



Grasim Industries Limited

Performance Review

Q2FY08

27th October 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 – Q2FY08

	<u>Rs. Crs.</u>	<u>%</u> <u>Change</u>
TOTAL REVENUE	3,973	↑ 25
PBIDT (including minority share)	1,267	↑ 42
PBT (including minority share)	1,050	↑ 52
Total Tax Expenses	345	↑ 63
PAT (Before Minority Share)	705	↑ 47
PAT (After Minority Share)	620	↑ 50
EPS (Rs.)	67.6	↑ 50

- Consolidated revenue up by 25%
- PBIDT up by 42%
 - Higher operating profit from all business segments
 - Historically highest profits by VSF Business, PBIDT up by 72%
 - Cement Business PBIDT up by 26%
- Tax expenses higher by 63%
 - Lower component of tax exempt income in current quarter PBT
 - Revision in average annual tax rate
- Net profit at Rs.620 Crs.; up by 50%



Consolidated Financial Performance – H1FY08

	<u>Rs. Crs.</u>	<u>% Change</u>
TOTAL REVENUE	8,037	↑ 26
PBIDT (including minority share)	2,636	↑ 41
PBT (including minority share)	2,205	↑ 50
Total Tax Expenses	700	↑ 55
PAT (Before Minority Share)	1,504	↑ 48
PAT (After Minority Share)	1,290	↑ 52
EPS (Rs.)	140.7	↑ 52

- Consolidated revenue up by 26%
- PBIDT up by 41%
 - Higher operating profit from all business segments
 - VSF Business PBIDT up by 90%
 - Normal operations in VSF business as against lower production at Nagda plant due to water shortage in Q1FY07
 - Cement Business PBIDT up by 25%
- Tax expenses higher by 55%
 - Lower component of tax exempt income in current half PBT
- Net profit at Rs.1,290 Crs.; up by 52%

Consolidated Financial Performance

(Rs. Crores)

	Q2FY08	Q2FY07	% Chg.	H1FY08	H1FY07	% Chg.	FY07
Net Turnover & Op. Income	3,972.6	3,185.5	25	8,037.2	6,400.1	26	14,178.4
Other Income	83.9	53.4	57	185.3	102.6	81	245.6
PBIDT	1,267.3	895.3	42	2,636.4	1,867.8	41	4,290.1
Interest	54.2	55.5	(2)	110.1	108.3	2	228.6
Gross Profit	1,213.1	839.8	44	2,526.3	1,759.5	44	4,061.5
Depreciation	163.1	148.4	10	321.7	290.2	11	610.0
PBT	1,050.0	691.3	52	2,204.6	1,469.3	50	3,451.5
Current Tax	315.5	215.0	--	638.5	462.8	--	1,097.1
Deferred Tax	29.0	(4.1)	--	61.7	(9.8)	--	(5.0)
Total Tax	344.5	210.9	63	700.2	453.0	55	1,092.1
PAT	705.5	480.5	47	1,504.3	1,016.3	48	2,359.4
Minority Share etc.	85.5	66.1	--	214.6	166.6	--	391.9
PAT (after Minority Share)	620.0	414.4	50	1,289.7	849.7	52	1,967.5
Earning Per Share - Basic and Diluted (Rs.)	67.6	45.2	50	140.7	92.7	52	214.6

Standalone Financial Performance – Q2FY08

	<u>Rs. Crs.</u>	<u>%</u> <u>Change</u>
TOTAL REVENUE	2,519	↑ 25
PBIDT	862	↑ 48
Interest Charges	27	↑ 11
Depreciation	88	↑ 16
PBT	748	↑ 55
Total Tax Expenses	248	↑ 71
PAT	500	↑ 48
EPS (Rs.)	54.5	↑ 48

- Impressive growth in revenue supported by higher volumes and realisation
- PBIDT up by 48% despite rising input and fuel costs
 - Higher operating profit from all business segments
 - Historically highest operating profit by VSF Business, up by 81%
 - Cement Business PBIDT up by 24%
 - Normal operations in Chemical business during the quarter, unlike lower production due to CPP shutdown in Q2FY07
 - Sponge Iron business aided by higher realisations
- Tax expenses higher by 71%
 - Lower component of tax exempt income in current quarter PBT
 - Revision in average annual tax rate
- Net profit at Rs.500 Crs.; up by 48%

Standalone Financial Performance – H1FY08

	<u>Rs. Crs.</u>	<u>%</u> <u>Change</u>
TOTAL REVENUE	4,966	↑ 27
PBIDT	1,722	↑ 52
Interest Charges	56	↑ 15
Depreciation	173	↑ 15
PBT	1,494	↑ 60
Total Tax Expenses	483	↑ 69
PAT	1,011	↑ 56
EPS (Rs.)	110.3	↑ 56

- Strong growth in revenue, up by 27%
- PBIDT up by 52% despite rising input and fuel costs
 - Higher operating profit from all business segments
 - Cement Business PBIDT up by 27%
 - Normal operations in VSF and Chemical businesses unlike lower production in VSF in Q1FY07 and in Chemical in H1FY07
 - Sponge Iron business aided by higher realisations
 - Higher other income with increase in treasury income
- Tax expenses higher by 69%
 - Lower component of tax exempt income in current half PBT
- Net profit at Rs.1,011 Crs.; up by 56%

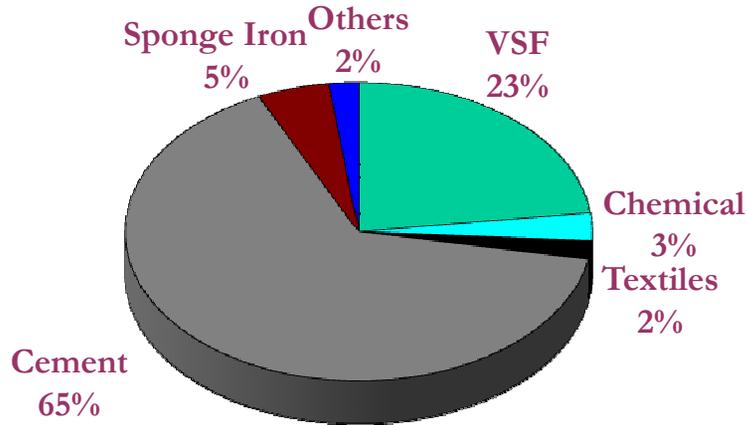
Standalone Financial Performance

(Rs. Crores)

	Q2FY08	Q2FY07	% Chg.	H1FY08	H1FY07	% Chg.	FY07
Net Turnover & Op. Income	2,519.2	2,011.4	25	4,965.8	3,905.1	27	8,680.3
Other Income	57.3	50.2	16	125.1	87.7	43	209.7
PBIDT	862.3	582.8	48	1,722.2	1,133.8	52	2,619.0
Interest	27.2	24.5	11	55.7	48.3	15	111.8
Gross Profit	835.1	558.3	50	1,666.5	1,085.5	54	2,507.2
Depreciation	87.5	75.6	16	172.5	149.7	15	317.9
Non-recurring Income	--	--	--	--	--	--	37.1
PBT	747.6	482.7	55	1,494.0	935.9	60	2,226.4
Current Tax	223.7	145.8	--	429.4	284.9	--	692.4
Deferred Tax	24.1	(0.9)	--	53.1	1.3	--	(1.8)
Total Tax	247.8	144.9	71	482.5	286.2	69	690.6
PAT	499.8	337.8	48	1,011.4	649.7	56	1,535.8
Earning Per Share - Basic and Diluted (Rs.)	54.5	36.9	48	110.3	70.9	56	167.5

Segmental Performance – Q2FY08

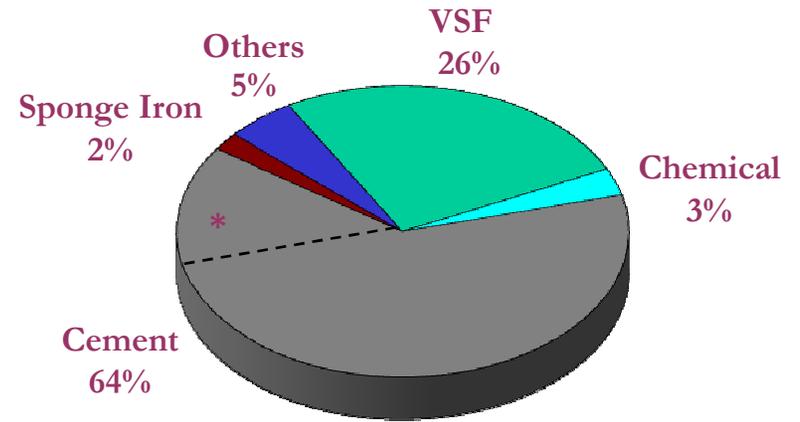
Revenue Mix



(Rs.3,973 Crs.)

