



Quarterly Performance Review

Quarter 1 : 2017-18

Mumbai, 14th August, 2017

Grasim Industries Limited
Building, Consolidating, Growing

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Glossary

VSF : Viscose Staple Fiber, MT : Metric Ton, TPA : Tons Per Annum, YoY: Year on Year Comparison, CY : Current Year, LY : Last Year,

YTD : Year to Date, EBITDA : Earnings Before Interest, Tax ,Depreciation and Amortisation, ECU : Electro Chemical Unit

ROAvCE : Return on Avg. Capital Employed (Excluding Capital Work In Progress), RONW : Return on Net Worth

Revenue is net of excise unless stated otherwise, EBITDA Margin = $\text{EBITDA} / (\text{Revenue} + \text{Other Income}) * 100$

Financials from FY16 onwards are as per Ind AS

- India's GDP growth decelerated to 6.1% YoY in Q4FY17 (Q3FY17 : 7%)
 - Although it comes on a higher revised base of 9.2% in Q4FY16
 - Corporate debt overhang
 - Weak private investment activity
 - GST led temporary disruptions
- To accelerate the economic growth, the government has front loaded its spending
 - Total government expenditure in April' 17 and May' 17 has increased by a robust 54% YoY
 - Highest YoY growth in any first two months of the fiscal year
- Economic growth expected to pickup led by higher consumption, specially in rural area with good monsoon

VSF Business- Quarter 1 Highlights

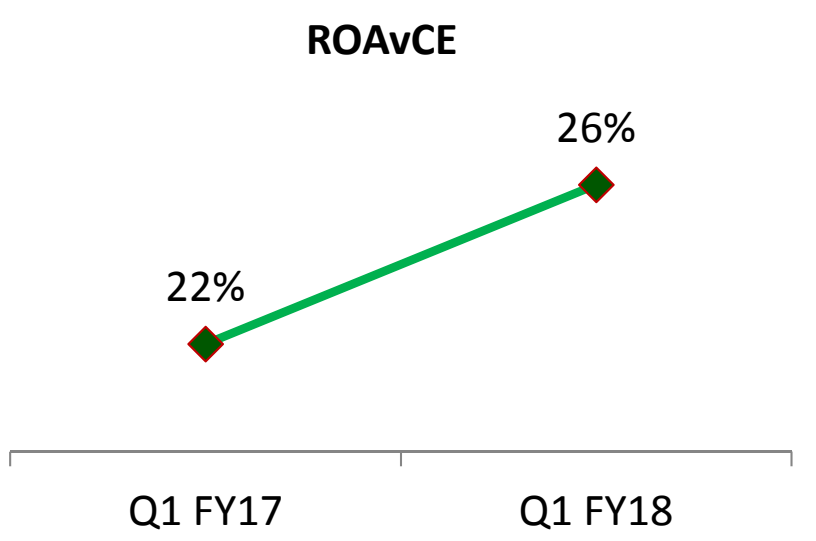
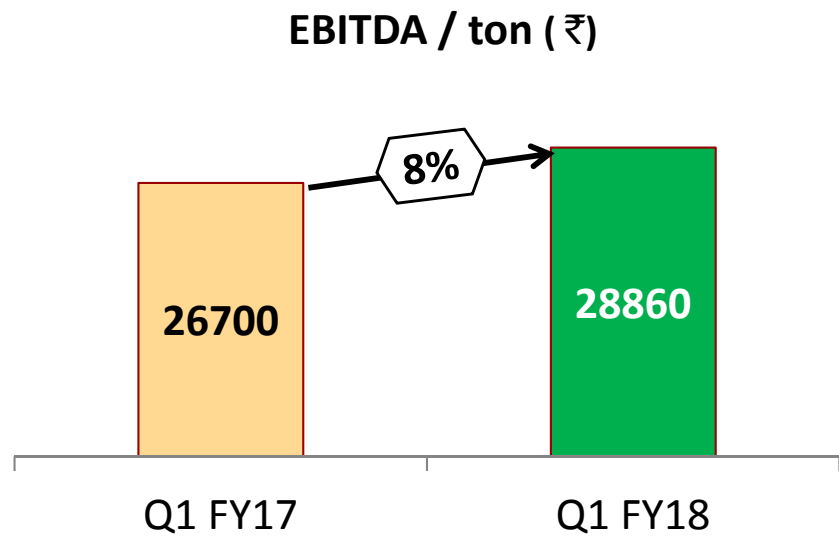
Leading Global Player

- Prices witnessed weakness in China during the quarter, recovery started towards quarter end
- Destocking in domestic market ahead of GST implementation
- Our plants continue to operate at full capacity

Sales Volume
121K Tons

Revenue
₹ 1,836 Cr.
Up 11% YoY

EBITDA
₹ 349 Cr.
Up 8% YoY



Chemical Business - Quarter 1 Highlights

Largest Chlor-Alkali Producer in India

- Domestic Caustic prices remained firm during the quarter in line with global prices
- Excess supply of Chlorine remains an overhang for the industry
- Highest ever quarterly EBITDA reported by the Chemical business of Grasim

Caustic Sales Volume
 199K Tons
 Up 4% YoY

Revenue
 ₹ 1,084 Cr.
 Up 20% YoY

EBITDA
 ₹ 244 Cr.
 Up 5% YoY

WATER

PAC | Hydrochloric Acid | Stable Bleaching Powder
 Flocculants | Caustic Soda | Chlorine |
 TCCA | Polyelectrolyte | Decolorant |
 De-Oiling Chemical | Anti-Scalants, Preservatives
 & Cleaning Chemicals for Membranes

PLASTICS

Anyacpe 135A | Acrylic Impact Modifiers
 Acrylic Processing aids | Methyl Tin Stabiliser |
 Chlorinated PVC (CPVC) | ABS; MBS 8720 |
 SAN; Nylon 66; Polyamides | Polyacetals
 PBT; Poly Butylene Terephthalate |
 Liquid Mixed Metal Stabilisers | Chlorinated Paraffin

COATING-DYES & PIGMENTS

Aluminium Chloride | Chlorosulphonic Acid
 Hydrochloric Acid | Refined Salt
 Polyethylene Wax | Chlorinated
 Polypropylene | Chlorinated Paraffin

INDUSTRIAL & FOOD ADDITIVES

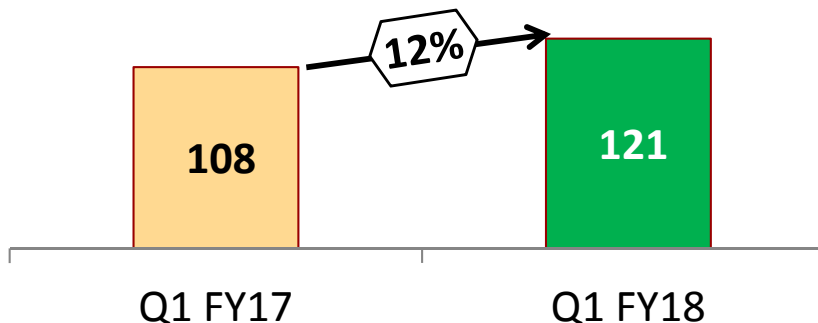
Caustic Soda | Phosphoric Acid
 Hydrochloric Acid | Sodium Hypochlorite
 Foodgrade Phosphates | Edible Salt | Hydrogen
 DCPD (Di Calcium Phosphate Dihydrate)

PHARMACEUTICALS & AGRO-CHEMICALS

Chlorine | Hydrogen
 Caustic Soda | Phosphoric Acid
 Aluminium Chloride | Chlorosulphonic Acid

Value Added Products Volume

('000 Tons)



UltraTech - Quarter 1 Highlights

Largest Cement Producer in India

- Improved operating margins for UltraTech led by better operating efficiency
- UltraTech completed acquisition of Cement plants from Jaiprakash Associates Ltd. and Jaypee Cement Corporations Ltd. with a total capacity of 21.2 Mn. TPA

Sales Volume

14.0 Mn. Tons

Up 1% YoY

Revenue

₹ 7,035 Cr.

Up 7% YoY

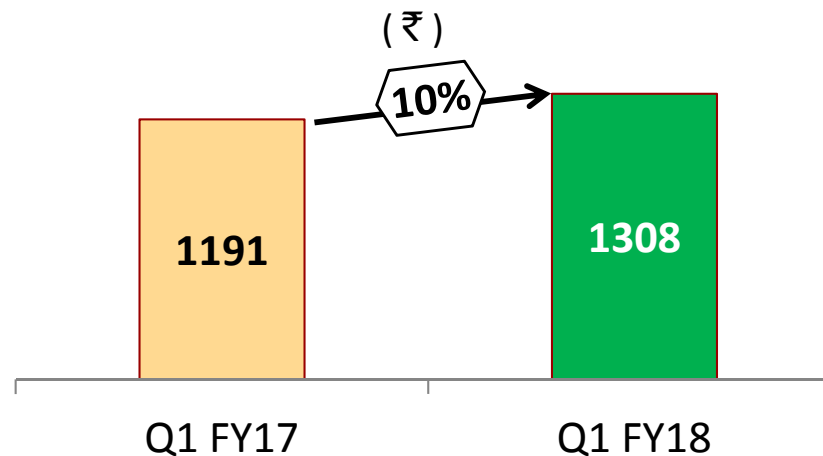
EBITDA

₹ 1,798 Cr.

