



Grasim Industries Limited
A Cement and VSF Major

Performance Review

Q3FY10

22nd January 2010



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.

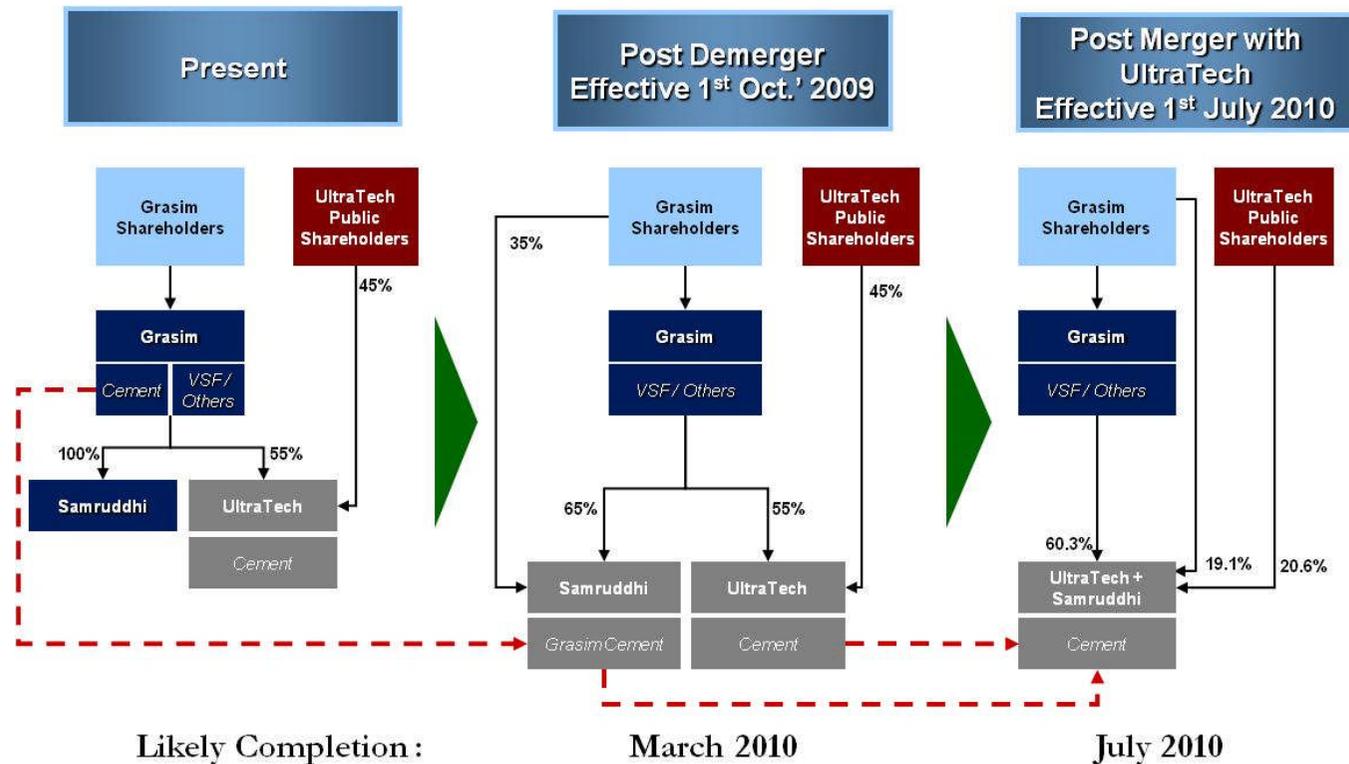


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- **Summary**

Cement Restructuring Initiative progressing as per schedule

- Demerger of Cement Business into Samruddhi Cement Ltd.
 - Final hearings should be completed by Mid March, 2010
- Merger of Samruddhi into UltraTech
 - Petition filed by UltraTech with High Court admitted and Court convened meetings fixed for 19th March, 2010
 - Samruddhi's petition to be filed after approval of merger in Grasim's EOGM in last week of Feb. 2010





Highlights

Growth Plans

- Greenfield VSF plant to be set up at Vilayat, Gujarat at an estimated investment of Rs.1,000 Crs.
- Working on New Growth Plans for Cement Business
 - ~25 Mn. TPA required in next 5 years to maintain market share

Operational Highlights

- Strong performances from Cement and VSF businesses
 - Cement volumes up by 14% (YoY) supported by new capacity and robust demand growth
 - VSF business continue to register growth in volumes on better demand
 - Corresponding quarter was badly affected by slowdown
 - Chemical business performs satisfactorily despite fall in prices
- Cement mill of 1.55 Mn. TPA commissioned at Kotputli, Rajasthan in January 2010, Second mill likely to be commissioned in February 2010

Business Review

- Cement
- VSF
- Chemicals



Cement : Highlights

| | | Quarter -3 | | % Chg. |
|-----------------------------|---------------|------------|---------|--------|
| | | 2009-10 | 2008-09 | |
| <u>Grey Cement</u> | | | | |
| Capacity | Mn. TPA | 45.65 | 37.55 | 22 |
| - Grasim * | | 22.55 | 18.05 | 25 |
| - UltraTech | | 23.10 | 19.50 | 18 |
| Production | Mn. MT | 8.99 | 7.98 | 13 |
| - Grasim * | | 4.59 | 4.00 | 15 |
| - UltraTech | | 4.40 | 3.98 | 10 |
| Sales Volumes ^{\$} | Mn. MT | 9.79 | 8.67 | 13 |
| - Grasim Cement * | | 4.75 | 4.05 | 17 |
| - UltraTech Cement | | 4.46 | 4.04 | 10 |
| - UltraTech Clinker | | 0.58 | 0.58 | -- |
| Realisation | Rs. /MT | | | |
| - Grasim Cement * | | 3,404 | 3,399 | -- |
| - UltraTech Cement | | 3,252 | 3,465 | (6) |
| - UltraTech Clinker | | 1,522 | 2,636 | (42) |
| <u>RMC</u> | | | | |
| Sales Volumes | Lac Cu. Mtrs. | 9.93 | 10.06 | (1) |
| - Grasim * | | 5.78 | 6.43 | (10) |
| - UltraTech | | 4.15 | 3.63 | 14 |
| Realisation | Rs./Cu. Mtr. | 2,829 | 2,914 | (3) |

^{\$} Includes captive consumption for RMC

* Denotes Grasim Standalone

Industry Scenario

- Growth momentum continues, demand grew by 10.5% in the quarter
- Cement prices impacted due to excess capacity
 - Impact more pronounced in South
- Prices improved in all regions after decline

Business Performance

- Cement capacity up by 22% YoY
- Cement production up by 13% helped by new capacities
- Cement sales volume up by 14%
 - Sales volumes up by 29% in North and 19% in the East
 - Volumes up by 9% in South; affected by developments in A.P. (Floods, Unrest) and bunched capacity
- RMC volumes show marginal improvement sequentially



Cement : Highlights (Contd....)

| | | Quarter -3 | | % Chg. |
|-------------------------------|--------|------------|---------|--------|
| | | 2009-10 | 2008-09 | |
| <u>White Cement</u> | | | | |
| Sales Volumes ^{\$\$} | MT | 130,188 | 109,972 | 18 |
| Avg. Realisation | Rs./MT | 8,202 | 7,976 | 3 |
| <u>Wall Care Putty</u> | | | | |
| Sales Volumes | MT | 59,973 | 43,611 | 38 |
| Realisation | Rs./MT | 19,338 | 19,625 | (1) |

\$\$ Includes captive consumption for value added products

- White Cement achieves 18% growth on the back of demand from housing segment
- Putty registers impressive volume growth of 38%
- Realisations are stable



Cement : Highlights (Contd....)

| | | Quarter -3 | | % Chg. |
|----------------------|----------|------------|---------|--------|
| | | 2009-10 | 2008-09 | |
| Net Revenue | Rs. Crs. | 3,635.2 | 3,383.5 | 7 |
| - Cement - Grasim * | | 1,814.3 | 1,561.8 | 16 |
| - Cement - UltraTech | | 1,688.8 | 1,668.8 | 1 |
| - White Cement | | 215.7 | 168.4 | 28 |
| PBIDT | Rs. Crs. | 1,023.5 | 857.0 | 19 |
| - Grasim * | | 605.2 | 407.1 | 49 |
| - UltraTech | | 419.1 | 451.8 | (7) |
| PBIDT Margin | % | 28.1% | 25.2% | - |
| - Grasim * | | 29.8% | 23.5% | - |
| - UltraTech | | 24.6% | 26.8% | - |
| PBIT | Rs. Crs. | 819.7 | 699.8 | 17 |
| - Grasim * | | 500.3 | 330.8 | 51 |
| - UltraTech | | 319.8 | 370.6 | (14) |
| ROAvCE @ | % | 21.1 | 20.4 | - |
| - Grasim * | | 29.4 | 22.0 | - |
| - UltraTech | | 19.1 | 26.1 | - |

* Denotes Grasim standalone @ Avg. capital employed includes CWIP

- Segment revenue up by 7% on higher volumes
- Consolidated PBIDT increase by 19% on higher volumes and lower energy prices
- UltraTech performance impacted due to
 - Higher exposure in South
 - Drop in clinker export realisation due to reduced off-take in the Middle East
- PBIT up by 17%



Cement : Outlook

- Cement demand expected to grow > 10%
 - Robust growth in Indian economy
 - Government initiatives to boost rural development, infrastructure and housing
- Emerging surplus scenario; which is expected to last for next 18 to 24 months
- Continuous pressure on margins
 - Hardening trend in commodity prices including coal
- However higher volume growth, together with cost efficiency (TPPs) would partially offset the impact on margin
- Cost reduction measures in place to further strengthen cost competitiveness
 - Assured captive power upto 80% with new thermal power plants
 - Creating logistic infrastructure to reduce logistic cost
- Focus on increasing the capacity utilisation of new plants which should give additional volumes
- Working on New Growth Plans
 - ~25 Mn. TPA required in next 5 years to maintain market share

Viscose Staple Fibre : Highlights

| | Quarter -3 | | % Chg. |
|------------------------|------------|---------|--------|
| | 2009-10 | 2008-09 | |
| Capacity (TPA) | 333,975 | 333,975 | - |
| Production (MT) | 81,991 | 51,777 | 58 |
| Sales Volumes (MT) | 81,306 | 53,758 | 51 |
| Net Revenue (Rs. Crs.) | 962.4 | 563.9 | 71 |
| Realisation (Rs./MT) | 109,600 | 96,611 | 13 |
| PBIDT (Rs. Crs.) | 403.7 | 63.5 | 536 |
| PBIDT Margin (%) | 41.8% | 11.3% | -- |
| PBIT (Rs. Crs.) | 375.3 | 37.4 | 905 |
| ROAvCE % | 87.8% | 8.4% | -- |

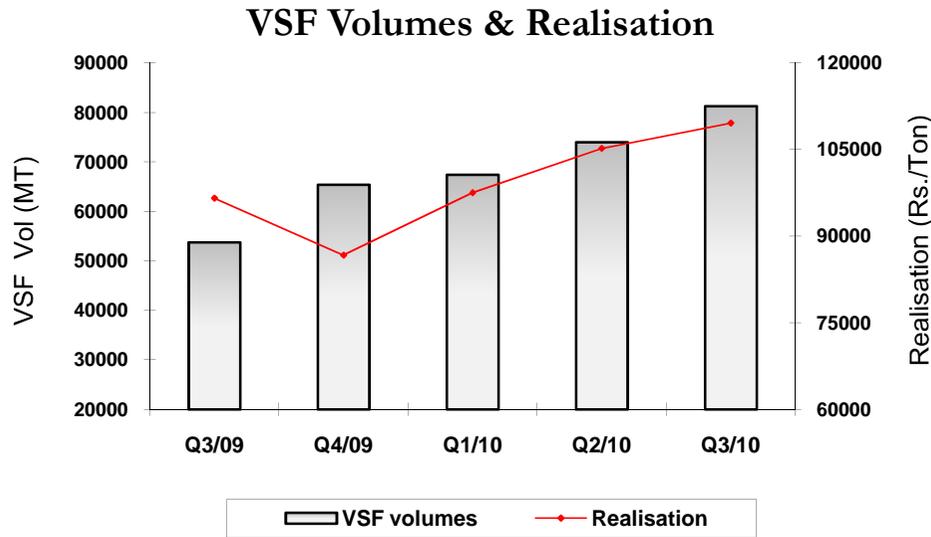
Industry Scenario

- Increase in consumer spending on textiles on the back of global economic recovery
- Entire value chain i.e. fibre, yarn and fabric witness increase in demand and prices
- Lower global availability of cotton has benefitted the industry

Business performance

- Production up by 58% helped by improved demand and 98% capacity utilisation
- Highest ever sales volumes in a quarter, up by 51%
 - Contributed by both export as well domestic sales
 - Operations in corresponding quarter were impacted due to global crisis

Viscose Staple Fibre : Highlights (Contd....)



