



Performance Review
Quarter 4 : 2011-12

Grasim Industries Limited
A VSF and Cement Major



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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Highlights – Quarter 4

- Q4 records improved performance sequentially, albeit lower than corresponding quarter
- Consolidated profits for the year were up by 16%
- Consolidated turnover crossed ₹ 25,000 Cr. for the first time (approximately US\$5 billion)
- In Q4, Cement business reported improved performance
 - Recovery in Cement demand since Nov' 2011
 - UltraTech Capacity utilisation increased from 88% to 94% in Q4FY12 (Preceding quarter 83%)
- In VSF business
 - Volumes improved by 11% led by higher exports
 - Despite higher volumes, the turnover was down due to lower realisation
 - In corresponding quarter, realisation in all fibers were at peak led by Cotton shortage
 - Besides low realisation, higher caustic & energy cost also affected margins

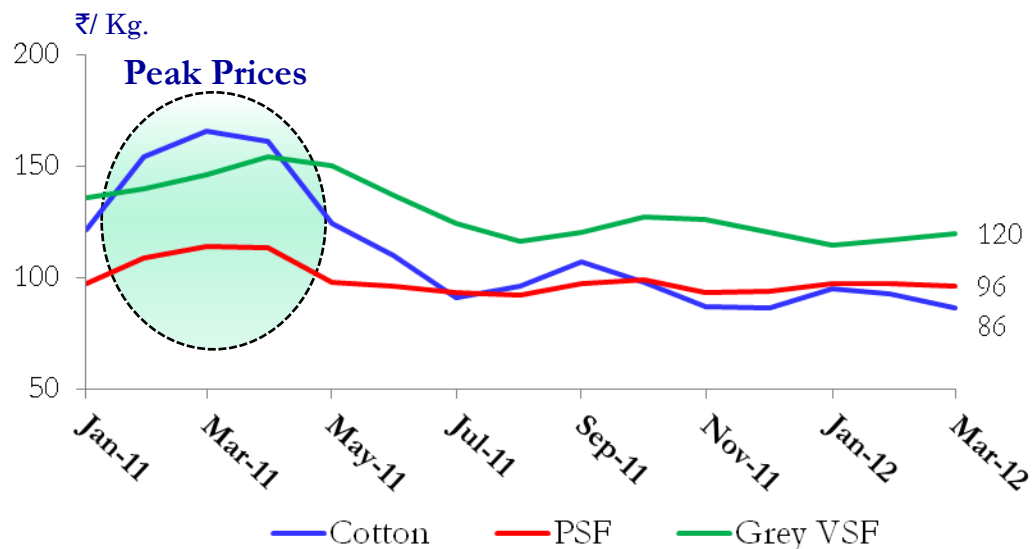
Business Review

- VSF
- Chemical
- Cement Subsidiary

Viscose Staple Fibre : Highlights

| Quarter 3 2011-12 | | Quarter 4 | | % Change (YoY) |
|----------------------|-------------------------|-----------|---------|----------------------|
| | | 2011-12 | 2010-11 | |
| 333,975 | Capacity (TPA) | 333,975 | 333,975 | -- |
| 84,233 | Production (MT) | 83,349 | 82,932 | 1 |
| 78,215 | Sales Volumes (MT) | 94,904 | 85,650 | 11 |
| 1,084.2 | Net Revenue (₹ Cr.) | 1,227.9 | 1,326.0 | (9) |
| 128,499 | Avg. Realisation (₹/MT) | 121,293 | 144,962 | (16) |

Domestic Fibre Prices



Global Industry Scenario

- Globally textile industry continued to be affected by slowdown in Eurozone and China
- VSF prices remained suppressed in global markets
 - Higher Cotton crop
 - New capacity in China

Business performance

- Production maintained with full capacity utilisation
- Sales volume up by 11% helped by higher exports
- Average realisation declined by 16%
 - Peak prices in corresponding quarter due to cotton shortage
 - Lower realisation in international markets

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

| Quarter 3 2011-12 | | Quarter 4 | | % Change (YoY) |
|----------------------|------------------|-----------|---------|----------------------|
| | | 2011-12 | 2010-11 | |
| 277.7 | PBIDT (₹ Cr.) | 232.0 | 513.6 | (55) |
| 25.3% | PBIDT Margin (%) | 18.9% | 38.7% | - |
| 251.5 | PBIT (₹ Cr.) | 205.2 | 486.9 | (58) |
| 44.6% | ROAvCE % | 32.6% | 111.7% | - |

Joint Ventures – Grasim's share :

| | | | | |
|-------|---------------------|-------|-------|------|
| 232.5 | Net Revenue (₹ Cr.) | 211.7 | 239.4 | (12) |
| 25.5 | PBIDT (₹ Cr.) | 15.8 | 51.0 | (69) |

Consolidated Business:

| | | | | |
|-------|----------------|-------|-------|------|
| 306.6 | PBIDT (₹ Cr.)* | 252.2 | 567.3 | (55) |
| 24.4% | PBIDT Margin % | 18.4% | 36.9% | -- |

Domsjo PAT

| | | | | |
|-----|-------------------------|------|----|----|
| 8.5 | Grasim's Pro rata share | 23.0 | -- | -- |
|-----|-------------------------|------|----|----|

● Profitability impacted due to :

- Lower realisation
- Increase in caustic and energy cost
- Inflationary pressure on fixed cost

● Profits of JVs impacted due to higher input cost

● Consolidated PBIDT for VSF lower by 55%

- Falling realisation in pulp JVs
- Subdued performance of Chinese Fiber JV

● At Domsjo, profitability was better despite lower prices than previous quarter

- Higher volumes
- Write back of exchange losses

* Net of inter company eliminations

Viscose Staple Fibre : Outlook

- Positive outlook in medium to long term driven by rising consumption in emerging markets
- In the short run, environment will be challenging
 - Stability in Euro zone and Macro economic policies to influence demand
 - New capacities in China may create pressure on markets
 - Profitability will also be influenced by the prices/availability of competing fiber as well as input costs (including Energy)
- Nagda plant expected to operate uninterrupted during summer with adequate water storage
- Focus continues on specialty fibres and R&D initiatives
 - High quality pulp required for producing specialty fibre assured with Domsjo acquisition
 - Vilayat capacity to produce specialty fibres
- Integration to help in reducing the impact of rising input cost
 - Captive plant for pulp and caustic soda
 - Long term contracts for pulp



Viscose Staple Fibre : Outlook

- Expansions are progressing as per schedule

| | Present capacity (KTPA) | Expanded capacity (KTPA) | Commissioning Target |
|--------------------|-------------------------|--------------------------|----------------------------|
| Vilayat, Gujarat | - | 120 | Q4 FY12-13 |
| Harihar, Karnataka | 51 | 87 | In phases :Q2 & Q4 FY12-13 |
| Domsjo, Sweden | 210 | 255 | Q1 FY12-13 |

- Additional capacity (including specialty fibre from Vilayat) to increase volume from FY 13-14
- Company plans to set up a Greenfield VSF project of 180K TPA in Turkey in Joint Venture with Group companies
 - Necessary land acquired
 - In process of seeking necessary approvals and detailed study

Chemical : Highlights

| Quarter 3 2011-12 | | Quarter 4 | | % Change (YoY) |
|----------------------|------------------------|-----------|---------|----------------------|
| | | 2011-12 | 2010-11 | |
| 258,000 | Caustic Capacity (TPA) | 258,000 | 258,000 | - |
| 68,741 | Production (MT) | 68,298 | 66,183 | 3 |
| 71,232 | Sales Volumes (MT) | 72,839 | 68,253 | 7 |
| 210.0 | Net Revenue (₹ Cr.) | 219.7 | 155.7 | 41 |
| 24,385 | ECU Realisation (₹/MT) | 24,612 | 18,882 | 30 |
| 47.2 | PBIDT (₹ Cr.) | 32.3 | 29.4 | 10 |
| 22.6% | PBIDT Margin (%) | 14.7% | 18.9% | - |
| 38.1 | PBIT (₹ Cr.) | 23.4 | 21.1 | 11 |
| 30.5% | ROAvCE % | 17.4% | 17.9% | - |

Industry Scenario

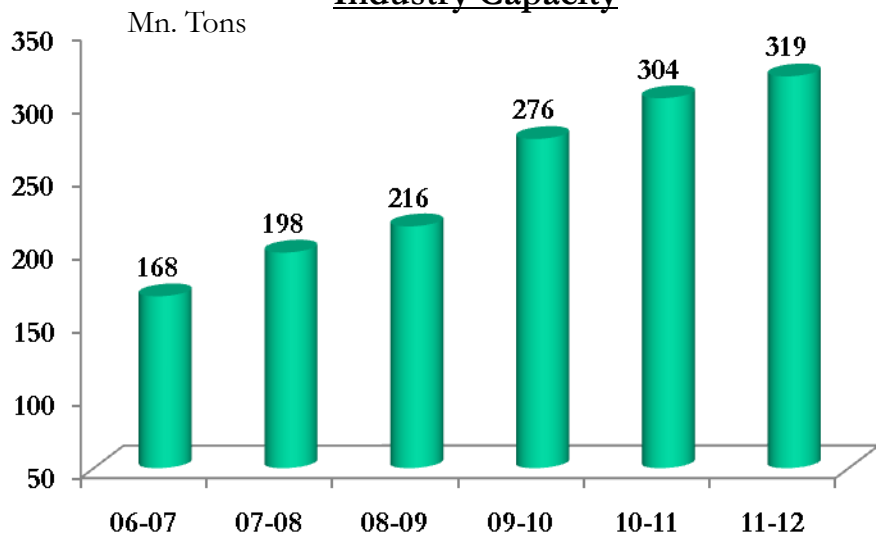
- Caustic prices remained firm
 - Industry utilisation affected due to low chlorine offtake
 - High international prices
- Chlorine prices declined to abnormal levels

