



Grasim Industries Limited

A VSF and Cement Major

Performance Review

Q1FY08

28th July 2007

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 – Q1FY08

	<u>Rs. Crs.</u>	<u>%</u>	<u>Change</u>
TOTAL REVENUE	4,063	↑	26
PBIDT (including minority share)	1,369	↑	41
Interest Charges	56	↑	6
PBT (including minority share)	1,155	↑	48
Total Tax Expenses	356	↑	47
PAT (Before Minority Share)	799	↑	49
PAT (After Minority Share)	670	↑	54
EPS (Rs.)	73.0	↑	54

- Consolidated revenue up by 26%
- PBIDT higher by 41%
 - Historically highest operating profits by Cement and VSF Businesses
 - Normal operations in VSF and Chemical business during the quarter, unlike lower production due to water shortage in Q1FY07
- Net profit at historic high of Rs.670 Crs.

Consolidated Financial Performance

(Rs. Crores)

	Q1FY08	Q1FY07	% Chg.	FY07
Net Turnover & Op. Income	4,062.9	3,212.6	26	14,173.8
Other Income	101.4	49.2	106	245.6
PBIDT	1,369.2	972.6	41	4,290.1
Interest	56.0	52.9	6	228.6
Gross Profit	1,313.2	919.7	43	4,061.5
Depreciation	158.6	141.7	12	610.0
PBT	1,154.6	778.0	48	3,451.5
Current Tax	325.3	247.7	31	1,097.1
Deferred Tax	30.4	(5.5)	--	(5.0)
Total Tax	355.7	242.2	47	1,092.1
PAT	798.9	535.8	49	2,359.4
Minority Share etc.	129.2	100.5	28	391.9
PAT (after Minority Share)	669.7	435.3	54	1,967.5
Earning Per Share - Basic and Diluted (Rs.)	73.0	47.5	54	214.6



Standalone Financial Performance – Q1FY08

	<u>Rs. Crs.</u>	<u>%</u> <u>Change</u>
TOTAL REVENUE	2,445	↑ 29
PBIDT	860	↑ 56
Interest Charges	28	↑ 20
Depreciation	85	↑ 15
PBT	747	↑ 65
Total Tax Expenses	235	↑ 66
PAT	512	↑ 64
EPS (Rs.)	55.8	↑ 64

- **Strong growth in revenue, up by 29%**
 - Volume growth and higher realisation in Cement and VSF Businesses
- **PBIDT up by 56%**
 - Historically highest profits by Cement and VSF Businesses
 - Normal operations in VSF and Chemical businesses during the quarter, unlike lower production due to water shortage in Q1FY07
 - Improved performance from Sponge Iron business
 - Higher other income at Rs. 68 Crs. (up 81%) due to higher treasury income
- **Net profit at historic high of Rs.512 Crs.**

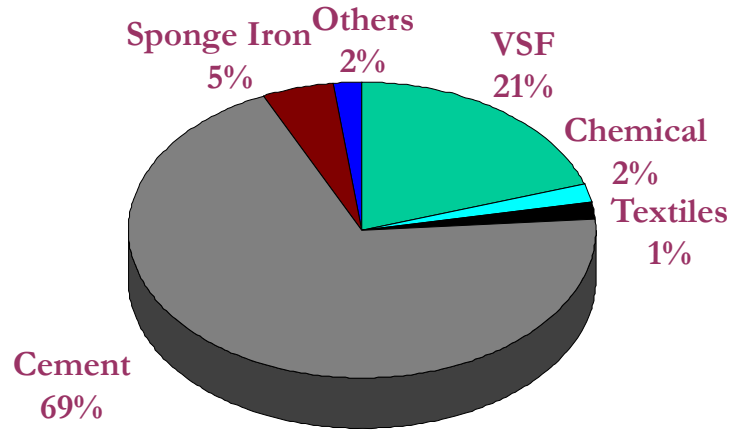
Standalone Financial Performance

(Rs. Crores)

	Q1FY08	Q1FY07	% Chg.	FY07
Net Turnover & Op. Income	2,444.8	1,891.7	29	8,675.7
Other Income	67.7	37.5	81	209.7
PBIDT	859.9	551.0	56	2,619.0
Interest	28.5	23.8	20	111.8
Gross Profit	831.4	527.2	58	2,507.2
Depreciation	85.0	74.0	15	317.9
Non-recurring Income	--	--	--	37.1
PBT	746.4	453.2	65	2,226.4
Current Tax	205.7	139.1	48	692.4
Deferred Tax	29.0	2.2	--	(1.8)
Total Tax	234.7	141.3	66	690.6
PAT	511.7	311.9	64	1,535.8
Earning Per Share - Basic and Diluted (Rs.)	55.8	34.0	64	167.5

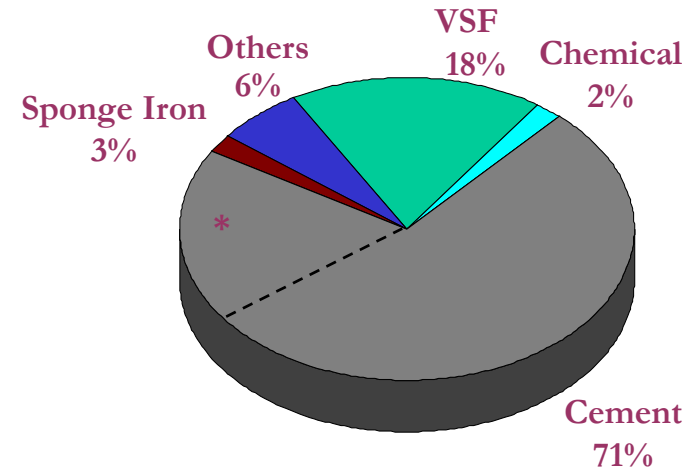
Segmental Performance – Q1FY08

Revenue Mix



Consolidated

PBIDT Mix

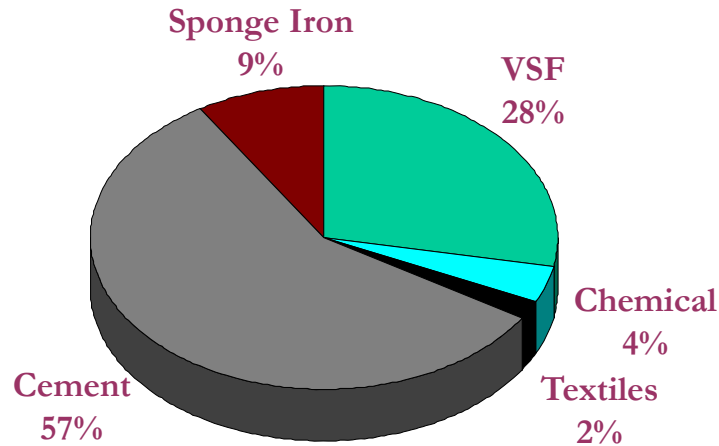


(* Minority Share 17%)

(Rs.4,063 Crs.)