Up 11% YoY

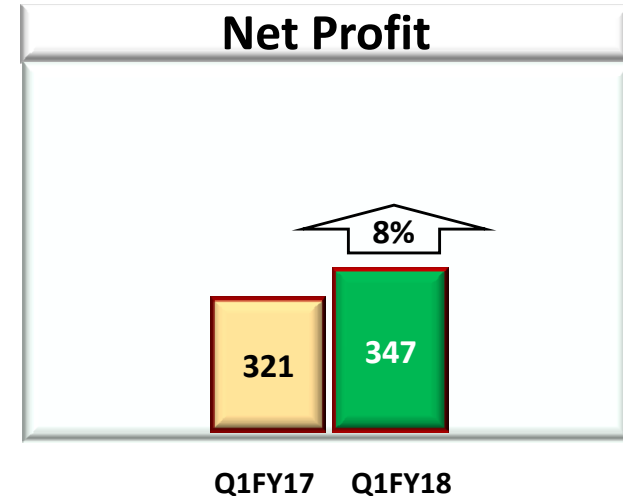
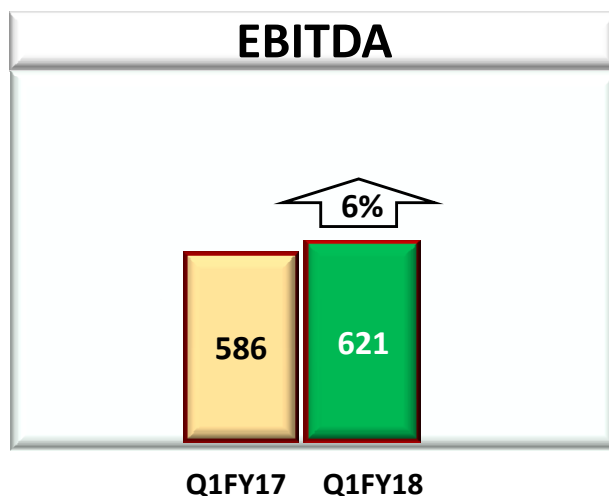
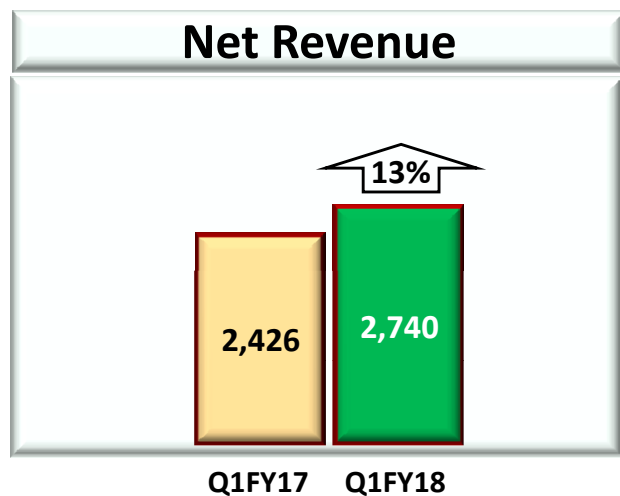
EBITDA/Ton – Indian Operations

(₹)



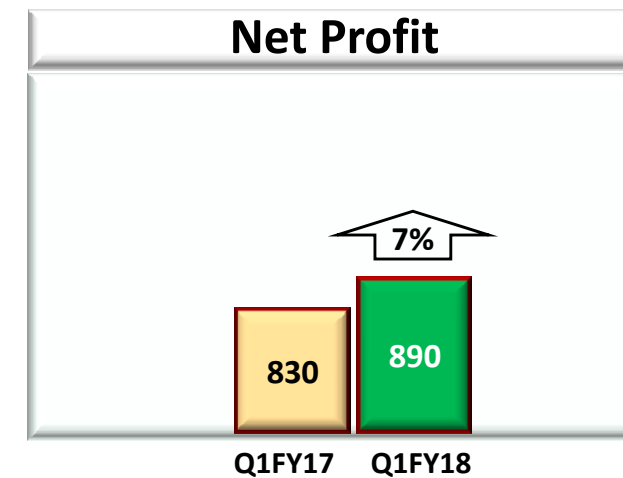
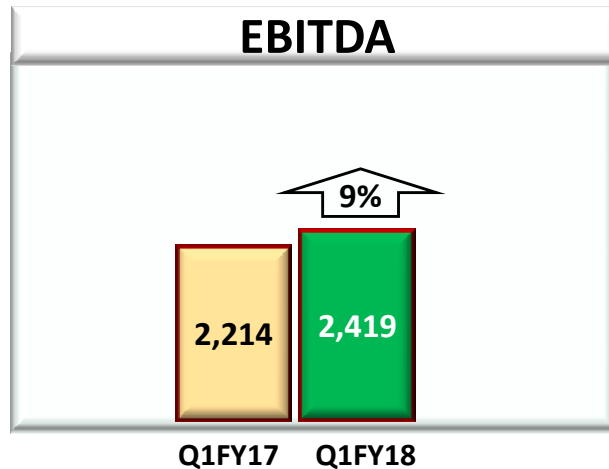
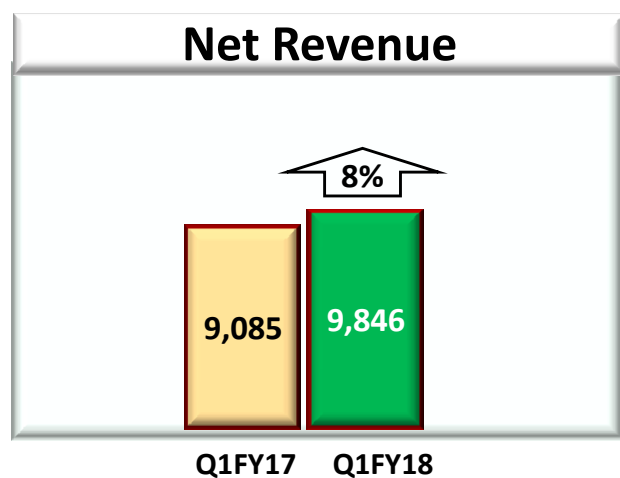
Financial Performance – Quarter 1

Standalone



₹ Cr.

Consolidated



Strong Balance Sheet and Robust Financial Ratios

Consolidated Financial Ratios

Consolidated

31-03-2017

30-06-2017

Debt:Equity (x)

0.22

0.51

Net Debt: Equity (x)

-

0.27

Net Debt / EBITDA

-

1.17

ROAvCE (%)
(Excluding CWIP)

12.8

15.5*

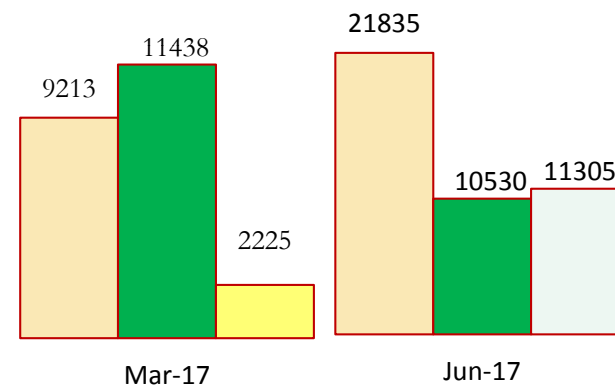
RONW (%)

10.8

11.5

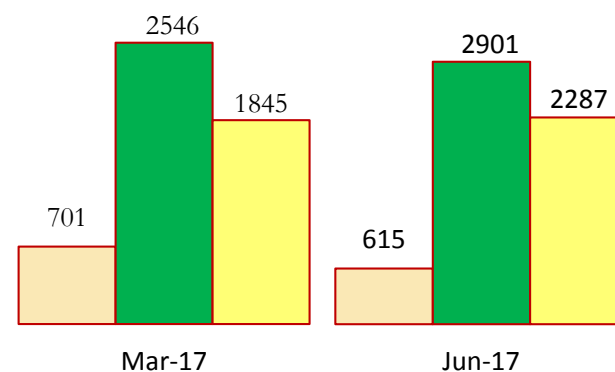
Consolidated Debt / Surplus

₹ Cr.



Standalone Debt / Surplus

₹ Cr.