Business Performance

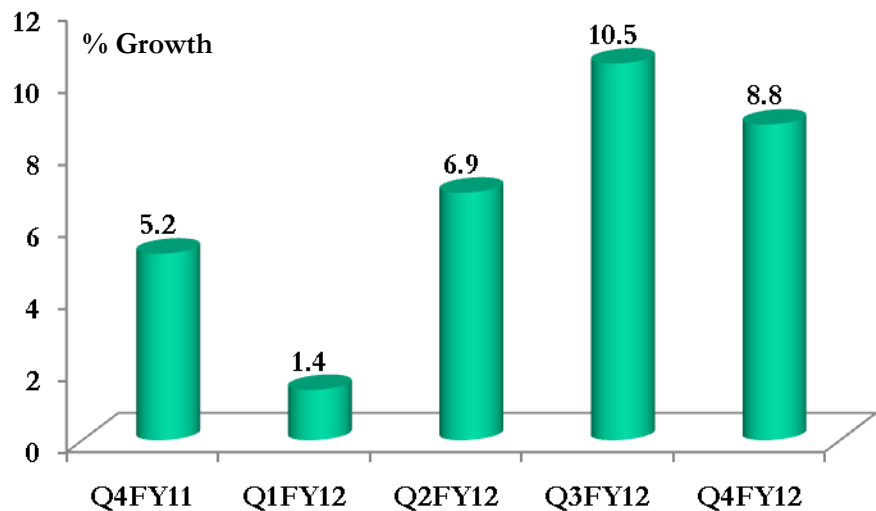
- Sales volume increased by 7%
- ECU realisation up by 30% YoY led by higher caustic prices
- Increase in prices offset by higher cost
 - Increase in energy and salt cost
 - One time remembraning expenses incurred in Q4
- PBIDT up by 10%
- Caustic expansion (182K TPA) at Vilayat progressing as scheduled
(Commissioning target :Q4FY12 -13)

Cement : Industry Scenario

Industry Capacity



Cement Demand Growth Trend (YoY)



Source: Company Estimates

- Sector capacity utilisation improved to 81% in Q4 from 71% in Q3
- Over supply continues to haunt the sector
 - 15 Mn. MT new capacity added during the year, taking cement capacity at ~ 319 Mn. MT
 - Annual capacity utilisation at 73% with demand of 227 Mn. MT
- Recovery in cement demand since Nov' 11
 - Industry grew at ~8.8% in Q4
 - Strong demand from North and West zone
- Cost pressure continues unabated
 - Railway freight increased by 22% in March' 12
 - Increase and restructuring in Excise Duty
 - Higher energy cost
 - Full impact of domestic coal price increase by 30%-150% in March 2011



Cement : Highlights

| Quarter 3 2011-12 | | Quarter 4 | | % Change (YoY) |
|----------------------|-----------------------|-----------|---------|----------------------|
| | | 2011-12 | 2010-11 | |
| | <u>Grey Cement</u> | | | |
| 51.75 | Capacity (Mn. TPA) | 51.75 | 51.75 | - |
| 10.44 | Production (Mn. MT) | 11.84 | 11.07 | 7 |
| | Sales Volumes(Mn. MT) | | | |
| 10.44 | - Cement \$ | 12.06 | 11.09 | 9 |
| 0.38 | - Clinker | 0.32 | 0.43 | (25) |
| | <u>White Cement</u> | | | |
| 1.54 | Production (Lac MT) | 1.54 | 1.51 | 2 |
| 1.50 | Sales Volume \$\$ | 1.63 | 1.47 | 11 |

- Cement production up by 7%
- Total sales volume up by 9%
- Capacity utilisation at 94% v/s 88% in last year
- White cement volumes up by 11%
- Putty sales volumes up by 38%

\$ Includes captive consumption for RMC

\$\$ Includes captive consumption for value added products

Cement : Financials

| Quarter 3 2011-12 | | Quarter 4 | | % Change (YoY) |
|----------------------|---------------------|-----------|---------|----------------------|
| | | 2011-12 | 2010-11 | |
| 4,864.8 | Net Revenue (₹ Cr.) | 5,659.1 | 4,745.7 | 19 |
| 1,124.2 | PBIDT (₹ Cr.) | 1,490.1 | 1,139.9 | 31 |
| 22.9% | PBIDT Margin (%) | 25.7% | 23.8% | - |
| 884.0 | PBIT (₹ Cr.) | 1,241.0 | 893.5 | 39 |
| 16.7% | ROAvCE (%) | 23.3% | 19.2% | - |

- Consolidated Net Revenue surpass US\$ 1Bn., up by 19%
 - Higher volumes
 - Cost pushed Realisations
- Variable cost up by 10% YoY on account of energy cost
- Consolidated PBIDT up by 31% supported by
 - Higher volume
 - Improved margins
 - Higher treasury income
- Star Cement achieved breakeven with cost control measures

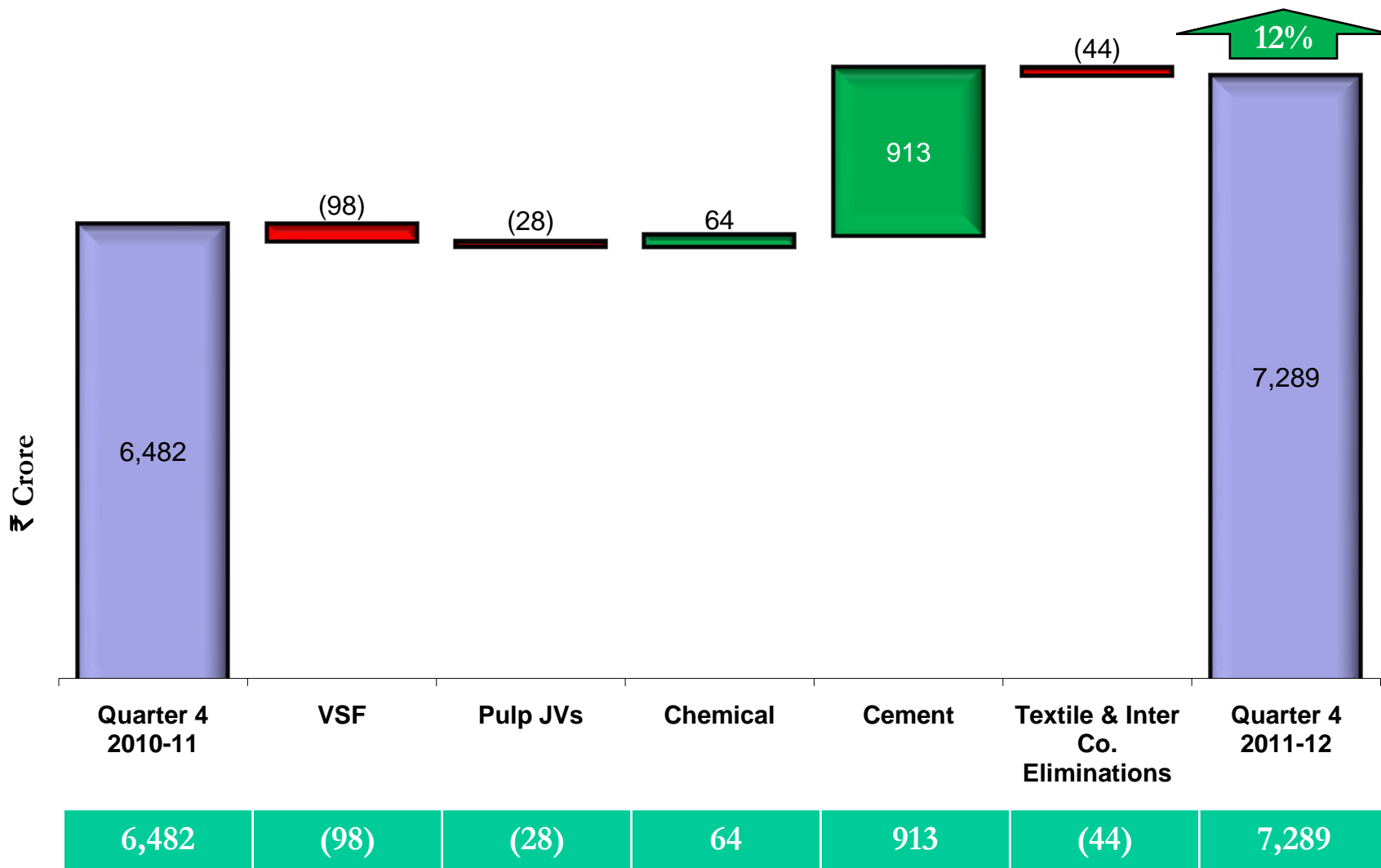
Cement : Outlook

- Industry likely to grow at 8% + per annum
 - Infrastructure, housing development and rural development to be major growth drivers
 - Demand growth should lead to higher volumes and better utilisation of capacity for us
- Surplus supply scenario likely to continue for next 3 years
 - Likely addition of 66 Mn. Tons in capacity by FY15
 - Capacity utilisation will fluctuate, accordingly
- Margins may remain under pressure
 - Volatile prices
 - Rising energy and freight cost
- 10.2 Mn. Ton Brownfield expansion progressing as per schedule
 - Expected to be completed by Q1 FY 13-14
 - ⇒ Volumes to increase from FY 13-14
 - Plans for further growth under consideration