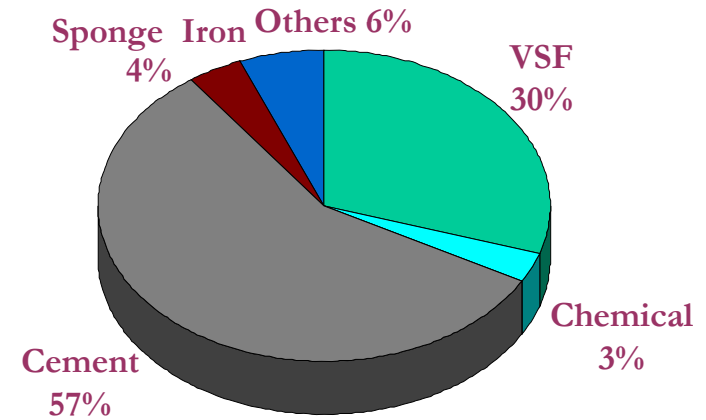
(Rs.1,369 Crs.)

Revenue Mix



Standalone

PBIDT Mix



(Rs.2,445 Crs.)

(Rs.860 Crs.)

Cement and VSF businesses constitute major portion of Revenue and Earnings

Financial Highlights



Grasim Consolidated Financials

<i>(Rs. Crores)</i>	FY05	FY06	FY07	Q1 FY08
Net Turnover	9,292	10,224	14,102	4,045
PBIDT	2,272	2,337	4,290	1,369
PAT (After Minority share)	880	1,041	1,968	670
Net Worth	4,082	4,833	6,636	7,326
Capital Employed	9,698	10,192	13,520	14,329
PBIDT Margins(%)	24.5	22.9	30.4	33.8
EPS (Rs.)	96.0	113.5	214.6	73.0
Interest Cover (x)	6.3	8.7	14.0	18.7
Debt: Equity (x)	0.86	0.69	0.65	0.58
Book Value (Rs.)	445	527	724	799
ROAvCE (PBIT Basis) (%) \$	18.2	17.8	31.0	34.8
RONW (%) *	23.7	23.4	34.3	38.3

\$ Capital Employed includes CWIP

* Excluding Minority share

- Strong Balance sheet
- ROAvCE increased from 18% in FY05 to 35% in Q1FY08
- Return on equity at 38%
- Debt-equity reduced from 0.86 in FY05 to 0.58 in Q1FY08
 - Adjusted leveraging even lower at 0.24
- Strong funding capabilities to support Company's ambitious future growth plans
- Grasim's market capitalisation at Rs.242 Bn. * (\$ 6 Bn.)
- Subsidiary company UltraTech's market capitalisation at Rs.112 Bn.* (\$2.8 Bn.)

(* 30th June 07)



Grasim Standalone Financials

(Rs. Crores)	FY05	FY06	FY07	Q1 FY08
Net Turnover	6,229	6,653	8,604	2,427
PBIDT	1,785	1,597	2,619	860
PAT	886	863	1,536	512
Net Worth	4,324	4,978	6,226	6738
Capital Employed	6,931	7,542	9,760	10,270
Capital Employed (Excl. subsidiary Investments)	4,569	5,190	7,284	7,806
PBIDT Margin (%)	28.7	24.0	30.4	35.4
EPS (Rs.)	96.6	94.1	167.5	55.8
Interest Cover (x)	9.6	11.9	17.2	23.0
Debt: Equity (x)	0.46	0.40	0.47	0.43
Book Value (Rs.)	472	543	679	735
ROAvCE (excl.subsidiary investment) (PBIT Basis) (%) \$	35.1	26.7	36.9	41.1

\$ Capital Employed includes CWIP

- Market cap. of Rs.242 Bn.* (\$ 6 Bn.)
 - 5 years' CAGR 53%
- Low gearing at 0.43
 - Adjusted gearing even lower at 0.11
- Comfortable interest cover
- Standalone ROCE in Q1FY08 at 41%
- Strong funding capabilities to support Company's ambitious future growth plans

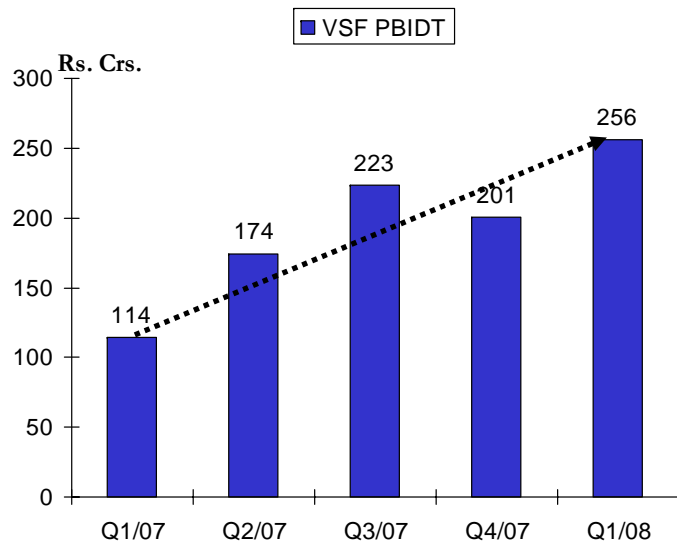
(* 30th June 07)