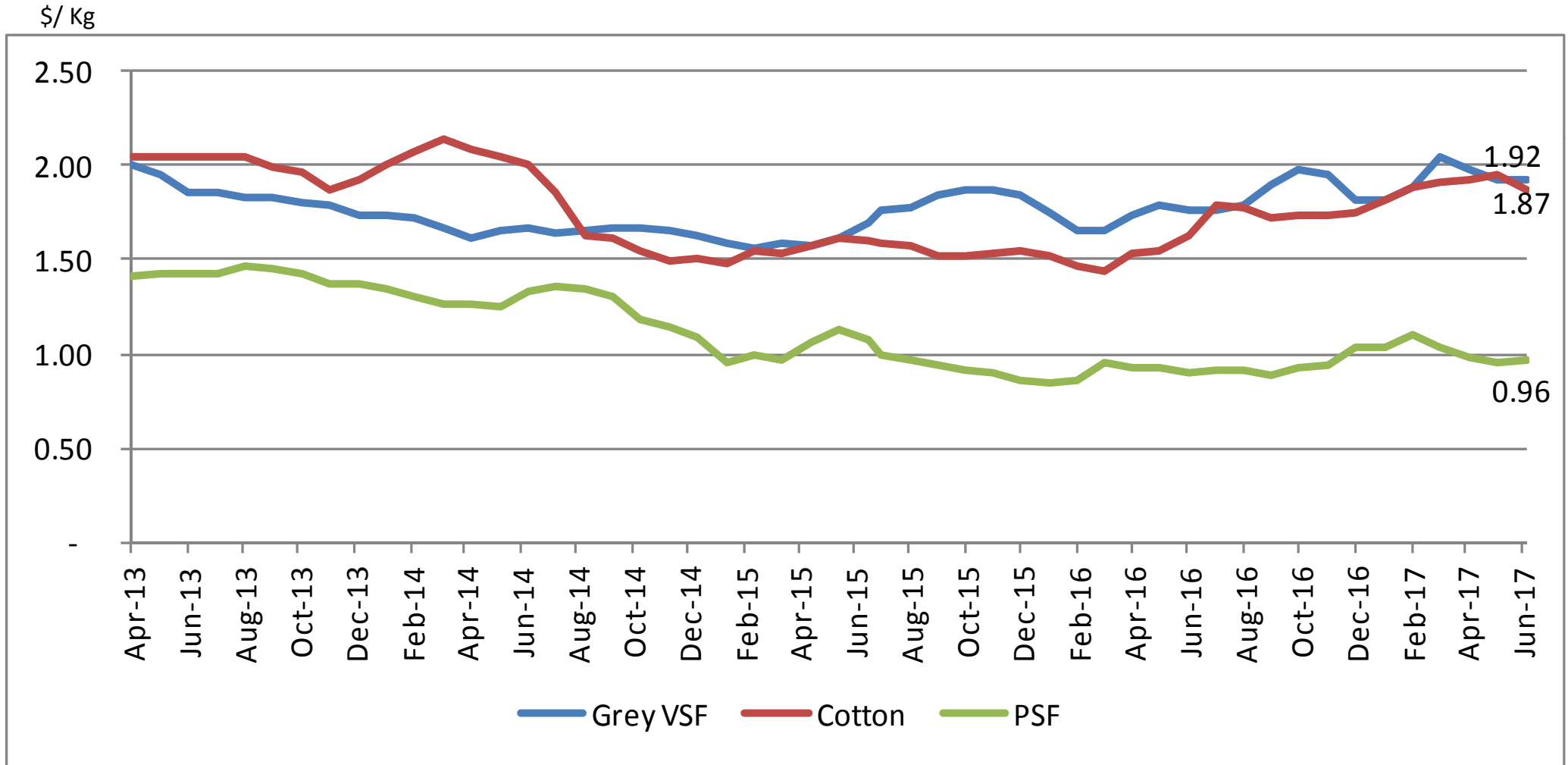
Debt Liquid Investments Net Debt Surplus

* Excluding capital employed pertaining to Cement plants acquired by UltraTech on 29th June, 2017

Business Performance

- VSF
- Chemical
- Cement

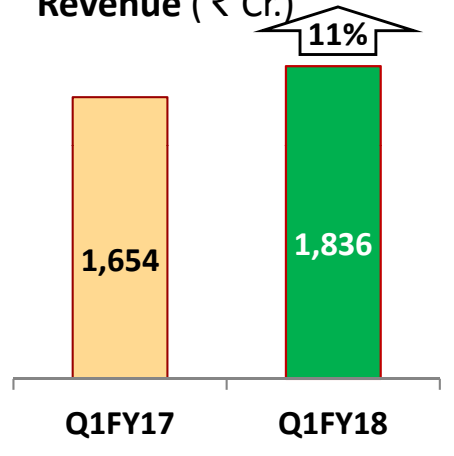
International Fibre Price Trend



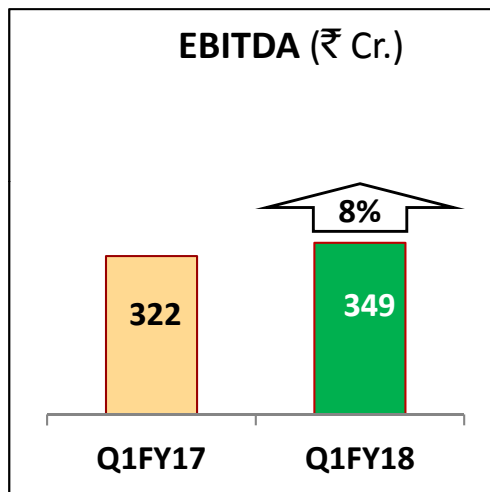
- VSF : VSF prices went down during the quarter, albeit started to rebound from June onwards
- Cotton : Prices remained stable during the quarter, recording 22% increase YoY
- PSF : Prices remained steady during the quarter

VSF : Performance

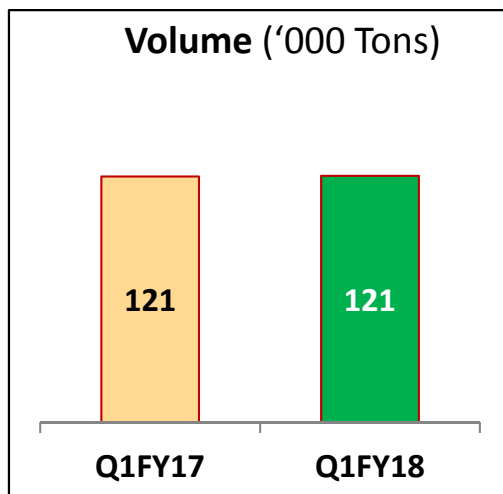
Revenue (₹ Cr.)



EBITDA (₹ Cr.)



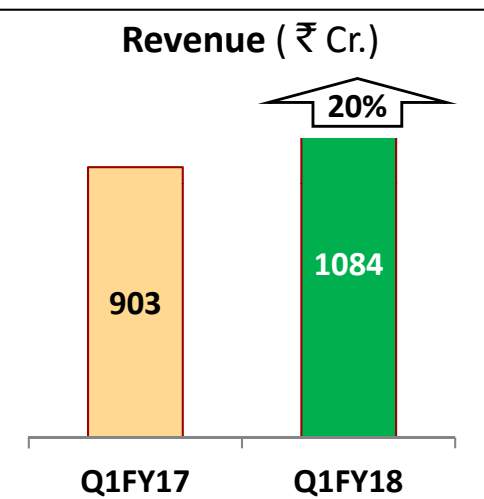
Volume ('000 Tons)



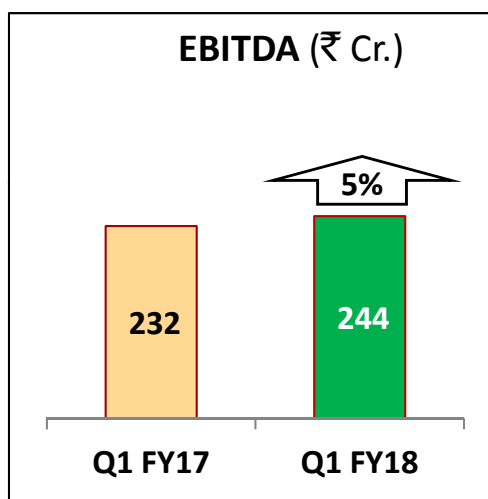
- Volumes were maintained YoY despite
 - Destocking of inventory in domestic market by value chain ahead of GST implementation
 - Higher exports material in transit due to disruption at Nhava Sheva in view of ransom ware attack at Shipping Company installation
 - Lower production at Harihar (partial shutdown due to water shortage)
- Realisation up 11% YoY
 - Increase in input cost
 - Better realisation of specialty fibre
- EBITDA up by 8% at ₹ 349 Cr.
 - Higher realisation
 - Partially offset by higher pulp and Caustic cost
- Operations at captive Pulp plant at Harihar have resumed towards June end
- Better performance of Pulp and Fibre JVs
 - Company's share of PAT at ₹ 36 Cr. as against ₹ 21 Cr. in Q1LY driven by higher volume and improved realisation and favourable exchange rate

Chemical : Performance

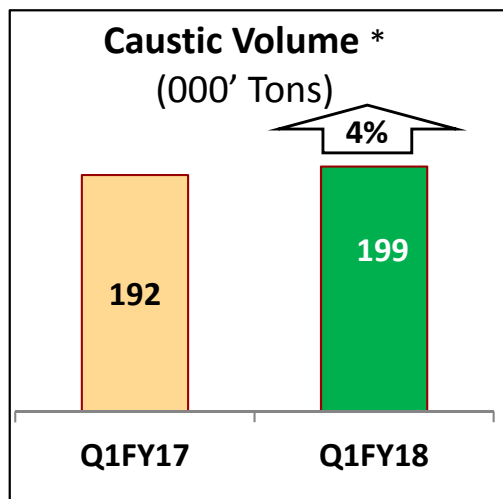
Revenue (₹ Cr.)



EBITDA (₹ Cr.)



