

ADITYA BIRLA

September 16, 2013

BSE Ltd.
Department of Corporate Services
1st Floor, New Trading Ring,
Rotunda Building,
P J Towers, Dalal Street,
Fort, Mumbai - 400 001
Fax: 022-22723121 / 3719 / 2037 / 2039 /
2041 / 2061

✓ **The Secretary**
National Stock Exchange of India Ltd.
Exchange Plaza
Bandra-Kurla Complex, Bandra (East)
Mumbai - 400 051
Fax: 022-26598237/8238

Dear Sir,

Sub: Copy of Proceedings of Annual General Meeting held on 17th August, 2013

Pursuant to Clause 31 of the Listing Application, we are sending herewith a copy of the proceedings of the 66th Annual General Meeting of the Company held on Saturday, the 17th August, 2013.

Thanking you,

Yours faithfully,

Ashok Malu
Company Secretary

encl: as above

MINUTE BOOK

GRASIM INDUSTRIES LIMITED

Registered Office: Birlagram, Nagda, District Ujjain, Madhya Pradesh 456 331

Minutes of the Sixty Sixth Annual General Meeting of the Shareholders of GRASIM INDUSTRIES LIMITED held on Saturday, the 17th August, 2013 at 11:30 a.m. at the Registered Office of the Company at Grasim Staff Club, Birlagram, Nagda, District Ujjain, Madhya Pradesh 456 331

PRESENT**DIRECTORS**

- | | |
|---------------------------|--|
| 1. Mr. B.V. Bhargava | : Independent Director & Chairman of the Audit Committee |
| 2. Mr. R.C. Bhargava | : Independent Director & Member of the Audit Committee |
| 3. Mr. M.L. Apte | : Independent Director & Member of the Audit Committee |
| 4. Mr. Shailendra K. Jain | Non-Executive Director |
| 5. Mr. D.D. Rathi | Non-Executive Director |
| 6. Mr. K.K. Maheshwari | Managing Director |
| 7. Mr. Adesh Gupta | Whole Time Director & CFO |

MEMBERS

65 Shareholders holding 73,88,116 Equity Shares (holding 8.05% of the total paid-up capital), inter alia including the Authorized Representatives of Life Insurance Corporation of India, The New India Assurance Company Ltd, The Oriental Insurance Company Ltd, United India Insurance Company Ltd, and other individual shareholders were present in person at the meeting.

225 Shareholders were present at the meeting through Proxies.

ELECTION OF THE CHAIRMAN OF THE MEETING

Mr. Ashok Malu, Joint President & Company Secretary of the Company, welcomed the Directors and the Shareholders present at the Meeting. In the absence of Mr. Kumar Mangalam Birla, the Chairman of the Company, he then requested the Directors present to elect the Chairman of the Meeting from amongst them.

CHAIRMAN'S
INITIAL


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Mr. M.L. Apte, Director of the Company, proposed the name of Mr. B.V. Bhargava, Independent Director and Chairman of the Audit Committee of the Board of Directors of the Company as the Chairman of the Meeting. The above proposal was seconded by Mr. R.C. Bhargava and the other Directors of the Company present at the meeting.

Thereupon, Mr. B.V. Bhargava occupied the Chair. He extended a warm welcome to the Shareholders present. He then introduced the Directors and the Executives of the Company sitting on the dais.

QUORUM

The Chairman of the Meeting informed the Shareholders that the requisite quorum was present and that the Meeting was validly constituted.

PROXIES

The Chairman of the Meeting announced that valid Proxies numbering 225 covering 4,48,65,006 Equity Shares (covering 48.87% of total paid-up capital) have been received by the Company. The Chairman then stated that the Register of Proxies was laid on the table and available for inspection of the Shareholders till the conclusion of the meeting.