- Realisation up by 13% on improved demand
- Both, higher volumes and realisation resulted in highest ever turnover
- Improvement in operating margins, as a combination of
 - Higher realisations
 - Lower input prices
 - Better economies of scale
- PBIDT increased to Rs.404 Crs., progressive increase since corresponding quarter



Viscose Staple Fibre : Outlook

- Demand outlook expected to be stable in short to medium term
- Margins likely to decline from current level
 - Upward trend in pulp and sulphur prices
- Plans to set up 80,000 TPA Greenfield project at Vilayat, Gujarat at a cost of Rs.1,000 Crs. to meet expected growth in demand
 - Land for the project already acquired
 - Environmental approvals have been received
 - Commercial production expected to commence in FY13
- Chinese JV capacity to double from 35,000 TPA to 70,000 TPA by March 2010

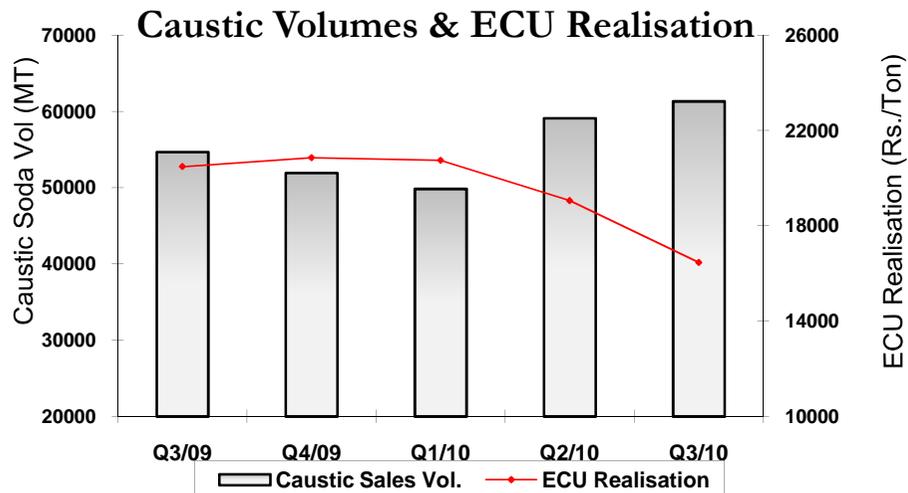
Chemical : Highlights

| | Quarter -3 | | % Chg. |
|--------------------------|------------|---------|--------|
| | 2009-10 | 2008-09 | |
| Capacity (TPA) | 258,000 | 258,000 | - |
| Production (MT) | 60,591 | 52,176 | 16 |
| Sales Volumes (MT) | 61,326 | 54,688 | 12 |
| Net Revenue (Rs. Crs.) | 121.3 | 127.7 | (5) |
| ECU Realisation (Rs./MT) | 16,465 | 20,486 | (20) |
| PBIDT (Rs. Crs.) | 28.3 | 33.3 | (15) |
| PBIDT Margin (%) | 23.3% | 26.1% | -- |
| PBIT (Rs. Crs.) | 20.4 | 26.5 | (23) |
| ROAvCE % | 22.0% | 31.4% | -- |

- Sales volume up by 12% on higher captive use
- ECU realisation down by 20% due to lower caustic prices
- Marginal reduction in operating margins despite lower realisations
 - Reduction in Salt cost

Outlook

- Prices under pressure due to commissioning of new capacities and cheap imports
 - Should improve over a period of time with global economic recovery

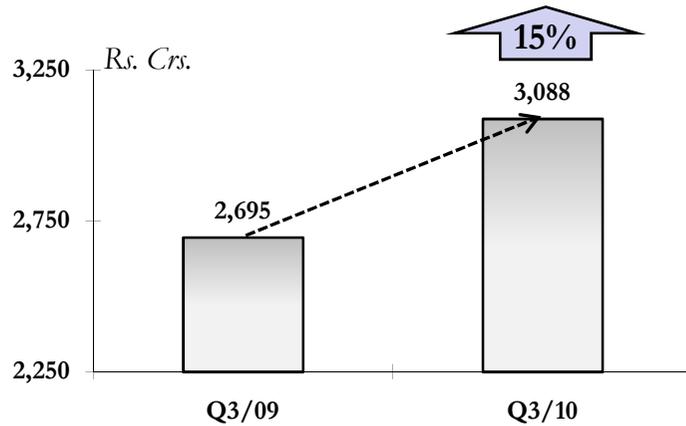


Financial Performance

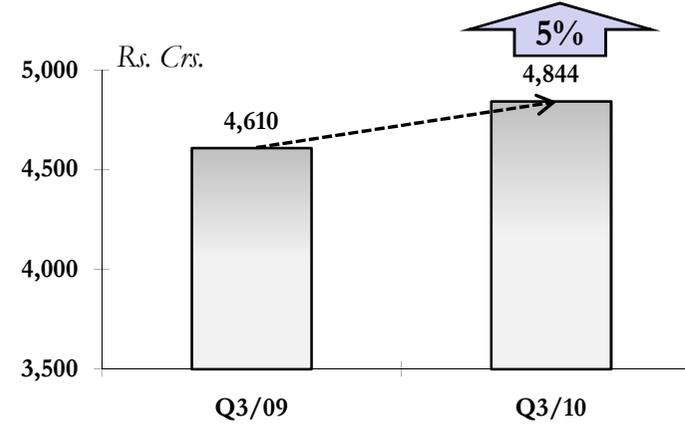
Revenue Growth

Revenue – Quarter 3

Standalone Revenue

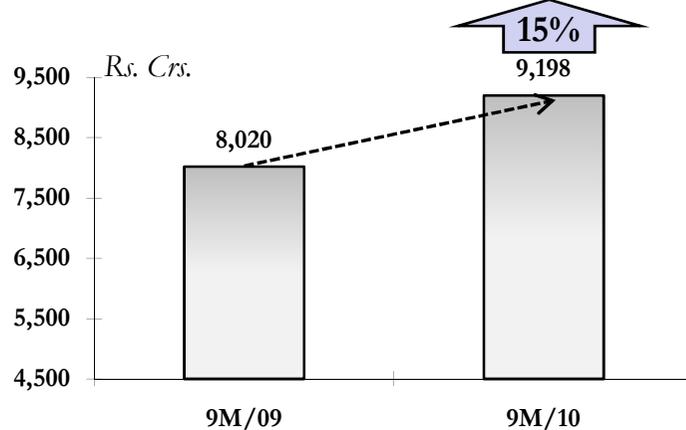


Consolidated Revenue

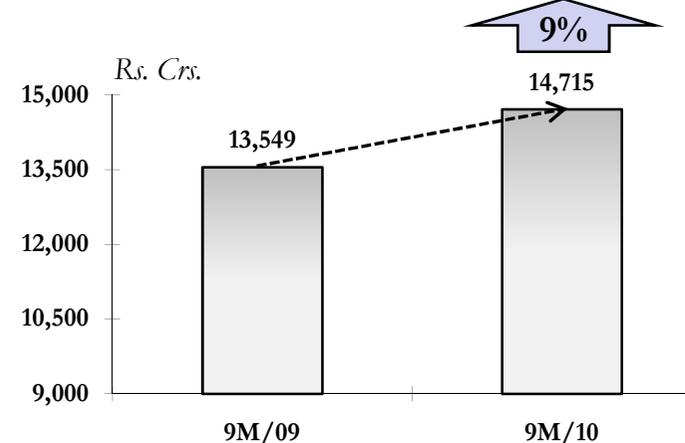


Revenue – Nine Months

Standalone Revenue



Consolidated Revenue





Revenue Chart

Rs. Crores

| % Chg. | Nine Months | | Net Revenue | Quarter -3 | | % Chg. |
|--------|-------------|---------|--|------------|---------|--------|
| | 2009-10 | 2008-09 | | 2009-10 | 2008-09 | |
| 26 | 6,247 | 4,955 | Cement | 2,030 | 1,730 | 17 |
| 33 | 2,529 | 1,899 | Viscose Staple Fibre | 962 | 564 | 71 |
| (7) | 373 | 400 | Chemical | 121 | 128 | (5) |
| - | 111 | 850 | Sponge Iron @ | - | 298 | - |
| - | 47 | 46 | Others | 16 | 14 | - |
| - | (109) | (130) | Inter Segment Eliminations | (42) | (38) | - |
| 15 | 9,198 | 8,020 | Standalone Net Revenue | 3,088 | 2,695 | 15 |
| 13 | 5,276 | 4,689 | UltraTech Cement Ltd. (54.8% Subsidiary) | 1,684 | 1,669 | 1 |
| 10 | 409 | 372 | Pulp JVs (45%) and Fibre JV (31%) | 148 | 90 | 64 |
| 5 | 212 | 201 | Grasim Bhiwani Textiles Ltd. (100% Subsidiary) | 69 | 64 | 7 |
| - | - | 430 | Idea Cellular Ltd. (5.52%)* | - | 151 | - |
| - | (380) | (163) | Inter Company Eliminations | (144) | (59) | - |
| 9 | 14,715 | 13,549 | Consolidated Net Revenue | 4,844 | 4,610 | 5 |
| 19 | 14,604 | 12,269 | Consolidated Net Revenue (Excluding Idea and Sponge Iron) | 4,844 | 4,162 | 16 |

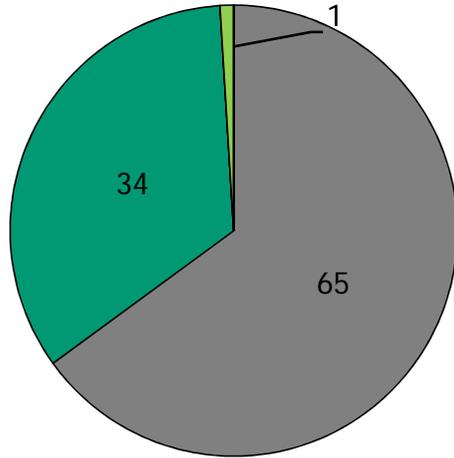
@ Sponge iron business sold in May 09

* From 1st January 2009, Idea is consolidated as an associate and earlier line by line consolidation discontinued

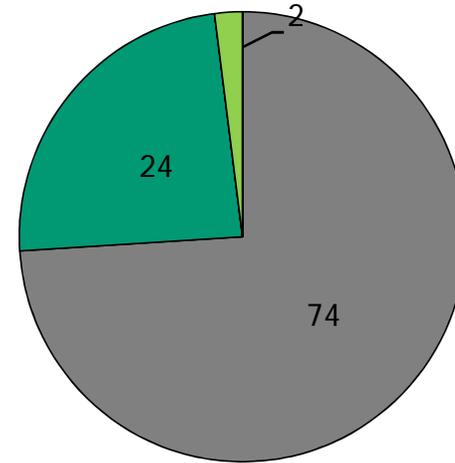
VSF business register significant growth in revenues

Revenue Mix

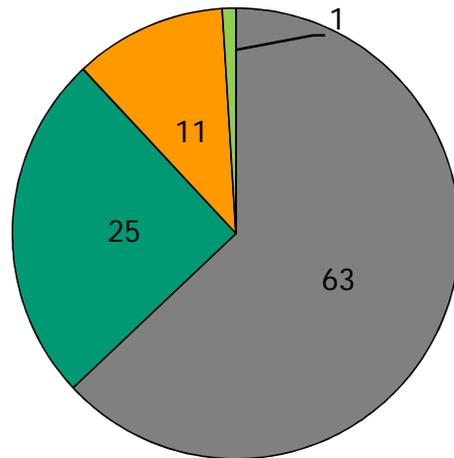
Standalone Q3FY10



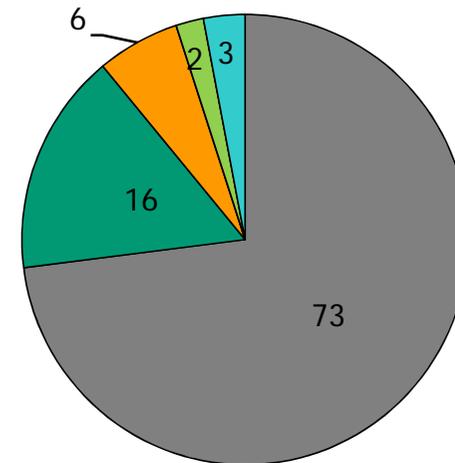
Consolidated Q3FY10



Standalone Q3FY09



Consolidated Q3FY09



Cement
 VSF & Chemical
 Sponge Iron
 Textile
 Others



Financial Performance – Quarter 3

| (Rs. Crores) | <u>Quarter - 3: Standalone</u> | | | | <u>Quarter - 3 : Consolidated</u> | | | |
|----------------------------|--------------------------------|----------------|-----------------|-----|-----------------------------------|----------------|-----------------|------|
| | <u>2009-10</u> | <u>2008-09</u> | <u>% Change</u> | | <u>2009-10</u> | <u>2008-09</u> | <u>% Change</u> | |
| Revenue | 3,088 | 2,695 | ↑ | 15 | 4,844 | 4,610 | ↑ | 5 |
| Operating Costs | 2,066 | 2,160 | ↓ | (4) | 3,404 | 3,610 | ↓ | (6) |
| PBIDT | 1,075 | 580 | ↑ | 85 | 1,511 | 1,073 | ↑ | 41 |
| Interest | 50 | 44 | ↑ | 15 | 79 | 94 | ↓ | (15) |
| Depreciation | 142 | 120 | ↑ | 19 | 255 | 230 | ↑ | 11 |
| PBT | 882 | 416 | ↑ | 112 | 1,177 | 749 | ↑ | 57 |
| Total Tax Expenses | 286 | 86 | ↑ | 231 | 381 | 183 | ↑ | 108 |
| PAT (after Minority Share) | 596 | 330 | ↑ | 81 | 715 | 460 | ↑ | 56 |
| EPS (Rs.) | 65.0 | 35.9 | ↑ | 81 | 78.0 | 50.1 | ↑ | 56 |

