than offset by the soaring input costs, thereby affecting margins adversely.

Cement Subsidiary: UltraTech Cement Limited (UltraTech), a subsidiary of Grasim, reported a lower Net Profit at Rs.237 crores (Rs.281 crores). Variable costs escalated due to a sharp increase in prices of coal and raw materials. The combined sales of cement and clinker reflected a growth of 7%.

Cement Capex plan

Grasim and UltraTech commissioned their clinkerisation units at Shambhupura (Rajasthan) and Tadpatri (A.P.) respectively, during the year. The split grinding units of Grasim at Dadri (U.P.) and that of UltraTech at Ginigera (Karnataka) of 1.3 million tons each also became operational during the year. Additionally, thermal power plants of 73 MW and 96 MW were commissioned by Grasim and UltraTech respectively.

The grinding unit of Grasim at Shambhupura and that of UltraTech at Tadpatri (A.P.) are expected to be operational in Q4FY09. At Kotputli (Rajasthan), the clinkerisation unit is expected to be commissioned in Q4FY09, while the grinding unit is expected to go on stream by Q1FY10.

The real estate sector continues to be plagued by inadequate demand and poor availability of funds. The slowdown in construction activities and corporate capital investments would lead to slackening of demand for cement. The sector is now expected to grow in line with GDP. The price of cement and consequently, operating margins, may witness pressure in FY 10 and FY 11 owing to the commissioning of large capacities in a phased manner over the next two years.

Commissioning and stabilization of new capacities in Grasim and UltraTech should spur growth in volumes. Going forward, the Company will continue to focus on sustaining plant performance and optimising efficiencies.

Outlook

The Company will continue to fortify its leadership position in the Cement and VSF sectors. With substantial increase in capacities, improved cost optimization, higher productivity and strong fundamentals, the prospects for the Company appear positive.

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Grasim Industries Limited

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

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**UNAUDITED FINANCIAL RESULTS
FOR THE QUARTER ENDED 31st DECEMBER 2008**

I. CONSOLIDATED RESULTS :

Rs in Crores

	Three Months ended 31st December 2008	Three Months ended 31st December 2007	Nine Months ended 31st December 2008	Nine Months ended 31st December 2007	Year ended 31st March 2008 (Audited)
Net Sales / Income from Operations	4,587.86	4,317.18	13,443.36	12,272.79	16,973.74
Other Operating Income	43.77	33.31	134.96	103.66	167.56
Total Operating Income	4,631.63	4,350.49	13,578.32	12,376.45	17,141.30
Expenditure :					
- Decrease / (Increase) in Stock	(86.07)	(97.70)	(245.90)	(132.52)	(174.28)
- Raw Material Consumed	981.18	947.75	3,062.90	2,637.37	3,703.27
- Purchases of Finished Goods	33.03	22.92	90.24	56.01	74.30
- Payment to & Provision for Employees	266.23	212.63	722.39	596.21	845.36
- Power & Fuel	1,094.05	746.85	2,832.95	2,046.21	2,907.37
- Freight , Handling & Other Expenses	597.63	506.53	1,707.11	1,492.76	2,088.94
- Depreciation	230.17	166.20	640.62	487.95	670.31
- Other Expenditure	742.99	617.29	2,162.33	1,800.68	2,569.62
Total Expenditure	3,859.21	3,122.47	10,972.64	8,984.67	12,684.89
Profit from Operations before Other Income, Interest & Exceptional Items	772.42	1,228.02	2,605.68	3,391.78	4,456.41
Other Income	71.06	76.15	207.44	227.79	295.32
Profit Before Interest & Exceptional Items	843.48	1,304.17	2,813.12	3,619.57	4,751.73
Interest	94.92	50.99	237.58	161.83	222.09
Profit after Interest but before Exceptional Items	748.56	1,253.18	2,575.54	3,457.74	4,529.64
Writeback of provision for diminution in value of investments					45.68
Profit from Ordinary Activities before Tax	748.56	1,253.18	2,575.54	3,457.74	4,575.32
Provision for Current Tax	(99.30)	(356.95)	(393.35)	(995.50)	(1,472.76)
Provision for Deferred Tax	(83.96)	(42.46)	(262.53)	(104.14)	6.97
Net Profit from Ordinary Activities after Tax	565.30	853.77	1,919.66	2,358.10	3,109.53
Extra Ordinary Items :					
Profit on Sale of Shares of Subsidiary company					236.68
Net Profit for the period	565.30	853.77	1,919.66	2,358.10	3,346.21
Less : Minority Share	106.04	131.02	302.69	345.16	456.53
Add : Share in Profit / (Loss) of Associates	0.29	(1.76)	0.90	(2.27)	1.76
Net Profit (After Minority Share)	459.55	720.99	1,617.87	2,010.67	2,891.44
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					9,013.03
Basic EPS for the period before Extra Ordinary Items (Rupees)	50.12	78.63	176.45	219.29	289.54
Diluted EPS for the period before Extra Ordinary Items(Rupees)	50.12	78.62	176.45	219.28	289.44
Basic EPS for the period after Extra Ordinary Items(Rupees)	50.12	78.63	176.45	219.29	315.35
Diluted EPS for the period after Extra Ordinary Items (Rupees)	50.12	78.62	176.45	219.28	315.25