Our Focus - Quality, Volume and Cost Leadership

Financial Performance

Consolidated Revenue



Revenue Chart

₹ Crore

| | | Full Year | | Net Revenue | Quarter -4 | | | |
|---|-----|-----------|---------|---|------------|---------|---|-----|
| | | 2011-12 | 2010-11 | | 2011-12 | 2010-11 | | |
| | | 4,292 | 4,164 | Viscose Staple Fibre | 1,228 | 1,326 | | |
| ↑ | 43% | 777 | 542 | Chemical | 220 | 156 | ↑ | 41% |
| | | 105 | 78 | Others | 25 | 22 | | |
| | | (205) | (144) | Inter Segment Eliminations (Intra Company) | (60) | (45) | | |
| ↑ | 7% | 4,970 | 4,640 | Standalone Net Revenue | 1,412 | 1,458 | | |
| | | | | <u>Subsidiaries</u> | | | | |
| ↑ | 21% | 19,236 | 15,941 | UltraTech Cement * | 5,659 | 4,746 | ↑ | 19% |
| | | 372 | 341 | Grasim Bhiwani Textiles Ltd. | 88 | 83 | | |
| | | | | <u>Joint Ventures (Pro Rata)</u> | | | | |
| | | 890 | 853 | Pulp JVs and Fibre JV | 211 | 239 | | |
| | | (223) | (225) | Inter Company Eliminations (On Consolidation) | (81) | (44) | | |
| ↑ | 20% | 20,275 | 16,910 | Total Subsidiaries & Grasim's Share in JVs | 5,877 | 5,024 | ↑ | 17% |
| ↑ | 17% | 25,244 | 21,550 | Consolidated Net Revenue | 7,289 | 6,482 | ↑ | 12% |

* Samruddhi Cement merged with UltraTech w.e.f. 1st July' 10 included in corresponding nine months, for better comparison, throughout the presentation

Financial Performance – Consolidated

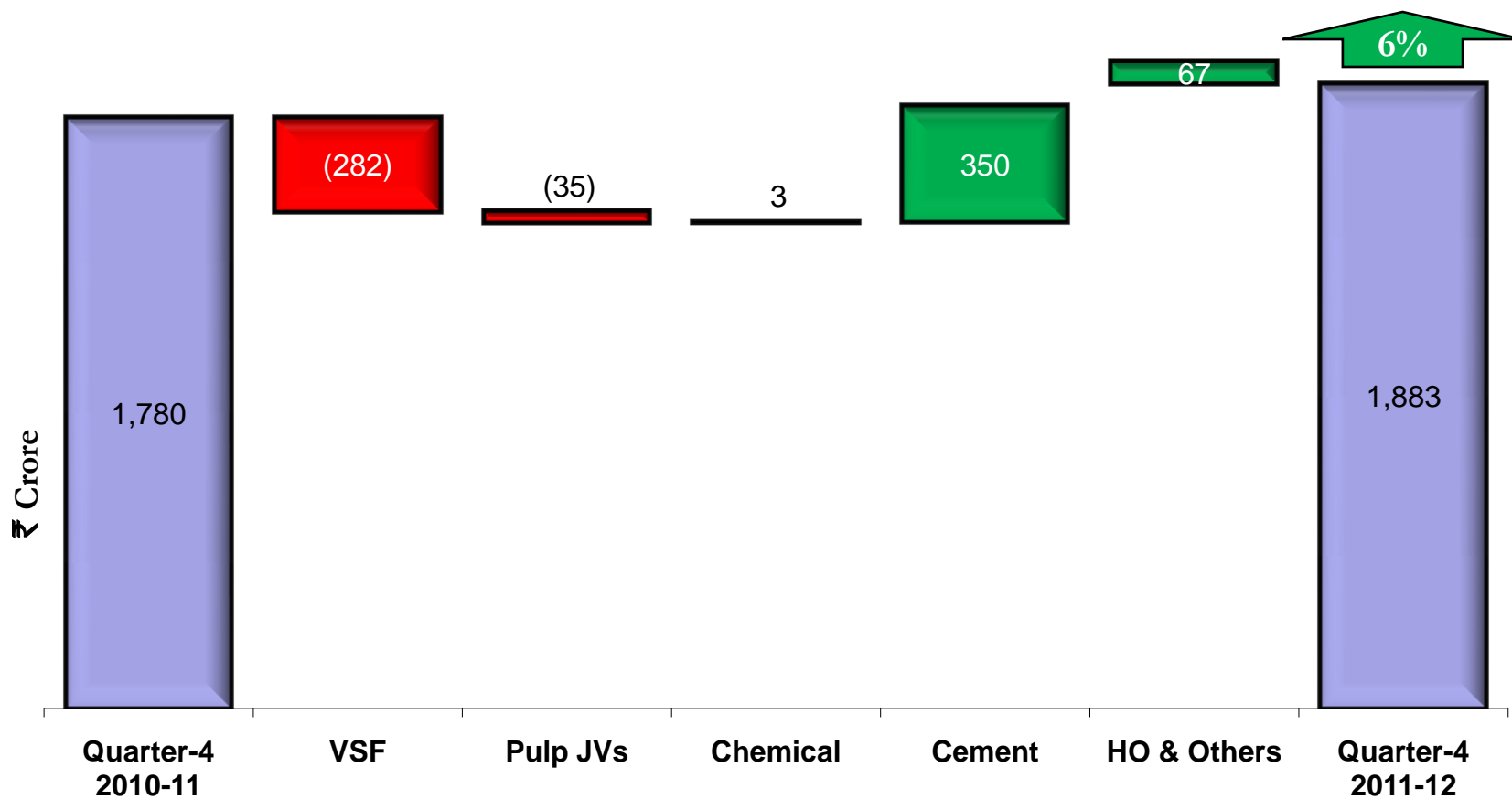
| (<i>₹ Crore</i>) | 2011-12 | | 2010-11 | % Change | | Full Year 2011-12 | Full Year 2010-11 | % Change | |
|-------------------------------|-----------|-----------|-----------|----------|------|----------------------|----------------------|----------|------|
| | Quarter 4 | Quarter 3 | Quarter 4 | YoY | | | | | |
| Revenue | 7,289 | 6,292 | 6,482 | ↑ | 12 | 25,244 | 21,550 | ↑ | 17 |
| Operating Costs | 5,680 | 4,967 | 4,826 | ↑ | 18 | 19,669 | 16,555 | ↑ | 19 |
| PBIDT | 1,883 | 1,554 | 1,780 | ↑ | 6 | 6,320 | 5,395 | ↑ | 17 |
| Interest | 80 | 50 | 109 | ↓ | (27) | 314 | 407 | ↓ | (23) |
| Depreciation | 300 | 289 | 299 | ↔ | - | 1,154 | 1,138 | ↔ | - |
| PBT | 1,503 | 1,215 | 1,371 | ↑ | 10 | 4,852 | 3,849 | ↑ | 26 |
| Total Tax Expenses | 381 | 330 | 223 | ↑ | 71 | 1,321 | 954 | ↑ | 38 |
| Minority Interest | 348 | 235 | 282 | ↑ | 23 | 947 | 660 | ↑ | 44 |
| PAT (after Minority Share) | 809 | 669 | 879 | ↓ | (8) | 2,647 | 2,279 | ↑ | 16 |
| EPS (₹) | 88.10 | 72.9 | 95.8 | ↓ | (8) | 288.4 | 248.4 | ↑ | 16 |

PAT for the year up by 16%

Financial Performance – Standalone

| (₹ Crore) | 2011-12 | | 2010-11 | % Change | | Full Year 2011-12 | Full Year 2010-11 | % Change | |
|--------------------|-----------|-----------|-----------|----------|------|----------------------|----------------------|----------|------|
| | Quarter 4 | Quarter 3 | Quarter 4 | YoY | | | | | |
| Revenue | 1,412 | 1,266 | 1,458 | ↔ | | 4,970 | 4,640 | ↑ | 7 |
| Operating Costs | 1,172 | 957 | 961 | ↑ | 22 | 3,711 | 3,121 | ↑ | 19 |
| PBIDT | 367 | 395 | 582 | ↓ | (37) | 1,722 | 1,817 | ↓ | (5) |
| Interest | 7 | 7 | 13 | ↓ | (45) | 36 | 46 | ↓ | (22) |
| Depreciation | 37 | 37 | 42 | ↓ | (13) | 144 | 176 | ↓ | (18) |
| PBT | 323 | 351 | 527 | ↓ | (39) | 1,542 | 1,595 | ↓ | (3) |
| Total Tax Expenses | 79 | 76 | 131 | ↓ | (40) | 365 | 413 | ↓ | (12) |
| PAT | 244 | 274 | 396 | ↓ | (38) | 1,177 | 1,182 | ↔ | |
| EPS (₹) | 26.5 | 29.9 | 43.1 | ↓ | (38) | 128.2 | 128.8 | ↔ | |