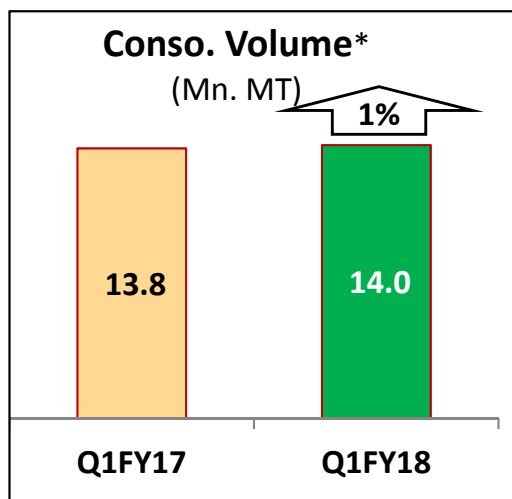
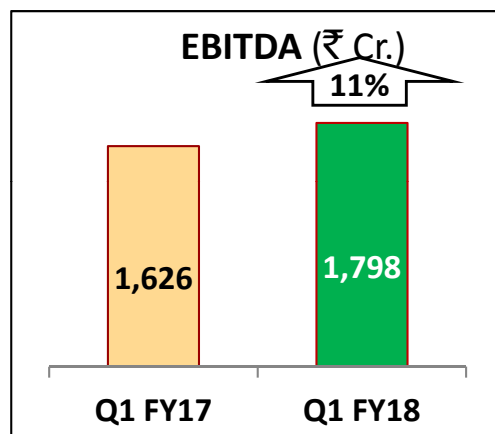
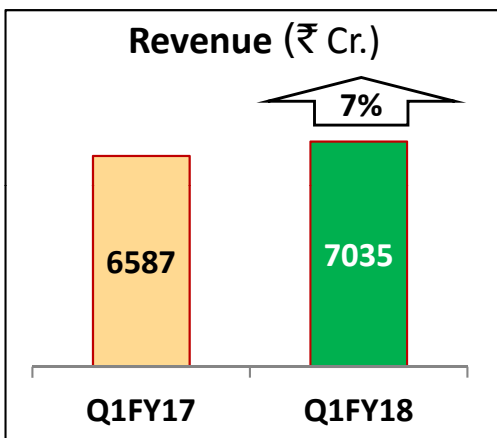
Caustic Volume *
(000' Tons)



* Includes captive consumption

- Volume up 4%
- ECU realisation up by 2%
 - Higher Caustic prices
 - Offset by negative Chlorine realisation
 - With rising production of Chlorine based value added products, impact is controlled
- Highest ever EBITDA for the quarter, up by 5% YoY
 - Increase in volume
 - Higher ECU realisation
 - Higher volumes of Chlorine VAPs
- Brownfield expansion at Vilayat from 220K TPA to 365K TPA
 - Work is in full swing
 - Expected to be commissioned by Q4 FY18
- Phosphoric acid capacity to increase from 25K MT to 54K MT is on track
 - Expected to be complete by Q3 FY18

Cement : Performance



* Includes captive consumption for RMC

- Volume up by 1%
 - Weak quarter for the industry
- Energy cost up by 28%
 - Petcoke prices doubled, negated by
 - Enhanced share of power from waste heat recovery
 - Reduced power consumption
 - Use of industrial waste over coal
- EBITDA up by 11% at ₹ 1,798 Cr. helped by
 - Increase in productivity
 - Improved consumption norms
 - Effective procurement management
 - Manpower optimization

Capex

	Capex Net of CWIP as on (01-07-17)	Cash Outflow		Capex spent - Q1FY18
		FY18	FY19 Onward	
<u>Standalone</u>				
Vilayat Caustic Plant Brownfield expansion (144K TPA)	442			
VSF : Water supply augmentation & usage reduction, Research & Development, Environment & Other capex	602			
VSF capacity expansion	680			
VSF debottlenecking (38K TPA)	123			
Chemical capacity debottlenecking (64K TPA) & VAPs	188			
VSF Expansion : Vilayat Residual capex	115			
Chemical & Others : Normal capex	237			
Erstwhile ABNL	195			
Standalone Capex (A)	2,582	1,484	1,098	150
<u>Cement Subsidiary : UltraTech</u>				
Capacity expansion	2716			
Modernisation, Plant Infrastructure, Environment, Upgradation, logistic infra etc.	2,067			
Cement Business Capex (B)	4,783	2,191	2,592	1,239
Capex (A + B)	7,365	3,675	3,690	1,389



Merger of Aditya Birla Nuvo Limited (ABNL)



Merger of ABNL into Grasim

- Update on the Scheme

- NCLT sanction received for the composite Scheme of merger of ABNL into Grasim and demerger of Financial Services business
- Merger of ABNL into Grasim has become effective from 1st July, 2017
- Demerger of Financial Services business from Grasim has become effective from 4th July, 2017
- All the shareholders of ABNL as on 6th July (record date 1) have been allotted Grasim shares in the ratio of 10:15
- All the shareholders of Grasim as on 20th July (record date 2) will be allotted shares of Aditya Birla Capital Limited (ABCL, formerly known as Aditya Birla Financial Services) in the ratio of 5:7

- Update related to Financial Statements

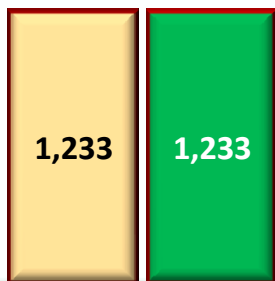
- As the merger of ABNL has become effective from 1st July, 2017, financial results of Q1FY18 of ABNL are not included in the Company's results of Q1FY18
 - Financial results of the ABNL businesses merged with the Company will be included in the Company's results effective from 1st July, 2017
- Extract of ABNL results for Q1FY18 is included in the following slides for information

Financial Performance of ABNL – Quarter 1

₹ Cr.

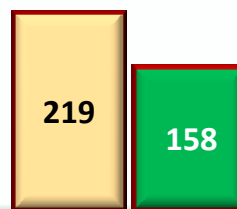
Standalone

Net Revenue



Q1FY17 Q1FY18

EBITDA



Q1FY17 Q1FY18

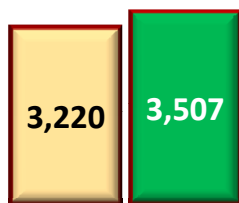
Net Profit



Q1FY17 Q1FY18

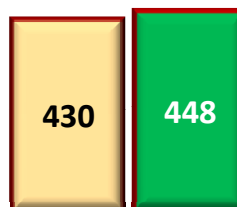
Consolidated

Net Revenue



Q1FY17 Q1FY18

EBITDA



Q1FY17 Q1FY18

Net Profit



Q1FY17 Q1FY18

* Excluding exceptional item

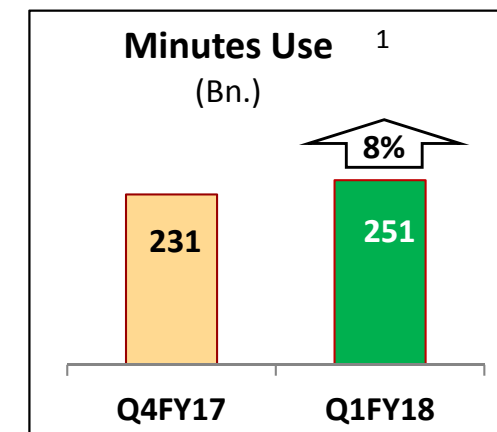
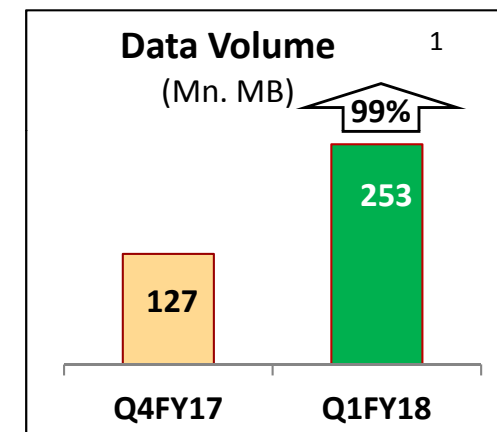
Revenue			(₹ Crore)	EBT			Remarks
Q1FY17	Q1FY18	Δ%		Q1FY17	Q1FY18	Δ%	
783	1025	31%	NBFC¹	178	266	50%	Higher lending book (38%↑ y-o-y)
1072	990	(8%)	Life Insurance	26	11	(60%)	New business growth, cost optimization and improvement in quality metrics
204	271	32%	Asset Management²	109	119	9%	Growth in AUM (38%↑ y-o-y)
38	47	24%	General Insurance Advisory	19	19		Higher premium placement (46%↑ y-o-y)
28	34	23%	Broking	(2)	1		Higher revenue (23%↑ y-o-y)
5	3	(30%)	Private Equity	1	(0)		Funds being wound down through exits
0	(5)		Others / Elimination	(11)	(0)		
2,130	2,365	11%	Established businesses	320	415	30%	
60	181		New Operating Businesses	(33)	(36)		Housing Finance, MyUniverse & Health Insurance are in the investment phase
2,189	2,546	16%	Total	287	379	32%	

Note 1: Wealth Management business has been merged with Aditya Birla Finance Ltd. (ABFL) w.e.f. 1st Apr'16. Previous year financials of ABFL have been restated to make the performance comparable

Note 2: Full financials of Aditya Birla Sun Life AMC have been considered above. In the consolidated financials of ABNL, ABSLAMC gets consolidated based on equity accounting as per Ind AS