II. STANDALONE RESULTS :

Rs. in Crores

	Three Months ended 31st December 2008	Three Months ended 31st December 2007	Nine Months ended 31st December 2008	Nine Months ended 31st December 2007	Year ended 31st March 2008 (Audited)
Net Sales / Income from Operations	2,653.57	2,593.10	7,917.02	7,488.25	10,215.05
Other Operating Income	36.48	22.28	91.82	73.11	110.10
Total Operating Income	2,690.05	2,615.38	8,008.84	7,561.36	10,325.15
Expenditure :					
- Decrease / (Increase) in Stock	0.86	(44.28)	(108.96)	(57.58)	(130.22)
- Raw Material Consumed	743.22	704.60	2,335.42	2,002.08	2,828.25
- Purchases of Finished Goods	16.25	21.62	45.64	79.43	97.40
- Payment to & Provision for Employees	166.37	131.22	454.55	390.30	550.07
- Power & Fuel	540.66	368.86	1,447.13	1,041.48	1,476.51
- Freight, Handling & Other Expenses	316.13	254.61	896.92	756.17	1,047.88
- Depreciation	119.77	86.50	331.63	259.03	353.27
- Other Expenditure	370.54	315.58	1,029.75	876.49	1,298.51
Total Expenditure	2,273.80	1,838.71	6,432.08	5,347.40	7,521.67
Profit from Operations before Other Income, Interest & Exceptional Items	416.25	776.67	1,576.76	2,213.96	2,803.48
Other Income	44.07	57.32	184.76	170.44	267.74
Profit Before Interest & Exceptional Items	460.32	833.99	1,761.52	2,384.40	3,071.22
Interest	44.39	23.41	103.67	79.84	107.00
Profit after Interest but before Exceptional Items	415.93	810.58	1,657.85	2,304.56	2,964.22
Write back of provision for diminution in value of Investment					45.68
Profit from Ordinary Activities before Tax	415.93	810.58	1,657.85	2,304.56	3,009.90
Provision for Current Tax	(41.01)	(235.55)	(245.94)	(664.98)	(952.71)
Provision for Deferred Tax	(45.36)	(26.00)	(148.66)	(79.11)	(9.62)
Net Profit from Ordinary Activities after Tax	329.56	549.03	1,263.25	1,560.47	2,047.57
Extra Ordinary Items:					
Profit on transfer of Textile units at Bhiwani		4.76		4.76	4.76
Profit on Sale of Shares of a Subsidiary Company					180.27
Net Profit for the period	329.56	553.79	1,263.25	1,565.23	2,232.60
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					8,040.52
Basic EPS for the period before Extra Ordinary Items (Rupees)	35.94	59.88	137.77	170.19	223.31
Diluted EPS for the period before Extra Ordinary Items (Rupees)	35.94	59.87	137.77	170.18	223.24
Basic EPS for the period after Extra Ordinary Items (Rupees)	35.94	60.40	137.77	170.71	243.49
Diluted EPS for the period after Extra Ordinary Items (Rupees)	35.94	60.39	137.77	170.70	243.42
Total Public Shareholding*					
- Number of Shares (000's)			58,187	58,177	57,966
- Percentage of Shareholding			63.47%	63.46%	63.23%