Consolidated PBIDT



| | | | | | | |
|-------|-------|------|---|-----|----|-------|
| 1,780 | (282) | (35) | 3 | 350 | 67 | 1,883 |
|-------|-------|------|---|-----|----|-------|

Improved performance from Cement business

PBIDT – Chart

₹ Crore

| Full Year | | PBIDT | Quarter -4 | | | |
|-----------|---------|-------|---|---------|-------|-------|
| 2011-12 | 2010-11 | | 2011-12 | 2010-11 | | |
| | 1,167 | 1,479 | Viscose Staple Fibre | 232 | 514 | |
| ↑ 29% | 161 | 124 | Chemical | 32 | 29 | ↑ 10% |
| | 394 | 213 | Others | 103 | 39 | |
| | 1,722 | 1,817 | Standalone PBIDT | 367 | 582 | |
| | | | <u>Subsidiaries</u> | | | |
| ↑ 31% | 4,565 | 3,481 | UltraTech Cement Ltd. | 1,490 | 1,140 | ↑ 31% |
| | 26 | 20 | Grasim Bhiwani Textiles Ltd. | 5 | 4 | |
| | 3 | 2 | Others | 2 | 0.3 | |
| | | | <u>Joint Ventures (Pro Rata)</u> | | | |
| | 99 | 161 | Pulp JVs (45%) and Fibre JV (31%) | 16 | 51 | |
| | (92) | (86) | Inter Company Eliminations (On Consolidation) | 3 | 2 | |
| ↑ 29% | 4,598 | 3,578 | Total Subsidiaries & Grasim's Share in JVs | 1,516 | 1,197 | ↑ 27% |
| ↑ 17% | 6,320 | 5,395 | Consolidated PBIDT | 1,883 | 1,780 | ↑ 6% |

Balance Sheet : Grasim

Standalone

Consolidated ₹ Crore

| As on 31.03.12 | As on 31.03.11 | EQUITY & LIABILITIES | As on 31.03.12 | As on 31.03.11 |
|-------------------|-------------------|--|-------------------|-------------------|
| | | SHAREHOLDERS' FUNDS | | |
| 91.7 | 91.7 | Share Capital | 91.7 | 91.7 |
| - | - | Other Share Capital | 41.9 | 37.7 |
| 9,007.7 | 8,042.0 | Reserves & Surplus | 16,935.0 | 14,443.9 |
| | - | Minority Interest | 5,233.4 | 4,351.4 |
| 9,099.4 | 8,133.7 | | 22,302.0 | 18,924.7 |
| | | NON CURRENT LIABILITIES | | |
| 567.3 | 487.8 | Long Term Borrowings | 5,700.9 | 4,114.8 |
| 239.2 | 229.8 | Deferred Tax Liability (Net) | 1,979.0 | 1,961.6 |
| 51.2 | 50.5 | Long Term Liabilities & Provisions | 190.0 | 166.0 |
| 857.7 | 768.2 | | 7,869.9 | 6,242.4 |
| | | CURRENT LIABILITIES | | |
| 63.0 | 61.9 | Short Term Borrowings | 850.5 | 836.3 |
| 89.4 | 264.0 | Current Maturities of Long Term Borrowings | 484.5 | 1,831.7 |
| 926.6 | 778.8 | Current Liabilities & Provisions | 5,027.6 | 4,186.2 |
| 1,078.9 | 1,104.7 | | 6,362.5 | 6,854.2 |
| 11,036.1 | 10,006.6 | SOURCES OF FUNDS | 36,534.4 | 32,021.3 |
| 719.7 | 813.8 | Total Borrowings | 7,035.8 | 6,782.7 |

12%

17%

12%

4%

Balance Sheet : Grasim

Standalone

Consolidated ₹ Crore

| As on 31.03.12 | As on 31.03.11 | ASSETS | As on 31.03.12 | As on 31.03.11 |
|-------------------|-------------------|---------------------------------|-------------------|-------------------|
| | | NON-CURRENT ASSETS | | |
| 1,548.5 | 1,541.8 | Net Fixed Assets | 15,052.7 | 14,431.6 |
| 965.1 | 100.9 | Capital WIP & Advances | 4,258.9 | 1,357.8 |
| 2,513.7 | 1,642.7 | | 19,311.6 | 15,789.4 |
| | - | Goodwill on Consolidation | 2,496.4 | 2,419.1 |
| | | <u>Non- Current Investments</u> | | |
| 2,636.3 | 2,636.3 | Cement Subsidiary | - | - |
| 453.2 | 0.6 | Liquid Investments (MF/Bonds) | 1,339.7 | 25.7 |
| 1,385.0 | 1,031.9 | Other Investments | 1,514.0 | 1,174.4 |
| 116.7 | 98.6 | Long Term Loans & Advances* | 268.7 | 202.0 |
| 7,104.8 | 5,410.0 | | 24,930.5 | 19,610.5 |
| | | CURRENT ASSETS | | |
| 2,355.3 | 3,241.5 | Current Investments (MF/Bonds) | 5,022.1 | 6,733.2 |
| 1,576.0 | 1,355.1 | Other Current Assets | 6,581.9 | 5,677.6 |
| 3,931.3 | 4,596.6 | | 11,603.9 | 12,410.8 |
| 11,036.1 | 10,006.6 | APPLICATION OF FUNDS | 36,534.4 | 32,021.3 |
| 2,808.5 | 3,242.1 | Total Liquid Funds | 6,361.8 | 6,758.9 |
| 2,088.8 | 2,428.4 | Liquid Funds (Net of Debt) | (674.0) | (23.9) |

53%

22%

* Excluding Capital Advances, included in CWIP.

| (₹ Crore) | Standalone | | Consolidated | |
|-----------------------------|----------------------|----------------------|----------------------|----------------------|
| | Full Year 2011-12 | Full Year 2010-11 | Full Year 2011-12 | Full Year 2010-11 |
| Net Worth | 9,099 | 8,134 | 17,069 | 14,573 |
| Debt | 720 | 814 | 7,036 | 6,783 |
| Net Debt (Net of liquidity) | (2,089) | (2,428) | 674 | 24 |
| Capital Employed | 10,058 | 9,177 | 31,317 | 27,669 |
| Debt:Equity (x) | 0.08 | 0.10 | 0.32 | 0.36 |
| Interest Cover | 36.8 | 30.2 | 13.5 | 10.6 |
| Book Value (₹) | 992 | 887 | 1,861 | 1,589 |
| ROAvCE (%) (PBIT basis) | - | - | 17.5 | 16.5 |
| RONW (%) | - | - | 16.8 | 16.8 |

- Strong Financials
- Healthy ROAvCE of 17.5%
- Strong funding capabilities to support Company's future growth plans
- Company has very low debt equity
 - Net debt at consolidated level is very low at ₹ 7Bn. against net worth of ₹ 171 Bn.