Performance excluding discontinued Sponge Iron Operations and considering Idea as an Associate

| | | | | | | | | |
|----------------------------|-------|-------|---|-----|-------|-------|---|----|
| Revenue | 3,088 | 2,397 | ↑ | 29 | 4,844 | 4,162 | ↑ | 16 |
| PBIDT | 1,075 | 533 | ↑ | 102 | 1,511 | 979 | ↑ | 54 |
| PAT (after Minority Share) | 596 | 303 | ↑ | 97 | 715 | 433 | ↑ | 65 |



Financial Performance – Nine Months

| (Rs. Crores) | <u>Nine Months : Standalone</u> | | | | <u>Nine Months : Consolidated</u> | | | |
|---|---------------------------------|----------------|-----------------|-----------|-----------------------------------|----------------|-----------------|-----------|
| | <u>2009-10</u> | <u>2008-09</u> | <u>% Change</u> | | <u>2009-10</u> | <u>2008-09</u> | <u>% Change</u> | |
| Revenue | 9,198 | 8,020 | ↑ | 15 | 14,715 | 13,549 | ↑ | 9 |
| Operating Costs | 6,197 | 6,113 | ↑ | 1 | 10,104 | 10,305 | ↓ | (2) |
| PBIDT | 3,181 | 2,092 | ↑ | 52 | 4,822 | 3,452 | ↑ | 40 |
| Interest | 148 | 102 | ↑ | 45 | 245 | 235 | ↑ | 4 |
| Depreciation | 415 | 332 | ↑ | 25 | 737 | 641 | ↑ | 15 |
| PBT | 2,618 | 1,658 | ↑ | 58 | 3,840 | 2,576 | ↑ | 49 |
| Total Tax Expenses | 817 | 395 | ↑ | 107 | 1,245 | 656 | ↑ | 90 |
| PAT (after Minority Share) | 1,801 | 1,263 | ↑ | 43 | 2,240 | 1,618 | ↑ | 38 |
| PAT incl. EO gain (after Minority Share) | 2,137 | 1,263 | ↑ | 69 | 2,576 | 1,618 | ↑ | 59 |
| EPS (after EO Gain) (Rs.) | 233.0 | 137.8 | ↑ | 69 | 280.8 | 176.4 | ↑ | 59 |

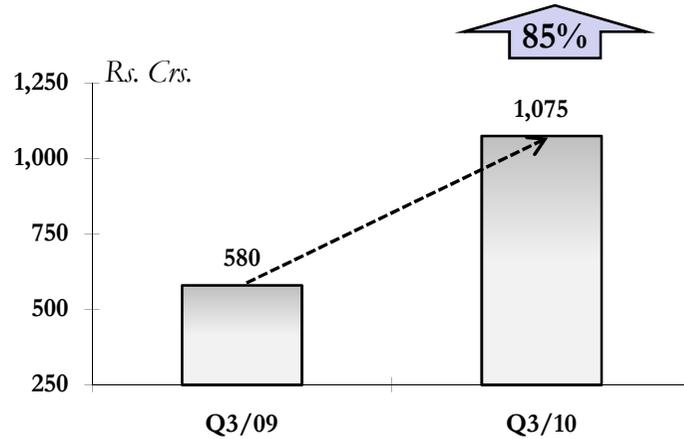
Performance excluding discontinued Sponge Iron Operations and considering Idea as an Associate

| | | | | | | | | |
|----------------------------|-------|-------|---|----|--------|--------|---|----|
| Revenue | 9,087 | 7,170 | ↑ | 27 | 14,604 | 12,269 | ↑ | 19 |
| PBIDT | 3,220 | 1,939 | ↑ | 66 | 4,861 | 3,162 | ↑ | 54 |
| PAT (after Minority Share) | 1,831 | 1,174 | ↑ | 56 | 2,270 | 1,528 | ↑ | 49 |

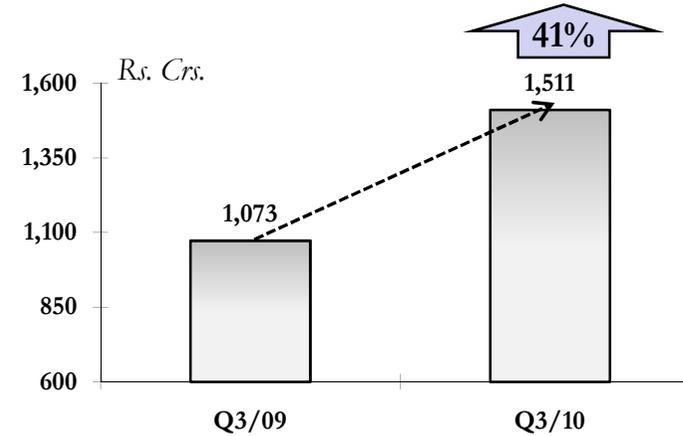
PBIDT Growth

PBIDT – Quarter 3

Standalone PBIDT

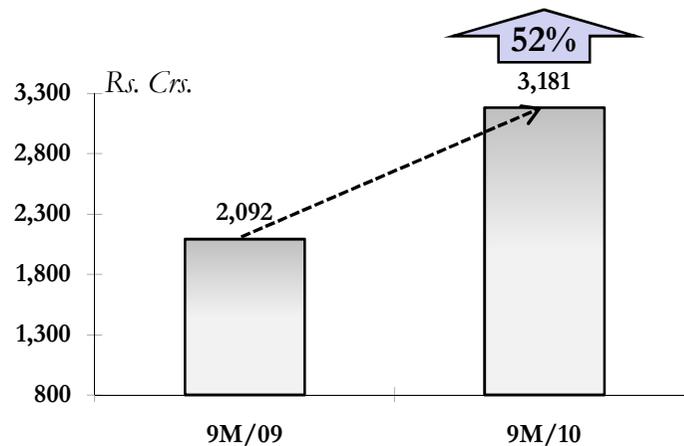


Consolidated PBIDT

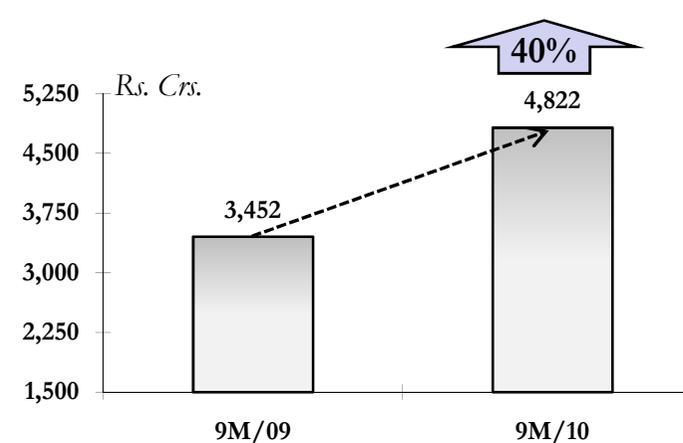


PBIDT – Nine Months

Standalone PBIDT



Consolidated PBIDT



PBIDT – Chart

Rs. Crores

| % Chg. | Nine Months | | PBIDT | Quarter -3 | | % Chg. |
|--------|-------------|---------|--|------------|---------|--------|
| | 2009-10 | 2008-09 | | 2009-10 | 2008-09 | |
| 59 | 2,028 | 1,274 | Cement | 605 | 407 | 49 |
| 135 | 957 | 407 | Viscose Staple Fibre | 404 | 64 | 536 |
| (21) | 100 | 127 | Chemical | 28 | 33 | (15) |
| | (39) | 152 | Sponge Iron | - | 47 | |
| | 135 | 132 | Others | 38 | 29 | |
| 52 | 3,181 | 2,092 | Standalone PBIDT | 1,075 | 580 | 85 |
| 34 | 1,669 | 1,247 | UltraTech Cement Ltd. (54.8% Subsidiary) | 418 | 450 | (7) |
| | (7) | 3 | Pulp JVs (45%) and Fibre JV (31%) | 10 | (6) | |
| | 14 | 8 | Grasim Bhiwani Textiles Ltd. (100% Subsidiary) | 4 | 3 | |
| | - | 138 | Idea Cellular Ltd. (5.52%)* | - | 47 | |
| | 4 | 3 | Others | 0.4 | 0.2 | |
| | (38) | (39) | Inter Company Eliminations | 4 | (2) | |
| 40 | 4,822 | 3,452 | Consolidated PBIDT | 1,511 | 1,073 | 41 |
| 54 | 4,861 | 3,162 | Consolidated PBIDT (Excluding Idea and Sponge Iron) | 1,511 | 979 | 54 |

@ Sponge iron business sold in May 09

* From 1st January 2009, Idea is consolidated as an associate and earlier line by line consolidation discontinued

PBIDT increase on buoyant performance of VSF Business

Net Profit

Rs. Crores

| Nine Months | | Net Profit | % | Quarter -3 | | |
|-------------|---------|------------|-----------|------------|---------|---------|
| 2009-10 | 2008-09 | | | 2009-10 | 2008-09 | |
| ↑ 43% | 1,801 | 1,263 | | 596 | 330 | ↑ 81% |
| | 864 | 666 | | 198 | 237 | |
| ↑ 30% | 474 | 365 | 54.78% | 109 | 132 | ↓ (18)% |
| | 3 | (1) | 100% | 1 | 0.2 | |
| | 3 | 3 | 100% | 0.1 | 0.2 | |
| | (88) | (57) | | (8) | (39) | |
| | (42) | (17) | 45% / 31% | (4) | (15) | |
| | 687 | 627 | | 170 | 220 | |
| | 37 | 38 | 5.52% | 9 | 12 | |
| ↑ 22% | 475 | 388 | | 114 | 130 | ↓ (13)% |
| | (35) | (33) | | 5 | 0.3 | |
| ↑ 38% | 2,240 | 1,618 | | 715 | 460 | ↑ 56% |
| | 336 | - | | | | |
| ↑ 59% | 2,576 | 1,618 | | | | |

Consolidated PAT increased by 56%

| (Rs. Crores) | Standalone | | Consolidated | |
|-----------------------|----------------------|---------------------------|----------------------|---------------------------|
| | Full Year 2008-09 | Nine Months 2009-10 | Full Year 2008-09 | Nine Months 2009-10 |
| Net Worth | 9,478 | 11,614 | 11,570 | 14,108 |
| Debt | 3,396 | 3,323 | 5,916 | 5,326 |
| Capital Employed | 13,737 | 15,990 | 20,748 | 23,372 |
| Debt:Equity (x) | 0.36 | 0.29 | 0.45 | 0.33 |
| Interest Cover ^ | 11.7 | 14.7 | 10.6 | 14.3 |
| Book Value (Rs.) | 1,034 | 1,267 | 1,262 | 1,539 |
| ROAvCE (PBIT basis) * | \$ 23.2 | \$ 30.8 | 20.6 | 25.3 |
| RONW (%) # | | | 21.1 | 23.3 |

^ Interest capitalised also considered for interest cover

* Capital Employed includes CWIP

\$ For standalone ROAvCE computation, subs. investment excluded in capital employed

● Strong Balance sheet

- Net worth at \$3.0 Bn. (Rs.14,108 Crs.)
- Capital Employed at \$5.0 Bn. (Rs.23,372 Crs.)