*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 2008	Three Months ended 31st December 2007	Nine Months ended 31st December 2008	Nine Months ended 31st December 2007	Year ended 31st March 2008 (Audited)
1. SEGMENT REVENUE					
a Fibre & Pulp	653.79	900.81	2,271.48	2,618.97	3,456.41
b Cement	3,374.07	2,971.31	9,535.39	8,398.02	11,792.28
c Sponge Iron	297.81	244.33	850.31	674.94	950.70
d Chemicals	127.70	110.44	399.64	316.42	417.62
e Textiles	78.17	71.60	246.92	217.78	294.88
f Others	150.76	110.97	430.60	308.64	437.76
TOTAL	4,682.30	4,409.46	13,734.34	12,534.77	17,349.65
(Less) : Inter Segment Revenue	(50.67)	(58.97)	(156.02)	(158.32)	(208.35)
Total Operating Income	4,631.63	4,350.49	13,578.32	12,376.45	17,141.30
2. SEGMENT RESULTS					
a Fibre & Pulp	24.86	313.92	318.16	838.98	1,011.53
b Cement	700.33	856.58	2,086.63	2,418.83	3,304.05
c Sponge Iron	38.04	40.18	127.13	87.95	125.55
d Chemicals	26.50	38.98	105.88	95.60	114.01
e Textiles	1.33	0.01	4.14	(2.17)	(2.88)
f Others	25.87	24.47	82.89	73.54	103.79
TOTAL	816.93	1,274.14	2,724.83	3,512.73	4,656.05
Add / (Less) :					
Interest	(94.92)	(50.99)	(237.58)	(161.83)	(222.09)
Net Unallocable Income / (Expenditure)	26.55	30.03	88.29	106.84	95.68
Write back of provision for diminution in value of Investment					45.68
Profit before Extra Ordinary Items and Tax Expenses	748.56	1,253.18	2,575.54	3,457.74	4,575.32
3. CAPITAL EMPLOYED					
a Fibre & Pulp			2,464.91	1,789.55	2,108.11
b Cement			14,944.37	11,383.12	12,462.75
c Sponge Iron			593.07	432.45	458.84
d Chemicals			342.77	304.84	332.14
e Textiles			176.29	164.56	172.81
f Others			1,367.73	572.45	674.06
TOTAL			19,889.14	14,646.97	16,208.71
g Unallocated Corporate Capital Employed			1,061.10	1,098.87	945.71
TOTAL CAPITAL EMPLOYED			20,950.24	15,745.84	17,154.42