Consolidated

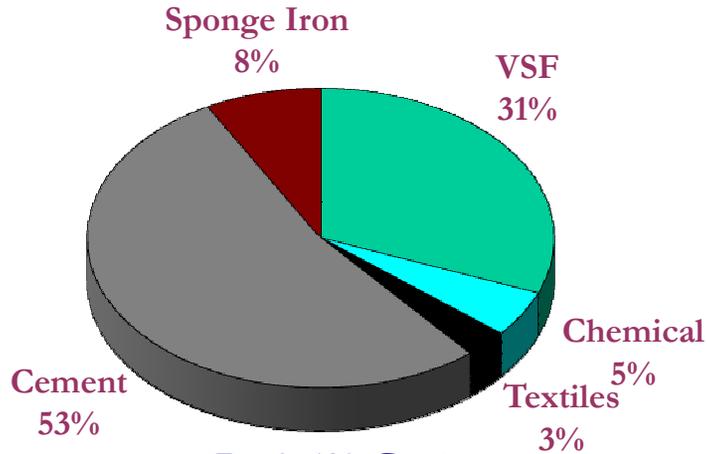
PBIDT Mix



(Rs.1,267 Crs.)

(* Minority Share 13%)

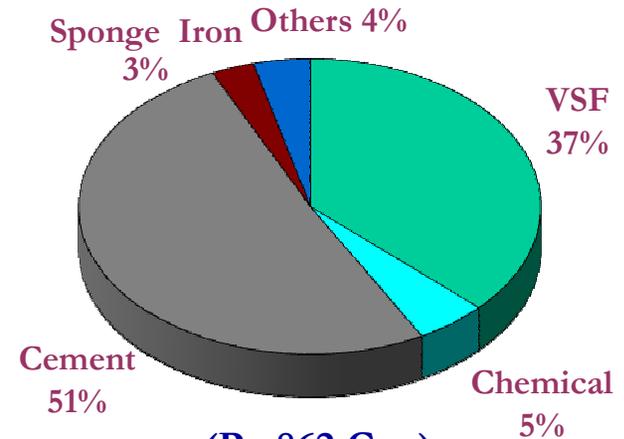
Revenue Mix



(Rs.2,519 Crs.)

Standalone

PBIDT Mix



(Rs.862 Crs.)



Financial Highlights



Grasim Consolidated Financials

(Rs. Crores)	FY05	FY06	FY07	H1 FY08
Net Turnover	9,292	10,224	14,106	7,999
PBIDT	2,272	2,337	4,290	2,636
PAT (After Minority share)	880	1,041	1,968	1,290
Net Worth	4,082	4,833	6,636	7,870
Capital Employed	9,695	10,188	13,520	14,719
PBIDT Margins(%)	24.5	22.9	30.4	33.0
EPS (Rs.)	96.0	113.5	214.6	140.7
Interest Cover (x)	6.3	8.7	14.0	18.1
Debt: Equity (x)	0.86	0.69	0.65	0.51
Book Value (Rs.)	445	527	724	858
ROAvCE (PBIT Basis) (%) \$	18.2	17.8	31.0	32.8
RONW (%) *	23.7	23.4	34.3	35.6

\$ Capital Employed includes CWIP

* Excluding Minority share

- Strong Balance sheet
- ROAvCE increased from 18% in FY05 to 33% in H1FY08
- Return on equity at 36%
- Debt-equity reduced from 0.86 in FY05 to 0.51 in H1FY08
 - Adjusted leveraging even lower at 0.31
- Strong funding capabilities to support Company's ambitious future growth plans
- Grasim's market capitalisation at Rs.322Bn.* (\$ 8.1 Bn.)
 - 5 years' CAGR 62.5%
- Subsidiary company UltraTech's market capitalisation at Rs.130 Bn.* (\$3.3 Bn.)

(* 30th Sep. 07)



Grasim Standalone Financials

(Rs. Crores)	FY05	FY06	FY07	H1 FY08
Net Turnover	6,229	6,653	8,608	4,928
PBIDT	1,785	1,597	2,619	1,722
PAT	886	863	1,536	1,011
Net Worth	4,324	4,978	6,226	7,238
Capital Employed	6,931	7,542	9,760	10,641
Capital Employed (Excl. subsidiary Investments)	4,569	5,190	7,284	8,081
PBIDT Margin (%)	28.7	24.0	30.4	34.9
EPS (Rs.)	96.6	94.1	167.5	110.3
Interest Cover (x)	9.6	11.9	17.2	23.2
Debt: Equity (x)	0.46	0.40	0.47	0.38
Book Value (Rs.)	472	543	679	789
ROAvCE (excl.subsidiary investment) (PBIT Basis) (%) \$	35.1	26.7	36.9	40.3

\$ Capital Employed includes CWIP

- Low gearing at 0.38
 - Adjusted gearing even lower at 0.15
- Comfortable interest cover
- Standalone ROCE in H1FY08 at 40.3%
- Strong funding capabilities to support Company's ambitious future growth plans
- Grasim's market capitalisation at Rs.322Bn.* (\$ 8.1 Bn.)
 - 5 years' CAGR 62.5%

(* 30th Sep. 07)

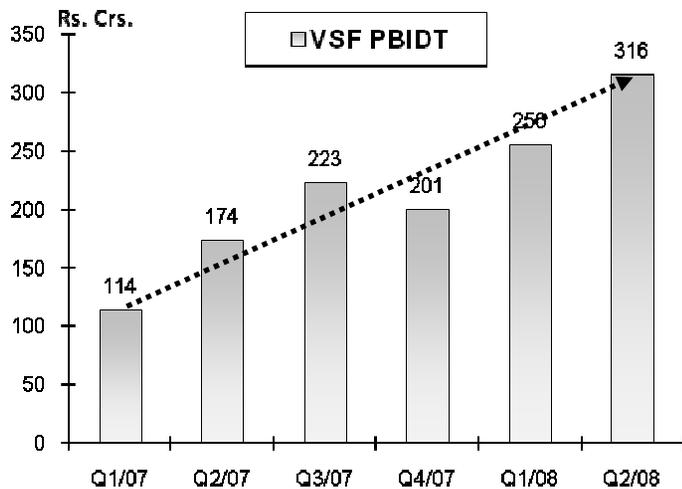
Business Review – Q2FY08

- **VSF**
- **Chemicals**
- **Cement**
- **Sponge Iron**
- **Textiles**

Viscose Staple Fibre : Q2FY08 Highlights

	Q2FY08	Q2FY07	% Chg.
Capacity (TPA)	270,100	266,450	1
Production (MT)	69,678	65,083	7
Sales Volumes (MT)	70,183	63,119	11
Net Turnover (Rs Crs.)	783.7	558.3	40
Realisation (Rs./MT)	102,978	83,279	24
PBIDT (Rs. Crs.)	315.6	174.3	81
PBIDT Margin (%)	40.3%	31.2%	--
PBIT (Rs. Crs.)	294.7	156.7	88
ROAvCE %	91.8%	59.8%	--