Capex

Capex plan

₹ Crore

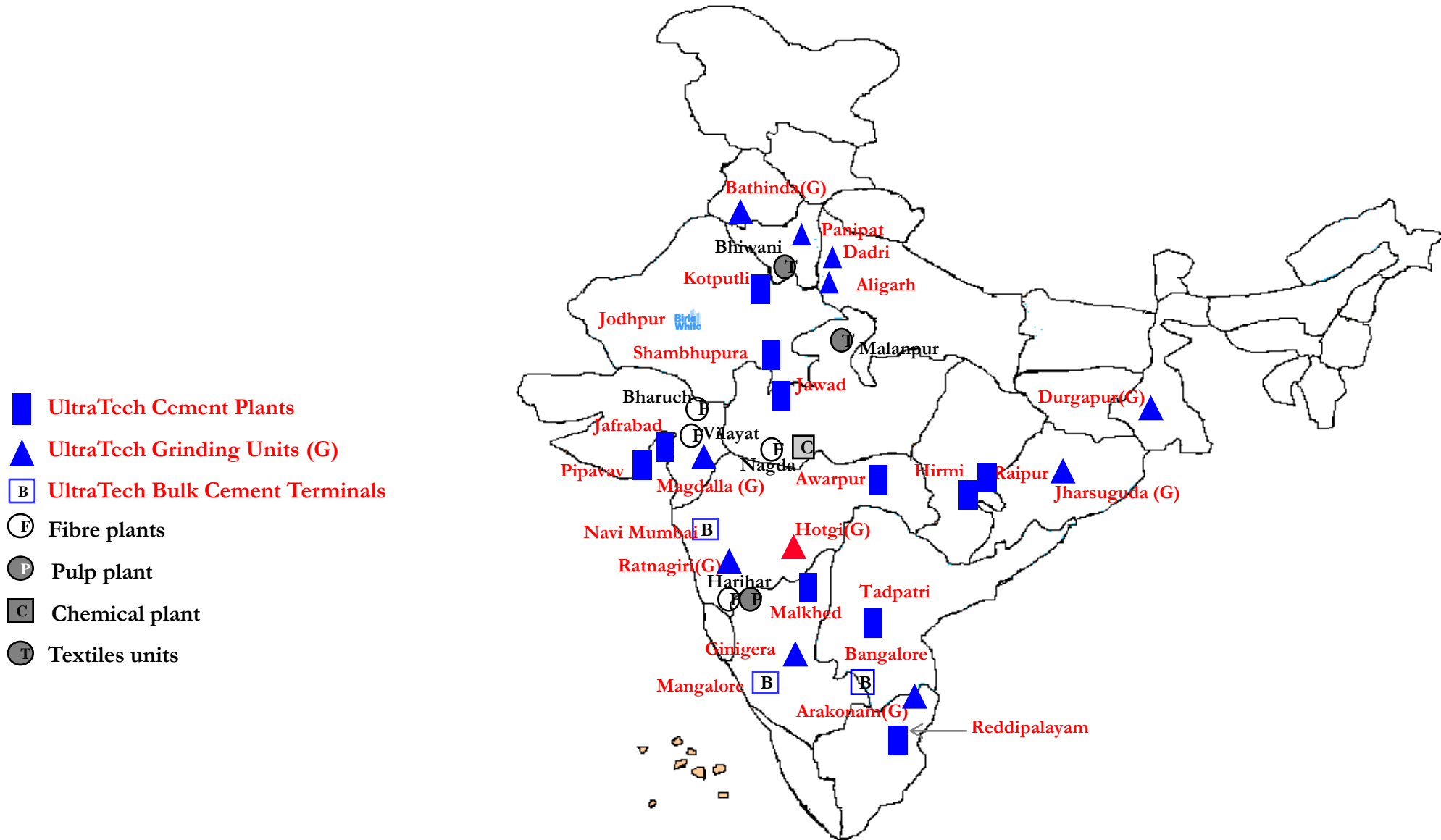
| | Capex under Implemen- tation | Opening Work in Progress | Cash Outflow | | Capex spent during FY12 |
|---|---------------------------------|--------------------------------|--------------|--------------|----------------------------------|
| | | | FY13 | FY14 | |
| <u>VSF Business</u> | | | | | |
| - Expansion Projects: Vilayat (120K TPA), Harihar (36K TPA) | 2,257 | | | | |
| - Other Capex | 491 | | | | |
| Chemical Business – Vilayat (182K TPA) | 807 | | | | |
| Balance Capex (Including normal capex for chemical) | 189 | | | | |
| Standalone Capex (A) | 3,744 | 961 | 2,704 | 79 | 1,022 |
| <u>Cement Subsidiaries</u> | | | | | |
| - Capacity expansion – 4.8 Mn TPA at Raipur, Chhattisgarh 4.4 Mn. TPA at Malkhed, Karnataka | 5,469 | | | | |
| - Material Evacuation and Logistic Infrastructure (Incl. 1 Mn. TPA Grinding expansion at Pipavav, Gujarat) | 883 | | | | |
| - Thermal Power Plant (50 MW) & Waste Heat Recovery System (45 MW) | 680 | | | | |
| - RMC Business | 247 | | | | |
| - Modernisation, Upgradation and others | 3,105 | | | | |
| Cement Business Capex (B) | 10,384 | 3,221 | 5,186 | 1,977 | 3,232 |
| Capex (A + B) | 14,128 | 4,182 | 7,890 | 2,056 | 4,254 |

Summary

Summary

- Cement business performed well helped by improved demand
- VSF business, however, was impacted due to difficult global conditions
- Leadership position and cost competitiveness in both the businesses will be further strengthened on ongoing basis
- Capacity expansions under implementation in both businesses to consolidate leadership
 - Cement capacity to increase by 20% to 62 Mn. MTPA by Q1FY14; further plans on the anvil
 - VSF capacity to increase by ~50% to 490K TPA by end FY13 with additional focus on specialty fibres; Further Global plans are on the anvil
 - Caustic capacity to increase by 70% from 258K TPA to 441K TPA by end FY13
 - Pulp capacity at Domsjo to increase by 20% from 210K TPA to 255K TPA by Q1 FY13

Plant Locations– Grasim & its subsidiaries



ADITYA BIRLA



Thank You



Grasim Industries Limited

Annexure



Annexure

- Consolidated Financial Performance
- Standalone Financial Performance
- Consolidated and Standalone Profitability
- Businesswise Performance
- VSF Summary
- Chemical Summary
- Cement Summary

Consolidated Financial Performance

(₹ Crore)

| | Quarter - 4 | | | Full Year | | |
|-------------------------------------|-------------|---------|----------|-----------|----------|----------|
| | 2011-12 | 2010-11 | % Change | 2011-12 | 2010-11 | % Change |
| Net Sales & Op. Income | 7,289.2 | 6,482.3 | 12 | 25,244.3 | 21,550.2 | 17 |
| Other Income | 273.4 | 123.5 | 121 | 745.4 | 399.1 | 87 |
| PBIDT | 1,882.9 | 1,779.7 | 6 | 6,320.3 | 5,394.5 | 17 |
| Finance Cost | 79.9 | 109.1 | (27) | 313.6 | 406.8 | (23) |
| Gross Profit | 1,803.0 | 1,670.6 | 8 | 6,006.6 | 4,987.8 | 20 |
| Depreciation | 300.5 | 299.3 | -- | 1,154.4 | 1,138.4 | 1 |
| PBT | 1,502.5 | 1,371.3 | 10 | 4,852.2 | 3,849.4 | 26 |
| Total Tax | 380.7 | 223.3 | 71 | 1,320.8 | 954.2 | 38 |
| Share in Profit of Associates | 34.5 | 12.4 | 178 | 63.2 | 43.8 | 44 |
| PAT (Before Minority Share) | 1,156.3 | 1,160.5 | -- | 3,594.6 | 2,939.0 | 22 |
| Minority Share | 347.6 | 281.6 | 23 | 947.1 | 660.0 | 44 |
| PAT (After Minority Share) | 808.8 | 878.8 | (8) | 2,647.5 | 2,279.0 | 16 |
| Diluted Earning Per Share (₹) | 88.10 | 95.77 | (8) | 288.40 | 248.35 | 16 |
| Cash Profit (Before Minority Share) | 1,450.9 | 1,414.7 | 3 | 4,766.7 | 4,062.2 | 17 |

Standalone Financial Performance

(₹ Crore)

| | Quarter - 4 | | | Full Year | | |
|-------------------------------|-------------|---------|----------|-----------|---------|----------|
| | 2011-12 | 2010-11 | % Change | 2011-12 | 2010-11 | % Change |
| Net Sales & Op. Income | 1,412.2 | 1,458.4 | (3) | 4,969.7 | 4,640.1 | 7 |
| Other Income | 126.5 | 85.1 | 49 | 463.5 | 297.8 | 56 |
| PBIDT | 367.1 | 582.4 | (37) | 1,721.8 | 1,816.8 | (5) |
| Finance Cost | 7.4 | 13.3 | (45) | 35.8 | 45.8 | (22) |
| Gross Profit | 359.7 | 569.1 | (37) | 1,686.0 | 1,771.0 | (5) |
| Depreciation | 36.9 | 42.3 | (13) | 144.2 | 176.3 | (18) |
| PBT | 322.8 | 526.8 | (39) | 1,541.8 | 1,594.7 | (3) |
| Tax Expense | 79.2 | 131.3 | (40) | 364.8 | 413.0 | (12) |
| PAT | 243.6 | 395.5 | (38) | 1,177.0 | 1,181.7 | -- |
| Diluted Earning Per Share (₹) | 26.53 | 43.13 | (38) | 128.22 | 128.77 | -- |
| Cash Profit | 277.1 | 427.0 | (35) | 1,330.6 | 1,335.7 | -- |

Profitability Snapshot

| (₹ Crore) | Standalone | | | | Consolidated | | | |
|------------------------------|---------------|-----------------|-----------------|-----------------|---------------|---------------|---------------|---------------|
| | FY 2008-09 | FY 2009-10 * | FY 2010-11 * | FY 2011-12 * | FY 2008-09 | FY 2009-10 | FY 2010-11 | FY 2011-12 |
| Gross Turnover | 12,097 | 8,842 | 4,917 | 5,257 | 20,325 | 21,711 | 23,620 | 27,642 |
| Net Turnover & Op. Income | 10,965 | 8,313 | 4,640 | 4,970 | 18,496 | 20,195 | 21,550 | 25,244 |
| PBIDT | 2,844 | 2,972 | 1,817 | 1,722 | 4,779 | 6,322 | 5,395 | 6,320 |
| PBIDT Margin (%) | 25.4 | 34.8 | 36.8 | 31.7 | 25.5 | 30.9 | 24.6 | 24.3 |
| Finance Cost | 140 | 120 | 46 | 36 | 307 | 335 | 407 | 314 |
| PBDT | 2,705 | 2,852 | 1,771 | 1,686 | 4,472 | 5,988 | 4,988 | 6,007 |
| Tax Expenses | 600 | 745 | 413 | 365 | 991 | 1,570 | 954 | 1,321 |
| PAT # (After Minority Share) | 1,648 | 1,756 | 1,182 | 1,177 | 2,187 | 2,759 | 2,279 | 2,647 |
| EPS (₹) # | 179.7 | 191.4 | 128.8 | 128.2 | 238.5 | 300.8 | 248.4 | 288.4 |
| DPS (₹) | 30.0 | 30.0 | 20.0 | -- | -- | -- | -- | -- |
| ROAvCE (PBIT Basis)(%) | | | | | 20.7 | 23.9 | 16.5 | 17.5 |
| RONW (%) # | | | | | 21.1 | 22.9 | 16.8 | 16.6 |
| Interest Cover (x) | 11.8 | 15.5 | 30.2 | 36.8 | 10.7 | 13.9 | 10.6 | 13.5 |