Business Review – Q1FY08

- VSF
- Chemicals
- Cement
- Sponge Iron
- Textiles

Viscose Staple Fibre : Q1FY08 Highlights

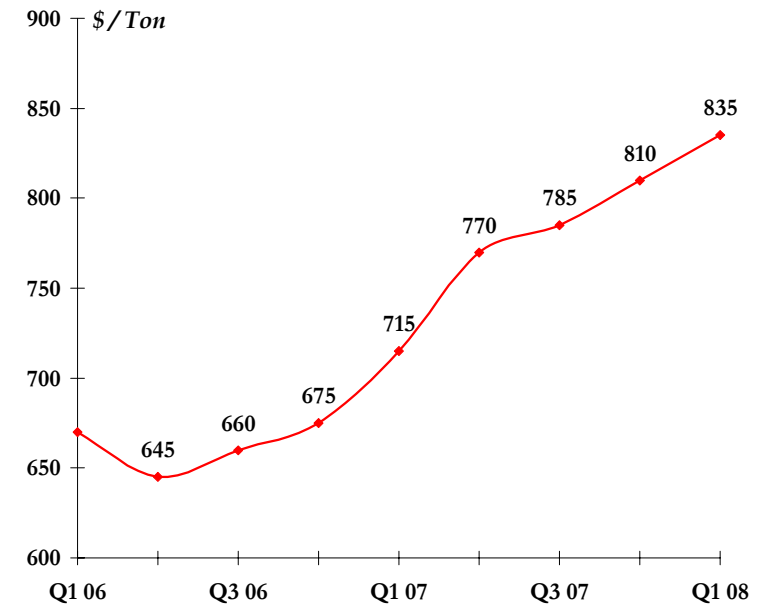
	Q1FY08	Q1FY07	% Chg.
Capacity (TPA)	270,100	266,450	1
Production (MT)	68,755	45,194	52
Sales Volumes (MT)	69,396	51,957	34
Net Turnover (Rs Crs.)	699.9	439.7	59
Realisation (Rs./MT)	94,455	78,983	20
PBIDT (Rs. Crs.)	256.3	114.3	124
PBIDT Margin (%)	36.6%	26.0%	--
PBIT (Rs. Crs.)	236.2	97.9	141



- **Production up by 52%**
 - Plants operated at 102% capacity utilisation
 - Q1FY07 was impacted by water shortage at Nagda
- **Highest ever volume**
- **Realisation up 20%**
 - Strong global demand leading to higher prices
- **Significant improvement in operating margins despite increase in pulp and sulphur prices**
 - Higher realisation & economies of scale
- **Impact of rising global pulp prices partially offset due to part captive pulp and rupee appreciation**
- **Operating profit more than doubled; up by 124%**

Viscose Staple Fibre : Outlook

- Volume outlook remains positive
- Margins may see some decline in the medium to long term
 - VSF prices may see some decline from current levels
 - Rising input costs, mainly pulp and sulphur
- Capacity expansion plans to meet growing demand
 - Brownfield expansion of 64K TPA at Kharach, Gujarat (by FY08 end)
 - Doubling of capacity in Chinese JV from 30K TPA to 60K TPA (by Q2FY09 end)
 - Another capacity expansion of 31K TPA planned at Harihar (Karnataka)
- Volume growth to help growth in operating profits

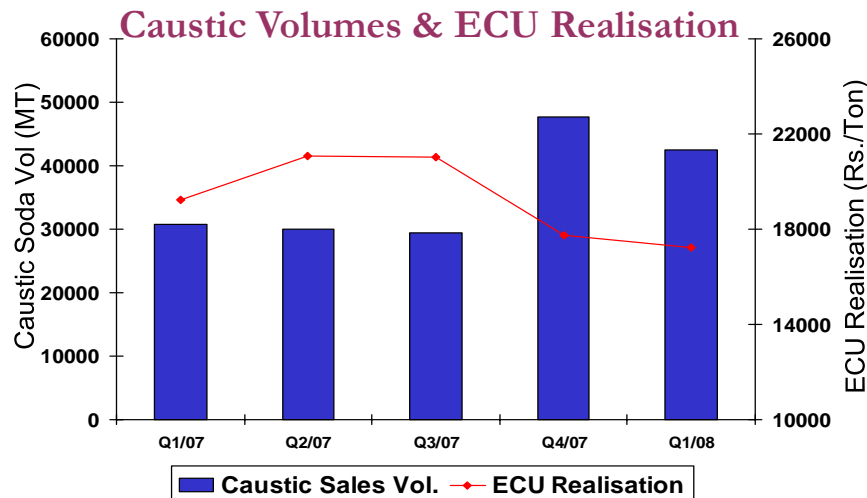


Source: Company data

Rising Imported Hard Wood Pulp Prices

Chemical : Q1FY08 Highlights

	Q1FY08	Q1FY07	% Chg.
Caustic Capacity (TPA)	258,000	190,800	35
Caustic Production (MT)	42,843	30,738	39
Caustic Sales Volumes (MT)	42,872	30,712	40
Net Turnover (Rs. Crs.)	86.3	71.0	22
ECU Realisation (Rs./MT)	17,254	19,252	(10)
PBIDT (Rs. Crs.)	28.1	17.9	57
PBIDT Margin (%)	32.5%	25.1%	--
PBIT (Rs. Crs.)	22.3	13.4	66



- **Production up by 39%**
 - Normal operations during the quarter
 - Q1FY07 was impacted by water shortage
- **Lower ECU realisations**
 - Steep fall in Chlorine & Hcl prices
 - Stable caustic prices
- **Operating profit higher**
 - Higher volumes due to normal operations in the quarter
 - Reduction in power cost with conversion to membrane cell plant

Outlook

- **Demand supply mismatch in short term with new capacity additions**
 - Realisation to remain under pressure



Cement : Q1FY08 Highlights

		Q1 FY08	Q1 FY07	% Chg.
<u>Grey Cement</u>				
Capacity	Mn. TPA	13.12	13.12	--
Production	Mn. MT	3.86	3.56	8
Sales Volumes*	Mn. MT	3.90	3.50	12
Realisation*	Rs./MT	3,083	2,726	13
<u>RMC</u>				
Capacity	Lac Cu. Mtr.	25.9	24.1	7
Sales Volumes	Lac Cu. Mtr.	3.74	3.14	19
Realisation	Rs./Cu. Mtr.	2,585	2,588	--
<u>White Cement</u>				
Capacity	TPA	475,000	475,000	--
Production	MT	92,594	83,045	11
Sales Volumes	MT	85,005	81,143	5
Realisation	Rs./MT	6,403	6,213	3
Net Turnover *	Rs. Crs.	1,390.7	1,110.0	25
PBIDT	Rs. Crs.	491.1	376.5	30
PBIDT Margin	(%)	35.3%	33.9%	--
PBIT	Rs. Crs.	444.7	334.2	33