- New historical high operating profit of Rs.316 Crs., up by 81%
- Sales volume up by 11%
 - Upsurge in global VSF demand for comfort fabrics
 - Higher demand for knitted fabrics
 - Supported by 103% capacity utilisation
- Realisation up 24%
 - Strong demand coupled with cost push effect
- Operating margins increased considerably to 40% despite increase in prices of key inputs
- Rupee appreciation and part captive pulp capacity partially offset steep increase in global pulp prices

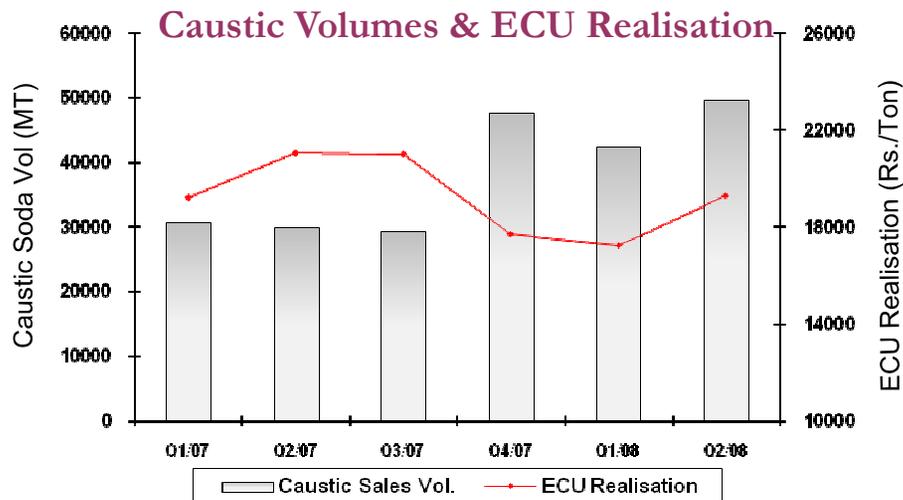


Viscose Staple Fibre : Outlook

- Volume outlook remains positive
- Prices to remain firm in the short term
- Margins may see some decline in the medium to long term
 - Cost pressure on value chain
 - Rising input costs, mainly pulp and sulphur
- Volume growth to help growth in operating profits
- Capacity expansion plans from existing 270K TPA to 365K TPA under implementation to meet growing demand
 - 64K TPA brownfield expansion at Kharach (Gujarat) progressing satisfactorily, expected to be operational in Q4FY08
 - 31K TPA expansion planned at Harihar (Karnataka)
- Additionally 88K TPA greenfield project being pursued at Vilayat, Gujarat

Chemical : Q2FY08 Highlights & Outlook

	Q2FY08	Q2FY07	% Chg.
Caustic Capacity (TPA)	258,000	190,800	35
Caustic Production (MT)	48,752	28,911	69
Caustic Sales Volumes (MT)	49,634	30,072	65
Net Turnover (Rs. Crs.)	108.8	76.2	43
ECU Realisation (Rs./MT)	19,298	21,081	(8)
PBIDT (Rs. Crs.)	40.3	9.3	--
PBIDT Margin (%)	37.1%	12.2%	--
PBIT (Rs. Crs.)	34.4	4.8	--
ROAvCE %	45.2%	7.7%	--



- Production up by 69%

- Normal operations during the quarter
- Q2FY07 was impacted due to shutdown of a captive power plant

- Lower ECU realisations due to reduction in caustic and allied product prices

- Higher operating profit

- Higher volumes
- Improved power efficiency resulting from conversion to membrane cell

Outlook

- Demand supply mismatch in short term with new capacity additions

- Realisation to remain under pressure

Cement : Q2FY08 Highlights

		Q2FY08	Q2FY07	% Chg.
<u>Grey Cement</u>				
Production	Mn. MT	3.62	3.31	9
Sales Volumes* \$	Mn. MT	3.60	3.38	6
Realisation	Rs./MT	3,173	2,822	12
<u>RMC</u>				
Sales Volumes	Lac Cu. Mtr.	4.43	3.65	22
Realisation	Rs./Cu Mtr.	2,727	2,424	13
<u>White Cement</u>				
Production	MT	89,733	92,766	(3)
Sales Volumes	MT	92,566	90,253	3
Realisation	Rs./MT	6,850	6,614	4
Net Turnover \$	Rs. Crs.	1,362.0	1,139.3	20
PBIDT	Rs. Crs.	442.2	356.0	24
PBIDT Margin	(%)	32.5%	31.2%	--
PBIT	Rs. Crs.	394.8	313.8	26
ROA _v CE	%	44.6%	57.4%	--

- Cement production up by 9%
 - Higher capacity utilisation at 110%
- Cement sales volume higher by 6%
- RMC volumes up by 22% aided by capacity additions
- Higher realisation setoff by cost pressures
 - Steep rise in fuel cost due to increase in imported coal and petcoke prices and higher use of imported coal
 - Higher freight and wage cost

* Includes captive consumption for RMC

\$ Excludes traded sales volumes

Cement : Outlook

- Domestic cement consumption grew by 11% in H1FY08
- Demand expected to grow at about 10% in the long term
- Capacity announcement of around 90 Mn. tons over three years [FY08 - FY10]
 - If materialises in total as per announced schedule, may result in surplus
 - Prices may come under pressure from end FY09
- Cost pressure on account of rising energy prices
 - New captive TPPs under construction to help reduce the energy cost
- Project implementation progressing satisfactorily
 - Shambhupura, Rajasthan expected to be commissioned by end FY08
 - Kotputli, Rajasthan expected to be commissioned by end Q1FY09
 - Tadpatri, A.P. (UltraTech) expected to be commissioned by end FY08

Sponge Iron : Q2FY08 Highlights and Outlook

	Q2FY08	Q2FY07	% Chg.
Capacity (TPA)	900,000	900,000	--
Production (MT)	146,673	113,567	29
Sales Volumes (MT)	141,960	110,933	28
Net Turnover (Rs. Crs.)	209.6	141.2	48
Realisation (Rs./MT)	14,503	12,398	17
PBIDT (Rs. Crs.)	29.9	5.8	--
PBIDT Margin (%)	14.3%	4.1%	--
PBIT (Rs. Crs.)	21.2	(2.8)	--
ROAvCE (%)	16.4%	(2.2)%	--

- Production higher by 29%
 - Use of alternate fuels enabled by improved realisation
- Realisation up by 17% with increase in global scrap prices and freight rate
- Operating profit improved from Rs.6 Crs. to Rs.30 Crs. led by higher volumes and realisation
 - Despite increase in cost due to use of expensive alternate fuels and higher iron ore prices

Outlook

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



Capex



Capex plans

● Capex Summary

Rs. Crores

	Total Project Cost	Net Capex *	Cash Outflow	
			FY08	FY09
Cement	5,123	4,085	3,350	715
- 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 6.2 mn. cu. mtrs.)	164	151		
- Modernisation, Upgradation, etc.	1,077	1,077		
VSF	732	690	520	130
- Capacity expansion, Kharach, Gujarat (63,875 TPA)	389	347		
- Modernisation & Upgradation	343	343		
Other Businesses	163	163	145	18
Grasim	6,018	4,938	4,015	863

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, etc.	774	774		

Cement Business (Grasim & UltraTech)	9,088	7,425	5,460	1,674
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*Net of capex incurred till FY07

● H1FY08 Capex spent in Grasim– Rs.1,245 Crs.

