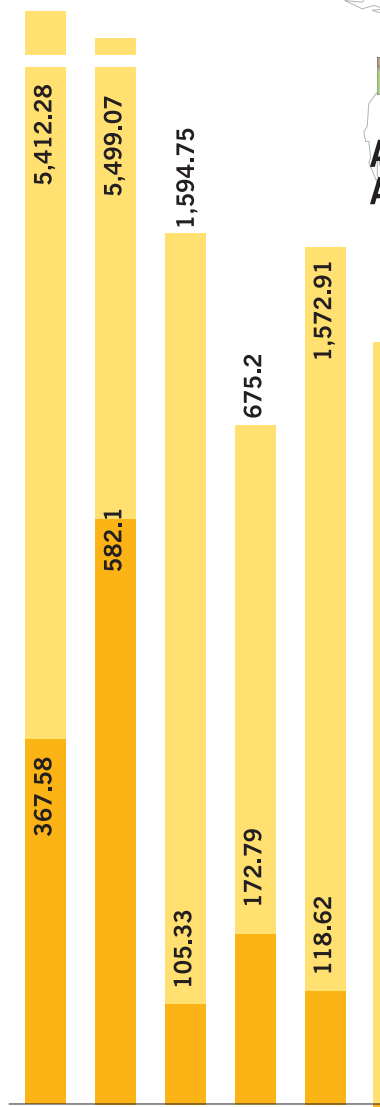


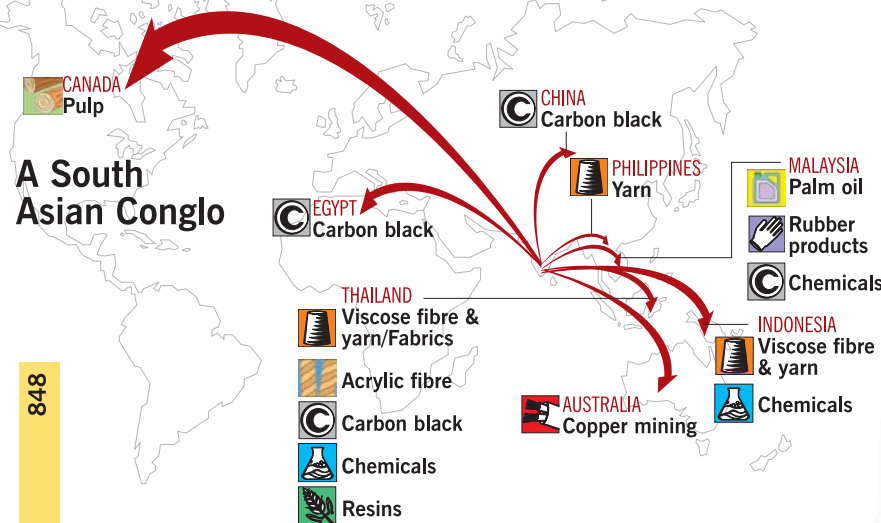
# THE EMPIRE OF THE SON

A snapshot of the Aditya Birla Group, circa 2003



Consolidation has been the theme of the group companies in the domestic market, especially aluminium and cement. The group has also entered new non-commodity areas such as telecom, branded apparel, software and IT-enabled services, insurance, and asset management, through joint ventures and acquisitions. However, the group is yet to make a mark in most of these areas.

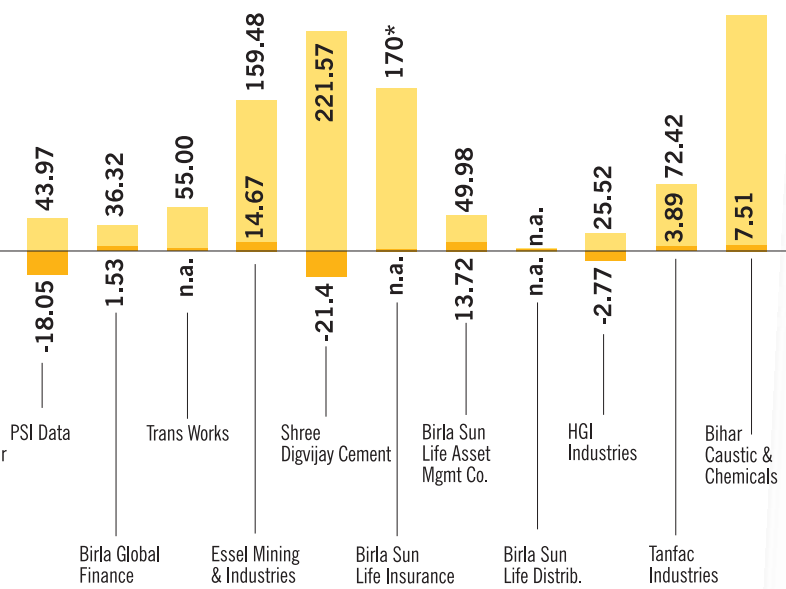
Figures in Rs crore ■ Net profits ■ Revenues \*Annualised premium in case of insurance company