IV. SEGMENT REPORTING - STANDALONE

	Rs. in Crores				
	Three Months ended 31st December 2008	Three Months ended 31st December 2007	Nine Months ended 31st December 2008	Nine Months ended 31st December 2007	Year ended 31st March 2008 (Audited)
1. SEGMENT REVENUE					
a Fibre & Pulp	563.91	794.71	1,899.43	2,292.26	3,010.66
b Cement	1,724.93	1,497.74	4,943.60	4,261.68	5,956.21
c Sponge Iron	297.81	244.33	850.31	674.94	950.70
d Chemicals	127.70	110.44	399.64	316.42	417.62
e Textiles	14.03	12.92	45.95	159.10	173.25
TOTAL	2,728.38	2,660.14	8,138.93	7,704.40	10,508.44
(Less) : Inter Segment Revenue	(38.33)	(44.76)	(130.09)	(143.04)	(183.29)
Total Operating Income	2,690.05	2,615.38	8,008.84	7,561.36	10,325.15
2. SEGMENT RESULTS					
a Fibre & Pulp	37.36	312.52	328.71	843.40	1,012.02
b Cement	331.27	410.96	1,073.07	1,250.40	1,677.64
c Sponge Iron	38.04	40.18	127.13	87.95	125.55
d Chemicals	26.50	38.98	105.88	95.60	114.01
e Textiles	(0.37)	0.44	0.48	(1.74)	(0.72)
TOTAL	432.80	803.08	1,635.27	2,275.61	2,928.50
Add / (Less) :					
Interest	(44.39)	(23.41)	(103.67)	(79.84)	(107.00)
Net Unallocable Income / (Expenditure)	27.52	30.91	126.25	108.79	142.72
Write back of provision for diminution in value of Investment					45.68
Profit before Extra Ordinary Items and Tax Expenses	415.93	810.58	1,657.85	2,304.56	3,009.90
3. CAPITAL EMPLOYED					
a Fibre & Pulp			1,884.72	1,488.95	1,681.93
b Cement			6,573.45	4,694.90	5,459.27
c Sponge Iron			593.02	432.45	458.84
d Chemicals			342.77	304.84	332.14
e Textiles			19.04	23.93	23.16
TOTAL			9,413.00	6,945.07	7,955.34
g Unallocated Corporate Capital Employed			4,138.60	4,189.10	3,994.11
TOTAL CAPITAL EMPLOYED			13,551.60	11,134.17	11,949.45

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 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 (Refer note 7(a) and (b) below)
Others	- Mainly Telecom (in consolidated results)
- 3 No investor complaint was pending at the beginning of the quarter. During the quarter, four complaints were received, which have been attended by the company and no complaints were pending at the end of the quarter.
- 4 The matter of implementation of the Scheme of Arrangement u/s 391 to 394 of the Companies Act, 1956 to transfer Company's sponge iron business to it's subsidiary Vikram Sponge Iron Ltd. is progressing. The equity shareholders, secured creditors (including debenture holders) and the unsecured creditors of the company have approved the Scheme unanimously at their respective court convened meetings held on 13th October, 2008. Company Petitions have been filed by both the Companies in the Hon'ble High Court of Madhya Pradesh, Indore Bench for seeking its approval for the Scheme.
- 5 During the Quarter, the Company has started commercial production of clinker from expansion line at Aditya Cement, Shambhupura, of cement from grinding unit at Dadri and power from Thermal Power Plants at Grasim Cement, Raipur and Vikram Cement, Khor.
- 6 The company has revised estimated useful life of some of the assets, on account of which depreciation is higher by Rs 5.06 Crs for three months ended 31st December, 2008 and by Rs. 17.72 Crs for nine months ended 31st December, 2008.
- 7 (a) The standalone financial results of the company for three/ nine months ended 31st December, 2008 do not include the financial results of the erstwhile textile units at Bhiwani, as the same have been transferred to Grasim Bhiwani Textiles Ltd. (GBTL), a 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 nine months ended 31st December, 2008.
(b) The financial results of GBTL for three/ nine months ended 31st December 2008 are included in the consolidated financial results of the Company for the said period of three months/ nine months.
- 8 The consolidated financial results of the company for three/ nine months ended 31st December, 2008 do not include the financial results of Shree Digvijay Cement Company Ltd. (SDCCL), as it ceased to be a subsidiary of the company w.e.f. 25th March, 2008. The net profit (after minority share) of SDCCL included in the company's consolidated net profit for the three and nine months ended 31st December, 2007 were Rs. 5.25 Crs and Rs.14.15 Crs respectively.
- 9 Previous period's figures have been regrouped / rearranged wherever necessary to conform to the current period's classification.
- 10 The above Unaudited results for the quarter ended 31st December, 2008 have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at the meeting held on 31st January, 2009. 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 : 31st January, 2009

D. D. Rathi
Whole-time Director

GRASIM INDUSTRIES LIMITED

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

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