➤ Cement Rs.1,090 Crs., VSF Rs.110 Crs., Others Rs.45 Crs.

Subsidiary Companies Performance

- UltraTech
- SDCC

UltraTech: Consolidated Financial Performance – Q2FY08

(Rs. Crores)

	Q2 FY08	Q2 FY07	% Chg.
Net Turnover *	1,208.2	995.8	21
Other Income	22.7	12.1	87
PBIDT	355.1	271.0	31
PBIDT Margin (%)	29.4%	27.2%	--
Interest	18.8	23.7	(21)
Depreciation	58.6	55.4	6
PBT	277.7	191.9	45
Total Tax Expenses	93.5	61.9	51
PAT after Minority share	184.1	129.5	42

* Adjusted for traded sales volumes

- Net Turnover up by 21% led by higher realisation
- PBIDT up by 31% led by better sales mix and improved realisation
- Higher stores and spares expenses due to annual maintenance shutdown across the plants
- PAT up by 42%
- Capex plans progressing as per schedule

UltraTech Consolidated: Highlights

	Q2 FY08	Q2 FY07	% Chg.
Production (Mn. MT)			
Cement	3.34	3.00	11
Sales volumes (Mn. MT)			
Cement - Domestic *	3.15	2.80	12
- Exports	0.20	0.23	(14)
Clinker	0.26	0.57	(53)
	3.61	3.60	--
RMC Volumes (Lac. Cu. Mtr.)	1.85	0.28	--
Realisation (Rs./MT)			
Cement (Domestic)	3,260	2,890	13
Cement (Exports) ^{\$}	3,126	3,205	(2)
Clinker (Domestic & Exports)	1,934	1,640	18

* Excludes traded sales volumes

^{\$} Includes freight only on part quantity

- Effective capacity utilisation at 85%
 - Lower utilisation due to planned maintenance and flood at GCW for a week
- Domestic sales volume up by 12%
- Curtailment in exports to meet domestic demand
- Sequentially, domestic realisation up by 4%
- Current FOB prices: Cement \$57/ton, Clinker \$47 /ton
- Export prices to remain higher till FY08

SDCC Performance - Q2FY08

(Rs. Crores)

	Q2 FY08	Q2 FY07	% Chg.
Production	1.56	2.03	(23)
Sales Volumes	1.43	2.07	(31)
Realisation (Rs./MT)	2,920	2,738	7
Net Revenues	41.8	56.8	(26)
PBIDT	3.7	10.0	(64)
PBIDT Margin	8.7%	17.7%	--
Interest	0.2	0.4	--
Depreciation	1.6	1.5	3
PBT	1.9	8.1	(77)
Tax Expenses	0.4	0.1	--
Net Profit	1.5	8.0	(81)

- Production and sales volumes declined due to heavy rains and breakdown of DG set
- Operating profit decreased as a result
- Net profit down by 81%, to Rs.1.5 Crs.
- Performance expected to improve in second half

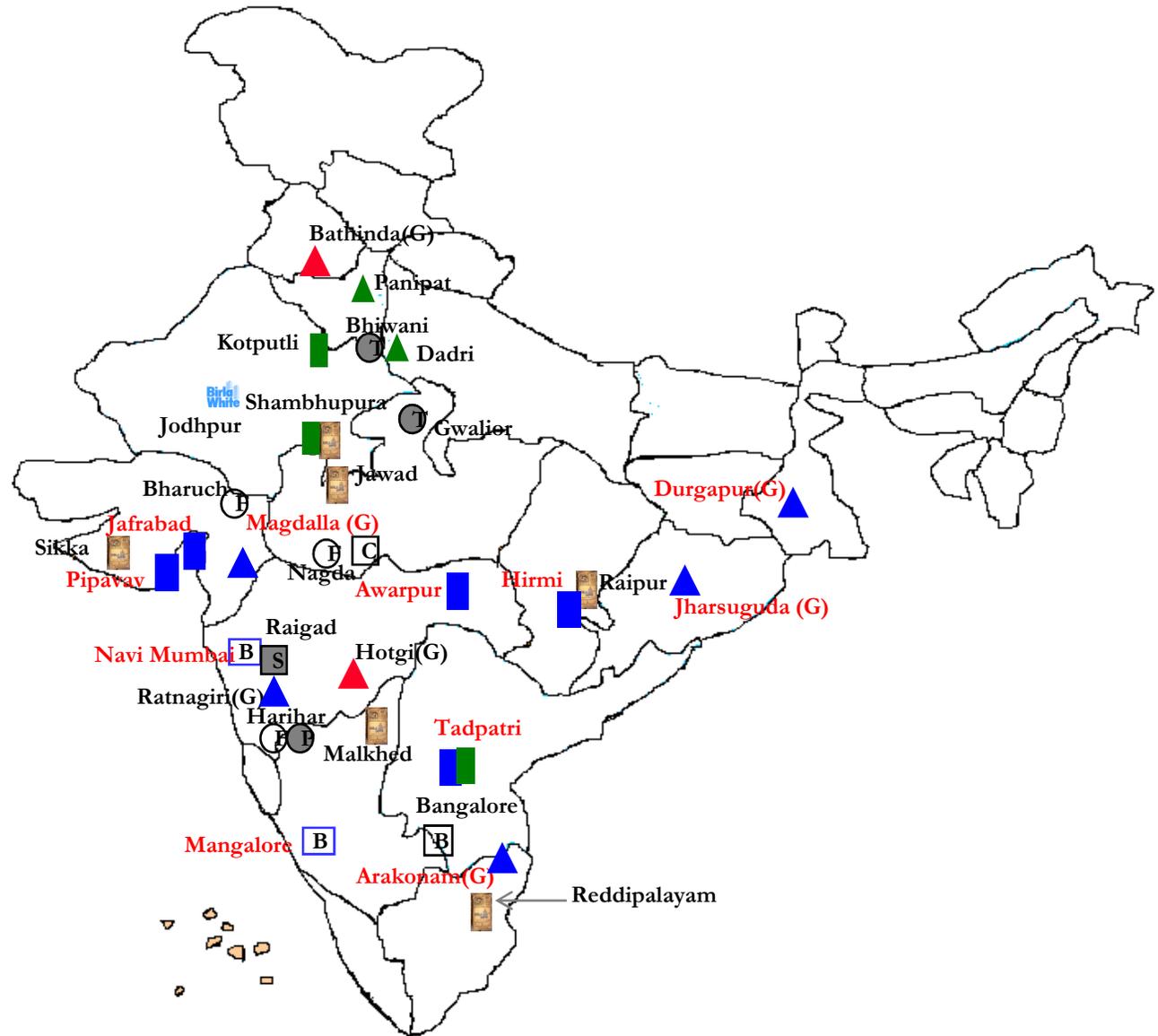
Summary

Summary

- **Grasim – A VSF and Cement major**
 - With strong competitive edge
 - Global size operations
 - Consolidating leadership position with strong organic growth pipeline
- **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

Annexures

Annexures

- Consolidated and Standalone Financial
- Consolidated and Standalone Profitability
- Segmental Performance – Q2 & H1 FY08
- VSF Summary
- Chemical Summary
- Cement Summary
- Sponge Iron Summary
- Textiles Summary
- UltraTech Performance
- SDCC Performance

Financial Snapshot

Standalone

(Rs. Crores)	FY04	FY05	FY06	FY07	H1FY08
Gross Block [§]	5,802	6,052	6,417	7,974	9,197
Net Block [§]	3,213	3,204	3,307	4,593	5,662
Goodwill	-	-	-	-	-
Cement Subs. Investment	2,333	2,362	2,352	2,476	2,561
Investments	409	939	1,422	2,141	2,001
Net Current Assets	349	426	461	550	417
Capital Employed	6,304	6,931	7,542	9,760	10,641
Net Worth	3,606	4,324	4,978	6,226	7,238
Minority Interest	-	-	-	-	-
Debts	2,065	2,008	1,980	2,952	2,767
Deferred Tax	633	599	584	582	636
Debt: Equity (x)	0.57	0.46	0.40	0.47	0.38
Book Value (Rs.)	393	472	543	679	789