- Revenue (14% ↓ y-o-y) & EBITDA (39% ↓ y-o-y)

- The upheaval in the Indian wireless industry continued in Q1FY18, despite the new entrant slowly migrating from 'Free Services' to 'Paid Services' but with heavily discounted unlimited voice and data pricing plans
- Existing operators including Idea also introduced similar competitive unlimited price plans, which is likely to result in decline of industry revenues
- These aggressive tariff offerings by Idea, led by unlimited voice and data bundled plans, resulted in steep decline of voice and mobile data realisation rates
 - However, the fall in realisation rates was largely compensated by a substantial volume growth in both mobile voice and data segments
- Idea's wireless broadband network (3G+4G) now covers 524 million Indians across all 22 service areas in ~106,000 towns and villages



- Update on announced merger of Idea and Vodafone

- Recently received approval for the proposed combination from the Competition Commission of India
- The Scheme of Arrangement has been filed with SEBI & Stock Exchanges, Idea has received NOC for filing necessary application with NCLT

¹Standalone = Idea and its subsidiaries

Divisions (Jaya Shree, Indo-Gulf Fertilisers, Indian Rayon, Aditya Birla Insulators)

Revenue				EBITDA			Remarks on profitability
Q1FY17	Q1FY18	Δ%		Q1FY17	Q1FY18	Δ%	
352	319	(9%)	Jaya Shree	41	22	(46%)	Strike in unit from 16 th May'17 till night shift of 20 th May'17 impacting operations. Lower profitability across linen and worsted segment.
501	467	(7%)	Agri	54	42	(22%)	Plant shutdown for maintenance from 17 th Mar'17 to 9 th April 2017 impacting urea volumes along with lower gain on Agri trading business
260	289	(10%)	Rayon	74	80	8%	Higher realizations along with higher volumes in SSY segment. Negative chlorine realization impacting volume and ECU realization.
120	128	6%	Insulators	20	8	(60%)	Lower volumes & relisation due to sluggish domestic demand

Strong Financials Post Merger

(₹ Cr.)

	Grasim Q1FY18	+	Aditya Birla Nuvo Q1FY18	=	Aggregate Proforma Financials Q1FY18
Net Revenue	9,846		3,507		13,353
EBITDA	2,419		448		2,867
PAT (After MI)	921*		79		1,000
Net Debt (As on 30.6.17)	11,305		2,085		13,390
Net Debt to EBITDA	1.2x		1.2x		1.2x

* Before exceptional item
EBITDA for ABNL has been adjusted for finance cost

VSF Business

- Business outlook expected to remain stable
 - No major capacity addition expected in next 12-18 months globally
 - However, short term variations likely in utilisation level and pricing
- Cotton consumption projected to be higher than production, in season 17-18
- Apparel sales growth higher in India (~9%) vis-à-vis global average (~4%)
 - Augurs well for domestic VSF demand
- Continued focus on expanding usage and application of VSF in domestic textile market
 - Better customer connect through brand Liva with sharp increase in Liva tagged garment sales
 - Recently launched brand Liva Crème, a premium variant based on our specialty products (Modal, Micro Modal)
 - Partnering with textile value chain through Liva Accredited Partnership Forum
- Investment plan for capacity expansion under finalisation, apart from ongoing debottlenecking

Chemical Business

- Caustic demand in India expected to record stable growth
 - Supported by growth in user industries like Textile, Aluminium, Paper, Soap and Detergent etc.
- Increase in Caustic supply expected on account of new capacity additions in the industry
 - May create temporary imbalance in the demand supply
 - However, Chlorine continues to be in over supply
- Grasim's Caustic capacity to increase from 840K TPA to 1139K TPA post ongoing expansion and ABNL merger

Cement Business

- Favourable factors for demand growth :
 - Likely revival of rural housing given expectation of normal monsoon
 - Affordable housing and interest subvention scheme
 - Infrastructure spending
- Challenging Factors :
 - In the short term : Drought in South India, sand availability issue and RERA compliance
 - In the long term : Subdued urban housing demand, lack of private capex and volatility in Cement prices

Thank You

Grasim Industries Limited

Annexure - Financials

Annexure

- **Consolidated Financial Performance**
- **Standalone Financial Performance**
- **Balance sheet**
- **VSF Summary**
- **Chemical Summary**
- **Cement Summary**
- **Organisational Structure**
- **Plant Locations**

Consolidated Financial Performance

	Quarter 1		(₹ Cr.)
	2017-18	2016-17	% Change
Net Sales & Op. Income	9,846	9,085	8
Other Income	236	200	18
EBITDA	2,419	2,214	9
EBITDA Margin (%)	24.0%	23.8%	
Finance Cost	149	204	(27)
Depreciation	443	436	2
Share in Profit of JVs & Associates	(1)	47	
Exceptional item	(31)	-	
Earnings before Tax	1,794	1,621	11
Total Tax	546	481	13
PAT	1,248	1,140	9
Less: Minority Interest	358	310	15
PAT (After Minority Interest & EI)	890	830	7
Other Comprehensive Income (after tax)	208	386	(46)
Total Comprehensive Income (after tax)	1,098	1,217	(10)
EPS	19.1	17.8	7
Cash Profit (Before Minority Share)	1,820	1,717	6

Standalone Financial Performance

	(₹ Cr.)		
	Quarter 1		%
	2017-18	2016-17	Change
Net Sales & Op. Income	2,740	2,426	13
Other Income	66	58	14
EBITDA	621	586	6
EBITDA Margin (%)	22.1%	23.6%	
Finance Cost	7	23	(68)
Depreciation	110	110	(0)
Earnings before Tax	504	453	11
Tax Expense	156	132	19
PAT	347	321	8
Other Comprehensive Income (after tax)	163	407	
Total Comprehensive Income (after tax)	510	728	
EPS	7.4	6.9	8
Cash Profit	482	463	4

Balance Sheet

Standalone			Consolidated (₹ Cr.)	
30 th June'17	31 st Mar'17	EQUITY & LIABILITIES	30 th June'17	31 st Mar'17
16,742	16,231	Net Worth	32,490	31,387
-	-	Minority Interest	10,059	9,702
615	701	Borrowings *	21,835	9,213
716	663	Deferred Tax Liability (Net)	3,677	3,518
2,320	2,256	Liabilities & Provisions	11,627	8,927
20,393	19,851	SOURCES OF FUNDS	79,688	62,747
ASSETS				
6,811	6,887	Net Fixed Assets	47,786	31,793
539	430	Capital WIP & Advances	1,825	1,650
-	-	Goodwill on Consolidation	2,938	2,994
Investments:				
2,636	2,636	<i>Cement Subsidiary</i>	-	-
2,901	2,546	<i>Liquid Investments</i>	10,530	11,438
3,909	3,814	<i>Other Investments</i>	5,126	4,992
3,597	3,538	Current Assets, Loans & Advances	11,483	9,880
20,393	19,851	APPLICATION OF FUNDS	79,688	62,747
(2,287)	(1,845)	Net Debt / (Surplus)	11,305	(2,225)

* Consolidated borrowing increased by ₹ 12,622 Cr. mainly on account of acquisition of Jaiprakash Associates Limited and Jaypee Cement Corporations Limited plants by UltraTech Cement

Viscose Staple Fibre : Summary

		Quarter 1		%
		2017-18	2016-17	Change
Capacity	KTPA	125	125	-
Production (in '000s)	MT	129	114	14
Sales Volumes (in '000s)	MT	121	121	0
Net Revenue	₹ Cr.	1,836	1,654	11
EBITDA	₹ Cr.	349	322	8
EBITDA Margin	%	18.9%	19.3%	--
EBIT	₹ Cr.	290	266	9
Capital Employed (Incl. CWIP)	₹ Cr.	4,744	4,838	(2)
ROAvCE (Excl. CWIP)	%	25.7%	22.3%	--

Chemical : Summary

		Quarter 1		%
		2017-18	2016-17	Change
Capacity	KTPA	210	210	-
Production (in '000s)	MT	201	193	4
Sales Volumes (in '000s)	MT	199	192	4
Net Revenue	₹ Cr.	1,084	903	20
EBITDA	₹ Cr.	244	232	5
EBITDA Margin	%	22.5%	25.6%	--
EBIT	₹ Cr.	196	181	8
Capital Employed (Incl. CWIP)	₹ Cr.	3,779	3,694	2
ROAvCE (Excl. CWIP)	%	21.9%	20.1%	--