before exceptional / extraordinary gain

* After demerger of cement business w.e.f. 01.10.2009

Consolidated Businesswise Performance – Quarter 4

(₹ Crore)

| Business | Revenue | | PBIDT | | PBIDT Margin (%) | | PBIT | | Capital Employed | | ROAvCE (%) (PBIT basis) | |
|---|--------------|--------------|--------------|--------------|------------------|-------------|--------------|--------------|------------------|---------------|-------------------------|-------------|
| | 2011-12 | 2010-11 | 2011-12 | 2010-11 | 2011-12 | 2010-11 | 2011-12 | 2010-11 | 2011-12 | 2010-11 | 2011-12 | 2010-11 |
| Cement * | 5,659 | 4,746 | 1,490 | 1,140 | 25.7 | 23.8 | 1,241 | 893 | 22,638 | 20,057 | 23.3 | 19.2 |
| VSF | 1,369 | 1,530 | 252 | 567 | 18.4 | 36.9 | 213 | 532 | 3,723 | 2,634 | 24.1 | 84.0 |
| Chemical | 220 | 156 | 32 | 29 | 14.7 | 18.9 | 23 | 21 | 559 | 428 | 17.4 | 17.9 |
| Textiles | 118 | 104 | 8 | 7 | 7.1 | 6.6 | 7 | 5 | 229 | 206 | 11.8 | 9.5 |
| Company as a whole (Net of Eliminations) | 7,289 | 6,482 | 1,883 | 1,780 | 24.9 | 26.9 | 1,582 | 1,480 | 31,535 | 27,669 | 20.3 | 21.8 |

* As UltraTech has only Cement segment, temporary surplus in the business is considered as part of the business

Consolidated Businesswise Performance – Full Year

(₹ Crore)

| Business | Revenue | | PBIDT | | PBIDT Margin (%) | | PBIT | | Capital Employed | | ROA _v CE (%) (PBIT basis) | |
|---|---------------|---------------|--------------|--------------|------------------|-------------|--------------|--------------|------------------|---------------|--------------------------------------|-------------|
| | 2011-12 | 2010-11 | 2011-12 | 2010-11 | 2011-12 | 2010-11 | 2011-12 | 2010-11 | 2011-12 | 2010-11 | 2011-12 | 2010-11 |
| Cement * | 19,236 | 15,941 | 4,565 | 3,481 | 23.3 | 21.6 | 3,602 | 2,557 | 22,638 | 20,057 | 16.9 | 13.7 |
| VSF | 5,007 | 4,824 | 1,275 | 1,628 | 25.3 | 33.6 | 1,131 | 1,492 | 3,723 | 2,634 | 35.6 | 59.1 |
| Chemical | 777 | 542 | 161 | 124 | 20.6 | 22.9 | 126 | 90 | 559 | 428 | 25.5 | 21.6 |
| Textiles | 483 | 419 | 38 | 26 | 7.9 | 6.3 | 28 | 19 | 229 | 206 | 12.7 | 9.4 |
| Company as a whole (Net of Eliminations) | 25,244 | 21,550 | 6,320 | 5,395 | 24.3 | 24.6 | 5,166 | 4,256 | 31,535 | 27,669 | 17.5 | 16.5 |

* As UltraTech has only Cement segment, temporary surplus in the business is considered as part of the business

Viscose Staple Fibre : Summary

| | | Quarter -4 | | | Full Year | | |
|---------------------|-------|------------|----------|-------------|-----------|----------|-------------|
| | | 2011-12 | 2010-11 | % Change | 2011-12 | 2010-11 | % Change |
| Capacity | TPA | 3,33,975 | 3,33,975 | - | 3,33,975 | 3,33,975 | - |
| Production | MT | 83,439 | 82,932 | 1 | 3,21,085 | 3,05,087 | 5 |
| Sales Volumes | MT | 94,904 | 85,650 | 11 | 3,06,917 | 3,05,072 | 1 |
| Net Revenue | ₹ Cr. | 1,227.9 | 1,326.02 | (7) | 4,292.4 | 4,163.9 | 3 |
| Avg. Realisation | ₹/MT | 1,21,293 | 1,44,962 | (16) | 1,29,563 | 1,26,614 | 2 |
| PBIDT | ₹ Cr. | 232.0 | 513.6 | (55) | 1,167.3 | 1,479.4 | (21) |
| PBIDT Margin | % | 18.9% | 38.7% | - | 27.0% | 35.3% | - |
| PBIT | ₹ Cr. | 205.2 | 486.9 | (58) | 1,062.8 | 1,373.0 | (23) |
| Capital Employed | ₹ Cr. | 2,705.3 | 1,800.2 | 50 | 2,705.3 | 1,800.2 | 50 |
| ROAvCE (PBIT Basis) | % | 32.6% | 111.7% | - | 47.2% | 77.5% | - |



Chemical : Summary

| | | Quarter -4 | | % | Full Year | | % |
|---------------------|-------|------------|----------|--------|-----------|----------|--------|
| | | 2011-12 | 2010-11 | Change | 2011-12 | 2010-11 | Change |
| Capacity | TPA | 2,58,000 | 2,58,000 | - | 2,58,000 | 2,58,000 | - |
| Production | MT | 68,298 | 66,183 | 3 | 2,60,326 | 2,42,037 | 8 |
| Sales Volumes | MT | 72,839 | 68,253 | 7 | 2,65,816 | 2,41,365 | 10 |
| Net Revenue | ₹ Cr. | 219.7 | 155.7 | 41 | 776.8 | 542.3 | 43 |
| Avg. Realisation | ₹/MT | 24,612 | 18,882 | 30 | 24,030 | 18,720 | 28 |
| PBIDT | ₹ Cr. | 32.3 | 29.4 | 10 | 160.8 | 124.3 | 29 |
| PBIDT Margin | % | 14.7% | 18.9% | -- | 20.6% | 22.9% | -- |
| PBIT | ₹ Cr. | 23.4 | 21.1 | 11 | 125.7 | 90.4 | 39 |
| Capital Employed | ₹ Cr. | 558.8 | 428.4 | 30 | 558.8 | 428.4 | 30 |
| ROAvCE (PBIT Basis) | % | 17.4% | 17.9% | -- | 25.5% | 21.6% | -- |

Cement : Summary

| Quarter 3 | | | Quarter -4 | | % | Full Year | | % |
|---------------------|-------------------------|---------|------------|---------|--------|-----------|----------|--------|
| 2011-12 | | | 2011-12 | 2010-11 | Change | 2011-12 | 2010-11 | Change |
| <u>Grey Cement</u> | | | | | | | | |
| 51.75 | Capacity | Mn. TPA | 51.75 | 51.75 | - | 51.75 | 51.75 | - |
| 10.44 | Production | Mn. MT | 11.84 | 11.07 | 7 | 42.11 | 39.67 | 6 |
| 10.44 | Cement Sales Volumes \$ | Mn. MT | 12.06 | 11.09 | 9 | 42.60 | 39.96 | 7 |
| 0.38 | Clinker Sales Volumes | Mn. MT | 0.32 | 0.43 | (25) | 1.36 | 1.60 | (15) |
| <u>White Cement</u> | | | | | | | | |
| 1.54 | Production | Lac MT | 1.54 | 1.51 | 2 | 5.53 | 5.41 | 2 |
| 1.50 | Sales Volumes \$\$ | Lac MT | 1.63 | 1.47 | 11 | 5.55 | 5.47 | 2 |
| 4,864.8 | Net Revenue | ₹ Cr. | 5,659.1 | 4,745.9 | 19 | 19,235.7 | 15,940.8 | 21 |
| 1,124.2 | PBIDT | ₹ Cr. | 1,490.1 | 1,139.9 | 31 | 4,564.7 | 3,481.6 | 31 |
| 22.9% | PBIDT Margin | % | 25.7% | 23.8% | - | 23.3% | 21.6% | - |
| 884.0 | PBIT | ₹ Cr. | 1,241.0 | 893.5 | 39 | 3,601.8 | 2,557.0 | 41 |
| 16.7% | ROAvCE | % | 23.3% | 19.2% | - | 16.9% | 13.7% | - |

\$ Includes captive consumption for RMC

\$\$ Includes captive consumption for value added products



GRASIM REPORTS IMPROVED PERFORMANCE FOR FY12

- **Consolidated Net Revenue crossed ₹ 25,000 Cr. Mark (up 17% at ₹ 25,244 Cr.)**
- **Consolidated Net Profit : ₹ 2,647 Cr. up 16%**

- **Capacity addition planned by FY14**
 - VSF : 156K TPA (Up 50%)
 - Cement : 10.2 Mn. TPA (Up 20%)

Consolidated Financial Performance:

Grasim Industries Limited, an Aditya Birla Group Company, today announced its results for the full year and 4th quarter ended 31st March 2012.