REGISTER UNDER SECTION 307 OF THE COMPANIES ACT, 1956

The Chairman announced that the Register of Directors' Shareholding as placed on the table in terms of Section 307 of the Companies Act, 1956 was open and available to the Shareholders for inspection during the continuance of the meeting.

AUDITORS' CERTIFICATE ON EMPLOYEE STOCK OPTION SCHEME

The Chairman informed that the Company has received a Certificate dated 4th May, 2013 from M/s. G.P. Kapadia & Co., the Joint Statutory Auditors of the Company confirming that the Employee Stock Option Scheme -2006 (ESOS-2006) has been implemented in accordance with the provisions of the applicable SEBI guidelines and that the said certificate is available to the Shareholders for inspection during the continuance of the meeting.

NOTICE OF THE MEETING

With the consent of the Shareholders present at the meeting, the Notice dated 25th June, 2013 of the 66th Annual General Meeting of the Company, as circulated to the Shareholders of the Company, was taken as read.

AUDITORS' REPORT

At the direction of the Chairman and as required under Section 230 of the Companies Act, 1956, Mr. Ashok Mahi, Jr. President & Company Secretary of the Company read out the Auditors' Report dated 4th May, 2013 for the year ended 31st March, 2013 to the Shareholders of the Company. The Chairman then announced that the Auditors' Report is available for inspection by the Shareholders.

CHAIRMAN'S SPEECH

The Chairman, during his speech, apprised the Shareholders on the performance of the Company during the year 2012-13 and the plans and outlook of its various businesses. He also briefed the Shareholders on the performance of the Company for the quarter ended 30th June, 2013.

RESOLUTIONS PASSED

The Chairman took up the formal Agenda of the Meeting as set out in the Notice for approval of the Shareholders:

(A) ORDINARY BUSINESS**ITEM NO. 1 - ADOPTION OF ANNUAL ACCOUNTS, DIRECTORS' REPORT AND AUDITORS' REPORT FOR FY 13**

The Chairman proposed the following resolution as an Ordinary Resolution:

"RESOLVED THAT the Audited Balance Sheet as at 31st March, 2013 and the Statement of Profit and Loss for the year ended 31st March, 2013 and the Reports of the Directors and the Auditors of the Company as circulated to the shareholders of the Company and now laid before the meeting be and the same are hereby approved and adopted."

Seconded by : Mr. H.N. Doshi, a shareholder of the Company

However, before putting the aforesaid resolution to vote, the Chairman invited questions from the Shareholders present at the Meeting.

One of the shareholders present at the meeting sought a minor clarification in respect of the Annual Report and the same was clarified to his satisfaction. There being no other question from the Shareholders present, the Chairman then put the aforesaid resolution to vote and on show of hands, he declared that the same was carried unanimously.

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ITEM NO. 2 - DECLARATION OF DIVIDEND

Mr. Sanjay Mandloi, a shareholder of the Company, proposed the following Resolution as an Ordinary Resolution:

"RESOLVED THAT the payment of dividend on 9,17,96,806 Equity Shares of ₹ 10/- each @ ₹ 22.50 (Rupees Twenty Two and Paise Fifty only) per Share as recommended by the Board of Directors of the Company at its meeting held on 4th May, 2013, be and the same is hereby approved."

"RESOLVED FURTHER THAT the dividend so declared be paid to those shareholders, whose names appeared on the Company's Register of Members:

- a) as Beneficial Owners as at the end of business on 1st August, 2013 as per the lists furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form; and
- b) as Members in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company on or before 1st August, 2013.

Mr. Dilip Ghoshia, a shareholder of the Company, seconded the above resolution.

Thereupon, the Chairman put the resolution under Item No. 2 to vote and, on show of hands, the Chairman declared that the same was carried unanimously.

ITEM NO. 3 - RE-APPOINTMENT OF MR. SHAILENDRA K. JAIN AS A DIRECTOR OF THE COMPANY

Mr. Anil Latha, a shareholder of the Company, proposed the following Resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Shaileendra K Jain, a Director of the Company, who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company."