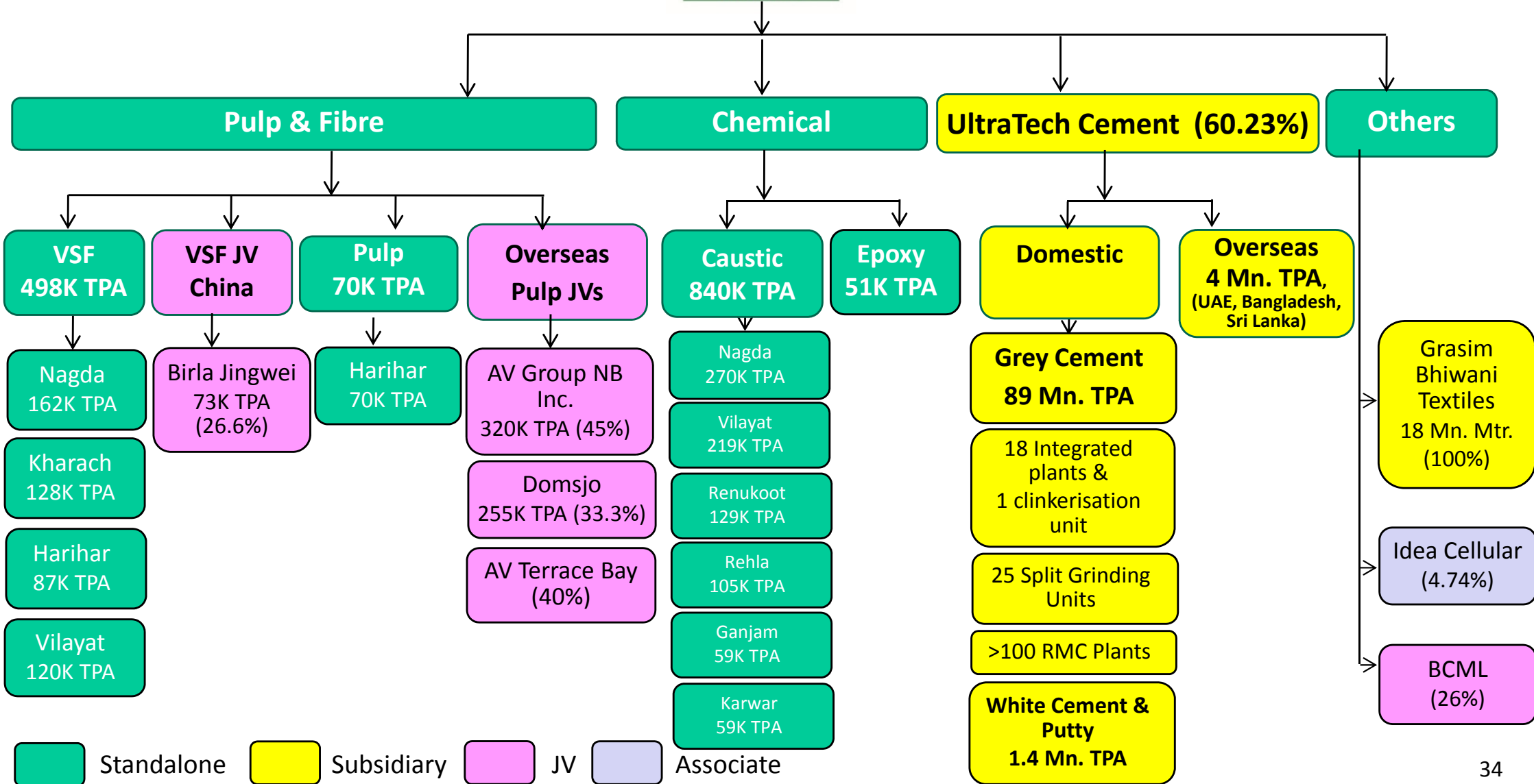
Cement : Summary

		Quarter 1		%
		2017-18	2016-17	Change
<u>Grey Cement</u>				
Capacity	Mn. TPA	17.56	16.51	6
Production	Mn. MT	13.78	13.48	2
Sales Volumes ^{\$}	Mn. MT	13.95	13.78	1
<u>White Cement & Putty</u>				
Sales Volumes ^{\$\$}	Lac MT	2.84	2.84	-
Net Revenue	₹ Cr.	7,035	6,587	7
EBITDA	₹ Cr.	1,798	1,626	11
EBITDA Margin	%	25.0%	24.1%	--
EBIT	₹ Cr.	1,468	1,304	-
Capital Employed (Incl. CWIP)	₹ Cr.	49,352	34,944	41
ROAvCE (Excl. CWIP)	%	14.2%	15.6%	--

^{\$} Includes captive consumption for RMC and clinker volume

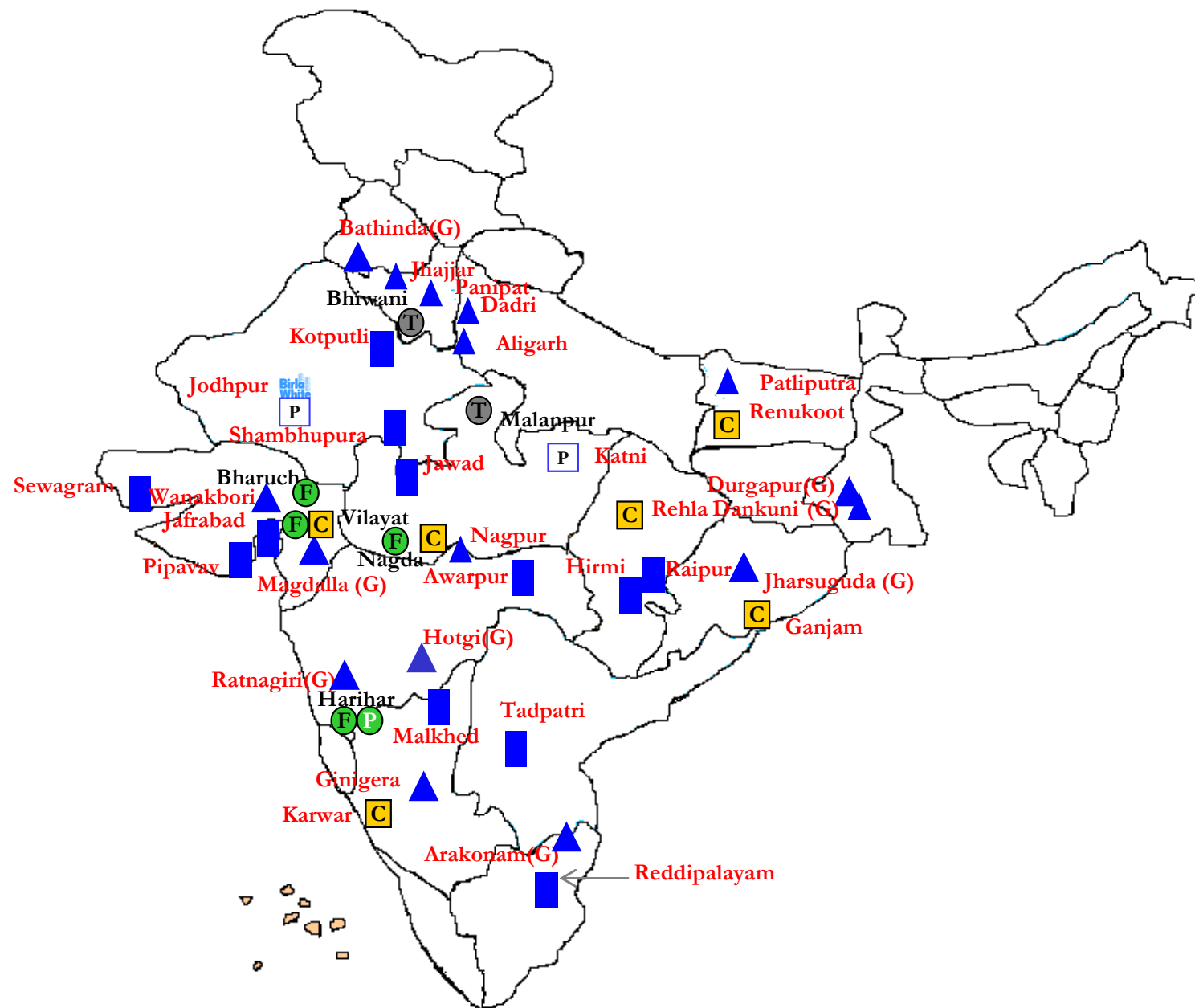


Grasim Group Structure



Plant Locations– Grasim & Its subsidiaries

- UltraTech Cement Plants
- ▲ UltraTech Grinding Units (G)
- UltraTech White Cement Plant
- P UltraTech Putty Plant
- F Fibre plants
- P Pulp plant
- C Chemical plant
- T Textiles units



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.