Consolidated

FY05	FY06	FY07	H1FY08
11,312	11,927	14,481	16,512
6,294	6,411	8,468	10,279
1,958	1,773	1,922	1,907
-	-	-	-
769	1,352	2,272	1,984
674	652	858	549
9,695	10,188	13,520	14,719
4,082	4,833	6,636	7,870
500	514	859	1,059
3,934	3,683	4,873	4,576
1,179	1,158	1,152	1,214
0.86	0.69	0.65	0.51
445	527	724	858

[§] Block includes CWIP

Profitability Snapshot

Standalone

(Rs. Crores)	FY04	FY05	FY06	FY07	H1FY08
Gross Turnover	6,130	7,201	7,638	9,613	5,577
Net Turnover	5,213	6,229	6,653	8,608	4,928
PBIDT	1,504	1,785	1,597	2,619	1,722
PBIDT Margin (%)	28.9	28.7	24.0	30.4	34.9
Interest	154	139	103	112	56
PBDT	1,350	1,646	1,494	2,507	1,667
Total Tax Expenses	298	418	343	691	483
PAT (After Minority Share)	779	886	863	1,536	1,011

Consolidated

	FY05	FY06	FY07	H1FY08
Gross Turnover	10,776	11,746	15,714	9,036
Net Turnover	9,292	10,224	14,106	7,999
PBIDT	2,272	2,337	4,290	2,636
PBIDT Margin (%)	24.5	22.9	30.4	33.0
Interest	285	218	229	110
PBDT	1,988	2,118	4,061	2,526
Total Tax Expenses	442	403	1,092	700
PAT (After Minority Share)	880	1,041	1,968	1,290

EPS (Rs.)	85.0	96.6	94.1	167.5	110.3
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	23.2

EPS (Rs.)	96.0	113.5	214.6	140.7
DPS (Rs.)	--	--	--	--
ROAvCE (PBIT Basis)(%)	18.2	17.8	31.0	32.8
RONW (%)	23.7	23.4	34.3	35.6
Interest Cover (x)	6.3	8.7	14.0	18.1

\$ Adjusted for investments in cement subsidiaries and related income

Segmental Performance – Q2FY08

Standalone

Rs. Crores

Business	Revenue		PBIDT		PBIDT Margin (%)		PBIT		Capital Employed		ROAvCE (%) (PBIT basis)	
	Q2FY08	Q2FY07	Q2FY08	Q2FY07	Q2FY08	Q2FY07	Q2FY08	Q2FY07	Q2FY08	Q2FY07	Q2FY08	Q2FY07
VSF	794	566	316	174	40.3	31.2	295	157	1,358	1,098	91.8	59.8
Chemical	111	77	40	9	37.1	12.2	34	5	304	291	45.2	7.7
Cement	1,367	1,188	442	356	32.5	31.2	395	314	3,997	2,291	44.6	57.4
Sponge Iron	210	141	30	6	14.3	4.1	21	(3)	481	508	16.4	(2.2)
Textile	88	85	3	1	3.7	1.7	(0.3)	(0.1)	163	124	(0.9)	(0.5)
Direct Operations			831	546			745	473	6,303	4,312	51.5	45.9
Cement subsidiaries									2,561	2,403		
Company as a whole	2,519	2,011	862	583	34.5	29.2	775	507	10,641	8,463	@ 40.4	@ 36.0

Consolidated

VSF	904	671	326	189	36.5	28.5	303	169	1,622	1,249	79.4	59.3
Cement \$	2,609	2,181	801	637	30.7	29.3	694	538	10,203	7,480	29.0	30.1
Company as a whole\$	3,973	3,186	1,267	895	32.1	28.2	1,104	747	14,719	11,550	31.3	27.5

\$ including minority share

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

Capital Employed includes CWIP

Segmental Performance – H1FY08

Standalone

Rs. Crores

Business	Revenue		PBIDT		PBIDT Margin (%)		PBIT		Capital Employed		ROAvCE (%) (PBIT basis)	
	H1FY08	H1FY07	H1FY08	H1FY07	H1FY08	H1FY07	H1FY08	H1FY07	H1FY08	H1FY07	H1FY08	H1FY07
VSF	1,502	1,012	572	289	38.5	28.9	531	255	1,358	1,098	82.7	48.6
Chemical	204	149	68	27	35.1	18.5	57	18	304	291	37.2	14.5
Cement	2,782	2,355	933	732	33.9	32.6	839	648	3,997	2,291	47.5	59.3
Sponge Iron	431	319	65	20	15.2	6.3	48	3	481	508	18.5	1.2
Textile	146	142	4	3	3.1	1.9	(2)	(0.3)	163	124	(3.0)	(0.5)
Direct Operations			1,642	1,071			1,473	923	6,303	4,312	50.9	44.9
Cement subsidiaries									2,561	2,403		
Company as a whole	4,966	3,905	1,722	1,134	34.9	29.3	1,550	984	10,641	8,463	@ 40.3	@ 35.0

Consolidated

VSF	1,722	1,196	572	302	33.6	25.5	525	264	1,622	1,249	68.8	46.4
Cement \$	5,436	4,522	1,774	1,414	32.7	31.3	1,562	1,217	10,203	7,480	32.7	34.1
Company as a whole\$	8,037	6,400	2,636	1,868	33.0	29.3	2,315	1,578	14,719	11,550	32.8	29.0

\$ including minority share

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

Capital Employed includes CWIP

Viscose Staple Fibre : Summary

		Q2 FY08	Q2 FY07	% Chg.	H1 FY08	H1 FY07	% Chg.	FY07
Capacity	TPA	270,100	266,450	1	270,100	266,450	1	270,100
Production	MT	69,678	65,083	7	138,233	110,277	25	246,833
Sales Volumes	MT	70,183	63,119	11	139,579	115,076	21	250,725
Net Turnover	Rs. Crs.	783.7	558.3	40	1,483.6	998.0	49	2,294.6
Avg. Realisation	Rs./MT	102,978	83,279	24	98,741	81,339	21	85,729
PBIDT	Rs. Crs.	315.6	174.3	81	571.9	288.6	98	712.3
PBIDT Margin	%	40.3%	31.2%	--	38.5%	28.9%	--	31.0%
PBIT	Rs. Crs.	294.7	156.7	88	530.9	254.6	109	638.4
Capital Employed	Rs. Crs.	1,358	1,098	24	1,358	1,098	24	1,211
ROAvCE (PBIT Basis)	%	91.8%	59.8%	--	82.7%	48.6%	--	57.8%

Chemical : Summary

		Q2 FY08	Q2 FY07	% Chg.	H1 FY08	H1 FY07	% Chg.	FY07
Capacity	TPA	258,000	190,800	35	258,000	190,800	35	258,000
Production	MT	48,752	28,911	69	91,595	59,648	54	136,685
Sales Volumes	MT	49,634	30,072	65	92,506	60,784	52	137,830
Net Turnover	Rs. Crs.	108.8	76.2	43	195.1	147.2	33	313.0
Avg. Realisation	Rs./MT	19,298	21,081	(8)	18,310	20,136	(9)	19,444
PBIDT	Rs. Crs.	40.3	9.3	--	68.4	27.2	152	80.6
PBIDT Margin	%	37.1%	12.2%	--	35.1%	18.5%	--	25.7%
PBIT	Rs. Crs.	34.4	4.8	--	56.6	18.2	211	60.0
Capital Employed	Rs. Crs.	304	291	4	304	291	4	304
ROAvCE (PBIT Basis)	%	45.2%	7.7%	--	37.2%	14.5%	--	23.3%