- Production up by 8%
 - Higher capacity utilisation at 118%
- Sales volume higher by 12% against sector growth of 9% in domestic market
- Increase in RMC volumes by 19%
- Sequentially, realisation marginally higher by 3% age point and flat margins
- Increase in fuel cost by 28%
 - Higher prices of petcoke and reduction in availability of linkage coal
- Freight cost increased by 8%

* Excludes traded sales volumes



Cement : Outlook

- Domestic cement consumption grew by 9% in Q1FY08
- Capacity announcement of around 90 Mn. tons over three years [FY08 - FY10]
 - If materialised in total, may result in surplus
 - Prices to come under pressure from mid-FY09
- Demand expected to grow at about 10% in the long term
- Project implementation progressing satisfactorily
 - Capacity of both, Shambhupura and Kotputli projects revised from 4 Mn. tons to 4.4 Mn. tons
 - Capacity of Tadpatri project in UltraTech revised from 4 Mn. tons to 4.9 Mn. tons
 - Grinding capacity of UltraTech's Gujarat plant being augmented by 2 Mn. tons
 - 46 new RMC plants planned [Grasim - 27, UltraTech - 19]

Sponge Iron : Q1FY08 Highlights and Outlook

	Q1FY08	Q1FY07	% Chg.
Capacity (TPA)	900,000	900,000	--
Production (MT)	138,136	126,941	9
Sales Volumes (MT)	139,706	140,912	(1)
Net Turnover (Rs. Crs.)	218.8	175.3	25
Realisation (Rs./MT)	14,753	12,054	22
PBIDT (Rs. Crs.)	35.3	14.4	--
PBIDT Margin (%)	16.1%	8.2%	--
PBIT (Rs. Crs.)	26.6	5.8	--

- Production higher by 9%
 - Use of alternate fuels with higher realisation
- Realisation up by 22%
 - Uptrend in global scrap prices
- Higher realisation partially offset by higher feedstock cost
- Operating margins improved

Outlook

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

Textiles : Q1FY08 Highlights and Outlook

	Q1 FY08	Q1 FY07	% Chg.
Sales Volumes			
- Fabrics (lac Mtrs.)	34	33	2
- Synthetic Yarn (MT) (excluding captive consumption)	980	1,143	(14)
Net Turnover (Rs. Crs.)	55.4	52.7	5
Fabric Realisation (Rs./Mtr)	111	107	4
Synth. Yarn Realisation (Rs./Kg)	134	128	5
PBIDT (Rs. Crs.)	1.2	1.2	--
PBIDT Margin (%)	2.1%	2.2%	--
PBIT (Rs. Crs.)	(1.8)	(0.1)	--



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- Increased realisation offset by higher raw material prices and fixed expenses
- Efforts on to improve profitability
 - Setting up 8 MW thermal power plant, completion by March 08
- Board approved proposal to transfer Textile unit at Bhiwani (Haryana) to a subsidiary of Grasim
- Move will enable new entity to
 - Have more focused approach to the development of Textile Business
 - Pursue emerging growth opportunities

Capex

Capex plans

● Capex Summary

	Total Project Cost	Net Capex *	Rs. Crores	
			FY08	FY09
Cement	5,123	4,085	3,390	675
- Kotputli & Shambhupura Projects, Rajasthan, 4.4 Mn. TPA each, (incl. 96 MW TPP)	3,276	2,529		
- 2 Nos. Thermal Power Plants (75 MW)	402	212		
- Grinding unit - North (1.3 Mn. MT)	204	116		
- RMC Plants (27 Nos., Capacity 6.2 mn. cu. mtrs.)	164	151		
- Modernisation & Upgradation, Land etc.	1,077	1,077		
VSF	732	690	521	129
- Capacity expansion, Kharach, Gujarat (63,875 TPA)	389	347		
- Modernisation & Upgradation	343	343		
Other Businesses	163	163	148	15
Grasim	6,018	4,938	4,059	818
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 3.6 mn. cu. mtrs.)	112	84		
- Modernisation & Upgradation, Land etc.	774	774		
Cement Business (Grasim & UltraTech)	9,088	7,425	5,500	1,634

* Net of capex incurred till FY07

● Q1FY08 Capex spent - Rs.562 Crs.

➤ Grasim Cement Rs.500 Crs., VSF Rs.45 Crs., Others Rs.17 Crs.

Subsidiary Companies Performance

- UltraTech
- SDCC

UltraTech: Consolidated Financial Performance – Q1FY08

(Rs. Crores)

	Q1 FY08	Q1 FY07	% Chg.
Net Turnover*	1,367.6	1,168.6	17
Other Income	27.5	10.0	176
PBIDT	462.7	388.2	19
PBIDT Margin (%)	33.8%	33.2%	--
Interest	20.2	22.6	(11)
Depreciation	56.4	55.0	3
PBT	386.1	310.6	24
Current Tax	115.0	108.7	6
Deferred Tax	10.4	(7.7)	--
PAT	260.7	209.6	24
Minority Share	0.2	0.5	--
PAT after Minority share	260.5	209.1	25

* Adjusted for traded sales volumes

- Net Turnover up by 17% due to improved realisation
- PBIDT up by 19%
- Other income includes Rs.8 Crs. from sale of Carbon Credit
- Variable cost higher by 11% due to
 - Increase in raw material cost
 - Higher imported coal prices and reduction in linkage coal
- PAT grew by 25% at Rs.261 Crs.
- Capex progressing as per schedule



UltraTech Consolidated: Highlights

	Q1 FY08	Q1 FY07	% Chg.
Production (Mn. MT)			
Cement	3.91	3.88	1
Sales volumes (Mn. MT)			
Cement - Domestic *	3.67	3.48	5
- Exports	0.23	0.36	(34)
Clinker	0.53	0.54	(3)
	4.43	4.38	1
RMC Volumes (Lac. Cu. Mtr.)	1.6	0.1	--
Realisation (Rs./MT)			
Cement (Domestic)	3,106	2,800	11
Cement (Exports)[§]	2,952	2,712	9
Clinker (Domestic & Exports)	1,655	1,518	9

* Excludes traded sales volumes of 0.04 Mn.MT (Q1FY07 - 0.08 MT)