● Debt-equity at 0.33

- Net leveraging lower at 0.08

● ROAvCE at 25.3%

● Return on equity at 23.3%

● Strong funding capabilities to support Company's future growth plans

- Liquid investments of Rs.3,199 Crs. in standalone company and Rs.4,444 Crs. on consolidated basis
- High interest cover at 14.3 times of interest cost



Financial Performance – Q3FY10 post demerger*

* Key financial numbers considering Cement Business demerger w.e.f 1st Oct. 09

Rs. Crores

| | Standalone | | Consolidated | |
|---------------------------------|----------------------|------------------------|----------------------|------------------------|
| | Quarter 3 2009-10 | Nine Months 2009-10 | Quarter 3 2009-10 | Nine Months 2009-10 |
| Revenue - Original | 3,087.9 | 9,197.8 | 4,843.5 | 14,715.2 |
| - Restated | 1,057.8 | 7,167.7 | No Change | No Change |
| PBIT - Original | 932.4 | 2,766.1 | 1,256.4 | 4,085.1 |
| - Restated | 432.1 | 2,265.7 | No Change | No Change |
| PAT after EO Item \$ - Original | 595.9 | 2,136.7 | 715.3 | 2,576.1 |
| - Restated | 358.0 | 1,562.8 | 676.3 | 2,201.1 |

\$ After minority share in consolidated results

No impact on Consolidated Financials except on shares given to Grasim's Shareholders for direct participation in Cement Business

Capex



Capex plan

● Capex Summary

Rs. Crores

| | Total Project Cost | Spent upto last year | Net Capex under Implementation | Cash Outflow | | Incurred in 9MFY10 |
|-----------------------------------|--------------------|----------------------|--------------------------------|--------------|---------------|--------------------|
| | | | | FY10 | FY11 & Onward | |
| Cement Business - Projects | 6,735 | 5,646 | 1,089 | 622 | 467 | 280 |
| - Other Capex | 3,103 | 82 | 3,021 | 1,178 | 1,843 | 530 |
| VSF Business - Projects | 1,000 | -- | 1,000 | -- | 1,000 | -- |
| - Other Capex | 107 | -- | 107 | 65 | 42 | 33 |
| Chemical Business and Misc. Capex | 421 | -- | 421 | 370 | 51 | 25 |
| Total | 11,366 | 5,728 | 5,638 | 2,235 | 3,403 | 868 |
| Grasim | 7,469 | 3,871 | 3,598 | 1,665 | 1,933 | 676 |
| UltraTech | 3,897 | 1,857 | 2,040 | 570 | 1,470 | 192 |



Capex plan

Rs. Crores

| | Total Project Cost | Spent upto last year | Net Capex under Implementation | Cash Outflow | | Incurred in 9MFY10 |
|--|--------------------|----------------------|--------------------------------|--------------|---------------|--------------------|
| | | | | FY10 | FY11 & Onward | |
| Grasim Cement Business | 5,941 | 3,871 | 2,070 | 1,230 | 840 | 618 |
| - Projects: Kotputli (4.5 Mn. TPA), Shambhupura (4.4 Mn. TPA), Dadri - GU (1.3 Mn. TPA), (96 MW TPP) | 4,618 | 3,792 | 826 | | | |
| - Bricks (2 Nos.) & RMC Plants (3 Nos., Capacity 5 lac cu. mtrs.) | 225 | 19 | 206 | | | |
| - Waste Heat Recovery System (7 MW) | 70 | -- | 70 | | | |
| - Logistic Initiatives | 274 | 60 | 214 | | | |
| - Modernisation, Upgradation and others | 754 | -- | 754 | | | |
| UltraTech Cement | 3,897 | 1,857 | 2,040 | 570 | 1,470 | 192 |
| - 4.9 Mn. TPA Tadpatri Project, A.P. (incl. 50 MW TPP) | 2,117 | 1,854 | 263 | | | |
| - Thermal Power Plant (25 MW), Waste Heat Recovery System (11 MW) | 250 | -- | 250 | | | |
| - Material Evacuation and Logistic Initiatives | 1,004 | -- | 1,004 | | | |
| - RMC plants (2 Nos., Capacity 5 lac cu. mtrs.) | 52 | 3 | 49 | | | |
| - Modernisation, Upgradation and others | 474 | -- | 474 | | | |
| Cement Business (Grasim & UltraTech) | 9,838 | 5,728 | 4,110 | 1,800 | 2,310 | 810 |
| - Projects | 6,735 | 5,646 | 1,089 | 622 | 467 | 280 |
| - Other Capex | 3,103 | 82 | 3,021 | 1,178 | 1,843 | 530 |

Summary

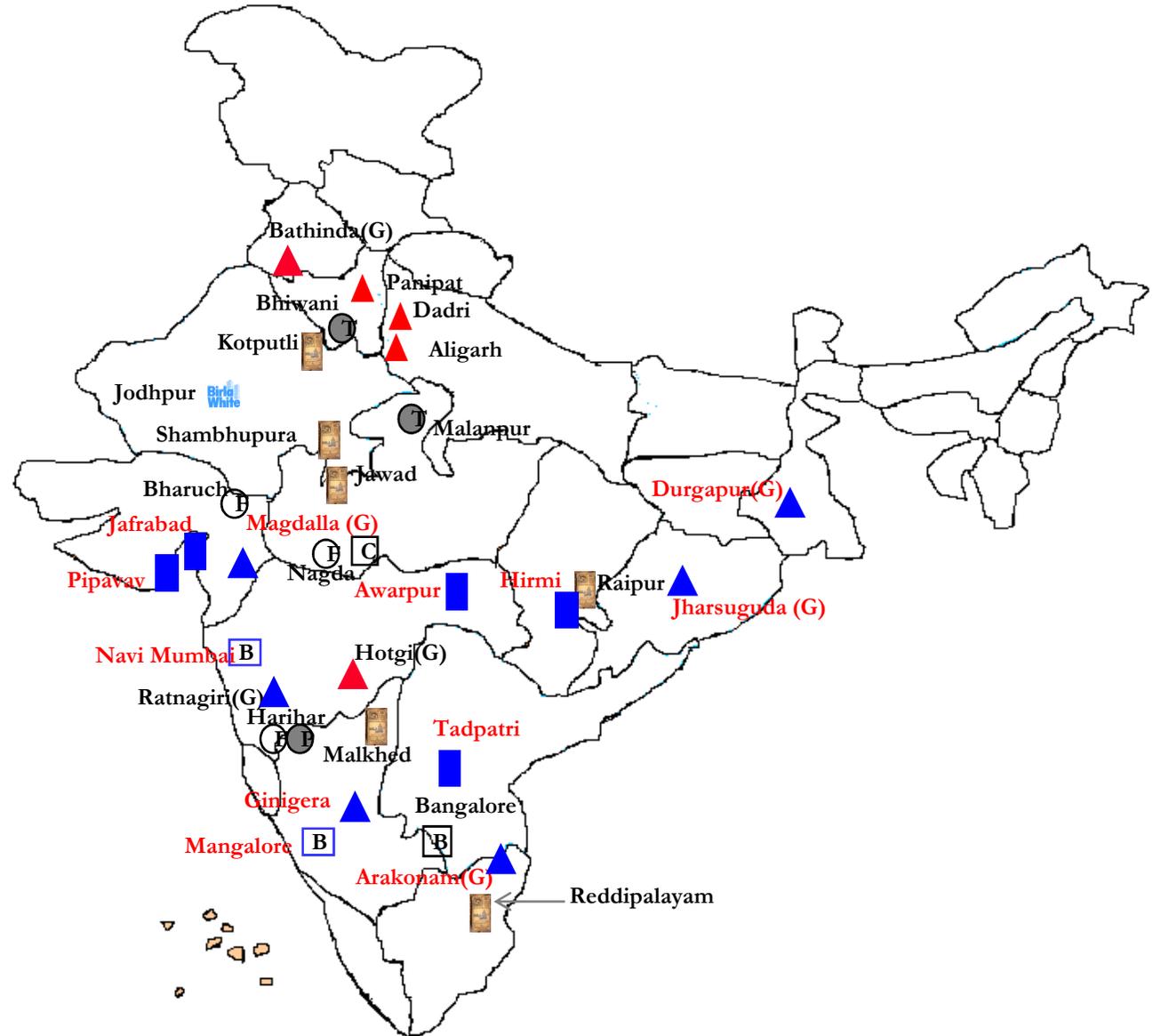


Summary

- **Grasim – A Cement and VSF major**
 - With strong competitive edge
 - Global size operations
 - Consolidating leadership position with strong organic growth
- **Domestic leadership in Cement**
 - Leveraging investments in capacity & TPPs for volume and cost leadership
 - Focus on greater efficiency through cost control
 - Aim to grow faster than the market
 - Platform for accelerated future growth being created thru' business restructuring
- **Leading global player in VSF**
 - Global presence
 - Integrated business model from plantation to fibre
- **On Restructuring, Cement business will be consolidated in a pure play company**
 - Grasim at consolidated level will continue to be Cement and VSF major as before

Plant Locations– Grasim & its subsidiaries

-  Grey Cement plants
-  Grinding Units (G)
-  Bulk Cement Terminals
-  UltraTech Cement Plants
-  UltraTech Grinding Units (G)
-  UltraTech Bulk Cement Terminals
-  Fibre plants
-  Pulp plant
-  Chemical plant
-  Textiles units



Not to scale



Thank You



Grasim Industries Limited

Annexures



Annexures

- Consolidated Financial Performance
- Standalone Financial Performance
- Consolidated and Standalone Financial
- Consolidated and Standalone Profitability
- Segmental Performance
- Cement Summary
- VSF Summary
- Chemical Summary
- UltraTech Performance

Consolidated Financial Performance

(Rs. Crores)

| | Quarter -3 | | % Chg. | Nine Months | | % Chg. | Full Year 2008-09 |
|---|------------|---------|--------|-------------|----------|--------|----------------------|
| | 2009-10 | 2008-09 | | 2009-10 | 2008-09 | | |
| Net Turnover & Op. Income | 4,843.5 | 4,610.4 | 5 | 14,715.2 | 13,549.1 | 9 | 18,487.1 |
| Other Income | 71.2 | 72.5 | (2) | 210.5 | 207.7 | 1 | 252.6 |
| PBIDT | 1,511.1 | 1,072.6 | 41 | 4,822.2 | 3,451.7 | 40 | 4,780.2 |
| Interest | 79.4 | 93.9 | (15) | 244.8 | 235.5 | 4 | 307.8 |
| Gross Profit | 1,431.7 | 978.7 | 46 | 4,577.4 | 3,216.2 | 42 | 4,472.4 |
| Depreciation | 254.7 | 230.2 | 11 | 737.1 | 640.6 | 15 | 865.8 |
| PBT | 1,177.0 | 748.6 | 57 | 3,840.3 | 2,575.5 | 49 | 3,606.6 |
| Current Tax | 280.1 | 99.3 | 182 | 932.2 | 393.4 | 137 | 550.7 |
| Deferred Tax | 101.2 | 84.0 | 21 | 313.1 | 262.5 | 19 | 440.7 |
| Total Tax | 381.3 | 183.3 | 108 | 1,245.3 | 655.9 | 90 | 991.4 |
| Share in Profit of Associates | 9.9 | 0.3 | -- | 37.2 | 0.9 | -- | 15.9 |
| PAT (Before EO gain & Minority Share) | 805.6 | 565.6 | 42 | 2,632.2 | 1,920.6 | 37 | 2,631.1 |
| Minority Share | 90.3 | 106.0 | -- | 392.2 | 302.7 | -- | 444.4 |
| PAT (Before EO gain, After Minority Share) | 715.3 | 459.6 | 56 | 2,240.1 | 1,617.9 | 38 | 2,186.7 |
| Extraordinary Item | - | - | -- | 336.1 | - | -- | - |
| PAT (After EO gain) | 715.3 | 459.6 | 56 | 2,576.1 | 1,617.9 | 59 | 2,186.7 |
| Diluted Earning Per Share (before EO gain, after minority share) (Rs.) | 77.99 | 50.12 | 56 | 244.22 | 176.45 | 38 | 238.49 |
| Diluted Earning Per Share (incl. EO gain, after minority share) (Rs.) | 77.99 | 50.12 | 56 | 280.85 | 176.45 | 59 | 238.49 |
| Cash Profit (before min. share & EO Gain) | 1,161.6 | 879.7 | 32 | 3,682.4 | 2,823.7 | 30 | 3,937.6 |

