ADITYA BIRLA
GRASIM

2nd July, 2012

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

Dear Sirs,

Sub: Water Shortage at Company's Plants at Nagda (M.P.)

This is to inform you that due to delay in onset of monsoon and consequential water shortage, the Company has to curtail production at its Staple Fibre Plant located at Nagda from 1st July and the said Plant is likely to be closed from 3rd July 2012.

The Company's Chlor-Alkali Plant at Nagda has also curtailed production to about 50% of its rated capacity of 2,58,000 TPA.

With the additional arrangements for temporary water storage this year, we could manage operation till now. However, with delayed monsoon against all forecasts of normal rains by mid June, we are now forced to resort to closure of the Staple Fibre Plant at Nagda. The Plants will resume normal capacity as soon as there are adequate rains in the catchment area.

The Company is, however, operating its other Staple Fibre Plants at Kharach (Gujarat) and Harihar (Karnataka) at their full capacity.

We shall keep you informed of the developments, if any, in the matter.

Thanking you,

Yours faithfully,

Ashok Malu
Company Secretary

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