Mr. Jambu Surana, a shareholder of the Company, seconded the above resolution.

Thereupon, the Chairman put the resolution under Item No. 3 to vote and, on show of hands, the Chairman declared that the same was carried unanimously.

ITEM NO. 4 - RE-APPOINTMENT OF DR. THOMAS M. CONNELLY AS A DIRECTOR OF THE COMPANY

Mr. N.K. Garg, a shareholder of the Company, then proposed the following Resolution as an Ordinary Resolution:

"RESOLVED THAT Dr. Thomas M. Connelly, a Director of the Company, who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company."

Mr. Kailash Sharma, a shareholder of the Company, seconded the above resolution.

Thereupon, the Chairman put the resolution under Item No. 4 to vote and, on show of hands, the Chairman declared that the same was carried unanimously.

ITEM NO. 5 - RE-APPOINTMENT OF MR. M.L. APTE AS A DIRECTOR OF THE COMPANY

Mr. Janardhan Sharma, a shareholder of the Company, proposed the following Resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. M.L. Apte, a Director of the Company, who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company."

Mr. Sanjay Mandloi, a shareholder of the Company, seconded the above resolution.

Thereupon, the Chairman put the resolution under Item No. 5 to vote and, on show of hands, the Chairman declared that the same was carried unanimously.

ITEM NO. 6 - RE-APPOINTMENT OF MR. R.C. BHARGAVA AS A DIRECTOR OF THE COMPANY

Mr. Janardhan Sharma, a shareholder of the Company, proposed the following Resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. R.C. Bhargava, a Director of the Company, who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company."

Mr. Sanjay Mandloi, a shareholder of the Company, seconded the above resolution.

Thereupon, the Chairman put the resolution under Item No. 5 to vote and, on show of hands, the Chairman declared that the same was carried unanimously.

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ITEM NO. 7 - APPOINTMENT OF STATUTORY AUDITORS

Mr. J.S. Tawar, a shareholder of the Company, proposed the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 224 and other applicable provisions, if any, of the Companies Act, 1956, Messrs. G.P. Kapadia & Co., Chartered Accountants, Mumbai (Registration No. 104768W), and Messrs. Deloitte Haskins & Sells, Chartered Accountants, Mumbai (Registration No. 117366W), the retiring Joint Statutory Auditors of the Company, be and are hereby re-appointed as the Joint Statutory Auditors of the Company to hold office as such from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, at a remuneration of ₹ 51,00,000/- (Rupees Fifty one Lacs only) to be shared by them in such proportion as may be decided by the Audit Committee/Board of Directors of the Company, plus service tax as applicable and reimbursement of actual out-of-pocket expenses as may be incurred in the performance of their duties."

"RESOLVED FURTHER THAT the Audit Committee / Board of Directors of the Company be and are hereby authorised to decide and revise the aforesaid remuneration, in case required."

Mr. Vijay Dhariwal, a shareholder of the Company, seconded the above resolution.

Thereupon, the Chairman put the resolution under Item No. 6 to vote and, on show of hands, the Chairman declared that the same was carried unanimously.

ITEM NO. 8 - APPOINTMENT OF BRANCH AUDITORS

Mr. A.D. Kaushik, a shareholder of the Company, proposed the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 228 and other applicable provisions, if any, of the Companies Act, 1956, Messrs. Vidyarthi & Sons, Chartered Accountants, Lashkar, Gwalior (Registration No. 000112C), be and are hereby re-appointed as the Branch Auditors of the Company, to audit the Accounts in respect of the Company's Vikram Woollens Division, at Malanpur (M.P.) to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, at a remuneration of ₹ 1,00,000/- (Rupees One lac only) plus service tax as applicable and reimbursement of actual out-of-pocket expenses as may be incurred in the performance of their duties."