Standalone Financial Performance

(Rs. Crores)

| | Quarter -3 | | % Chg. | Nine Months | | % Chg. | Full Year 2008-09 |
|---|------------|---------|--------|-------------|---------|--------|----------------------|
| | 2009-10 | 2008-09 | | 2009-10 | 2008-09 | | |
| Net Turnover & Op. Income | 3,087.9 | 2,695.3 | 15 | 9,197.8 | 8,020.0 | 15 | 10,956.2 |
| Other Income | 52.8 | 44.8 | 18 | 180.8 | 184.8 | (2) | 214.1 |
| PBIDT | 1,074.7 | 579.6 | 85 | 3,181.3 | 2,092.0 | 52 | 2,845.6 |
| Interest | 50.3 | 43.9 | 15 | 148.4 | 102.5 | 45 | 140.8 |
| Gross Profit | 1,024.4 | 535.7 | 91 | 3,032.9 | 1,989.5 | 52 | 2,704.8 |
| Depreciation | 142.4 | 119.8 | 19 | 415.2 | 331.6 | 25 | 456.9 |
| PBT (before EO gain) | 882.0 | 415.9 | 112 | 2,617.7 | 1,657.9 | 58 | 2,247.9 |
| Current Tax | 224.7 | 41.0 | 448 | 627.9 | 245.9 | 155 | 342.4 |
| Deferred Tax | 61.5 | 45.4 | 36 | 189.1 | 148.7 | 27 | 257.5 |
| Total Tax | 286.1 | 86.4 | 231 | 817.0 | 394.6 | 107 | 599.9 |
| PAT (before EO gain) | 595.9 | 329.6 | 81 | 1,800.7 | 1,263.3 | 43 | 1,648.0 |
| Extraordinary Item | - | - | -- | 336.1 | - | -- | - |
| PAT (incl. EO gain) | 595.9 | 329.6 | 81 | 2,136.7 | 1,263.3 | 69 | 1,648.0 |
| Diluted Earning Per Share (before EO gain) (Rs.) | 64.96 | 35.94 | 81 | 196.31 | 137.77 | 42 | 179.73 |
| Diluted Earning Per Share (incl. EO gain) (Rs.) | 64.96 | 35.94 | 81 | 232.95 | 137.77 | 69 | 179.73 |
| Cash Profit (before EO Gain) | 799.7 | 494.7 | 62 | 2,405.0 | 1,743.5 | 38 | 2,362.4 |

Financial Snapshot

| (Rs. Crores) | Standalone | | | | Consolidated | | | |
|--------------------------|------------|------------|------------|-----------|--------------|------------|------------|-----------|
| | March 2007 | March 2008 | March 2009 | Dec. 2009 | March 2007 | March 2008 | March 2009 | Dec. 2009 |
| Gross Block [§] | 7,974 | 10,615 | 12,280 | 12,113 | 14,485 | 19,262 | 21,044 | 21,139 |
| Net Block [§] | 4,597 | 7,054 | 8,308 | 8,344 | 8,472 | 12,922 | 14,219 | 14,209 |
| Goodwill | | | | | 1,844 | 1,991 | 2,001 | 2,001 |
| Cement Subs. Investment | 2,476 | 2,537 | 2,551 | 2,568 | | | | |
| Investments | 2,141 | 1,893 | 2,230 | 4,214 | 2,272 | 1,661 | 3,563 | 5,793 |
| Net Current Assets | 550 | 466 | 648 | 864 | 859 | 609 | 966 | 1,369 |
| Capital Employed | 9,764 | 11,950 | 13,737 | 15,990 | 13,447 | 17,183 | 20,748 | 23,372 |
| Net Worth | 6,230 | 8,141 | 9,478 | 11,614 | 6,562 | 9,179 | 11,570 | 14,108 |
| Minority Interest | | | | | 859 | 1,269 | 1,670 | 2,033 |
| Debts | 2,951 | 3,202 | 3,396 | 3,323 | 4,873 | 5,577 | 5,916 | 5,326 |
| Deferred Tax | 583 | 607 | 864 | 1,053 | 1,153 | 1,158 | 1,592 | 1,905 |
| Debt: Equity (x) | 0.47 | 0.39 | 0.36 | 0.29 | 0.66 | 0.53 | 0.45 | 0.33 |
| Book Value (Rs.) | 679 | 888 | 1,034 | 1,267 | 716 | 1,001 | 1,262 | 1,539 |

[§] Block includes CWIP

Profitability Snapshot

| | Standalone | | | | Consolidated | | | |
|------------------------------|------------|---------|---------|---------------------|--------------|---------|---------|---------------------|
| (Rs. Crores) | 2006-07 | 2007-08 | 2008-09 | Nine Months 2009-10 | 2006-07 | 2007-08 | 2008-09 | Nine Months 2009-10 |
| Gross Turnover | 9,573 | 11,552 | 12,089 | 9,882 | 15,674 | 19,112 | 20,316 | 15,795 |
| Net Turnover & Op. Income | 8,644 | 10,325 | 10,956 | 9,198 | 14,142 | 17,141 | 18,487 | 14,715 |
| PBIDT | 2,619 | 3,424 | 2,846 | 3,181 | 4,290 | 5,422 | 4,780 | 4,822 |
| PBIDT Margin (%) | 30.3 | 33.2 | 25.5 | 33.9 | 30.3 | 31.6 | 25.5 | 32.3 |
| Interest | 112 | 107 | 141 | 148 | 229 | 222 | 308 | 245 |
| PBDT | 2,507 | 3,317 | 2,705 | 3,033 | 4,061 | 5,200 | 4,472 | 4,577 |
| Total Tax Expenses | 691 | 962 | 600 | 817 | 1,092 | 1,466 | 991 | 1,245 |
| PAT # (After Minority Share) | 1,499 | 2,002 | 1,648 | 1,801 | 1,967 | 2,609 | 2,187 | 2,240 |
| EPS (Rs.) # | 163.5 | 218.3 | 179.7 | 196.3 | 214.5 | 284.5 | 238.5 | 244.2 |
| DPS (Rs.) | 27.5 | 30.0 | 30.0 | -- | -- | -- | -- | -- |
| ROAvCE (PBIT Basis)(%) | \$ 36.4 | \$ 36.8 | \$ 23.2 | \$ 30.8 | 31.1 | 31.0 | 20.6 | 25.3 |
| RONW (%) # | | | | | 34.5 | 33.2 | 21.1 | 23.3 |
| Interest Cover (x) | 15.7 | 14.5 | 11.7 | 14.7 | 13.3 | 13.1 | 10.6 | 14.3 |

\$ Adjusted for investments in cement subsidiaries and related income

before exceptional / extraordinary gain

Segmental Performance – Quarter 3

Quarter -3 Standalone

Rs. Crores

| Business | Revenue | | PBIDT | | PBIDT Margin (%) | | PBIT | | Capital Employed | | ROAvCE (%) (PBIT basis) | |
|--------------------|---------|---------|---------|---------|------------------|---------|---------|---------|------------------|---------|----------------------------|---------|
| | 2009-10 | 2008-09 | 2009-10 | 2008-09 | 2009-10 | 2008-09 | 2009-10 | 2008-09 | 2009-10 | 2008-09 | 2009-10 | 2008-09 |
| Cement | 2,030 | 1,730 | 605 | 407 | 29.8 | 23.5 | 500 | 331 | 6,937 | 6,558 | 29.4 | 22.0 |
| VSF | 962 | 564 | 404 | 64 | 41.8 | 11.3 | 375 | 37 | 1,644 | 1,857 | 87.8 | 8.4 |
| Chemical | 121 | 128 | 28 | 33 | 23.3 | 26.1 | 20 | 27 | 377 | 343 | 22.0 | 31.4 |
| Sponge Iron | - | 298 | - | 47 | -- | 15.0 | - | 38 | - | 593 | - | 28.9 |
| Textile | 16 | 14 | 1 | (0.1) | 9 | (0.9) | 1 | (0.4) | 23 | 19 | 21.6 | (7.0) |
| Operations | | | 1,038 | 551 | | | 896 | 432 | 8,981 | 9,370 | | |
| Cement Sub. | | | | | | | | | 2,568 | 2,551 | | |
| Company as a whole | 3,088 | 2,695 | 1,075 | 580 | 34.2 | 21.2 | 932 | 460 | 15,990 | 13,552 | @ 31.0 | @ 18.0 |

Consolidated

| | | | | | | | | | | | | |
|-----------------------|-------|-------|-------|-------|------|------|-------|-----|--------|--------|------|------|
| Cement \$ | 3,635 | 3,383 | 1,024 | 857 | 28.1 | 25.2 | 820 | 700 | 15,905 | 14,929 | 21.1 | 20.4 |
| VSF | 1,050 | 623 | 418 | 57 | 39.7 | 9.2 | 379 | 24 | 2,319 | 2,464 | 64.2 | 4.3 |
| Company as a whole \$ | 4,844 | 4,610 | 1,511 | 1,073 | 30.7 | 22.9 | 1,256 | 842 | 23,372 | 20,950 | 23.1 | 17.7 |

\$ including minority share

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

Capital Employed includes CWIP



Segmental Performance – Nine Months

Nine Months Standalone

Rs. Crores

| Business | Revenue | | PBIDT | | PBIDT Margin (%) | | PBIT | | Capital Employed | | ROAvCE (%) (PBIT basis) | |
|--------------------|---------|---------|---------|---------|------------------|---------|---------|---------|------------------|---------|----------------------------|---------|
| | 2009-10 | 2008-09 | 2009-10 | 2008-09 | 2009-10 | 2008-09 | 2009-10 | 2008-09 | 2009-10 | 2008-09 | 2009-10 | 2008-09 |
| Cement | 6,247 | 4,955 | 2,028 | 1,274 | 32.4 | 25.7 | 1,728 | 1,072 | 6,937 | 6,558 | 33.8 | 23.8 |
| VSF | 2,529 | 1,899 | 957 | 407 | 37.6 | 21.1 | 873 | 329 | 1,644 | 1,857 | 68.1 | 24.8 |
| Chemical | 373 | 400 | 100 | 127 | 26.8 | 31.8 | 76 | 106 | 377 | 343 | 27.6 | 41.8 |
| Sponge Iron | 111 | 850 | (39) | 152 | -- | 17.8 | (44) | 127 | - | 593 | - | 32.2 |
| Textile | 47 | 46 | 4 | 1 | 7.8 | 2.7 | 3 | 0.5 | 23 | 19 | 16.5 | 3.0 |
| Operations | | | 3,050 | 1,961 | | | 2,637 | 1,634 | 8,981 | 9,370 | | |
| Cement Sub. | | | | | | | | | 2,568 | 2,551 | | |
| Company as a whole | 9,198 | 8,020 | 3,181 | 2,092 | 33.9 | 25.5 | 2,766 | 1,760 | 15,990 | 13,552 | @ 30.8 | @ 22.6 |

Consolidated

| | | | | | | | | | | | | |
|-----------------------|--------|--------|-------|-------|------|------|-------|-------|--------|--------|------|------|
| Cement \$ | 11,308 | 9,551 | 3,697 | 2,520 | 32.5 | 26.3 | 3,107 | 2,085 | 15,905 | 14,929 | 26.6 | 20.3 |
| VSF | 2,794 | 2,227 | 949 | 409 | 33.8 | 18.2 | 839 | 318 | 2,319 | 2,464 | 47.4 | 18.5 |
| Company as a whole \$ | 14,715 | 13,549 | 4,822 | 3,452 | 32.3 | 25.1 | 4,085 | 2,811 | 23,372 | 20,950 | 25.3 | 19.7 |

\$ including minority share

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

Capital Employed includes CWIP

Cement : Summary

| | | Quarter -3 | | % Chg. | Nine Months | | % Chg. | Full Year 2008-09 |
|-------------------------------|---------------|------------|---------|--------|-------------|---------|--------|----------------------|
| | | 2009-10 | 2008-09 | | 2009-10 | 2008-09 | | |
| <u>Grey Cement</u> | | | | | | | | |
| Capacity | Mn. TPA | 45.65 | 37.55 | 22 | 45.65 | 37.55 | 22 | 41.55 |
| - Grasim * | | 22.55 | 18.05 | 25 | 22.55 | 18.05 | 25 | 19.65 |
| - UltraTech | | 23.10 | 19.50 | 18 | 23.10 | 19.50 | 18 | 21.90 |
| Production | Mn. MT | 8.99 | 7.98 | 13 | 26.78 | 22.91 | 17 | 32.18 |
| - Grasim * | | 4.59 | 4.00 | 15 | 14.13 | 11.64 | 21 | 16.32 |
| - UltraTech | | 4.40 | 3.98 | 10 | 12.65 | 11.27 | 12 | 15.87 |
| Sales Volumes [§] | Mn. MT | 9.79 | 8.67 | 13 | 28.80 | 24.75 | 16 | 35.01 |
| - Grasim Cement * | | 4.75 | 4.05 | 17 | 14.19 | 11.71 | 21 | 16.54 |
| - UltraTech Cement | | 4.46 | 4.04 | 10 | 12.78 | 11.42 | 12 | 16.12 |
| - UltraTech Clinker | | 0.58 | 0.58 | -- | 1.82 | 1.62 | 13 | 2.36 |
| Realisation | Rs. /MT | | | | | | | |
| - Grasim Cement * | | 3,404 | 3,399 | -- | 3,585 | 3,402 | 5 | 3,415 |
| - UltraTech Cement | | 3,252 | 3,465 | (6) | 3,533 | 3,450 | 2 | 3,474 |
| - UltraTech Clinker | | 1,522 | 2,636 | (42) | 1,912 | 2,486 | (23) | 2,306 |
| <u>RMC</u> | | | | | | | | |
| Sales Volumes | Lac Cu. Mtrs. | 9.93 | 10.06 | (1) | 27.97 | 29.45 | (5) | 38.53 |
| - Grasim * | | 5.78 | 6.43 | (10) | 16.59 | 18.90 | (12) | 24.30 |
| - UltraTech | | 4.15 | 3.63 | 14 | 11.38 | 10.54 | 8 | 14.23 |
| Realisation | Rs./Cu. Mtr. | 2,829 | 2,914 | (3) | 2,859 | 2,902 | (2) | 2,901 |
| <u>White Cement</u> | | | | | | | | |
| Sales Volumes ^{\$\$} | MT | 130,188 | 109,972 | 18 | 366,070 | 308,637 | 19 | 438,394 |
| Avg. Realisation | Rs./MT | 8,202 | 7,976 | 3 | 8,124 | 7,894 | 3 | 7,922 |