Cement : Summary

		Q2 FY08	Q2 FY07	% Chg.	H1 FY08	H1 FY07	% Chg.	FY07
Grey Cement								
Capacity	Mn. MT	13.12	13.12	--	13.12	13.12	--	13.12
Production	Mn. MT	3.62	3.31	9	7.48	6.87	9	14.42
Sales Volumes *	Mn. MT	3.60	3.38	6	7.49	6.88	9	14.52
Avg. Realisation	Rs./MT	3,173	2,822	12	3,126	2,773	13	2,867
White Cement								
Capacity	TPA	475,000	475,000	--	475,000	475,000	--	475,000
Production	MT	89,733	92,766	(3)	182,327	175,811	4	364,649
Sales Volumes	MT	92,566	90,253	3	177,571	171,396	4	367,167
Avg. Realisation	Rs./MT	6,850	6,614	4	6,636	6,423	3	6,458
Net Turnover *	Rs. Crs.	1,362.0	1,139.3	20	2,752.7	2,249.3	22	4,891.2
PBIDT	Rs. Crs.	442.2	356.0	24	933.3	732.5	27	1,623.0
PBIDT Margin	%	32.5%	31.2%	--	33.9%	32.6%	--	33.2%
PBIT	Rs. Crs.	394.8	313.8	26	839.4	647.9	30	1,448.2
Capital Employed	Rs. Crs.	3,997	2,291	74	3,997	2,291	74	3,077
ROAvCE (PBIT basis)	%	44.6%	57.4%	--	47.5%	59.3%	--	56.2%
*Adjusted for traded sales volumes	Mn. MT	--	0.13	--	0.06	0.30	--	0.77

Sponge Iron : Summary

		Q2 FY08	Q2 FY07	% Chg.	H1 FY08	H1 FY07	% Chg.	FY07
Capacity	TPA	900,000	900,000	--	900,000	900,000	--	900,000
Production	MT	146,673	113,567	29	284,809	240,507	18	525,183
Sales Volumes	MT	141,960	110,933	28	281,666	251,845	12	571,127
Net Turnover	Rs. Crs.	209.6	141.2	48	430.2	318.5	35	754.3
Avg. Realisation	Rs./MT	14,503	12,398	17	14,649	12,268	19	12,679
PBIDT	Rs. Crs.	29.9	5.8	--	65.2	20.2	--	85.1
PBIDT Margin	%	14.3%	4.1%	--	15.2%	6.3%	--	11.3%
PBIT	Rs. Crs.	21.2	(2.8)	--	47.8	3.0	--	50.4
Capital Employed	Rs. Crs.	481	508	(5)	481	508	(5)	552
ROAvCE (PBIT Basis)	%	16.4%	(2.2)%	--	18.5%	1.2%	--	9.3%

Textiles : Summary

		Q2 FY08	Q2 FY07	% Chg.	H1 FY08	H1 FY07	% Chg.	FY07
Net Turnover	Rs. Crs.	85.1	80.8	5	140.5	133.6	5	254.8
PBIDT	Rs. Crs.	3.1	1.4	126	4.3	2.5	69	4.6
PBIDT Margin	%	3.7%	1.7%	--	3.1%	1.9%	--	1.8%
PBIT	Rs. Crs.	(0.3)	(0.1)	--	(2.2)	(0.3)	--	(4.6)
Capital Employed	Rs. Crs.	163	124	31	163	124	31	126
ROAvCE (PBIT Basis)	%	(0.9)%	(0.5)%	--	(3.0)%	(0.5)%	--	(4.2)%



UltraTech: Consolidated Financial Performance

(Rs. Crores)

	Q2 FY08	Q2 FY07	% Chg.	H1FY08	H1FY07	% Chg.	FY07
Cement Production (Mn. MT)	3.34	3.00	11	7.25	6.87	5	14.63
Sales Volume(Mn. MT):							
Cement-Domestic*	3.15	2.80	12	6.82	6.28	9	13.35
Cement-Exports	0.20	0.23	(14)	0.43	0.58	(27)	1.27
Clinker	0.26	0.57	(53)	0.80	1.12	(29)	2.50
Total Volumes	3.61	3.60	--	8.04	7.98	1	17.12
Realisation(Rs./MT):							
Cement-Domestic	3,260	2,890	13	3,195	2,841	12	2,934
Cement-Exports	3,126	3,205	(2)	3,031	2,905	4	2,871
Clinker	1,934	1,640	18	1,749	1,581	11	1,630
Net Turnover *	1,208.2	995.8	21	2,575.8	2,164.3	19	4,781.2
Other Income	22.7	12.1	87	50.2	22.1	128	59.2
PBIDT	355.1	271.0	31	817.8	659.2	24	1,490.8
PBIDT Margin %	29.4%	27.2%	--	31.8%	30.5%	--	31.2%
Interest	18.8	23.7	(21)	38.9	46.3	(16)	86.8
Depreciation	58.6	55.4	6	115.1	110.4	4	228.7
PBT	277.7	191.9	45	663.9	502.5	32	1,175.3
Total Tax	93.5	61.9	51	218.9	162.8	34	388.7
PAT after Minority Share	184.1	129.5	42	444.6	338.6	31	784.9
Earning Per Share, Basic & Diluted (Rs.)	14.8	10.4	42	35.7	27.2	31	63.1
* Adjusted for traded sales volumes	--	0.08	--	0.04	0.16	--	0.56

SDCC : Financial Performance

(Rs. Crores)

	Q2 FY08	Q2 FY07	% Chg.	H1 FY08	H1 FY07	% Chg.	FY07
Net Turnover	41.8	56.8	(26)	116.6	119.3	(2)	261.8
Other Income	1.6	0.9	80	2.5	2.7	(8)	4.6
PBIDT	3.7	10.0	(64)	22.5	22.8	(1)	61.0
PBIDT Margin %	8.7%	17.7%	--	19.3%	19.1%	--	23.3%
Interest	0.2	0.4	--	0.3	0.7	--	1.2
Depreciation	1.6	1.5	3	3.1	3.1	3	6.3
PBT	1.9	8.1	(77)	19.0	19.03	--	53.5
Tax Expenses	0.4	0.1	--	2.4	(0.1)	--	0.1
Exceptional Items	-	-	--	-	-	--	0.6
Net Profit	1.5	8.0	(81)	16.6	19.1	(13)	54.0



GRASIM, THE ADITYA BIRLA GROUP'S FLAGSHIP COMPANY
PERFORMANCE FOR Q2FY 2008

Consolidated Net Profit : **Rs.620 Crs.** **▲ 50%**
Consolidated Net Revenue : **Rs.3,973 Crs.** **▲ 25%**

Consolidated Financial Performance:

	Rs. Crores					
	Q2 FY08	Q2 FY07	% Change	H1 FY08	H1 FY07	% Change
Net Revenue	3,973	3,186	25%	8,037	6,400	26%
Gross Profit	1,213	839	44%	2,526	1,759	44%
Depreciation	163	148	10%	322	290	11%
Total Tax Expenses	345	211	63%	700	453	55%
Profit after Taxes	705	480	47%	1,504	1,016	48%
Less: Minority Share	85	66		214	166	
Net Profit	620	414	50%	1,290	850	52%
EPS (Rs.)	68	45	50%	141	93	52%

Grasim, the flagship Company of the Aditya Birla Group, has posted good results for the 2nd quarter ended 30th September, 2007. Cement and Viscose Staple Fibre (VSF), its core businesses, have been the growth drivers. The Chemical and Sponge Iron businesses have contributed as well. Ongoing modernization efforts, upgradation of plants and energy optimization have been instrumental to the growth process.