"RESOLVED FURTHER THAT the Audit Committee / Board of Directors of the Company be and are hereby authorised to decide and revise the aforesaid remuneration, in case required."

Mr. Dillip Ghocha, a shareholder of the Company, seconded the above resolution.

Thereupon, the Chairman put the resolution under Item No. 7 to vote and, on show of hands, the Chairman declared that the same was carried unanimously.

(B) SPECIAL BUSINESS

ITEM NO. 8 - Introduction and Implementation of the "Grasim Industries Limited Employee Stock Option Scheme - 2013" ("the ESOS Scheme 2013") as set out as a Special Resolution in Item No. 8 of the Notice of the Meeting

Mr Santosh Sharma, a shareholder of the Company, proposed the following Resolution as a Special Resolution.

AS A SPECIAL RESOLUTION

"RESOLVED THAT pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (the "Act"), the Memorandum and Articles of Association of the Company, the provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as amended from time to time (the "SEBI ESOS Guidelines"), the Listing Agreement(s) entered into by the Company with the Stock Exchanges where the equity shares of the Company are listed, any rules, guidelines and regulations issued by the Reserve Bank of India and any other applicable laws for the time being in force and subject to such approvals, consents, permissions and sanctions, as may be required, and further subject to such terms and conditions as may be prescribed while granting such approvals, consents, permissions and sanctions and which may be agreed to and accepted by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee, including the ESOS Compensation Committee constituted by the Board to exercise its powers conferred by this Resolution) consent of the Company be and is hereby accorded to introduce and implement the "Grasim Industries Limited Employee Stock Option Scheme - 2013" ("the ESOS Scheme 2013"), the salient features of which are furnished in the explanatory statement to the Notice and consent be and is hereby accorded to the Board to create, grant, offer, issue and allot at any time, in one or more tranches, to or for the benefit of such person(s) who are in the permanent employment of the Company in the management cadre, whether working in India or outside India, including any managing or whole time director(s) of the Company (hereinafter referred to collectively as "employees") as may be decided by the Board under the Scheme, such number of Stock Options (comprising of options and / or restricted stock units) exercisable into not more than 2,30,000 equity shares of ₹ 10/- each being 0.25% of the paid-up equity share capital of the Company, at such price, in one or more tranches and on such terms and conditions as may be fixed or determined by the Board in accordance with the SEBI ESOS Guidelines or other provisions of law as may be prevailing at that time."

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"RESOLVED FURTHER THAT in case of any corporate action (s) such as rights issue, bonus issue, merger and sale of division or other reorganisation of capital structure of the Company, as applicable from time to time, if any additional equity shares are issued by the Company for the purpose of making a fair and reasonable adjustment to the Stock Options granted earlier, the above ceiling of 2,30,000 equity shares shall be deemed to be increased to the extent of such additional equity shares issued."

"RESOLVED FURTHER THAT in case the equity shares of the Company are either sub-divided or consolidated, then the number of equity shares to be issued and allotted on exercise of Stock Options granted under the ESOS Scheme 2013 and the exercise price of Stock Options granted under the ESOS Scheme 2013 shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of ₹ 10 per equity share bears to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the employees who have been granted Stock Options under the ESOS Scheme 2013."

"RESOLVED FURTHER THAT without prejudice to the generality of the above but subject to the terms as may be approved by the Members of the Company, the Board be and is hereby authorized to formulate, evolve, decide upon and implement the ESOS Scheme 2013 and determine the detailed terms and conditions of the aforementioned ESOS Scheme 2013 and including but not limited to the quantum of the Stock Options to be granted per employee, the number of Stock Options to be granted in each tranche, the terms or combination of terms subject to which the said Stock Options are to be granted, the exercise period, the vesting period, the vesting conditions, instances where such Stock Options shall lapse and to grant such number of Stock Options, to such employees of the Company, at par or at such other price, at such time and on such terms and conditions as set out in the ESOS Scheme 2013 and as the Board may in its absolute discretion think fit."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot equity shares upon exercise of Stock Options from time to time in the manner aforesaid and such equity shares shall rank pari passu in all respects with the then existing equity shares of the Company."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to take necessary steps for listing of the equity shares allotted under the ESOS Scheme 2013 on the Stock Exchanges where the securities of the Company are listed in accordance with the provisions of the listing agreement with the concerned Stock Exchanges, SEBI Guidelines and other applicable laws, rules and regulations."