GRASIM INDUSTRIES LIMITED

Aditya Birla Centre, 'A' Wing, 2nd Floor, S. K. Ahire Marg, Worli, Mumbai - 400 030

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

Corporate Office : A-2, Aditya Birla Centre, S.K. Ahire Marg, Worli, Mumbai - 400030 CIN: L17124MP1947PLC000410

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**UNAUDITED CONSOLIDATED FINANCIAL RESULTS
FOR THE QUARTER ENDED 30-06-2017**

₹ Crore

STATEMENT OF CONSOLIDATED UNAUDITED RESULTS FOR THE QUARTER ENDED 30-06-2017

Particulars	Three Months Ended			Year Ended
	30-06-2017	31-03-2017	30-06-2016	31-03-2017
	(Unaudited)	(Audited) Refer Note 2(b)	(Unaudited)	(Audited)
1 Revenue from Operations	10,986.09	11,140.21	10,173.52	40,247.17
2 Other Income	236.08	269.20	199.95	947.78
3 Total Income (1+2)	11,222.17	11,409.41	10,373.47	41,194.95
4 Expenses				
Cost of Materials Consumed	2,431.27	2,335.37	2,084.58	8,688.85
Purchases of Stock-in-Trade	159.05	171.00	155.74	624.41
Changes [Decrease / (Increase)] in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(200.73)	254.30	147.98	161.75
Employee Benefits Expense	599.73	573.18	543.49	2,265.59
Finance Costs	149.47	176.30	203.87	702.40
Depreciation and Amortisation Expense	443.16	472.06	436.38	1,807.59
Power and Fuel Cost	1,737.17	1,646.81	1,348.27	5,795.41
Freight and Handling Expenses	1,649.97	1,736.26	1,604.78	6,092.09
Excise Duty	1,140.17	1,144.81	1,088.03	4,178.77
Other Expenses	1,286.67	1,405.24	1,186.50	5,055.17
Total Expenses	9,395.93	9,915.33	8,799.62	35,372.03
5 Profit from Ordinary Activities before Share in Profit/(Loss) of Equity Accounted Investees, Exceptional Items and Tax (3 - 4)	1,826.24	1,494.08	1,573.85	5,822.92
6 Add : Share in Profit/(Loss) of Equity Accounted Investees (net of tax)	(1.03)	(1.34)	47.11	129.40
7 Profit before Exceptional Items and Tax (5 + 6)	1,825.21	1,492.74	1,620.96	5,952.32
8 Less : Exceptional Items	(31.47)	-	-	-
9 Profit before Tax (7 + 8)	1,793.74	1,492.74	1,620.96	5,952.32
10 Tax Expense (Net)				
Current Tax	416.55	371.77	340.58	1,346.00
Deferred Tax	129.09	57.35	140.35	360.71
11 Net Profit for the period (9 - 10)	1,248.10	1,063.62	1,140.03	4,245.61
Other Comprehensive income (including related to Joint Ventures and Associates)				
(i) Items that will not be reclassified to profit or loss	165.98	452.64	386.12	1,010.04
(ii) Income Tax relating to items that will not be reclassified to profit or loss	(3.45)	(17.05)	(3.40)	(18.39)
(iii) Items that will be reclassified to profit or loss	40.76	(28.16)	2.60	(28.32)
(iv) Income Tax relating to items that will be reclassified to profit or loss	(5.51)	(6.65)	(0.44)	0.11
12 Other Comprehensive Income for the period	197.78	400.78	384.88	963.44
13 Total Comprehensive Income (after tax) (11+12)	1,445.88	1,464.40	1,524.91	5,209.05
Net Profit attributable to :				
Owners of the Company	890.45	774.54	830.22	3,167.30
Non-controlling interest	357.65	289.08	309.81	1,078.31
	1,248.10	1,063.62	1,140.03	4,245.61
Other Comprehensive Income attributable to :				
Owners of the Company	207.67	418.23	386.33	951.48
Non-controlling interest	(9.89)	(17.45)	(1.45)	11.96
	197.78	400.78	384.88	963.44
Total Comprehensive Income attributable to :				
Owners of the Company	1,098.12	1,192.77	1,216.55	4,118.78
Non-controlling interest	347.76	271.63	308.36	1,090.27
	1,445.88	1,464.40	1,524.91	5,209.05
Paid up Equity Share Capital (Face Value ₹ 2 per share) {Refer Note 7}	93.38	93.37	93.36	93.37
Reserve excluding Revaluation Reserves as at Balance Sheet Date				31,293.44
14 Earnings per Share of Face Value ₹ 2/- each (not annualised) {Refer Note 7}				
(a) Basic (₹)	19.07	16.59	17.79	67.85
(b) Diluted (₹)	19.05	16.57	17.77	67.77

See accompanying notes to the Financial Results

**UNAUDITED CONSOLIDATED SEGMENT WISE REVENUE, RESULTS, ASSETS
AND LIABILITIES FOR THE QUARTER ENDED 30-06-2017**

₹ Crore

Particulars	Three Months Ended			Year Ended
	30-06-2017	31-03-2017	30-06-2016	31-03-2017
	(Unaudited)	(Audited) Refer Note 2(b)	(Unaudited)	(Audited)
1. SEGMENT REVENUE				
Viscose Staple Fibre	1,997.71	2,115.10	1,801.87	7,714.64
Cement - Grey, White and Allied Products	7,928.50	7,923.96	7,452.35	28,645.93
Chemicals - Caustic Soda and Allied Chemicals	1,185.03	1,167.81	992.45	4,179.62
Others #	100.71	127.13	103.86	465.24
TOTAL	11,211.95	11,334.00	10,350.53	41,005.43
(Less) : Inter Segment Revenue	(225.86)	(193.79)	(177.01)	(758.26)
Total Operating Income	10,986.09	11,140.21	10,173.52	40,247.17
2. SEGMENT RESULTS				
Viscose Staple Fibre	289.78	284.13	265.55	1,206.10
Cement - Grey, White and Allied Products	1,322.83	1,133.63	1,183.47	4,065.25
Chemicals - Caustic Soda and Allied Chemicals	195.43	160.95	181.01	639.94
Others #	1.32	7.63	2.15	14.95
TOTAL	1,809.36	1,586.34	1,632.18	5,926.24
Add / (Less) :				
Finance Costs	(149.47)	(176.30)	(203.87)	(702.40)
Net Unallocable Income	166.35	84.04	145.54	599.08
Profit from Ordinary Activities after Finance Costs but before Share in Profit/(Loss) of Equity Accounted Investees and Exceptional Items	1,826.24	1,494.08	1,573.85	5,822.92
Add : Share in Profit/(Loss) of Equity Accounted Investees (net of tax)	(1.03)	(1.34)	47.11	129.40
Less : Exceptional Items	(31.47)	-	-	-
Profit before Tax	1,793.74	1,492.74	1,620.96	5,952.32
	As on	As on	As on	As on
	30-06-2017	31-03-2017	30-06-2016	31-03-2017
3. SEGMENT ASSETS				
Viscose Staple Fibre	5,957.60	5,960.08	5,726.01	5,960.08
Cement - Grey, White and Allied Products	52,687.90	37,316.20	37,838.56	37,316.20
Chemicals - Caustic Soda and Allied Chemicals	4,445.03	4,418.77	4,288.85	4,418.77
Others #	375.74	364.99	377.48	364.99
TOTAL	63,466.27	48,060.04	48,230.90	48,060.04
Add: Unallocated Assets	16,243.47	14,707.55	12,456.76	14,707.55
TOTAL ASSETS	79,709.74	62,767.59	60,687.66	62,767.59
4. SEGMENT LIABILITIES				
Viscose Staple Fibre	1,810.63	1,886.22	1,872.91	1,886.22
Cement - Grey, White and Allied Products	29,722.42	14,472.26	15,859.47	14,472.26
Chemicals - Caustic Soda and Allied Chemicals	683.65	683.28	978.39	683.28
Others #	190.01	181.43	189.24	181.43
TOTAL	32,406.71	17,223.19	18,900.01	17,223.19
Add : Unallocated Liabilities	4,754.78	4,455.66	4,137.61	4,455.66
TOTAL LIABILITIES	37,161.49	21,678.85	23,037.62	21,678.85

Others represent mainly Textiles

Grasim Industries Limited

NOTES:

1. The Company has opted to publish Consolidated Financial Results which are reviewed by the Audit Committee and approved by the Board of Directors today. The Statutory Auditors of the Company have carried out limited review as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the related report is being submitted to the concerned stock exchanges.
2. a. Key Standalone Financial Results information:

	Three Months Ended			Year Ended
	30-06-2017	31-03-2017	30-06-2016	31-03-2017
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Total Income	3,052.34	3,147.08	2,706.76	11,726.88
Profit before Tax	503.56	434.29	452.58	2,124.94
Net Profit after Tax	347.19	315.49	320.89	1,560.00
Other Comprehensive Income after Tax	162.94	451.54	406.94	1,011.53
Total Comprehensive Income after Tax	510.13	767.03	727.83	2,571.53

The Standalone Financial Results are available at the Company's and Stock Exchanges' websites.

- b. The results for the three months ended 31st March, 2017 were derived as difference between the audited accounts for the financial year ended 31st March, 2017 and published unaudited results for Nine months ended 31st December 2016.
3. a. During the quarter, National Company Law Tribunal has sanctioned the Composite Scheme of Arrangement ("Scheme") between the Company, Aditya Birla Nuvo Ltd. ("ABNL") and Aditya Birla Capital Ltd. (formerly known as Aditya Birla Financial Services Limited) ("ABCL"- a wholly owned Subsidiary of ABNL) and their respective shareholders and creditors, for merger of ABNL with the Company and the subsequent demerger of financial services business into ABCL and listing of equity shares of ABCL.

Basis the Scheme, the merger of ABNL with and into the Company is effective from 1st July, 2017 and the demerger of financial services business into ABCL is effective from 4th July, 2017.

In terms of the Scheme, the Company has issued 19,04,62,665 equity shares on 9th July, 2017 to the shareholders of ABNL in the ratio of 15 (fifteen) equity Shares of ₹ 2/- each fully paid up against 10 (ten) equity shares of ₹ 10/- each fully-paid up of ABNL held by them on the record date for this purpose. As a result the Company's paid up share capital has increased from ₹ 93.38 Crore to ₹ 131.47 Crore.

During the quarter, ABCL has issued 4,84,00,000 shares to PI Opportunities Fund-I on private placement basis at a price of ₹ 145.40 each including premium of ₹ 135.40.