§ Includes freight on part quantity

- Effective capacity utilisation at 104%
- Domestic sales volume up by 5%
- Overall volume flat with decline in exports
- Sequentially, domestic realisation up by 3%
- Export prices expected to improve
 - Removal of export subsidy in China
 - Hardening of shipping freight

SDCC Performance - Q1FY08

(Rs. Crores)

	Q1 FY08	Q1 FY07	% Chg.
Cement Production Sales Volumes	2.26	2.36	(4)
- Cement	2.32	2.27	} 16
- Clinker	0.32	--	
Realisation (Rs./MT)-Cement	3,012	2,755	9
Net Revenues	74.7	62.5	20
PBIDT	18.8	12.8	47
PBIDT Margin	25.2%	20.5%	--
Interest	0.1	0.3	--
Depreciation	1.6	1.5	2
PBT	17.1	10.9	57
Tax Expenses	2.1	(0.2)	--
Net Profit	15.1	11.1	36

- Production down by 4% due to breakdown in DG set
- Combined volume of cement and clinker up by 16%, aided by clinker exports
- Operating profit increased by 47%
 - Higher volumes and realisations
- Improvement in PBIDT margins
 - Despite cost pressure on account of rise in imported coal prices
- Net Profit up by 36%

Summary

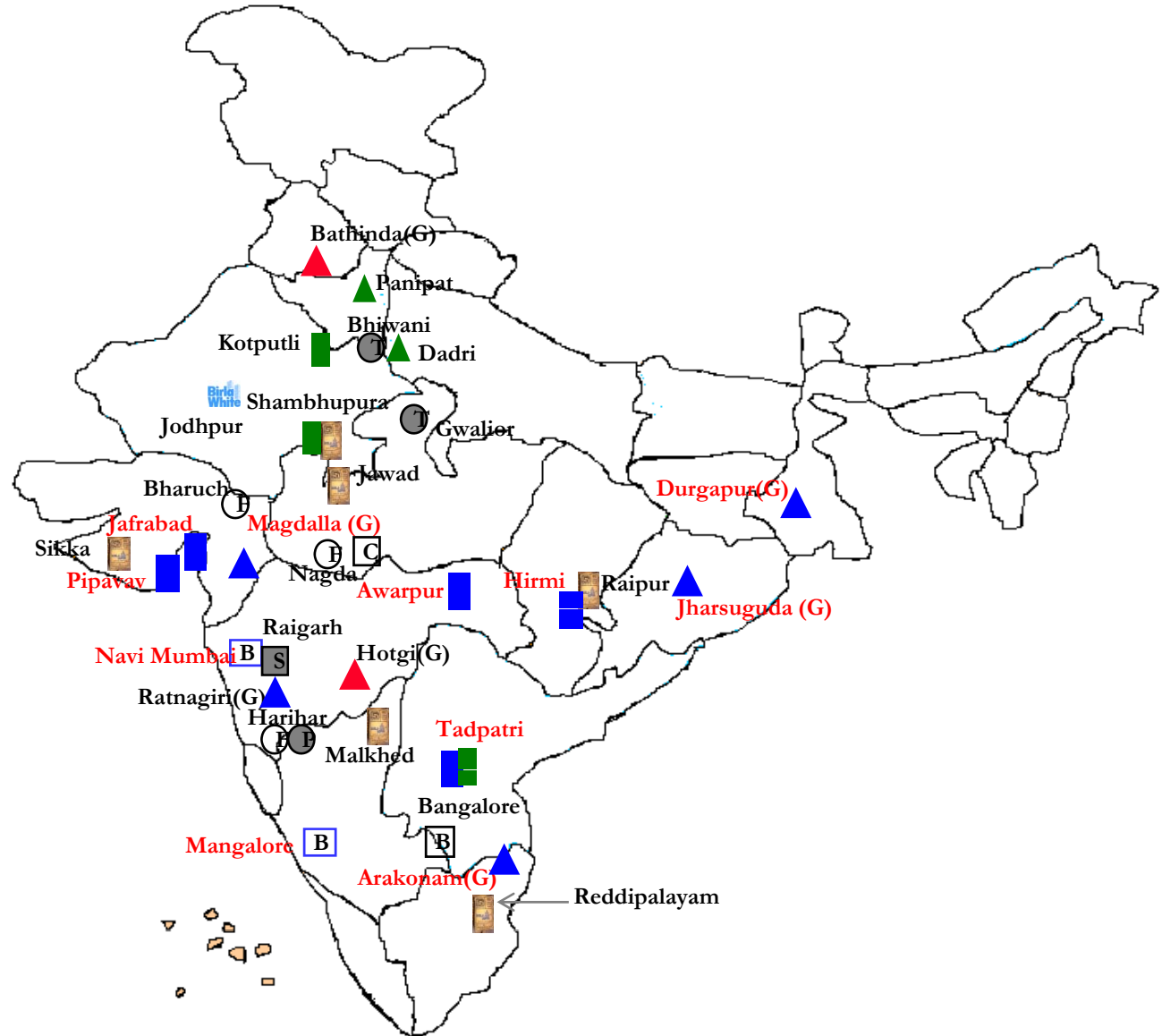


Summary

- **Grasim – A VSF and Cement major**
 - With strong competitive edge
 - Consolidating leadership position with strong organic growth pipeline
 - Global size operations
- **Domestic leadership in Cement**
 - Capex of Rs.9,100 Crs. on capacity expansions, captive power plants, RMC and modernisation
 - Focus on greater efficiency through cost control and other measures
- **Leading global player in VSF**
 - Global presence
 - Well planned strategy for growth of plantation, pulp and fibre capacities
 - 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

Annexure



Annexure - 1

- Consolidated and Standalone Financial snapshot
- Consolidated and Standalone Profitability snapshot
- Segmental Performance – Q1 FY08
- VSF Summary
- Chemical Summary
- Cement Summary
- Sponge Iron Summary
- Textiles Summary
- UltraTech Performance
- SDCCL Performance