MINUTE BOOK

"RESOLVED FURTHER THAT the Board be and is hereby authorized to make any modifications, changes, variations, alterations or revisions in the ESOS Scheme 2013, as it may deem fit, from time to time or to suspend, withdraw or revive the ESOS Scheme 2013 from time to time in conformity with the provisions of the Act, the SEBI ESOS Guidelines and other applicable laws unless such variation, amendment, modification or alteration is detrimental to the interest of the employees who have been granted the Stock Options under the ESOS Scheme 2013."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient or proper and to settle all questions, difficulties or doubts that may arise in relation to formulation and implementation of the ESOS Scheme 2013 at any stage including at the time of listing of the equity shares issued herein without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution."

Mr Dilip Ghocha, a shareholder of the Company, seconded the above resolution.

Thereupon, the Chairman put the resolution under Item No. 9. to vote and on show of hands, the Chairman declared that the same was carried by majority.

ITEM NO. 10 - Extending of the benefits and coverage of the "Grasim Industries Limited Employee Stock Option Scheme - 2013" ("the ESOS Scheme 2013"), to such persons who are in permanent employment of any present and / or future subsidiary companies of the Company in the management cadre as set out as a Special Resolution in Item No. 10 of the Notice of the Meeting

Mr Anil Ladha, a shareholder of the Company, proposed the following Resolution as a Special Resolution.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (the "Act"), the Memorandum and Articles of Association of the Company, the provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999, as amended from time to time (the "SEBI ESOS Guidelines"), the Listing Agreements entered into by the Company with the Stock Exchanges where the equity shares of the Company are listed, any rules, guidelines and regulations issued by the Reserve Bank of India and any other applicable laws for the time being in force and subject to such approvals, consents, permissions and sanctions, as may be required, and further

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subject to such terms and conditions as may be prescribed while granting such approvals, consents, permissions and sanctions and which may be agreed to and accepted by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee, including the ESOS Compensation Committee constituted by the Board to exercise its powers conferred by this Resolution) consent of the Company be and is hereby accorded to the Board, to extend the benefits and coverage of the "Grasim Industries Limited Employee Stock Option Scheme - 2013" (the ESOS Scheme 2013), referred to in the resolution under Item No.9 of this Notice, also to such persons who are in permanent employment of any present and / or future subsidiary companies of the Company in the management cadre, whether working in India or outside India, including any managing or whole time director(s) of the subsidiary companies of the Company under the ESOS Scheme 2013 in the manner mentioned in the resolution under Item No.9 of this Notice, as may be decided by the Board in accordance with the SEBI ESOS Guidelines or other provisions of law as may be prevailing at that time."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient or proper and to settle any questions, difficulties or doubts that may arise in relation to formulation and implementation of the ESOS Scheme 2013 at any stage including at the time of listing of the equity shares issued herein without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution."

Mr A.D.Kaushik, a shareholder of the Company, seconded the above resolution.

Thereupon, the Chairman put the resolution under Item No. 10, to vote and, on show of hands, the Chairman declared that the same was carried by majority.

CONCLUSION

The Chairman then declared the meeting as over and thanked the shareholders present for their co-operation in the smooth conduct of the meeting.

VOTE OF THANKS

The Meeting concluded with a Vote of thanks to the Chair.

S. S. S. S.
CHAIRMAN OF THE MEETING

11-09-2013

Date:

B. Mah