The Company has reported a growth on all the fronts, viz., Revenue, Gross Profit and Net Profit. Revenue was up by 25% at Rs.3,973 crores (Rs.3,186 crores). Gross Profit at Rs.1,213 crores (Rs.839 crores) rose by 44% over the corresponding period. Despite a substantially higher provision for tax expenses, Net Profit grew by 50% at Rs.620 crores (Rs.414 crores).

Highlights of Grasim's operations:

		Q2FY08	Q2FY07	% Change
Production -				
Viscose Staple Fibre	M.T.	69,678	65,083	7%
Cement	Mn. M.T.	3.62	3.31	9%
White Cement	M.T.	89,733	92,766	-3%
Sponge Iron	M.T.	146,673	113,567	29%
Caustic Soda	M.T.	48,752	28,911	69%
Sales Volumes -				
Viscose Staple Fibre	M.T.	70,183	63,119	11%
Cement	Mn. M.T.	3.60	3.38	6%
White Cement	M.T.	92,566	90,253	3%
Sponge Iron	M.T.	141,960	110,933	28%
Caustic Soda	M.T.	49,634	30,072	65%

Viscose Staple Fibre (VSF) Business

The upsurge in global demand coupled with the higher demand for knitted fabrics and increased realisations saw the VSF business post a good performance. Production was up by 7% at 69,678 tons. Sales volumes improved by 11% at 70,183 tons, a historical high for any quarter. The uptrend in international prices backed by a strong demand, resulted in realisations being higher. Increased use of captive pulp and a stronger rupee contained the impact of the steep increase in global pulp prices.

The Company plans to augment its capacity by 94,875 tons from its current level of 270,100 tons, through capacity expansions of 63,875 tons at Kharach (Gujarat) and 31,000 tons at Harihar (Karnataka).

Additionally, plans are afoot to set up a greenfield plant of 88,000 tons at Vilayat (Gujarat) at an estimated capital cost of Rs.840 crores. The plant would take 2-3 years to come up.

The outlook for the VSF business continues to be good.

Chemical Plant

The Chemical plant put in a better performance during the quarter, Production of caustic soda, which was impacted during the corresponding quarter on account of the shut down of a captive power plant, was higher at 48,752 tons. Sales volumes too were higher at 49,634 tons. Realisations dipped by 8% consequent to the reduction in prices of caustic soda and allied products.

Realisations are expected to remain depressed, given the demand-supply mismatch arising out of new capacity additions.

Cement Business

The Cement business' performance has been good. While Production recorded a growth of 9% at 3.62 million tons, Sales volumes grew by 6% at 3.60 million tons. The share of blended cement increased from 63% to 68%. Costs remained under pressure due to the steep rise in fuel costs and increased freight rates.

The White Cement unit reported a satisfactory performance. Sales volumes were higher by 3% at 92,566 tons.

Cement Subsidiaries

UltraTech Cement Limited (UltraTech), a subsidiary of Grasim, too bettered its performance. Sales of cement and clinker were at 3.35 million tons and 0.26 million tons respectively. Net Profit was higher at Rs.184 crores.

Shree Digvijay Cement Company Limited, yet another subsidiary, reported a profit of Rs.1.50 crores, vis-à-vis Rs.8.03 crores in the corresponding quarter.

Cement Capex plan

The Company is expanding its capacity by 10.2 million tons at a total cost of Rs.3,480 crores. To this end, the Company is setting up –

- a. a Greenfield cement plant at Kotputli in Rajasthan (with a split grinding unit at Panipat in Haryana), of a total capacity of 4.5 million tons;
- b. a new plant at Shambhupura in Rajasthan (with a split grinding unit at Aligarh in Uttar Pradesh) of a total capacity of 4.4 million tons; and
- c. a grinding unit at Dadri of a capacity of 1.3 million tons.

All these projects are progressing as per schedule. The Shambhupura plant is expected to be commissioned by end-FY08 and the Kotputli plant in Q1FY09.

This will enable the Company to cater to the growing demand for Cement in the northern region. The capex plans of UltraTech too are in line with expectations. Both the Company and its subsidiary are setting up Ready Mix Concrete plants at various locations in the country. The Company's aggregate cement capacity (including that of its subsidiaries), upon completion of expansion, will stand augmented by 17 million tons at 48 million tons.

The additional capacity of around 90 million tons, as announced by the industry, could result in a surplus scenario due to which realisations could be under pressure from end-FY09. However, the growth in demand bodes well for the Company's Cement business.

Sponge Iron Business

The Sponge Iron business enhanced its performance during the quarter. Production grew by 29% at 146,673 tons, due to usage of alternate fuels. Sales volumes too rose by 28% at 141,960 tons. While realisation improved, its impact was partially offset by higher feedstock cost. The prospects for the business are expected to improve in the long term with adequate gas availability, likely by end-FY08. The pricing of gas, which is uncertain, will continue to be a concern.

Outlook

Grasim's strong fundamentals, its unrelenting focus on operational excellence, cost optimization, effective financial management, continuous restructuring of business processes, together with its leadership position in the Cement and VSF sectors, augur well for the Company. The prospects for Grasim continue to be bright.

Grasim Industries Limited

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

I. CONSOLIDATED RESULTS :

	Rs in Crores				
	Three Months Ended 30th September 2007	Three Months Ended 30th September 2006	Six Months Ended 30th September 2007	Six Months Ended 30th September 2006	Year Ended 31st March 07 (Audited)
Net Sales / Income from Operations	3,972.58	3,185.50	8,037.23	6,400.13	14,178.44
Other Income	83.91	53.43	185.33	102.62	245.64
Expenditure :					
- Decrease / (Increase) in Stock	(64.27)	(5.77)	(34.07)	(0.71)	33.07
- Raw Material Consumed	871.82	654.62	1,689.19	1,250.51	2,821.58
- Purchases of Finished Goods	23.61	17.14	33.09	43.03	74.83
- Payment to & Provision for Employees	213.75	173.89	385.37	334.89	672.98
- Power & Fuel	633.31	561.45	1,293.07	1,141.23	2,472.45
- Freight , Handling & Other Expenses	461.05	414.14	974.48	858.21	1,878.07
- Depreciation	163.10	148.44	321.75	290.19	609.97
- Other Expenditure	649.97	528.19	1,245.02	1,007.77	2,181.02
Total Expenditure	2,952.34	2,492.10	5,907.90	4,925.12	10,743.97
Interest	54.14	55.51	110.10	108.36	228.64
Profit before Tax Expenses	1,050.01	691.32	2,204.56	1,469.27	3,451.47
Provision for Current Tax	(315.57)	(215.03)	(638.55)	(462.75)	(1,097.14)
Provision for Deferred Tax	(28.96)	4.17	(61.68)	9.72	5.07
Net Profit	705.48	480.46	1,504.33	1,016.24	2,359.40
Less : Minority Share	84.53	66.05	214.14	166.58	391.50
Add : Share in Profit / (Loss) of Associates	(0.94)	-	(0.51)	-	(0.40)
Net Profit (After Minority Share)	620.01	414.41	1,289.68	849.66	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)	67.62	45.20	140.66	92.67	214.58
Diluted EPS for the period (Rupees)	67.62	45.20	140.66	92.67	214.58