* Denotes Grasim Standalone

Cement : Summary Contd...

| | | Quarter -3 | | % Chg. | Nine Months | | % Chg. | Full Year 2008-09 |
|------------------------|----------|------------|---------|--------|-------------|---------|--------|----------------------|
| | | 2009-10 | 2008-09 | | 2009-10 | 2008-09 | | |
| <u>Wall Care Putty</u> | | | | | | | | |
| Sales Volumes | MT | 59,973 | 43,611 | 38 | 157,592 | 112,655 | 40 | 159,880 |
| Realisation | Rs./MT | 19,338 | 19,625 | (1) | 19,332 | 19,636 | (2) | 19,698 |
| Net Revenue | Rs. Crs. | 3,635.2 | 3,383.5 | 7 | 11,307.7 | 9,551.0 | 18 | 13,503.0 |
| - Cement - Grasim * | | 1,814.3 | 1,561.8 | 16 | 5,663.1 | 4,502.5 | 26 | 6,364.4 |
| - Cement - UltraTech | | 1,688.8 | 1,668.8 | 1 | 5,294.6 | 4,689.6 | 13 | 6,618.7 |
| - White Cement | | 215.7 | 168.4 | 28 | 583.8 | 452.3 | 29 | 646.2 |
| PBIDT | Rs. Crs. | 1,023.5 | 857.0 | 19 | 3,697.4 | 2,520.0 | 47 | 3,723.8 |
| - Grasim * | | 605.2 | 407.1 | 49 | 2,028.3 | 1,273.6 | 59 | 1,910.9 |
| - UltraTech | | 419.1 | 451.8 | (7) | 1,672.6 | 1,251.8 | 34 | 1,819.2 |
| PBIDT Margin | % | 28.1% | 25.2% | - | 32.5% | 26.3% | - | 27.5% |
| - Grasim * | | 29.8% | 23.5% | - | 32.4% | 25.7% | - | 27.3% |
| - UltraTech | | 24.6% | 26.8% | - | 31.3% | 26.5% | - | 27.3% |
| PBIT | Rs. Crs. | 819.7 | 699.8 | 17 | 3,107.4 | 2,084.9 | 49 | 3,117.6 |
| - Grasim * | | 500.3 | 330.8 | 51 | 1,728.3 | 1,071.9 | 61 | 1,629.1 |
| - UltraTech | | 319.8 | 370.6 | (14) | 1,381.6 | 1,017.5 | 36 | 1,493.4 |
| ROAvCE @ | % | 21.1 | 20.4 | - | 26.6 | 20.3 | - | 22.5 |
| - Grasim * | | 29.4 | 22.0 | - | 33.8 | 23.8 | - | 26.8 |
| - UltraTech | | 19.1 | 26.1 | - | 27.5 | 23.8 | - | 26.0 |

* Denotes Grasim standalone @ Avg. Capital employed includes CWIP



Viscose Staple Fibre : Summary

| | | Quarter -3 | | % Chg. | Nine Months | | % Chg. | Full Year 2008-09 |
|---------------------|----------|------------|---------|--------|-------------|---------|--------|----------------------|
| | | 2009-10 | 2008-09 | | 2009-10 | 2008-09 | | |
| Capacity | TPA | 333,975 | 333,975 | - | 333,975 | 333,975 | - | 333,975 |
| Production | MT | 81,991 | 51,777 | 58 | 221,011 | 172,832 | 28 | 232,745 |
| Sales Volumes | MT | 81,306 | 53,758 | 51 | 222,717 | 173,054 | 29 | 238,463 |
| Net Revenue | Rs. Crs. | 962.4 | 563.9 | 71 | 2,529.5 | 1,899.4 | 33 | 2,533.6 |
| Avg. Realisation | Rs./MT | 109,600 | 96,611 | 13 | 104,494 | 100,214 | 4 | 96,517 |
| PBIDT | Rs. Crs. | 403.7 | 63.5 | 536 | 956.7 | 406.5 | 135 | 516.3 |
| PBIDT Margin | % | 41.8% | 11.3% | -- | 37.6% | 21.1% | -- | 20.1% |
| PBIT | Rs. Crs. | 375.3 | 37.4 | 905 | 873.4 | 328.7 | 166 | 410.9 |
| Capital Employed | Rs. Crs. | 1,644 | 1,857 | (11) | 1,644 | 1,857 | (11) | 1,805 |
| ROAvCE (PBIT Basis) | % | 87.8% | 8.4% | -- | 68.1% | 24.8% | -- | 23.6% |

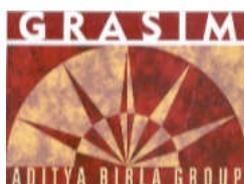
Chemical : Summary

| | | Quarter -3 | | % Chg. | Nine Months | | % Chg. | Full Year 2008-09 |
|---------------------|----------|------------|---------|--------|-------------|---------|--------|----------------------|
| | | 2009-10 | 2008-09 | | 2009-10 | 2008-09 | | |
| Capacity | TPA | 258,000 | 258,000 | -- | 258,000 | 258,000 | -- | 258,000 |
| Production | MT | 60,591 | 52,176 | 16 | 169,807 | 154,397 | 10 | 207,226 |
| Sales Volumes | MT | 61,326 | 54,688 | 12 | 170,290 | 155,591 | 9 | 207,520 |
| Net Revenue | Rs. Crs. | 121.3 | 127.7 | (5) | 372.7 | 399.6 | (7) | 522.5 |
| Avg. Realisation | Rs./MT | 16,465 | 20,486 | (20) | 18,566 | 21,834 | (15) | 21,553 |
| PBIDT | Rs. Crs. | 28.3 | 33.3 | (15) | 100.1 | 127.3 | (21) | 155.4 |
| PBIDT Margin | % | 23.3% | 26.1% | -- | 26.8% | 31.8% | -- | 29.8% |
| PBIT | Rs. Crs. | 20.4 | 26.5 | (23) | 76.4 | 105.9 | (28) | 127.1 |
| Capital Employed | Rs. Crs. | 377 | 343 | 10 | 377 | 343 | 10 | 362 |
| ROAvCE (PBIT Basis) | % | 22.0% | 31.4% | -- | 27.6% | 41.8% | -- | 36.6% |

UltraTech: Consolidated Financial Performance

(Rs. Crores)

| | Quarter -3 | | % Chg. | Nine Months | | % Chg. | Full Year 2008-09 |
|----------------------------------|------------|---------|--------|-------------|---------|--------|----------------------|
| | 2009-10 | 2008-09 | | 2009-10 | 2008-09 | | |
| Revenue | 1,688.8 | 1,668.8 | 1 | 5,294.6 | 4,689.6 | 13 | 6,618.7 |
| Other Income | 12.7 | 14.1 | (10) | 43.1 | 31.6 | 37 | 45.6 |
| PBIDT | 419.1 | 451.8 | (7) | 1,672.6 | 1,251.8 | 34 | 1,819.2 |
| PBIDT Margin % | 24.6% | 26.8% | -- | 31.3% | 26.5% | -- | 27.3% |
| Interest | 26.2 | 35.9 | (27) | 89.1 | 91.6 | (3) | 125.6 |
| Depreciation | 99.3 | 81.2 | 22 | 291.0 | 234.4 | 24 | 325.8 |
| PBT | 293.6 | 334.7 | (12) | 1,292.5 | 925.9 | 40 | 1,367.8 |
| Total Tax | 95.0 | 97.0 | (2) | 427.7 | 259.0 | 65 | 388.2 |
| PAT (after Minority Share) | 197.9 | 237.4 | (17) | 863.7 | 665.7 | 30 | 978.1 |
| Earning Per Share, Diluted (Rs.) | 15.89 | 19.07 | (17) | 69.36 | 53.48 | 30 | 78.57 |



GRASIM REPORTS EXCELLENT PERFORMANCE FOR Q3 FY2010

Consolidated Net Profit Rs.715 Crs. ↑ 56%

Consolidated Net Revenue Rs.4,844 Crs. ↑ 5%

Consolidated Financial Performance:

| | Rs. Crores | | | | | |
|--|---------------|--------------|------------|-----------------|---------------|------------|
| | Quarter ended | | | 9- months ended | | |
| | 31.12.09 | 31.12.08 | % Change | 31.12.09 | 31.12.08 | % Change |
| Net Revenue | 4,844 | 4,610 | 5% | 14,715 | 13,549 | 9% |
| PBIDT | 1,511 | 1,073 | 41% | 4,822 | 3,452 | 40% |
| Profit before Taxes | 1,177 | 749 | 57% | 3,840 | 2,576 | 49% |
| Profit after Taxes (Before Extraordinary Item) | 805 | 566 | 42% | 2,632 | 1,921 | 37% |
| Minority Share | (90) | (106) | | (392) | (303) | |
| Net Profit (Before Extraordinary Item) | 715 | 460 | 56% | 2,240 | 1,618 | 38% |
| Net Profit (After Extraordinary Item) | 715 | 460 | 56% | 2,576 | 1,618 | 59% |
| EPS (Rs.) | | | | | | |
| Before Extraordinary Item | 78 | 50 | 56% | 244 | 176 | 38% |
| After Extraordinary Item | 78 | 50 | 56% | 281 | 176 | 59% |

Grasim Industries Limited, an Aditya Birla Group Company, today announced its results for the 3rd quarter ended 31st December, 2009. **Higher volumes and lower input prices have been the key growth drivers.**

The Company's Net Revenue was higher by 5% at Rs.4,844 crores. PBIDT was higher by 41% at Rs.1,511 crores. Net Profit at Rs.715 crores was up by 56%, despite higher depreciation on account of the commissioning of new projects and a substantially higher tax provision.

On a stand-alone basis, Grasim's performance has been more impressive. Net Revenue rose by 15% at Rs.3,088 crores (Rs.2,695 crores). PBIDT grew by 85% at Rs.1,075 crores (Rs.580 crores). Net Profit increased by 81% at Rs.596 crores (Rs.330 crores), notwithstanding a steep rise in tax expenses and higher depreciation due to the commissioning of new projects.

The Consolidated as well as the Standalone results for the quarter are not strictly comparable with the results of the corresponding quarter. This is due to the sale of sponge Iron business on 22nd May, 2009 and the consolidation of Idea Cellular Limited as an Associate from 1st January, 2009, as against as a JV earlier.

On a comparable basis, excluding the Sponge Iron business from Q3FY09 and the consolidation of Idea as an Associate in Q3FY09, the results for the current quarter would have been as indicated below:

- **Net Revenue** : **Increase by 29% on a stand-alone basis and by 16% on a consolidated basis**
- **Net Profit (before Extraordinary Item)** : **Increase by 97% on a stand-alone basis and by 65% on a consolidated basis**

Highlights of Grasim's operations:

| Products | | Production | | | Sales | | |
|-----------------------|--------|------------|---------|----------|---------|---------|----------|
| | | Q3FY10 | Q3FY09 | % Change | Q3FY10 | Q3FY09 | % Change |
| Cement (consolidated) | Mn. MT | 8.99 | 7.99 | 13% | 9.21 | 8.08 | 14% |
| White Cement | MT | 137,523 | 112,413 | 22% | 130,188 | 109,972 | 18% |
| Viscose Staple Fibre | MT | 81,991 | 51,777 | 58% | 81,306 | 53,758 | 51% |

Cement Business

The Cement business posted a healthy growth, as demand continued to remain strong. New capacities contributed to a 13% increase in Production, at 8.99 million tons. Sales volumes expanded by 14% at 9.21 million tons. Cement prices were impacted, particularly in the south, due to excess capacity and lower demand. The Quarter also witnessed a drop in clinker export realisation due to reduced off-take in the Middle East following a meltdown in construction activities. On a sequential basis, RMC (Ready Mix Concrete) volumes improved marginally.