Financial Snapshot

Standalone

<i>(Rs. Crores)</i>	FY04	FY05	FY06	FY07	Q1FY08
Gross Block	5,802	6,052	6,417	7,974	8,527
Net Block	3,213	3,204	3,307	4,593	5,064
Goodwill	-	-	-	-	-
Cement Subs. Investment	2,333	2,362	2,352	2,476	2,464
Investments	409	939	1,422	2,141	2,413
Net Current Assets	349	426	461	550	329
Capital Employed	6,304	6,931	7,542	9,760	10,270
Net Worth	3,606	4,324	4,978	6,226	6,738
Minority Interest	-	-	-	-	-
Debts	2,065	2,008	1,980	2,952	2,921
Deferred Tax	633	599	584	582	611
Debt: Equity (x)	0.57	0.46	0.40	0.47	0.43
Book Value (Rs.)	393	472	543	679	735

Consolidated

	FY05	FY06	FY07	Q1FY08
Gross Block	11,312	11,927	14,481	15,320
Net Block	6,294	6,411	8,468	9,228
Goodwill	1,958	1,773	1,922	1,926
Cement Subs. Investment	-	-	-	-
Investments	769	1,352	2,272	2,837
Net Current Assets	674	652	858	338
Capital Employed	9,695	10,188	13,520	14,329
Net Worth	4,082	4,833	6,636	7,326
Minority Interest	500	514	859	987
Debts	3,934	3,683	4,873	4,831
Deferred Tax	1,179	1,158	1,152	1,185
Debt: Equity (x)	0.86	0.69	0.65	0.58
Book Value (Rs.)	445	527	724	799

Profitability Snapshot

Standalone

(Rs. Crores)	FY04	FY05	FY06	FY07	Q1FY08
Gross Turnover	6,130	7,201	7,638	9,608	2,759
Net Turnover	5,213	6,229	6,653	8,604	2,427
PBIDT	1,504	1,785	1,597	2,619	860
PBIDT Margin (%)	28.9	28.7	24.0	30.4	35.4
Int. & Fin. Charges	154	139	103	112	28
PBDT	1,350	1,646	1,494	2,507	831
Total Tax Expenses	298	418	343	691	235
PAT (After Minority Share)	779	886	863	1,536	512

EPS (Rs.)	85.0	96.6	94.1	167.5	55.8
DPS (Rs.)	14.0	16.0	20.0	27.5	--
ROAvCE (PBIT Basis)(%)	\$ 28.9	\$ 35.1	\$ 26.7	\$ 36.9	\$ 41.1
RONW (%)					
Interest Cover (x)	7.9	9.6	11.9	17.2	23.0

Consolidated

FY05	FY06	FY07	Q1FY08
10,776	11,746	15,709	4,589
9,292	10,224	14,102	4,045
2,272	2,337	4,290	1,369
24.5	22.9	30.4	33.8
285	218	229	56
1,988	2,118	4,061	1,313
442	403	1,092	356
880	1,041	1,968	670

96.0	113.5	214.6	73.0
--	--	--	--
18.2	17.8	31.0	34.8
23.7	23.4	34.3	38.3
6.3	8.7	14.0	18.7

\$ Adjusted for investments in cement subsidiaries and related income

Segmental Performance - Q1FY08

Rs. Crores

Business	Revenue		PBIDT		PBIDT Margin (%)		PBIT		Capital Employed		ROAvCE (%) (PBIT basis)	
	Q1FY08	Q1FY07	Q1FY08	Q1FY07	Q1FY08	Q1FY07	Q1FY08	Q1FY07	Q1FY08	Q1FY07	Q1FY08	Q1FY07
VSF	708	446	256	114	36.6	26.0	236	98	1,226	1,048	77.5	38.3
Chemical	92	72	28	18	32.5	25.1	22	13	294	268	29.7	22.4
Cement	1,415	1,167	491	376	35.3	33.9	445	334	3,420	2,122	54.8	63.6
Sponge Iron	219	175	35	14	16.1	8.2	27	6	558	567	19.1	4.3
Textile	58	57	1	1	2.1	2.2	(2)	(0.1)	136	95	(5.6)	(0.6)
Direct Operations			812	524			728	451	5,634	4,100	53.4	45.1
Cement subsidiaries									2,464	2,428		
Company as a whole	2,445	1,892	860	551	35.4	29.4	775	477	10,270	7,870	@ 41.1	@ 36.1

Consolidated

VSF	818	525	246	112	30.4	21.7	222	95	1,431	1,182	62.2	34.6
Cement \$	2,828	2,341	973	777	34.4	33.2	868	678	9,548	7,139	37.6	38.9
Company as a whole\$	4,063	3,213	1,369	973	33.8	30.4	1,211	831	14,329	10,826	34.8	31.6

\$ including minority share

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

Capital Employed includes CWIP

Viscose Staple Fibre : Summary

		Q1 FY08	Q1 FY07	% Chg.	FY07
Capacity	TPA	270,100	266,450	1	270,100
Production	MT	68,755	45,194	52	246,833
Sales Volumes	MT	69,396	51,957	34	250,725
Net Turnover	Rs. Crs.	699.9	439.7	59	2,294.6
Avg. Realisation	Rs./MT	94,455	78,983	20	85,729
PBIDT	Rs. Crs.	256.3	114.3	124	712.3
PBIDT Margin	%	36.6%	26.0%	--	31.0%
PBIT	Rs. Crs.	236.2	97.9	141	638.4
Capital Employed	Rs. Crs.	1,226	1,048	17	1,211
ROAvCE (PBIT Basis)	%	77.5%	38.3%	--	57.5%

Chemical : Summary

		Q1 FY08	Q1 FY07	% Chg.	FY07
Capacity	TPA	258,000	190,800	35	258,000
Production	MT	42,843	30,738	39	136,685
Sales Volumes	MT	42,872	30,712	40	137,830
Net Turnover	Rs. Crs.	86.3	71.0	22	313.0
Avg. Realisation	Rs./MT	17,254	19,252	(10)	19,444
PBIDT	Rs. Crs.	28.1	17.9	57	80.6
PBIDT Margin	%	32.5%	25.1%	--	25.7%
PBIT	Rs. Crs.	22.3	13.4	66	60.0
Capital Employed	Rs. Crs.	294	268	10	304
ROAvCE (PBIT Basis)	%	29.7%	22.4%	--	23.3%