The Company has reported higher revenue and net profit for the year. Revenue was higher by 17% at ₹ 25,244 crore (₹ 21,550 crore). PBIDT for the year was at ₹ 6,320 crore as against ₹ 5,395 crore in the previous year, reflecting a growth of 17%.

Net Profit increased by 16% from ₹ 2,279 crore to ₹ 2,647 crore.

During the 4th quarter, Revenue rose by 12% at ₹ 7,289 crore (₹ 6,482 crore). PBIDT grew by 6% from ₹ 1,780 crore to ₹ 1,883 crore.

Net profit for the quarter improved from ₹ 669 crore in the last quarter to ₹ 809 crore in this quarter. However, the same was lower as compared to the corresponding quarter when prices of VSF and other competing fibres were at their peak.

Dividend

The Board of Directors of Grasim has recommended a dividend of ₹ 22.50 per share (₹ 20 per share in FY 2010-11). The total outflow on account of the dividend would be ₹ 218 crore (Including corporate tax on dividend).

Viscose Staple Fibre (VSF)

Sales Volumes for the quarter at 94,904 tons, increased by 11% led by higher exports. This was despite slowdown in the Eurozone which impacted textile demand and addition of new capacities in China. Average realisations for the 4th quarter were lower by 16% on YoY basis as prices were at their peak, in line with competing fibres' prices in the corresponding quarter of last year. Lower realisations coupled with increase in the prices of caustic soda and coal, resulted in lower profitability. The impact of rising caustic prices was offset by higher profitability of Chemical business.

Cement Subsidiary (UltraTech Cement)

UltraTech reported improved performance for the quarter led by volume growth post Nov.'11. It's Revenue at ₹ 5,659 crore was up by 19% and PAT at ₹ 872 crore was up by 22%. Cement Sales volume for the quarter at 12.06 Mn. tons was higher by 9%.

Variable cost was higher by 10%, mainly on account of increase in energy cost. This is attributable to 30% -150% rise in the price of domestic coal during Q4 FY10 -11. Logistics cost also rose due to increase in the railway freight.

Chemical Business

The Chemical business delivered another quarter of good performance. Caustic prices remained firm as industry capacity utilization was affected due to the low chlorine offtake. Sales volumes for the quarter rose by 7% to 72,839 tons.

Stand-alone Financial Performance

The Stand-alone performance for the year was maintained despite the VSF business constrained performance owing to market condition.

(₹ crore)

| | Year ended | | |
|--------------------|--------------|--------------|-----------|
| | 31.03.12 | 31.03.11 | % Change |
| Net Revenue | 4,970 | 4,640 | 7 |
| Net Profit | 1,177 | 1,182 | -- |

VSF & Chemical Capex

The VSF (120,000 TPA) and Chemical (182,500 TPA) greenfield projects at Vilayat, Gujarat and brownfield expansion (36,500 TPA) of VSF at Harihar, Karnataka are progressing in line with the schedule. The Vilayat Project is slated for commissioning towards the end of the current financial year. The Harihar project is expected to be commissioned in two phases during the current year.

Cement Capex

The Chhattisgarh and Karnataka brownfield expansion projects together with the grinding units and bulk packaging terminals are on track and are expected to be operational by Q1 FY13-14. Consequently, UltraTech's cement capacity will be enhanced by 10.2 Mn. TPA at 62 Mn. TPA.

Outlook

In VSF, stability in Euro Zone and macro-economic policies will influence demand. In Cement, despite 8% projected growth in demand, the surplus scenario is likely to continue for 3 years. In the present context, rising energy costs pose a challenge to both the businesses.

Capacity expansions under implementation in both VSF and Cement will provide additional volumes leading to rapid growth and further consolidate its leadership.

Cautionary Statement

Statements in this "Press Release" describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities law and regulations. Actual results could differ materially from those express 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.

GRASIM INDUSTRIES LIMITED

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

www.grasim.com & www.adityabirla.com



**AUDITED CONSOLIDATED FINANCIAL RESULTS
FOR THE YEAR ENDED 31-03-2012**

PART I: STATEMENT OF CONSOLIDATED AUDITED RESULTS FOR THE QUARTER AND YEAR ENDED 31-03-2012 ₹ Crore

| Particulars | Three Months Ended | | | Year Ended | |
|--|---------------------------|-----------------|-----------------|------------------|------------------|
| | 31-03-2012 | 31-12-2011 | 31-03-2011 | 31-03-2012 | 31-03-2011 |
| | (Audited) Refer Note 6 | (Unaudited) | (Unaudited) | (Audited) | (Audited) |
| 1 Income from Operations | | | | | |
| Net Sales / Income from Operations (Net of Excise Duty) | 7,205.80 | 6,261.04 | 6,397.74 | 24,987.84 | 21,318.29 |
| Other Operating Income | 83.36 | 30.60 | 84.51 | 256.46 | 231.94 |
| Total Income from Operations (Net) | 7,289.16 | 6,291.64 | 6,482.25 | 25,244.30 | 21,550.23 |
| 2 Expenses | | | | | |
| Cost of Materials Consumed | 1,410.61 | 1,379.76 | 1,325.90 | 5,365.67 | 4,500.23 |
| Purchases of Stock-in-Trade | 72.54 | 67.17 | 49.83 | 261.61 | 152.16 |
| Changes [Decrease / (Increase)] in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade | 174.72 | (83.20) | 47.64 | (85.82) | (159.18) |
| Employees Benefits Expense | 368.61 | 361.71 | 327.88 | 1,377.17 | 1,231.74 |
| Power and Fuel Cost | 1,505.68 | 1,413.56 | 1,214.64 | 5,460.49 | 4,364.25 |
| Freight and Handling Expenses | 1,136.71 | 977.58 | 1,045.08 | 3,885.76 | 3,468.13 |
| Depreciation and Amortisation Expense | 300.48 | 288.73 | 299.31 | 1,154.41 | 1,138.37 |
| Other Expenses | 1,010.79 | 850.91 | 815.06 | 3,404.53 | 2,997.48 |
| Total Expenses | 5,980.14 | 5,256.22 | 5,125.34 | 20,823.82 | 17,693.18 |
| 3 Profit from Operations before Other Income and Finance Costs (1 - 2) | 1,309.02 | 1,035.42 | 1,356.91 | 4,420.48 | 3,857.05 |
| 4 Other Income | 273.43 | 230.10 | 123.47 | 745.36 | 399.10 |
| 5 Profit from Operations before Finance Costs and Tax (3 + 4) | 1,582.45 | 1,265.52 | 1,480.38 | 5,165.84 | 4,256.15 |
| 6 Finance Costs | 79.91 | 50.08 | 109.07 | 313.64 | 406.75 |
| 7 Profit from Ordinary Activities before Tax (5 - 6) | 1,502.54 | 1,215.44 | 1,371.31 | 4,852.20 | 3,849.40 |
| 8 Tax Expense | 380.66 | 330.21 | 223.25 | 1,320.77 | 954.21 |
| 9 Net Profit after Tax before profit of Associates and adjustment for Minority Interest (7 - 8) | 1,121.88 | 885.23 | 1,148.06 | 3,531.43 | 2,895.19 |
| 10 Add : Share in Profit of Associates | 34.46 | 18.63 | 12.40 | 63.16 | 43.78 |
| 11 Less : Minority Share | 347.56 | 234.79 | 281.63 | 947.13 | 659.96 |
| 12 Net Profit for the Period (9 +10 - 11) | 808.78 | 669.07 | 878.83 | 2,647.46 | 2,279.01 |
| Paid up Equity Share Capital (Face Value ₹ 10 per share) | 91.72 | 91.72 | 91.71 | 91.72 | 91.71 |
| Reserves excluding Revaluation Reserves | | | | 16,935.01 | 14,443.90 |
| 13 Earnings per Share (of ₹ 10/- each) (not annualised): | | | | | |
| (a) Basic (₹) | 88.18 | 72.95 | 95.82 | 288.65 | 248.52 |
| (b) Diluted (₹) | 88.10 | 72.90 | 95.77 | 288.40 | 248.35 |

PART II : SELECT INFORMATION FOR THE QUARTER AND YEAR ENDED 31-03-2012

| A | PARTICULARS OF SHAREHOLDING | | | | | |
|----------|---|---------|---------|---------|---------|---------|
| | Public Shareholding * | | | | | |
| | Number of Shares (000's) | 57,744 | 58,108 | 58,175 | 57,744 | 58,175 |
| | Percentage of Shareholding | 62.96% | 63.36% | 63.44% | 62.96% | 63.44% |
| | 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) | 23,429 | 23,429 | 23,412 | 23,429 | 23,412 |
| | - 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) | 25.55% | 25.55% | 25.53% | 25.55% | 25.53% |
| | * Excludes shares represented by Global Depository Receipts | | | | | |
| B | INVESTORS COMPLAINTS | | | | | |
| | Pending at the beginning of the Quarter | - | | | | |
| | Received during the Quarter | 6 | | | | |
| | Disposed during the Quarter | 6 | | | | |
| | Remaining unresolved at the end of the Quarter | - | | | | |