Apart from its sizeable presence in India, the Aditya Birla group runs 26 companies across eight countries: Thailand (where it has 10 companies), Indonesia (5), Philippines and Malaysia (3 each), Egypt, Canada, and China (1 each) and Australia (2). While some of these companies cater to the domestic market in their respective countries, most export to all parts of the world. Egypt's Alexandria Carbon Black exports to over 50 countries, Malaysia's Pan Century Edible Oils, to 53, and Indonesia's PT Elegant is the largest producer of rayon spun yarn in the world.

## A Domestic Commodities Giant

Revenues Across Companies



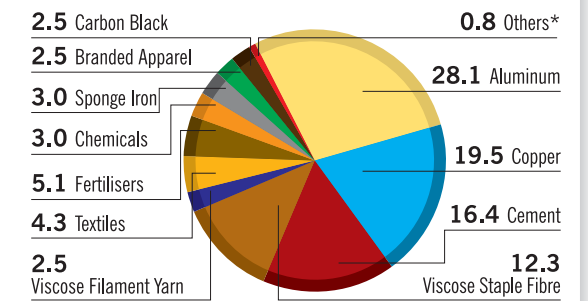
\*Annualised premium in case of insurance company

## Scale, Cost, Efficiencies

The Aditya Birla's Group's global (and local) strategy revolves around scale, cost and efficiencies, the three mantras of commodities businesses anywhere in the world. The group is the lowest cost aluminium producer (\$869 per tonne as against \$1,292 for Alcoa). In copper, the company is an integrated player. In cement, it is the seventh largest producer in the world; in carbon black, the fourth; and in viscose fibre, the largest.

## A Domestic Commodities Giant

Contribution to Turnover (%)



\*Software, IT enabled services, insurance, asset management, telecom, edible oil, fabrics etc

Almost 90 per cent of the group's global revenues of Rs 27,000 crore comes from commodities. While flirting with new economy businesses, Birla has been careful to ensure that there's no letting up on existing ones. And most such ventures are JVs (forays into financial services with Canada's SunLife and telecom with AT&T and the Tata Group) or involve small sums of money (such as the acquisition of Transworks for Rs 60 crore or acquisitions (Madura Garments) but there is growth in the future.



## Global Gameplan

- To be among top 10 global players in aluminium in next five years
- To be among top five global players in copper in next three years
- To continue to focus on exports of insulators and chemicals
- To grow from the current position of being seventh largest cement producer in the world to be among the top five
- To consolidate standing as global leader in viscose staple fibre business

## A Cash Rich Group

Grasim Industries	14,224
Hindalco Industries	17,745
Indian Rayon Industries	3,114
<b>TOTAL</b>	<b>35,082</b>

Figures are cash from operations over past seven years. Figures in Rs crore

## Global Challenge A Global Comparison

A. V. BIRLA GROUP			WORLD'S LARGEST PLAYER	
Volumes	Revenues (Rs crore)		Volumes	Revenues (Rs crore)
2.5 lakh tpa	2,587.26	Copper	15.50 lakh tpa	16,054 Codelco
3.42 lakh tpa	2,388.24	Aluminum	42.13 lakh tpa	94,842.8 Alcoa
31.0 million tpa	5,055	Cement	135 million tpa	63,538.8 Lafarge

## From the Fortune 500's lower reaches

Hindalco	582.1	5,499.07
Phelps Dodge*	-1,573.2	17,121.2
Grasim	367.58	5,412.28
Lafarge**	1,982.6	63,538.8

Figures in Rs crore ■ Profit ■ Revenues \*\*Only cement \*\*Rank 361 in Fortune 500 \*\*Lafarge is the largest cement manufacturer and only one to feature in Fortune 500 \*Rank 428 in Fortune 500