II. STANDALONE RESULTS :

	Rs. in Crores				
	Three Months ended 30th September 2007	Three Months ended 30th September 2006	Six Months ended 30th September 2007	Six Months ended 30th September 2006	Full Year ended 30th March 2007 (Audited)
Net Sales / Income from Operations	2,519.23	2,011.39	4,965.82	3,905.11	8,680.34
Other Income	57.32	50.22	125.06	87.69	209.66
Expenditure :					
- Decrease / (Increase) in Stock	(26.77)	(14.45)	(12.55)	0.66	16.44
- Raw Material Consumed	669.78	535.04	1,297.05	998.88	2,219.32
- Purchases of Finished Goods	24.59	60.59	57.81	128.76	321.16
- Payment to & Provision for Employees	143.00	123.05	259.33	236.08	459.40
- Power & Fuel	348.57	280.55	672.73	545.05	1,196.14
- Freight , Handling & Other Expenses	246.43	215.40	502.57	423.10	919.40
- Depreciation	87.53	75.57	172.53	149.66	317.91
- Other Expenditure	308.62	278.60	591.74	526.44	1,139.13
Total Expenditure	1,801.75	1,554.35	3,541.21	3,008.63	6,588.90
Interest	27.22	24.52	55.69	48.28	111.84
Profit before Exceptional Items and Tax Expenses	747.58	482.74	1,493.98	935.89	2,189.26
Write back of provision for diminution in value of loans	-	-	-	-	37.10
Profit before Tax Expenses	747.58	482.74	1,493.98	935.89	2,226.36
Provision for Current Tax	(223.73)	(145.80)	(429.43)	(284.85)	(692.38)
Provision for Deferred Tax	(24.07)	0.90	(53.11)	(1.30)	1.83
Net Profit	499.78	337.84	1,011.44	649.74	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)	54.51	36.85	110.31	70.86	167.50
Diluted EPS for the period (Rupees)	54.51	36.85	110.31	70.86	167.50
Total Public Shareholding*					
- Number of Shares (000's)			58,441	58,723	58,509
- Percentage of Shareholding			63.75%	64.06%	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 30th September 2007	Three Months ended 30th September 2006	Six Months ended 30th September 2007	Six Months ended 30th September 2006	Full Year ended 31st March 2007 (Audited)
1. SEGMENT REVENUE					
a Fibre & Pulp	904.03	670.81	1,722.03	1,195.85	2,725.25
b Cement	2,609.02	2,180.84	5,435.70	4,522.04	9,957.75
c Sponge Iron	209.80	141.34	430.59	318.69	755.79
d Chemicals	111.42	76.75	203.69	148.55	319.00
e Textiles	88.33	84.79	146.26	141.62	270.96
f Others	101.38	76.16	197.24	144.27	326.93
TOTAL	4,023.98	3,230.69	8,135.51	6,471.02	14,355.68
(Less) : Inter Segment Revenue	(51.40)	(45.19)	(98.28)	(70.89)	(177.24)
Net Sales / Income from Operations	3,972.58	3,185.50	8,037.23	6,400.13	14,178.44
2. SEGMENT RESULTS					
a Fibre & Pulp	302.78	168.58	525.06	263.93	671.74
b Cement	693.70	538.23	1,562.25	1,217.16	2,767.03
c Sponge Iron	21.21	(2.82)	47.77	3.02	50.39
d Chemicals	34.37	4.81	56.62	18.20	60.05
e Textiles	(0.34)	(0.13)	(2.18)	(0.26)	(4.63)
f Others	22.84	14.94	49.01	27.12	62.61
TOTAL	1,074.56	723.61	2,238.53	1,529.17	3,607.19
Add / (Less) :					
Interest	(54.14)	(55.51)	(110.10)	(108.36)	(228.64)
Net Unallocable Income / (Expenditure)	29.59	23.22	76.13	48.46	72.92
Profit Before Tax Expenses	1,050.01	691.32	2,204.56	1,469.27	3,451.47
3. CAPITAL EMPLOYED					
a Fibre & Pulp			1,622.49	1,249.05	1,428.47
b Cement			10,202.75	7,480.45	8,913.85
c Sponge Iron			480.83	508.38	552.21
d Chemicals			304.41	291.34	304.49
e Textiles			163.20	124.11	126.17
f Others			525.39	371.47	517.88
TOTAL			13,299.07	10,024.80	11,843.07
g Unallocated Corporate Capital Employed			1,423.44	1,528.77	1,681.16
TOTAL CAPITAL EMPLOYED			14,722.51	11,553.57	13,524.23

IV. SEGMENT REPORTING - STANDALONE

Rs. in Crores					
	Three Months ended 30th September 2007	Three Months ended 30th September 2006	Six Months ended 30th September 2007	Six Months ended 30th September 2006	Full Year ended 31st March 2007 (Audited)
1. SEGMENT REVENUE					
a Fibre & Pulp	793.87	565.73	1,501.60	1,012.09	2,327.63
b Cement	1,367.21	1,187.97	2,781.96	2,355.05	5,172.66
c Sponge Iron	209.80	141.34	430.59	318.69	755.79
d Chemicals	111.42	76.75	203.69	148.55	319.00
e Textiles	88.33	84.79	146.26	141.62	270.96
f Others	-	-	-	-	-
TOTAL	2,570.63	2,056.58	5,064.10	3,976.00	8,846.04
(Less) : Inter Segment Revenue	(51.40)	(45.19)	(98.28)	(70.89)	(165.70)
Net Sales / Income from Operations	2,519.23	2,011.39	4,965.82	3,905.11	8,680.34
2. SEGMENT RESULTS					
a Fibre & Pulp	294.68	156.67	530.88	254.59	638.42
b Cement	394.78	313.75	839.44	647.90	1,448.21
c Sponge Iron	21.21	(2.82)	47.77	3.02	50.39
d Chemicals	34.37	4.81	56.62	18.20	60.05
e Textiles	(0.34)	(0.13)	(2.18)	(0.26)	(4.63)
f Others	(0.03)	0.10	(0.06)	0.07	-
TOTAL	744.67	472.38	1,472.47	923.52	2,192.44
Add / (Less) :					
Interest	(27.22)	(24.52)	(55.69)	(48.28)	(111.84)
Net Unallocable Income / (Expenditure)	30.13	34.88	77.20	60.65	108.66
Profit before Exceptional Items and Tax Expenses	747.58	482.74	1,493.98	935.89	2,189.26
Write back of provision for diminution in value of loans		-		-	37.10
Profit Before Tax Expenses	747.58	482.74	1,493.98	935.89	2,226.36
3. CAPITAL EMPLOYED					
a Fibre & Pulp			1,358.26	1,098.32	1,210.72
b Cement			3,996.78	2,291.49	3,076.68
c Sponge Iron			480.83	508.38	552.21
d Chemicals			304.41	291.34	304.49
e Textiles			163.20	124.11	126.17
f Others			0.90	1.11	1.21
TOTAL			6,304.38	4,314.75	5,271.48
g Unallocated Corporate Capital Employed			4,340.33	4,152.71	4,492.67
TOTAL CAPITAL EMPLOYED			10,644.71	8,467.46	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 During the quarter the Company has incorporated a new subsidiary "Grasim Bhiwani Textiles Limited" (GBTL). In terms of Company's Shareholders approval, the textile units at Bhiwani have been transferred w.e.f. 1st October, 2007 to GBTL, on a going concern basis as slump sale, at a consideration of Rs.83.16 Crs., based on independent valuer's report.
- 5 The ESOS Compensation Committee of Board of Directors of the Company has, in its meeting held on 23rd August, 2007, approved grant of 218140 Stock options (for equal no. of equity shares of Rs.10/- each of the Company) to the Officers of the Company as per terms of Employee Stock Option Scheme (ESOS), 2006.
- 6 Previous period's figures have been regrouped / rearranged wherever necessary to conform to the current period's classification.
- 7 The above Unaudited results for the quarter ended 30th September, 2007 have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at the meeting held on 27th October, 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 : 27th October, 2007

D. D. Rathi
Whole-time Director

GRASIM INDUSTRIES LIMITED

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

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