Cement : Summary

		Q1 FY08	Q1 FY07	% Chg.	FY07
<u>Grey Cement</u>					
Capacity	Mn. MT	13.12	13.12	--	13.12
Production	Mn. MT	3.86	3.56	8	14.42
Sales Volumes *	Mn. MT	3.90	3.50	12	14.52
Avg. Realisation *	Rs./MT	3,083	2,726	13	2,867
<u>White Cement</u>					
Capacity	TPA	475,000	475,000	--	475,000
Production	MT	92,594	83,045	11	364,649
Sales Volumes	MT	85,005	81,143	5	367,167
Avg. Realisation	Rs./MT	6,403	6,213	3	6,458
Net Turnover *	Rs. Crs.	1,390.7	1,110.0	25	4,891.2
PBIDT	Rs. Crs.	491.1	376.5	30	1,623.0
PBIDT Margin	%	35.3%	33.9%	--	33.2%
PBIT	Rs. Crs.	444.7	334.2	33	1,448.2
Capital Employed	Rs. Crs.	3,420	2,122	61	3,077
ROAvCE (PBIT basis)	%	54.8%	63.6%	--	56.2%
*Adjusted for traded sales volumes	Mn. MT	0.06	0.17	--	0.77

Sponge Iron : Summary

		Q1 FY08	Q1 FY07	% Chg.	FY07
Capacity	TPA	900,000	900,000	--	900,000
Production	MT	138,136	126,941	9	525,183
Sales Volumes	MT	139,706	140,912	(1)	571,127
Net Turnover	Rs. Crs.	218.8	175.3	25	749.6
Avg. Realisation	Rs./MT	14,753	12,054	22	12,629
PBIDT	Rs. Crs.	35.3	14.4	--	85.1
PBIDT Margin	%	16.1%	8.2%	--	11.4%
PBIT	Rs. Crs.	26.6	5.8	--	50.4
Capital Employed	Rs. Crs.	558	567	(2)	552
ROAvCE (PBIT Basis)	%	19.1%	4.3%	--	9.3%

Textiles : Summary

		Q1 FY08	Q1 FY07	% Chg.	FY07
Net Turnover	Rs. Crs.	55.4	52.7	5	254.8
PBIDT	Rs. Crs.	1.2	1.2	--	4.6
PBIDT Margin	%	2.1%	2.2%	--	1.8%
PBIT	Rs. Crs.	(1.8)	(0.1)	--	(4.6)
Capital Employed	Rs. Crs.	136	95	42	126
ROAvCE (PBIT Basis)	%	(5.6)%	(0.6)%	--	(4.2)%

UltraTech: Consolidated Financial Performance

(Rs. Crores)

	Q1 FY08	Q1 FY07	% Chg.	FY07
Cement Production (Mn. MT)	3.91	3.88	1	14.63
Sales Volume(Mn. MT):				
Cement-Domestic*	3.67	3.48	5	13.35
Cement-Exports	0.23	0.35	(34)	1.27
Clinker	0.53	0.54	(3)	2.50
Total Volumes	4.43	4.38	1	17.12
Realisation(Rs./MT):				
Cement-Domestic*	3,106	2800	11	2,934
Cement-Exports	2,952	2712	9	2,871
Clinker	1,655	1518	9	1,630
Net Turnover *	1,367.6	1168.6	17	4,781.2
Other Income	27.5	10.0	176	59.2
PBIDT	462.7	388.2	19	1,490.8
PBIDT Margin %	33.8%	33.2%	--	31.2%
Interest	20.2	22.6	(11)	86.8
Depreciation	56.4	55.0	3	228.7
PBT	386.1	310.6	24	1,175.3
Current Tax	115.1	108.7	6	404.0
Deferred Tax	10.4	(7.8)	--	(15.4)
PAT	260.7	209.6	24	786.7
Minority Share	0.2	0.5	--	1.8
PAT after Minority Share	260.5	209.1	25	784.9
Earning Per Share, Basic & Diluted (Rs.)	20.9	16.8	25	63.1
* Adjusted for traded sales volumes	0.04	0.08	--	0.56

SDCC : Financial Performance

(Rs. Crores)

	Q1 FY08	Q1 FY07	% Chg.	FY07
Net Turnover	74.7	62.5	20	261.8
Other Income	1.0	1.9	(49)	4.6
PBIDT	18.8	12.8	47	61.0
PBIDT Margin %	25.2%	20.5%	--	23.3%
Interest	0.1	0.3	--	1.2
Depreciation	1.6	1.5	2	6.3
PBT	17.1	10.9	57	53.5
Tax Expenses	2.1	(0.2)	--	0.1
Profit before EIs	15.1	11.1	36	53.4
Exceptional Items	-	-	--	0.6
Net Profit	15.1	11.1	36	54.0



**UNAUDITED FINANCIAL RESULTS
FOR THE QUARTER ENDED 30th JUNE 2007**

I. CONSOLIDATED RESULTS :

	Three Months ended 30th June 2007	Three Months ended 30th June 2006	Full Year ended 31st March 2007 (Audited)
Net Sales / Income from Operations	4,062.85	3,212.62	14,173.79
Other Income	101.42	49.19	245.64
Expenditure :			
- Decrease / (Increase) in Stock	30.20	5.08	33.07
- Raw Material Consumed	817.51	595.87	2,821.58
- Purchases of Finished Goods	9.34	25.89	74.83
- Payment to & Provision for Employees	171.62	161.00	672.98
- Power & Fuel	659.76	579.70	2,472.45
- Freight , Handling & Other Expenses	575.02	496.59	2,107.23
- Other Expenditure	531.66	425.12	1,947.21
Total Expenditure	2,795.11	2,289.25	10,129.35
Interest	55.96	52.86	228.64
Gross Profit	1,313.20	919.70	4,061.44
Depreciation	158.65	141.75	609.97
Profit before Exceptional Items and Tax Expenses	1,154.55	777.95	3,451.47
Exceptional Items			
Profit before Tax Expenses	1,154.55	777.95	3,451.47
Provision for Current Tax	(322.98)	(247.72)	(1,097.14)
Provision for Deferred Tax	(32.72)	5.55	5.07
Net Profit	798.85	535.78	2,359.40
Less : Minority Share	129.61	100.53	391.50
Add: Share in Profit/ (Loss) of Associates	0.43		(0.40)
Net Profit (After Minority's Share)	669.67	435.25	1,967.50
Paid up Equity Share Capital (Face Value Rs. 10 per share)	91.69	91.69	91.69
Reserves excluding Revaluation Reserve			6,538.05
Basic & Diluted EPS for the period (Rupees)	73.04	47.47	214.58