In White Cement, sales volumes were up by 18%. Wallcare putty recorded a 38% growth in volumes.

Higher volumes, coupled with lower energy prices and an enhanced share of captive thermal power, resulted in improved operating margins.

Cement Capex

The Company commissioned a cement mill of 1.55 millions capacity at Kotputli (Rajasthan) in January, 2010. The second cement mill of equivalent capacity is expected to be commissioned in February, 2010. This would raise the combined cement capacity of the Company to 48.8 million tons.

A total capital outlay of Rs.4,110 crores has been earmarked for the Cement business (including an outlay of Rs.2,040 crores for its subsidiary, UltraTech Cement Limited). The amount is proposed to be invested on grinding and evacuation facility, logistics infrastructure, waste heat recovery system, captive thermal power plant, modernization and completion of existing projects.

Cement Outlook

Industry demand is likely to grow by over 10%, driven by the robust growth in the Indian economy and the Government's initiatives to boost rural development, infrastructure and housing. The industry is expected to witness a surplus scenario over the next 18 to 24 months which may put a pressure on margins. The Company's focus on higher volume growth, together with cost efficiency, should help in mitigating the impact on margins to some extent.

The Company would require an additional capacity of around 25 million tons over the next 5 years just to retain its market share. It plans to expand its capacity sizably, with a view to grow its market share.

Viscose Staple Fibre (VSF) Business

The VSF business turned in a good performance. Partial revival of consumer spending on textiles with the global economic recovery, had a positive impact on the entire textile value chain.

Production was up by 58%, as demand grew and capacity utilization was higher at 98%. During the corresponding quarter, the business was impacted due to the global economic downturn. Operating margin improved due to better economies of scale, higher realisation and lower input prices.

The Company plans to set up a 80,000 TPA VSF plant at Vilayat (Gujarat) at an estimated outlay of Rs.1,000 crores. The land for the project has already been acquired. The environmental clearances too are in place. The project is likely to be commissioned in FY13. The capacity of the overseas joint venture at China is expected to double from 35,000 TPA to 70,000 TPA by March, 2010.

The demand outlook is expected to be stable in the short to medium term. However, the upward trend in the prices of pulp and sulphur may lead to a decline in the operating margin.

Chemical Plant

The performance of the Chemical business was satisfactory. Caustic volumes grew by 12% mainly on account of higher captive use. ECU realisation was lower by 20% due to depressed caustic prices. Prices are expected to remain under pressure due to the commissioning of new capacities and cheap imports. However, the global economic recovery may improve the performance of the business in the long term.

Cement Restructuring

The proposed demerger of the Cement business of the Company into Samruddhi Cement Limited ("Samruddhi"), which will be effective from 1st October, 2009, is progressing as scheduled. It is targeted to be completed by March, 2010.

Meanwhile, the Boards of Directors of UltraTech and Samruddhi have decided to amalgamate Samruddhi with UltraTech under a Scheme of Amalgamation with effect from 1st July, 2010. This Scheme too is in line as scheduled and is aimed to be completed by July, 2010.

As the Demerger is yet to become effective, pending sanction of the Hon'ble High Courts of Madhya Pradesh and Gujarat, no effect of the proposed demerger has been factored in the results. Had the Scheme been effective, the Revenue and Profit for the period would have stood as under:

Rs. Crores

| For the Quarter ended 31 st December, 2009 | Stand-alone | | Consolidated | |
|--|-------------|----------|--------------|----------|
| | Published | Restated | Published | Restated |
| Revenue | 3,088 | 1,058 | 4,844 | 4,844 |
| Profit Before Interest & Tax (PBIT) | 932 | 432 | 1,256 | 1,256 |
| Net Profit before Extraordinary Item (after Minority Share in Consolidated Results) | 596 | 358 | 715 | 676 |

Outlook

Both the core businesses of the Company have strong competitive advantages and have attained a global size. They now stand at the next phase of growth. With the current phase of restructuring, the stage for future growth has been set. The Company will continue to make investments in these two businesses to enhance cost and volume leadership. On restructuring, while the Cement business will be consolidated in a pure play company, Grasim at the consolidated level will continue to be a Cement and VSF major.

GRASIM INDUSTRIES LIMITED

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Registered Office : P. O. Birlagram, Nagda - 456 331 (M.P.)

www.grasim.com & www.adityabirla.com



**UNAUDITED FINANCIAL RESULTS
FOR THE PERIOD ENDED 31st DECEMBER 2009**

I. CONSOLIDATED RESULTS :

Rs in Crores

| Particulars | Three Months Ended 31 st Dec. '09 | Three Months Ended 31 st Dec. '08 | Nine Months Ended 31 st Dec. '09 | Nine Months Ended 31 st Dec. '08 | Year Ended 31 st Mar. '09 (Audited) |
|--|---|---|--|--|--|
| Net Sales / Income from Operations | 4,788.35 | 4,565.93 | 14,542.19 | 13,413.29 | 18,287.79 |
| Other Operating Income | 55.16 | 44.49 | 173.04 | 135.86 | 199.33 |
| Total Operating Income | 4,843.51 | 4,610.42 | 14,715.23 | 13,549.15 | 18,487.12 |
| Expenditure : | | | | | |
| - Decrease / (Increase) in Stock in trade & work in progress | (102.11) | (86.07) | (161.01) | (245.90) | (90.58) |
| - Raw Material Consumed | 858.86 | 953.99 | 2,613.91 | 3,021.66 | 3,936.50 |
| - Purchases of Finished Goods | 38.53 | 33.09 | 110.20 | 90.24 | 123.98 |
| - Payment to & Provision for Employees | 272.08 | 266.23 | 783.49 | 722.39 | 951.33 |
| - Power & Fuel Cost | 911.81 | 1,099.45 | 2,594.75 | 2,843.05 | 3,754.57 |
| - Freight & Handling Expenses | 673.42 | 594.32 | 1,993.30 | 1,698.17 | 2,356.79 |
| - Depreciation | 254.72 | 230.17 | 737.06 | 640.62 | 865.78 |
| - Other Expenditure | 750.95 | 749.31 | 2,168.93 | 2,175.55 | 2,926.96 |
| Total Expenditure | 3,658.26 | 3,840.49 | 10,840.63 | 10,945.78 | 14,825.33 |
| Profit from Operations before Other Income & Interest | 1,185.25 | 769.93 | 3,874.60 | 2,603.37 | 3,661.79 |
| Other Income | 71.15 | 72.52 | 210.53 | 207.66 | 252.60 |
| Profit Before Interest and Tax | 1,256.40 | 842.45 | 4,085.13 | 2,811.03 | 3,914.39 |
| Interest | 79.35 | 93.89 | 244.79 | 235.49 | 307.81 |
| Profit from Ordinary Activities before Tax | 1,177.05 | 748.56 | 3,840.34 | 2,575.54 | 3,606.58 |
| Provision for Current Tax | (280.11) | (99.30) | (932.17) | (393.35) | (550.66) |
| Provision for Deferred Tax | (101.24) | (83.96) | (313.12) | (262.53) | (440.71) |
| Net Profit from Ordinary Activities after Tax | 795.70 | 565.30 | 2,595.05 | 1,919.66 | 2,615.21 |
| Extraordinary Items : | | | | | |
| Profit (Net of Tax) on Sale of Sponge Iron unit (Refer Note 3) | - | - | 336.07 | - | - |
| Net Profit (before profit of Associates and adjustment for Minority Interest) | 795.70 | 565.30 | 2,931.12 | 1,919.66 | 2,615.21 |
| Add : Share in Profit of Associates | 9.91 | 0.29 | 37.17 | 0.90 | 15.91 |
| Less : Minority Share | 90.29 | 106.04 | 392.17 | 302.69 | 444.46 |
| Net Profit | 715.32 | 459.55 | 2,576.12 | 1,617.87 | 2,186.66 |
| Paid up Equity Share Capital (Face Value Rs. 10 per share) | 91.70 | 91.69 | 91.70 | 91.69 | 91.69 |
| Reserves excluding Revaluation Reserve | | | | | 11,417.53 |
| Basic EPS for the period before Extraordinary Item (Rs.) | 78.01 | 50.12 | 244.30 | 176.45 | 238.49 |
| Diluted EPS for the period before Extraordinary Item (Rs.) | 77.99 | 50.12 | 244.22 | 176.45 | 238.49 |
| Basic EPS for the period after Extraordinary Item (Rs.) | 78.01 | 50.12 | 280.95 | 176.45 | 238.49 |
| Diluted EPS for the period after Extraordinary Item (Rs.) | 77.99 | 50.12 | 280.85 | 176.45 | 238.49 |

II. STANDALONE RESULTS :
Rs. in Crores

| Particulars | Three Months Ended 31 st Dec. '09 | Three Months Ended 31 st Dec. '08 | Nine Months Ended 31 st Dec. '09 | Nine Months Ended 31 st Dec. '08 | Year Ended 31 st Mar. '09 (Audited) |
|--|---|---|--|--|--|
| Net Sales / Income from Operations | 3,051.89 | 2,658.77 | 9,086.39 | 7,928.19 | 10,819.89 |
| Other Operating Income | 35.97 | 36.48 | 111.39 | 91.82 | 136.35 |
| Total Operating Income | 3,087.86 | 2,695.25 | 9,197.78 | 8,020.01 | 10,956.24 |
| Expenditure : | | | | | |
| - Decrease / (Increase) in Stock in trade & work in progress | (86.05) | 0.86 | (94.75) | (108.96) | (33.54) |
| - Raw Material Consumed | 637.79 | 743.22 | 1,960.13 | 2,335.42 | 3,064.25 |
| - Purchases of Finished Goods | 28.04 | 16.25 | 58.95 | 45.64 | 65.94 |
| - Payment to & Provision for Employees | 175.13 | 166.37 | 502.93 | 454.55 | 598.17 |
| - Power & Fuel Cost | 529.83 | 540.66 | 1,460.24 | 1,447.13 | 1,928.47 |
| - Freight & Handling Expenses | 366.22 | 316.02 | 1,073.22 | 896.65 | 1,234.11 |
| - Depreciation | 142.35 | 119.77 | 415.23 | 331.63 | 456.97 |
| - Other Expenditure | 414.96 | 377.05 | 1,236.61 | 1,042.39 | 1,467.33 |
| Total Expenditure | 2,208.27 | 2,280.20 | 6,612.56 | 6,444.45 | 8,781.70 |
| Profit from Operations before Other Income & Interest | 879.59 | 415.05 | 2,585.22 | 1,575.56 | 2,174.54 |
| Other Income | 52.79 | 44.77 | 180.84 | 184.76 | 214.07 |
| Profit Before Interest and Tax | 932.38 | 459.82 | 2,766.06 | 1,760.32 | 2,388.61 |
| Interest | 50.37 | 43.89 | 148.42 | 102.47 | 140.77 |
| Profit from Ordinary Activities before Tax | 882.01 | 415.93 | 2,617.64 | 1,657.85 | 2,247.84 |
| Provision for Current Tax | (224.65) | (41.01) | (627.86) | (245.94) | (342.38) |
| Provision for Deferred Tax | (61.48) | (45.36) | (189.13) | (148.66) | (257.50) |
| Net Profit from Ordinary Activities after Tax | 595.88 | 329.56 | 1,800.65 | 1,263.25 | 1,647.96 |
| Extraordinary Items: | | | | | |
| Profit (Net of Tax) on Sale of Sponge Iron unit (Refer Note 3) | - | - | 336.07 | - | - |
| Net Profit & Loss for the period | 595.88 | 329.56 | 2,136.72 | 1,263.25 | 1,647.96 |
| Paid up Equity Share Capital (Face Value Rs. 10 per share) | 91.70 | 91.69 | 91.70 | 91.69 | 91.69 |
| Reserves excluding Revaluation Reserve | | | | | 9,372.08 |
| Basic EPS for the period before Extraordinary Items (Rs.) | 64.99 | 35.94 | 196.38 | 137.77 | 179.73 |
| Diluted EPS for the period before Extraordinary Items (Rs.) | 64.96 | 35.94 | 196.31 | 137.77 | 179.73 |
| Basic EPS for the period after Extraordinary Items (Rs.) | 64.99 | 35.94 | 233.03 | 137.77 | 179.73 |
| Diluted EPS for the period after Extraordinary Items (Rs.) | 64.96 | 35.94 | 232.95 | 137.77 | 179.73 |
| Total Public Shareholding | | | | | |
| - Number of Shares (000's) | 58,267 | 58,187 | 58,267 | 58,187 | 58,760 |
| - Percentage of Shareholding | 63.55% | 63.47% | 63.55% | 63.47% | 64.10% |
| Promoter & Promoter Group Shareholding | | | | | |
| a) Pledged / Encumbered | | | | | |
| - Number of Shares (000's) | - | - | - | - | - |
| - Percentage of Shares (as a % of the total shareholding of promoter and promoter group) | - | - | - | - | - |
| - Percentage of Shares (as a % of the total share capital of the Company) | - | - | - | - | - |
| b) Non-encumbered | | | | | |
| - Number of Shares (000's) | 23,381 | 23,089 | 23,381 | 23,089 | 23,089 |
| - Percentage of Shares (as a % of the total shareholding of promoter and promoter group) | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |
| - Percentage of Shares (as a % of the total share capital of the Company) | 25.50% | 25.19% | 25.50% | 25.19% | 25.19% |