**AUDITED CONSOLIDATED SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED
FOR THE YEAR ENDED 31-03-2012**

₹ Crore

| Particulars | Three Months Ended | | | Year Ended | |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | 31-03-2012 | 31-12-2011 | 31-03-2011 | 31-03-2012 | 31-03-2011 |
| | (Audited) Refer Note 6 | (Unaudited) | (Unaudited) | (Audited) | (Audited) |
| 1. SEGMENT REVENUE | | | | | |
| a Viscose Staple Fibre and Wood Pulp | 1,369.25 | 1,246.34 | 1,530.36 | 5,007.17 | 4,823.81 |
| b Cement - Grey,White and Allied Products | 5,659.09 | 4,792.80 | 4,745.91 | 19,235.70 | 15,940.83 |
| c Chemicals - Caustic Soda and Allied Chemicals | 219.72 | 209.99 | 155.66 | 776.79 | 542.15 |
| d Others # | 117.98 | 116.17 | 104.46 | 483.65 | 419.29 |
| TOTAL | 7,366.04 | 6,365.30 | 6,536.39 | 25,503.31 | 21,726.08 |
| (Less) : Inter Segment Revenue | (76.88) | (73.66) | (54.14) | (259.01) | (175.85) |
| Total Operating Income | 7,289.16 | 6,291.64 | 6,482.25 | 25,244.30 | 21,550.23 |
| 2. SEGMENT RESULTS | | | | | |
| a Viscose Staple Fibre and Wood Pulp | 213.34 | 270.44 | 532.05 | 1,131.46 | 1,492.28 |
| b Cement - Grey,White and Allied Products | 1,079.88 | 818.59 | 862.05 | 3,320.52 | 2,420.43 |
| c Chemicals - Caustic Soda and Allied Chemicals | 23.36 | 38.15 | 21.13 | 125.70 | 90.41 |
| d Others # | 6.66 | 5.19 | 4.83 | 27.72 | 19.02 |
| TOTAL | 1,323.24 | 1,132.37 | 1,420.06 | 4,605.40 | 4,022.14 |
| Add / (Less) : | | | | | |
| Finance Costs | (79.91) | (50.08) | (109.07) | (313.64) | (406.75) |
| Net Unallocable Income / (Expenditure) | 259.21 | 133.15 | 60.32 | 560.44 | 234.01 |
| Profit from Ordinary Activities before Tax | 1,502.54 | 1,215.44 | 1,371.31 | 4,852.20 | 3,849.40 |
| | As on 31-03-2012 | As on 31-12-2011 | As on 31-03-2011 | As on 31-03-2012 | As on 31-03-2011 |
| 3. CAPITAL EMPLOYED | | | | | |
| (Segment Assets - Segment Liabilities) | | | | | |
| a Viscose Staple Fibre and Wood Pulp | 3,722.96 | 3,338.10 | 2,633.51 | 3,722.96 | 2,633.51 |
| b Cement - Grey,White and Allied Products | 19,322.09 | 18,898.65 | 16,558.62 | 19,322.09 | 16,558.62 |
| c Chemicals - Caustic Soda and Allied Chemicals | 558.80 | 516.41 | 428.43 | 558.80 | 428.43 |
| d Others # | 229.45 | 220.47 | 206.28 | 229.45 | 206.28 |
| TOTAL | 23,833.30 | 22,973.63 | 19,826.84 | 23,833.30 | 19,826.84 |
| Add: Unallocated Corporate Capital Employed | 7,483.54 | 7,731.89 | 7,842.20 | 7,483.54 | 7,842.20 |
| TOTAL CAPITAL EMPLOYED | 31,316.84 | 30,705.52 | 27,669.04 | 31,316.84 | 27,669.04 |

Others segment represents mainly Textiles and Investment Subsidiaries.

GRASIM INDUSTRIES LIMITED

NOTES:

1. a. The Company has opted to publish Consolidated Financial Results. The Standalone Financial Results are available at the Company's websites, www.grasim.com and www.adityabirla.com and on the websites of the Stock Exchanges, www.bseindia.com and www.nseindia.com.
- b. The above Results were reviewed by the Audit Committee and approved by the Board of Directors today.
2. The Financial Results for the current period are not strictly comparable with the corresponding period due to :
 - a. Consolidation of Results of subsidiaries of UltraTech Cement Middle East Investments Limited (Star Cement Co. LLC., UAE and its associate companies) from 1st October, 2010 when acquisition was completed.
 - b. Consolidation of pro-rata Results of Aditya Group AB, Sweden (AGS) and its subsidiaries including Domsjo Fabriker AB, Sweden as an 'Associate' of the Company from the date of acquisition of 1/3 equity interest by the Company in June 2011.
3. Key numbers of Standalone Financial Results of the Company are as under:

| | ₹ Crore | | | | |
|---|---|---------------------------|---------------------------|-------------------------|-------------------------|
| | Three Months Ended | | | Year Ended | |
| | 31-03-2012 (Audited) Refer Note 6 | 31-12-2011 (Unaudited) | 31-03-2011 (Unaudited) | 31-03-2012 (Audited) | 31-03-2011 (Audited) |
| Total Operating Income | 1,412.24 | 1,266.25 | 1,458.44 | 4,969.72 | 4,640.06 |
| Profit from Ordinary Activities before Tax | 322.76 | 350.93 | 526.79 | 1,541.79 | 1,594.70 |
| Net Profit from Ordinary Activities after Tax | 243.55 | 274.48 | 395.54 | 1,177.00 | 1,181.71 |

4. During the quarter, the Company has allotted 670 (10,964 during the year) fully paid up equity shares of ₹ 10 each upon exercise of stock options granted under the Employee Stock Option Scheme, 2006.
5. The Board of Directors has recommended a dividend of ₹ 22.50 per share of face value of ₹ 10 each aggregating ₹ 218.38 Crore (including corporate dividend tax).

GRASIM INDUSTRIES LIMITED

6. The figures of the quarter ended 31st March are the balancing figures between the audited figures in respect of the full financial year and published year to date figures upto third quarter of the relevant financial year.

7. Consolidated Statement of Assets and Liabilities as on 31st March, 2012:

The disclosure is per clause 41(v)(h) of the listing agreement and is in line with the Revised Schedule VI to the Companies Act, 1956 revising the disclosure and presentation of Statement of Assets and Liabilities.

| PARTICULARS | | AS AT | |
|----------------|--|------------------|------------------|
| | | 31-03-2012 | 31-03-2011 |
| | | (Audited) | (Audited) |
| ₹ Crore | | | |
| A. | EQUITY AND LIABILITIES | | |
| 1. | Shareholders' Funds | | |
| | (a) Share Capital | 91.72 | 91.71 |
| | (b) Share Capital (Other than Equity) | 41.92 | 37.73 |
| | (c) Reserves and Surplus | 16,935.01 | 14,443.90 |
| | Sub-total - Shareholders' Funds | 17,068.65 | 14,573.34 |
| 2. | Minority Interest | 5,233.38 | 4,351.39 |
| 3. | Non-current Liabilities | | |
| | (a) Long-Term Borrowings | 5,700.87 | 4,114.77 |
| | (b) Deferred Tax Liabilities (Net) | 1,979.04 | 1,961.57 |
| | (c) Other Long-Term Liabilities | 23.04 | 12.03 |
| | (d) Long-Term Provisions | 166.93 | 154.01 |
| | Sub-total - Non-Current Liabilities | 7,869.88 | 6,242.38 |
| 4. | Current Liabilities | | |
| | (a) Short-Term Borrowings | 850.45 | 836.26 |
| | (b) Trade Payables | 2,635.32 | 2,178.43 |
| | (c) Other Current Liabilities | 2,065.24 | 3,214.87 |
| | (d) Short-Term Provisions | 811.51 | 624.65 |
| | Sub-total - Current Liabilities | 6,362.52 | 6,854.21 |
| | TOTAL - EQUITY AND LIABILITIES | 36,534.43 | 32,021.32 |
| B. | ASSETS | | |
| 1. | Non-current assets | | |
| | (a) Fixed Assets | 17,513.82 | 15,297.38 |
| | (b) Non-Current Investments | 2,853.74 | 1,200.01 |
| | (c) Long-Term Loans and Advances * | 2,066.54 | 694.07 |
| | Sub-total - Non-Current Assets | 22,434.10 | 17,191.46 |
| 2. | Goodwill | 2,496.41 | 2,419.07 |
| 3. | Current Assets | | |
| | (a) Current Investments | 5,022.06 | 6,733.23 |
| | (b) Inventories | 3,071.11 | 2,721.64 |
| | (c) Trade Receivables | 1,728.75 | 1,410.74 |
| | (d) Cash and Bank Balances | 325.21 | 284.54 |
| | (e) Short-Term Loans and Advances | 1,424.40 | 1,210.06 |
| | (f) Asset held for Disposal | 0.15 | 1.22 |
| | (g) Other Current Assets | 32.24 | 49.36 |
| | Sub-total - Current Assets | 11,603.92 | 12,410.79 |
| | TOTAL -ASSETS | 36,534.43 | 32,021.32 |

* Includes Capital Advances

GRASIM INDUSTRIES LIMITED

8. Previous periods' figures have been regrouped/rearranged wherever necessary to conform to the current periods' classification.

For and on behalf of Board of Directors

Place : Mumbai
Date : 5th May, 2012

K.K.Maheshwari
Managing Director

GRASIM INDUSTRIES LIMITED
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