On account of demerger of financial services business, ABCL will issue it's equity shares in the ratio of 7 (seven) equity shares of ₹ 10 each fully paid-up in respect of 5 (five) equity shares of ₹ 2 each fully paid up of the Company held by the shareholders of the Company on the record date for this purpose. As a result, the holding of the Company in ABCL will be reduced to 55.99%.

Grasim Industries Limited

b. As the merger of ABNL is effective from 1st July, 2017, financial results for the three months ended 30th June, 2017 of ABNL are not included in the Company's results for the said period. The key numbers of Standalone and Consolidated financial results of ABNL for the three months ended 30th June, 2017 are as under :

₹ Crore

	Standalone		Consolidated	
	30-06-2017 (Audited)	30-06-2016 (Unaudited)	30-06-2017 (Unaudited)	30-06-2016 (Unaudited)
Total Income	1,269.36	1,289.16	3,583.02	3,315.02
Profit before Exceptional Item and Tax	75.87	124.96	333.55	322.42
Exceptional Item #	-	1,119.70	-	-
Profit before Tax	75.87	1,244.66	333.55	322.42
Net Profit after Tax (Before Exceptional Item)	58.37	129.54	78.70	303.65
Net Profit after Tax (After Exceptional Item)	58.37	1,102.60	78.70	303.65
Other Comprehensive Income after Tax	118.21	97.03	159.64	90.54
Total Comprehensive Income after Tax	176.58	1,199.63	238.34	394.19

Exceptional Item represents profit on sale of Investment in Birla Sun Life Insurance Company Limited by erstwhile ABNL

4. Grasim Bhiwani Textiles Limited (GBTL), a wholly owned subsidiary of the Company has ceased to be a subsidiary w.e.f. 10th July, 2017 as the Company has divested its entire shareholding in GBTL to Rajendra Synthetics Private Limited. There will be a loss of ₹ 53.96 Crore on the said divestment. Divestment of GBTL will not have any material impact on the consolidated financials of the Company.
5. The Scheme of Arrangement between the UltraTech Cement Limited (UltraTech), a subsidiary of the Company, Jaiprakash Associates Limited ("JAL"), Jaypee Cement Corporation Limited ("JCCL") and their respective shareholders and creditors has become effective from 29th June, 2017 (the "Acquisition Date"). Accordingly, as per Ind AS 103 purchase consideration has been allocated by UltraTech on a provisional basis, pending determination of the fair value of assets and liabilities of the business acquired. The effect of this acquisition on the Company's results accounted on provisional basis for the current quarter were not material.

UltraTech has filed an appeal with Competition Appellate Tribunal ("COMPAT") against two orders of the Competition Commission of India ("CCI") dated 31st August, 2016 and 19th January, 2017 respectively and as per the directions of COMPAT, has deposited ₹ 117.55 Crores, being 10% of the penalty imposed by CCI under its order dated 31st August 2016. COMPAT has since granted a stay on both the CCI orders.

Based on legal opinion, UltraTech believes that it has a good case and therefore no provision has been made in the accounts.
6. The equity shares of the Company have been sub-divided from one (1) equity share of face value ₹10 each fully paid up into five (5) equity shares of face value ₹ 2 each fully paid up effective from 8th October, 2016. The Earning per Share for previous periods' have also been adjusted for the face of ₹ 2 each in accordance with Ind AS 33-Earnings Per Share.

Grasim Industries Limited

7. In respect of Idea Cellular Limited (Idea), an Associate of the Company:

On 8th January, 2013, Department of Telecommunication (DoT) issued demand notices towards one time spectrum charges:

- for spectrum beyond 6.2 Mhz in respective service areas with retrospective period from 1st July 2008 to 31st December 2012, Group share amounting to ₹ 17.49 Crore; and
- for spectrum beyond 4.4 Mhz in respective services areas effective 1st January 2013 till expiry of the period as per respective licenses, Group share amounting to ₹ 82.69 Crore.

In the opinion of Idea, inter-alia, the above demands amount to alteration of financial terms of the licenses issued in the past. Idea had therefore, petitioned the Hon'ble High Court of Bombay, where the matter was admitted and is currently sub-judice. The Hon'ble High Court of Bombay has directed the DoT not to take any coercive action until the matter is further heard. No effect has been given in the Consolidated Financial results for the above.

8. During the quarter, the Company has allotted 30,855 fully paid up equity shares of ₹ 2 each upon exercise of employee stock options.
9. Previous period's figures have been regrouped/rearranged wherever necessary to conform to the current period's classification.

For and on behalf of Board of Directors

Place : Mumbai
Date : 14th August, 2017

Dilip Gaur
Managing Director

Grasim Industries Limited

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

An Aditya Birla Group Company

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Tel: (07366) 246760-66 | Fax: (07366) 244114, 246024 | CIN: L17124MP1947PLC000410



Building, Consolidating, Growing

Consolidated Financial Performance

Q1 FY18: Net Revenue up 8%; EBITDA up 9%; Net Profit up 7%

	₹ Cr.	
	Quarter ended	
	30.06.2017	30.06.2016
Net Revenue	9,846	9,085
EBITDA	2,419	2,214
Net Profit	890	830

Grasim has reported an all-round growth in Revenue, EBITDA and Net profit for the quarter ended 30th June, 2017. The Consolidated revenue at ₹ 9,846 Cr. was up by 8%. EBITDA at ₹ 2,419 Cr. was up by 9% on the back of improved profitability from all the businesses. Net profit for the quarter rose by 7% at ₹ 890 Cr.

Viscose Staple Fibre (VSF)

Global VSF prices witnessed some weakness during the quarter due to subdued demand conditions from downstream players in China. Prices recovered towards the quarter end, with improving market sentiments.

The Domestic market saw destocking in the value chain given the announcement of GST implementation. The company's sales volumes were maintained at 121K tons. EBITDA for the quarter was at ₹ 349 Cr., up by 8% led by better product mix and improved operating efficiency.

The Operations of the captive pulp plant at Harihar resumed towards June end, with the onset of monsoon.

Chemical Business

The Domestic Caustic Soda prices remained firm in line with international prices. The Over supply of Chlorine due to new capacity additions last year continued to impact Chlorine prices in the domestic market.

For Q1FY18, our sales volumes were up by 4% at 199K tons. ECU realisation augmented by 2% helped by higher Caustic prices and partially restricted by negative Chlorine realisation. The business continues to focus on increasing the volume of Chlorine based value added products. Despite the increase in power cost EBITDA at ₹ 244 Cr. rose by 5% backed by higher ECU realisation and higher sales volume of Epoxy products.

The Brownfield expansion at Vilayat is progressing as planned. The commissioning of the plant is expected by Q4FY18. With debottlenecking under implementation at its other plants and the capacity of Aditya Birla Nuvo Ltd. (ABNL) coming into Grasim's fold (effective from 1st July 2017), the total Caustic soda capacity will increase from 840K TPA to 1139K TPA.

Cement Subsidiary - UltraTech

UltraTech reported an increase in consolidated revenue by 7% at ₹ 7,035 Cr. EBITDA enhanced by 11% to ₹ 1,798 Cr. On the cost front, the increase in pet coke and fuel prices led to higher energy and logistic costs, offset to some extent by an improvement in operating efficiencies.

During the quarter, UltraTech completed the acquisition of the Cement plants from Jaiprakash Associates Limited and Jaypee Cement Corporations Limited with a total capacity of 21.2 Mn. TPA. The acquisition propels UltraTech's total capacity to 93 Mn. TPA and provides a strong foothold in Central India.

Composite Scheme of Arrangement for merger of Aditya Birla Nuvo Limited

With the sanction from NCLT for the composite scheme of merger of ABNL into Grasim and the demerger of Financial Services business, ABNL has merged with Grasim effective from 1st July, 2017. The demerger of the Financial Services business has been rendered effective from the 4th July, 2017. The allotment and listing of equity shares of Aditya Birla Capital Limited (formerly known as Aditya Birla Financial Services Limited) is in process.

As the merger of ABNL has become effective from 1st July, 2017, its financial results are not included in the Company's results. The results of erstwhile ABNL will be included in the Company's financial result from Q2 FY18 onwards. For current quarter, erstwhile ABNL's consolidated EBITDA was ₹ 448 Cr. and PAT was ₹ 79 Cr.

Outlook

The VSF business will continue to focus on expanding the VSF market in India by partnering with the textile value chain, achieving better customer connect through Brand Liva and enriching the product mix through a larger share of specialty fibre. The Company is working on investment plan for capacity expansion in addition to the ongoing debottlenecking of its plants to meet the growing consumer demand.

The demand for Caustic Soda in India is expected to grow with rising consumption from the Alumina and Textile sectors. However, the increase in supply on account of new capacities in the industry may create a temporary imbalance in the demand supply situation. Chlorine continues to remain in the oversupply mode.

In Cement, the demand is expected to grow, driven by the Government's focus on infrastructure spending, affordable housing and the likely revival of rural housing with good monsoon. The Company is well positioned across the country to cater to the growth in demand.

The Company, with leadership positions across its businesses and the merger of ABNL, is poised to enter into a new era of growth with a combination of high growth sectors and businesses with healthy cash flows supported by a strong Balance Sheet.

GRASIM INDUSTRIES LIMITED

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twitter: [www.twitter.com/adityabirlagr](https://twitter.com/adityabirlagr) Twitter handle is @AdityaBirlaGrp

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