III. SEGMENT REPORTING - CONSOLIDATED

Rs. in Crores

| Particulars | Three Months Ended 31 st Dec. '09 | Three Months Ended 31 st Dec. '08 | Nine Months Ended 31 st Dec. '09 | Nine Months Ended 31 st Dec. '08 | Year Ended 31 st Mar. '09 (Audited) |
|--|---|---|--|--|--|
| 1. SEGMENT REVENUE | | | | | |
| a Viscose Staple Fibre & Wood Pulp | 1,050.26 | 623.16 | 2,794.40 | 2,226.74 | 2,914.59 |
| b Cement - Grey, White & Allied Products | 3,635.22 | 3,383.49 | 11,307.66 | 9,550.96 | 13,503.26 |
| c Sponge Iron * | - | 297.81 | 110.77 | 850.31 | 1,007.58 |
| d Chemicals - Caustic Soda & Allied Chemicals | 121.28 | 127.70 | 372.74 | 399.64 | 522.52 |
| e Textiles - Fabric & Yarn | 84.46 | 78.17 | 258.74 | 246.92 | 318.23 |
| f Others ** | 0.21 | 150.76 | 0.66 | 430.60 | 430.82 |
| TOTAL | 4,891.43 | 4,661.09 | 14,844.97 | 13,705.17 | 18,697.00 |
| (Less) : Inter Segment Revenue | (47.92) | (50.67) | (129.74) | (156.02) | (209.88) |
| Total Operating Income | 4,843.51 | 4,610.42 | 14,715.23 | 13,549.15 | 18,487.12 |
| 2. SEGMENT RESULTS | | | | | |
| a Viscose Staple Fibre & Wood Pulp | 378.57 | 24.33 | 839.18 | 317.82 | 396.73 |
| b Cement - Grey, White & Allied Products | 819.69 | 699.83 | 3,107.43 | 2,084.88 | 3,117.58 |
| c Sponge Iron * | - | 38.04 | (43.90) | 127.13 | 101.19 |
| d Chemicals - Caustic Soda & Allied Chemicals | 20.35 | 26.50 | 76.38 | 105.88 | 127.11 |
| e Textiles - Fabric & Yarn | 3.30 | 1.33 | 11.03 | 4.14 | 8.23 |
| f Others ** | 0.31 | 25.87 | 3.28 | 82.89 | 85.03 |
| TOTAL | 1,222.22 | 815.90 | 3,993.40 | 2,722.74 | 3,835.87 |
| Add / (Less) : | | | | | |
| Interest | (79.35) | (93.89) | (244.79) | (235.49) | (307.81) |
| Net Unallocable Income / (Expenditure) | 34.18 | 26.55 | 91.73 | 88.29 | 78.52 |
| Profit before Extra Ordinary Items and Tax Expenses | 1,177.05 | 748.56 | 3,840.34 | 2,575.54 | 3,606.58 |
| 3. CAPITAL EMPLOYED | | | | | |
| a Viscose Staple Fibre & Wood Pulp | 2,319.28 | 2,464.43 | 2,319.28 | 2,464.43 | 2,398.77 |
| b Cement - Grey, White & Allied Products | 15,904.97 | 14,928.64 | 15,904.97 | 14,928.64 | 15,236.61 |
| c Sponge Iron * | - | 592.79 | - | 592.79 | 552.72 |
| d Chemicals - Caustic Soda & Allied Chemicals | 377.18 | 342.58 | 377.18 | 342.58 | 361.94 |
| e Textiles - Fabric & Yarn | 176.67 | 176.28 | 176.67 | 176.28 | 176.28 |
| f Others ** | 24.24 | 1,367.73 | 24.24 | 1,367.73 | 21.29 |
| TOTAL | 18,802.34 | 19,872.45 | 18,802.34 | 19,872.45 | 18,747.61 |
| Unallocated Corporate Capital Employed | 4,569.76 | 1,077.79 | 4,569.76 | 1,077.79 | 2,000.82 |
| TOTAL CAPITAL EMPLOYED | 23,372.10 | 20,950.24 | 23,372.10 | 20,950.24 | 20,748.43 |

* Upto 22nd May, 2009, Refer note 3

** w.e.f. 1st January, 2009 Consolidated Results include Idea Cellular Ltd. (Consolidated) as an Associate as per equity method as against Joint Venture earlier.

IV. SEGMENT REPORTING - STANDALONE
Rs. in Crores

| Particulars | Three Months Ended 31 st Dec. '09 | Three Months Ended 31 st Dec. '08 | Nine Months Ended 31 st Dec. '09 | Nine Months Ended 31 st Dec. '08 | Year Ended 31 st Mar. '09 (Audited) |
|--|---|---|--|--|--|
| 1. SEGMENT REVENUE | | | | | |
| a Viscose Staple Fibre | 962.42 | 563.91 | 2,529.49 | 1,899.43 | 2,533.57 |
| b Cement - Grey, White & Allied Products | 2,030.04 | 1,730.13 | 6,246.84 | 4,954.77 | 7,010.55 |
| c Sponge Iron * | - | 297.81 | 110.77 | 850.31 | 1,007.58 |
| d Chemicals - Caustic Soda & Allied Chemicals | 121.28 | 127.70 | 372.74 | 399.64 | 522.52 |
| e Textiles - Yarn | 15.85 | 14.03 | 47.18 | 45.95 | 57.92 |
| TOTAL | 3,129.59 | 2,733.58 | 9,307.02 | 8,150.10 | 11,132.14 |
| (Less) : Inter Segment Revenue | (41.73) | (38.33) | (109.24) | (130.09) | (175.90) |
| Total Operating Income | 3,087.86 | 2,695.25 | 9,197.78 | 8,020.01 | 10,956.24 |
| 2. SEGMENT RESULTS | | | | | |
| a Viscose Staple Fibre | 375.28 | 37.36 | 873.37 | 328.71 | 410.91 |
| b Cement - Grey, White & Allied Products | 500.33 | 330.77 | 1,728.30 | 1,071.87 | 1,629.09 |
| c Sponge Iron * | - | 38.04 | (43.90) | 127.13 | 101.19 |
| d Chemicals - Caustic Soda & Allied Chemicals | 20.35 | 26.50 | 76.38 | 105.88 | 127.11 |
| e Textiles - Yarn | 1.23 | (0.37) | 2.82 | 0.48 | 1.39 |
| TOTAL | 897.19 | 432.30 | 2,636.97 | 1,634.07 | 2,269.69 |
| Add / (Less) : | | | | | |
| Interest | (50.37) | (43.89) | (148.42) | (102.47) | (140.77) |
| Net Unallocable Income / (Expenditure) | 35.19 | 27.52 | 129.09 | 126.25 | 118.92 |
| Profit before Extra Ordinary Items and Tax Expenses | 882.01 | 415.93 | 2,617.64 | 1,657.85 | 2,247.84 |
| 3. CAPITAL EMPLOYED | | | | | |
| a Viscose Staple Fibre | 1,643.92 | 1,857.45 | 1,643.92 | 1,857.45 | 1,776.91 |
| b Cement - Grey, White & Allied Products | 6,936.94 | 6,557.72 | 6,936.94 | 6,557.72 | 6,698.20 |
| c Sponge Iron * | - | 592.74 | - | 592.74 | 552.72 |
| d Chemicals - Caustic Soda & Allied Chemicals | 377.18 | 342.58 | 377.18 | 342.58 | 361.94 |
| e Textiles - Yarn | 22.88 | 19.03 | 22.88 | 19.03 | 22.59 |
| TOTAL | 8,980.92 | 9,369.52 | 8,980.92 | 9,369.52 | 9,412.36 |
| Unallocated Corporate Capital Employed | 7,009.46 | 4,182.08 | 7,009.46 | 4,182.08 | 4,324.54 |
| TOTAL CAPITAL EMPLOYED | 15,990.38 | 13,551.60 | 15,990.38 | 13,551.60 | 13,736.90 |

* Upto 22nd May, 2009, Refer note 3

V. NOTES

- 1 The Company has filed a Scheme of Arrangement under Sections 391 to 394 of the Companies Act, 1956 to demerge its Cement Business, subject to necessary approvals. Under the Scheme, the Cement Business of the Company is proposed to be transferred to its wholly owned subsidiary, Samruddhi Cement Limited (SCL) w.e.f. 1st October, 2009, being the Appointed Date and in consideration thereof, the shareholders of the Company will receive 1 (One) equity share of SCL of the face value of Rs.5 each, credited as fully paid up, for every 1 (One) fully paid up equity share of the Company held on the Record Date to be fixed for the purpose.

The Scheme is already filed with Honorable High Courts of Madhya Pradesh and Gujarat for their sanction, which is in advanced stage, as the Company's shareholders and creditors have approved the Scheme in their respective court convened meetings.

As the Scheme is yet to become effective pending sanction of the Honorable High Courts, no effect of the proposed demerger has been given in the unaudited financial results for the quarter and nine months ended 31st December, 2009. If the Scheme would have been effective, the Revenue and Profit for the current period would have been restated as under:

| Period ended 31 st December, 2009 | Consolidated | | Standalone | |
|--|--------------|-----------|------------|----------|
| | 3 months | 9 months | 3 months | 9 months |
| Revenue | No Change | No Change | 1,057.82 | 7,167.74 |
| Profit Before Interest & Tax (PBIT) | No Change | No Change | 432.05 | 2,265.73 |
| Net Profit before Extraordinary Items (after Minority Share in Consolidated Results) | 676.34 | 2,201.07 | 358.00 | 1,562.77 |

- 2 The Boards of Directors of UltraTech Cement Limited (UltraTech) and SCL, the company's subsidiaries have decided to amalgamate SCL with UltraTech under a Scheme of Amalgamation under Sections 391 to 394 of the Companies Act, 1956 subject to necessary approvals w.e.f. 1st July, 2010 being the appointed date fixed for this purpose. In terms of the Scheme, UltraTech will issue 4 (Four) equity shares of the face value of Rs.10 each, credited as fully paid up, for every 7 (Seven) equity shares of SCL of the face value of Rs.5 each, to the shareholders of SCL held on the Record Date to be fixed for this purpose.
- 3 The Results for the quarter and nine months ended 31st December, 2009 are not strictly comparable with those of the corresponding periods of the previous year, owing to: (a) sale of the Sponge Iron unit on 22nd May, 2009 and (b) the results of Idea Cellular Ltd. being consolidated as a Joint Venture in the corresponding periods of the previous year, whereas w.e.f. 1st January, 2009, the same is being consolidated as an Associate.

The previous periods' figures on comparable basis (restated for above) will be as under:

| Period ended 31 st December, 2008 | Consolidated | | Standalone | |
|--|--------------|-----------|------------|----------|
| | 3 months | 9 months | 3 months | 9 months |
| Revenue | 4,162.07 | 12,268.91 | 2,397.44 | 7,169.70 |
| Profit Before Interest & Tax (PBIT) | 778.70 | 2,604.04 | 421.77 | 1,633.18 |
| Net Profit before Extraordinary Items (after Minority Share in Consolidated Results) | 432.90 | 1,528.40 | 302.91 | 1,173.77 |

- 4 Previous periods' figures have been regrouped / rearranged wherever necessary to conform to the current periods' classification.
- 5 No investor complaint was pending at the beginning and end of the quarter. Seven complaints received during the quarter have been fully attended by the Company.
- 6 The above Unaudited results for the quarter and nine months ended 31st December, 2009 have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at their meetings held on 22nd January, 2010. The limited review, as required under Clause 41 of the Listing Agreement, has been completed by the auditors of the Company and the related report is being submitted to the concerned Stock Exchanges.

For and on behalf of Board of Directors

Place : Mumbai
Date : 22nd January, 2010

Shailendra K. Jain
Whole-Time Director

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

An Aditya Birla Group Company

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