II. STANDALONE RESULTS :

	Three Months ended 30th June 2007	Three Months ended 30th June 2006	Full Year ended 31st March 2007 (Audited)
Net Sales / Income from Operations	2,444.79	1,891.73	8,675.69
Other Income	67.74	37.47	209.66
Expenditure :			
- Decrease / (Increase) in Stock	14.22	15.11	16.44
- Raw Material Consumed	627.41	463.84	2,219.32
- Purchases of Finished Goods	33.08	68.17	321.16
- Payment to & Provision for Employees	116.33	113.03	459.40
- Power & Fuel	324.16	264.50	1,196.14
- Freight , Handling & Other Expenses	281.07	230.26	1,015.16
- Other Expenditure	256.39	223.29	1,038.72
Total Expenditure	1,652.66	1,378.20	6,266.34
Interest	28.47	23.76	111.84
Gross Profit	831.40	527.24	2,507.17
Depreciation	85.00	74.09	317.91
Profit before Exceptional Items and Tax Expenses	746.40	453.15	2,189.26
Write back of provision for diminution in value of loans		-	37.10
Profit before Tax Expenses	746.40	453.15	2,226.36
Provision for Current Tax	(205.70)	(139.05)	(692.38)
Provision for Deferred Tax	(29.04)	(2.20)	1.83
Net Profit	511.66	311.90	1,535.81
Paid up Equity Share Capital (Face Value Rs. 10 per share)	91.69	91.69	91.69
Reserves excluding Revaluation Reserve			6,134.46
Basic & Diluted EPS for the period (Rupees)	55.80	34.02	167.50

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III. SEGMENT REPORTING - CONSOLIDATED

	Rs. in Crores		
	Three Months ended 30th June 2007	Three Months ended 30th June 2006	Full Year ended 31st March 2007 (Audited)
1. SEGMENT REVENUE			
a Fibre & Pulp	818.00	525.02	2,725.25
b Cement	2,827.66	2,341.20	9,957.75
c Sponge Iron	218.99	175.36	751.14
d Chemicals	92.27	71.80	319.00
e Textiles	57.93	56.83	270.96
f Others	95.86	68.11	326.93
TOTAL	4,110.71	3,238.32	14,351.03
(Less) : Inter Segment Revenue	(47.86)	(25.70)	(177.24)
Net Sales / Income from Operations	4,062.85	3,212.62	14,173.79
2. SEGMENT RESULTS			
a Fibre & Pulp	222.28	95.36	671.74
b Cement	868.02	678.40	2,767.03
c Sponge Iron	26.56	5.84	50.39
d Chemicals	22.25	13.39	60.05
e Textiles	(1.84)	(0.13)	(4.63)
f Others	26.17	12.18	62.61
TOTAL	1,163.44	805.04	3,607.19
Add / (Less) :			
Interest	(55.96)	(52.86)	(228.64)
Net Unallocable Income / (Expenditure)	47.07	25.77	72.92
Profit before Exceptional Items and Tax Expenses	1,154.55	777.95	3,451.47
Exceptional Items			
Profit Before Tax Expenses	1,154.55	777.95	3,451.47
3. CAPITAL EMPLOYED			
a Fibre & Pulp	1,431.45	1,181.90	1,428.47
b Cement	9,547.91	7,138.59	8,913.85
c Sponge Iron	557.76	566.53	552.21
d Chemicals	294.28	268.07	304.49
e Textiles	135.62	95.22	126.17
f Others	544.25	349.15	517.88
TOTAL	12,511.27	9,599.46	11,843.07
g Unallocated Corporate Capital Employed	1,821.68	1,230.40	1,681.16
TOTAL CAPITAL EMPLOYED	14,332.95	10,829.86	13,524.23

IV. SEGMENT REPORTING - STANDALONE

	Three Months ended 30th June 2007	Three Months ended 30th June 2006	Full Year ended 31st March 2007 (Audited)
1. SEGMENT REVENUE			
a Fibre & Pulp	707.73	446.36	2,327.63
b Cement	1,414.75	1,167.08	5,172.66
c Sponge Iron	218.99	175.36	751.14
d Chemicals	92.27	71.80	319.00
e Textiles	57.93	56.83	270.96
TOTAL	2,491.67	1,917.43	8,841.39
(Less) : Inter Segment Revenue	(46.88)	(25.70)	(165.70)
Net Sales / Income from Operations	2,444.79	1,891.73	8,675.69
2. SEGMENT RESULTS			
a Fibre & Pulp	236.20	97.92	638.42
b Cement	444.66	334.15	1,448.21
c Sponge Iron	26.56	5.84	50.39
d Chemicals	22.25	13.39	60.05
e Textiles	(1.84)	(0.13)	(4.63)
f Others	(0.03)	(0.03)	-
TOTAL	727.80	451.14	2,192.44
Add / (Less) :			
Interest	(28.47)	(23.76)	(111.84)
Net Unallocable Income / (Expenditure)	47.07	25.77	108.66
Profit before Exceptional Items and Tax Expenses	746.40	453.15	2,189.26
Write back of provision for diminution in value of loans			37.10
Profit Before Tax Expenses	746.40	453.15	2,226.36
3. CAPITAL EMPLOYED			
a Fibre & Pulp	1,226.44	1,047.89	1,210.72
b Cement	3,420.27	2,121.91	3,076.68
c Sponge Iron	557.76	566.53	552.21
d Chemicals	294.28	268.07	304.49
e Textiles	135.62	95.22	126.17
f Others	0.92	1.06	1.21
TOTAL	5,635.29	4,100.68	5,271.48
g Unallocated Corporate Capital Employed	4,639.02	3,773.41	4,492.67
TOTAL CAPITAL EMPLOYED	10,274.31	7,874.09	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, ten complaints were received, all of which have been attended by the Company and no complaints were pending at the end of the quarter.
- 4 The Board of Directors have approved sale/ transfer of Company's textile units at Bhiwani, subject to shareholders' and other requisite approvals, to a new wholly owned subsidiary company which is being incorporated.
- 5 Previous period's figures have been regrouped / rearranged wherever necessary to conform to the current period's classification.
- 6 The above Unaudited results for the quarter ended 30th June, 2007 have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at the meeting held on 28th July, 2007. 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 : 28th July, 2007

D. D. Rathi
Whole-time Director

GRASIM INDUSTRIES LIMITED

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

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